Partnership for Families, Children & Adults, Inc.

Hamilton County, Tennessee

Supported Agencies - Budget Year 2025

1015810 - PARTNERSHIP FOR FAMILIES/CHILD		Prior Year Actuals					FY 2024 Budget			FY 2025 Budget			
	DESCRIPTION	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Adopted	Amended	YTD Thru 3/31/2024	Requested	Cuts	Proposed	Change from PY Adopted
56003	APPROPRIATION	-	-	-	-	-	175,650	175,650	175,650	360,000		**360,000**	184,350
	Operating Expenditures Subtotal:	-	-	-	-	-	*175,650*	*175,650*	*175,650*	*360,000*		***360,000***	*184,350*
	1015810-PARTNERSHIP FOR FAMILIES/CHILD Totals:	**-**	**-**	**-**	**-**	**-**	***175,650***	***175,650***	***175,650***	***360,000***		***360,000***	***184,350***

BUDGET REQUEST APPLICATION
FY 2024-2025

A. Cover Form

Organization Name: Partnership for Families, Children and Adults, Inc.

Organization Legal Name: N/A

Project Name(s): Domestic Violence Shelter support

Federal Tax ID#: 62-1326050

Mailing Address: 5600 Brainerd Rd. Suite E-3, Chattanooga, TN 37411

Hamilton County Address: same

Year Established: 1877

Years organization has operated in Hamilton County or served Hamilton County residents: 147

Organization's authorizing official contact: Kevin Hyde

Organization's application contact person: Lynda LeVan

Fiscal year operating budget: 7,524,703

Current fiscal year start/end date: July 1, 2023 / June 30, 2024

First time applicant: NO

Requested county funds: $ 360,000

The above and following schedules embodying a request for an allocation from Hamilton County, Tennessee for the fiscal year ending June 30, 2025 (fiscal year 2025) were considered and approved by our Board of Directors on 01/29/2024. In the judgment of our Board, it represents the minimum needs of our organization for this fiscal year.

Elizabeth Ahmed
Elizabeth Ahmed (Jan 29, 2024 17:04 EST)

Signature of President or Board Chair

Kevin Hyde
Kevin Hyde (Jan 29, 2024 16:58 EST)

Signature of Executive Director

THIS ALLOCATION REQUEST IS DUE BY JANUARY 31,2024

B. Grant Application

STATEMENT OF NEED

1. What needs does your program address, and why is it important to the Hamilton County population?

The Partnership for Families, Children and Adults (Partnership), founded in 1877, is a comprehensive non-profit human services agency serving nineteen Tennessee counties and four North Georgia counties. To create an environment where community members can succeed, the Partnership's mission, "Empowering People, Building Communities," provides resources and

2. Provide data and statistics that support your organization's needs.

Domestic violence and sexual assault continue to plague our state and community. Tennessee ranks 10th in the nation for domestic violence offenses and 6th in the number of murders by domestic partners. According to the Tennessee Bureau of Investigation, there were 61,839 domestic violence and 5,821 sexual assault cases reported in Tennessee. Unfortunately, only one out of three cases are reported by the victims, so these reports show only a portion of the true problem.

At these rates, the National Coalition of Domestic Violence determines that 40% of women will be victims of intimate partner physical violence, rape or stalking in their lifetimes, 1 in 3 women and 1 in

OUTCOMES / OUTPUTS / INITIATIVES

3. How do you plan to utilize grant money awarded by Hamilton County?

Funds from Hamilton County will be used to support the staff and operations of the Domestic Violence Shelter. The shelter provides a critical function for the community and is the only one in the County to serve victims. Without it, the local government would have to establish its own shelter operations at a much higher cost. With a decrease in funding from federal grants, Partnership would likely not be able to operate at its current capacity and would likely have to turn victims away.

Partnership is requesting $360,000, which represents only 12.6% of the Victim Support Services

4. What results are you committed to achieving during the grant period? What key performance measures will you use to evaluate and track those results? (750-word suggestion)

Outputs

With 42 years of experience, Partnership has developed best practices and a strong reputation in the community for enabling survivors of domestic violence to achieve healing and independence for themselves and their families. Last year, Partnership's Victims Support Services answered 1,602 calls on the 24/7 Hotline. The 24/7/365 crisis hotline is often the victim's first contact with the shelter, and the victim finds compassion, validation, and support on the other end of the line. Once the individual decides to accept further help, a Lethality Assessment is used to predict the likelihood of serious injuries or death at the hands of their abuser, and appropriate services and resources are offered to help the victim leave their abuser. Once at the shelter, a dedicated case manager provides initial intake for clients within 24 hours of admission, gathering necessary client information, assessing immediate needs, and providing a clean room and any necessities they might need, including food. Last year, 1,828 victims of domestic violence and their children stayed in the shelter and received services. At any given time, half of the residents in the shelter are

5. What entities do you collaborate with which could also benefit from monies awarded by Hamilton County?

Partnership collaborates with many organizations and agencies in Chattanooga by referring clients for services, working with law enforcement on cases, and sharing resources. Many of these organizations are currently funded by the county. There is a committed partnership with the Family Justice Center, and Partnership provides two staff members for the center to work with incoming victims of sexual assault or domestic violence. Additionally, the Center refers clients to our shelter, counselors, and other services. Partnership directors lead the Sexual Assault Response Team with the FJC and other partners to discuss cases for assisting the victim and preparing the case for

6. What is your organization's long-term vision, as it relates to your philanthropy and operations?

Partnership's vision is to improve the lives of our neighbors through a continuum of emergency, stability, and self-sufficiency services so that we have a strong, safe, and informed community. As mentioned in the 2021-2024 Strategic Plan for the agency, "The Partnership of the 21st century will need to astutely assess client needs through technology, data analytics, by amplifying its voice in the community, by being collaborative thought leaders, and by finding more innovative resources and partnerships. The call to transition and evolve is real and necessary for sustainability and impact. This strategic plan seeks to forge a relevant and transformative path that allows this great

C. Evaluation and Sustainability

7. If you utilize any evidence-based programs, please indicate which state and/or federal websites list the program and the rating given.

Evidence-based programs used by the Partnership include The Lethality Assessment Program, which assists law enforcement and victims' services in evaluating how likely a victim could be killed by their domestic partner. It was initially developed by Dr. Jacqueline Campbell (1986) with consultation and support from battered women, shelter workers, law enforcement officials, and other clinical experts on battering and is used all over the country. Additionally, the Adverse Childhood Experience Survey (ACE) is used by counselors in the shelter and across Partnership's other programs to inform therapeutic activities and educate victims on the impact of trauma and dysfunctional family relationships to break the cycle of violence and improve their current lives.

The Centers for Disease Control and Kaiser Permanente conducted the foundational ACE Study in the mid-1990s, focusing on how traumatic childhood events may negatively affect adult health. The

8. Describe how your organization plans to sustain services financially if Hamilton County funds do not extend past the awarded fiscal year

Partnership will continue pursuing other grants from local, state, and federal governments, private foundations, and donations from local residents to sustain the Domestic Violence Shelter. In 2023, we began a fundraising campaign to raise substantial support from individuals, companies, and foundations in the community. We have already seen success in securing major gifts and expect this effort to establish ongoing support from the donors. Long-term, we are working on a more equitably distributed revenue base from government, individuals, companies, program fees, and other sources, allowing us to be less dependent on one specific revenue source.

D. Budget, Supporting Financial Documents and Attachments

Submit each of the following and complete the schedules that follow. If a document is not attached to your submission, please select N/A in the appropriate dropdown box:

- Your most recent audit (and previous two audits for organizations with a budget of $750,000 or more)

  Document Attached
- The organization's current operating budget - Schedule I

  Document Attached
- A Form 990 from the previous three (3) years

  Document Attached
- IRS Letter of Determination

  Document Attached
- Current Certificate of Existence with the State of Tennessee

  Document Attached
- Demographic information for clients served - Schedule II

  Document Attached
- Board & Staff Information - Schedule III

  Document Attached
- Grants, Contracts, MOU Table - Schedule IV

  Document Attached
- Strategic Plan

  Document Attached
- Letters of Support

  Document Attached

PROGRAM BUDGET SUPPORT REVENUE

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS INC.	FY2024 Approved Budget	FY2025 Proposed Budget	REVENUES SUPPORT/REVENUES	EXPENSES / EXPENDITURES							
				PROGRAM SERVICES					SUPPORT SERVICES		
				Victim Support Services	Stability Services	Elder Services	Deaf Services	TOTAL PROGRAM SERVICES	Fundraising	Management and General	TOTAL SUPPORT SERVICES
BUDGET BY SERVICES FOR											
SUPPORT/REVENUE FOR CURRENT OPERATIONS:											
Contributions	509,708	650,000	650,000								
Net Proceeds Special Events	-	-									
Designations	-	-									
United Way	318,225	350,000	350,000								
Fees/Grants from Governmental Agencies	5,928,997	5,224,025	5,224,025								
Membership Dues		-									
Program Income	685,000	700,000	700,000								
Sales to Public		-									
Investment Income		-									
Transfers to Operating Budget	148,000	160,000	160,000								
Income from Previous Year		-									
Miscellaneous	52,304	80,678	80,678								
*Support Request from Hamilton County	175,650	360,000	360,000								
TOTAL SUPPORT/REVENUES	**7,817,884**	**7,524,703**	**7,524,703**								
EXPENDITURES FOR CURRENT OPERATIONS:											
Salaries Only (No Benefits)	3,965,538	3,940,967		1,386,075	886,008	395,130	323,530	2,990,743	174,426	775,798	950,224
Employee Health & Retirement Benefits	574,266	431,505		151,849	91,001	44,084	36,721	323,655	19,797	88,053	107,850
Employment Taxes, etc.	303,364	301,484		106,035	67,779	30,227	24,750	228,791	13,344	59,349	72,693
Professional Fees/Contract Service Payments	936,085	908,685		198,785	497,400	-	175,000	871,185	-	37,500	37,500
Supplies	135,770	109,741		22,097	46,125	22,899	3,500	94,621	11,000	4,120	15,120
Telephone	93,162	90,035		34,220	16,662	8,848	12,116	71,846	182	18,007	18,189
Postage and Shipping	3,553	3,541		400	100	-	200	700	2,000	841	2,841
Occupancy	510,239	499,198		145,572	138,994	30,460	45,265	360,291	8,150	130,757	138,907
Equipment Rental and Maintenance	15,223	15,222		11,387	1,540	595	-	13,522	-	1,700	1,700
Outside printing, art work, etc.	23,472	20,475		6,000	5,362	335	-	11,697	8,000	778	8,778
Local Transportation	88,410	112,923		6,604	22,425	62,991	20,000	112,020	100	803	903
Conferences, Conventions, etc.	66,310	68,310		34,475	31,575	-	-	66,050	-	2,260	2,260
Special Assistance to Individuals	634,197	723,043		267,847	447,696	7,500	-	723,043	-	-	-
Organization Dues	37,782	37,782		6,040	11,650	-	250	17,940	8,082	11,760	19,842
Awards and Grants	-	-		-	-	-	-	-	-	-	-
Fund Raising/Self-Support Activities	-	-		-	-	-	-	-	-	-	-
Insurance	61,512	60,997		21,353	9,093	4,503	4,378	39,327	1,235	20,435	21,670
Miscellaneous	89,715	58,133		6,050	1,250	9,577	7,760	24,637	3,347	30,149	33,496
Depreciation	122,173	122,172		72,224	-	-		72,224	-	49,948	49,948
National Dues/Support Payments	-			-	-	-		-	-	-	-
Equipment Purchases	28,890	20,490		11,990	5,000	-		16,990	-	3,500	3,500
TOTAL EXPENSES/EXPENDITURES	**7,689,661**	**7,524,703**		**2,489,003**	**2,279,660**	**617,149**	**653,470**	**6,039,282**	**249,663**	**1,235,758**	**1,485,421**
REVENUES OVER (UNDER) EXPENDITURES		**-**									

Program Beneficiary Statistics

(This should reflect total program count. Copy as needed for each program.)

Partnership for Families, Children and Adults Victim Support Services

(Name of Program)

Program Beneficiary Characteristics Clients/Patients/Recipients/Other		Fiscal 2024 Budget	Fiscal 2024 Projected	Fiscal 2025 Proposed Budget
1. Unduplicated Count of Program Beneficiaries	TOTAL	3,000	3,686	3,800
a. Total Continuing from Previous Fiscal Year		179	980	1,000
b. Total New for the Year		2,321	1,840	2,000
c. Total Terminated During the Year		500	866	800
2. Age Group	TOTAL	2,500	2,820	3,000
a. Infants-Under 5		150	204	250
b. Between 5 and 12		200	212	250
c. Between 13 and 17		200	162	180
d. Between 18 and 29		400	536	550
e. Between 30 and 64		1,400	1,586	1,700
f. 65 and over		50	48	50
g. Not Known		100	72	20
3. Gender	TOTAL	2,500	2,820	3,000
a. Male		250	636	715
b. Female		2,150	2,122	2,220
c. Not Known/Other		100	62	65
4. Ethnic Background	TOTAL	2,500	2,820	3,000
a. White		1,003	1,264	1,300
b. Black		879	1,044	1,140
c. Hispanic		208	174	200
d. Oriental		11	20	25
e. Other - Ethnic Minority		82	212	225
f. Not Known		317	106	110
5. Income Level	TOTAL	2,500	2,820	3,000
a. Below 4,999				
b. 5,000-7,499				
c. 7,500-9,999				
d. 10,000-14,999				
e. 15,000-19,999				
f. 20,000-29,999				
g. 30,000 and Over				
h. Not Known		2,500	2,820	3,000
6. Location of Residence	TOTAL	2,500	2,820	3,000
a. Hamilton County		2,070 2,070	2,376 2,376	2,500 2,500
b. Outside of Hamilton County		337 337	338 338	400 400
c. Not Known		93 93	106	100

HAMILTON COUNTY, TENNESSEE
FISCAL YEAR 2025

Agency Name: Partnership for Families, Children and Adults, Inc.

1. Are the dollars Hamilton County appropriates to your agency designated for the benefit of a specific geographical segment of the community? NO

2. If the answer to question number 1 above is yes, please explain.

3. Please estimate the percentage of your services provided to the geographic area listed below:

Unincorporated County	8.0%
City of Chattanooga	76.0%
City of East Ridge	1.0%
City of Signal Mountain	0.0%
City of Red Bank	1.0%
City of Soddy Daisy	2.0%
City of Lakesite	0.0%
City of Walden	0.0%
City of Collegedale	0.0%
City of Ridgeside	0.0%
City of Lookout Mountain	0.0%
All areas outside of Hamilton County	12.0%
Total	100.0%

Schedule of Positions, Salaries & Wages

Confidential (for Hamilton County internal use only)

Partnership for Families, Children and Adults, Inc.

(Name of Agency)

ALL FINANCIAL INFORMATION ROUNDED TO NEAREST DOLLAR

Board of Directors Title and/or Position	Name(s) Last Name, Initial	Part Time	#Years Emp	Emp. Covered by Retirement (a)	Current FY			Requested		
					# Weeks Employed	Annual Salary	Budgeted Salary	# Weeks Employed	Annual Salary	Budgeted Salary
President	Liz Ahmed	--	5	--						
Vice President	John Jackson	--	8	--						
Secretary	Deborah Arken	--	8	--						
Treasurer	Brant Caldwell	--	3	--						
Past President	Andrew McGill	--	12	--						
Director	Pat Branam	--	3	--						
Director	Nicole Burney	--	1	--						
Director	Michelle Coffman	--	3	--						
Director	Ann Fiddler	--	1	--						
Director	Jim Gilliland	--	2	--						
Director	Micah Guster	--	3	--						
Director	Jenny Johnston	--	3	--						
Director	Sarah Miller	--	1	--						
Director	Sonal Modi	--	6	--						
Director	Nick Spinelli	--	1	--						
Director	JIm Tanner	--	1	--						
		--		--						
		--		--						
		--		--						
		--		--						

* If a position is changed from a part-time to a full-time position, show each as a separate position unit.
List positions in order of responsibility and include all staff and employees of agency in this schedule.
Non-professional employees performing similar services may be reported as a group.
(a.) Check if person is covered by retirement benefits.

Partnership for Families, Children and Adults
Employee List

Last Name	First Name	Dept	Job Title	Part Time Hours	Years Employed	Current FY '24			Requested FY '25		
						Weeks Employed in FY (from 7/1/23 - 1/19/24)	Annual Salary	Budgeted Salary	Weeks Employed	Annual Salary	Budgeted Salary
Hyde	(Charles) Kevin	Admin	Chief Executive Officer (CEO)	no	1.58	28.86	$ 140,000	$ 140,000	52	$ 140,000	$ 140,000
Johnson	James	Admin	Chief Development & Communications Officer (CDCO)	no	0.26	13.57	$ 114,000	$ 114,000	52	$ 114,000	$ 114,000
Rosano	Eduardo	Admin	Chief Financial Officer (CFO)	no	6.62	28.86	$ 80,000	$ 80,000	52	$ 80,000	$ 80,000
Vacant		Admin	Controller	no	0.00	0	$ 70,000	$ 70,000	52	$ 70,000	$ 70,000
LeVan	Lynda	Admin	Director of Grant Strategy & Compliance	no	0.99	28.86	$ 68,000	$ 68,000	52	$ 68,000	$ 68,000
Cox	Emily	Admin	Director of Human Resources	no	0.22	11.29	$ 65,000	$ 65,000	52	$ 65,000	$ 65,000
Tingle	Tim	Admin	Director of IT	no	5.27	28.86	$ 63,000	$ 63,000	52	$ 63,000	$ 63,000
Gunter	Ann	Admin	Executive Admin Manager	no	33.12	28.86	$ 53,529	$ 53,529	52	$ 53,529	$ 53,529
Sparn	Brittney	Admin	Marketing Manager	no	0.03	1.57	$ 53,500	$ 53,500	52	$ 53,500	$ 53,500
Vacant		Admin	Staff Accountant I	no	0.00	0.00	$ 50,000	$ 50,000	52	$ 50,000	$ 50,000
Averitt	Emily	Admin	HR Strategic Analyst	no	5.40	28.86	$ 48,245	$ 48,245	52	$ 48,245	$ 48,245
Dray	Lauren	Admin	Development Associate	no	0.01	0.29	$ 40,000		52	$ 40,000	$ 40,000
Farnum	Jeanette	Admin	Fiscal Services Coordinator	no	4.27	28.86	$ 42,000	$ 42,000	52	$ 42,000	$ 42,000
Smith	Hope	Admin	HR Assistant	no	0.62	28.86	$ 40,950	$ 40,950	52	$ 40,950	$ 40,950
Lea	Sharon	Admin	Fiscal Services Assistant	yes	6.33	28.86	$ 22,000	$ 22,000	52	$ 22,000	$ 22,000
Davis	Kristopher	DS	Director of Deaf Services	no	0.05	2.43	$ 65,000	$ 65,000	52	$ 65,000	$ 65,000
Harris	Jeremy	DS	Staff Interpreter	no	0.57	28.86	$ 58,500	$ 58,500	52	$ 58,500	$ 58,500
Vacant		DS	Staff Interpreter	no	0.00	0	$ 58,500	$ 58,500	52	$ 58,500	$ 58,500
Calkins	Matthew	DS	Client Services Coordinator	no	1.85	28.86	$ 48,500	$ 48,500	52	$ 48,500	$ 48,500
Dilbeck	MacKenzie	DS	Deaf Services Support Specialist	no	0.52	27.29	$ 39,000	$ 39,000	52	$ 39,000	$ 39,000
Kocol	Donna	DS	PT Temp Program Coordinator	yes	3.98	28.86	$ 15,030	$ 15,030	52	$ 15,030	$ 15,030
Vacant		DS	Scheduler	no	0.00	0	$ 39,000	$ 39,000	52	$ 39,000	$ 39,000
Winters	Wendy	ES	Director of Elder Services	no	1.39	28.86	$ 72,000	$ 72,000	52	$ 72,000	$ 72,000
Lester	Mary Beth	ES	Long-Term Care Ombudsman	no	0.43	22.57	$ 46,000	$ 46,000	52	$ 46,000	$ 46,000
Stollenmaier	Sarah	ES	Long-Term Care Ombudsman	no	0.33	17.00	$ 46,000	$ 46,000	52	$ 46,000	$ 46,000
Brabham	Kendra	ES	Elder Services Program Manager	no	17.00	28.86	$ 45,855	$ 45,855	52	$ 45,855	$ 45,855
Tinaya	Mariko	ES	RSVP Program Manager	no	4.69	28.86	$ 44,000	$ 44,000	52	$ 44,000	$ 44,000
Nelson	Meshelle	ES	Lead Care Specialist	no	13.64	28.86	$ 33,150	$ 33,150	52	$ 33,150	$ 33,150
Fann	Patsy	ES	Care Specialist - North Counties	no	19.04	28.86	$ 31,491	$ 31,491	52	$ 31,491	$ 31,491
Hill	Danita	ES	Care Specialist - Ham County	no	5.42	28.86	$ 30,810	$ 30,810	52	$ 30,810	$ 30,810
Collins	(Shaun) La'Trice	ES	Care Specialist - Ham County	no	4.48	28.86	$ 30,225	$ 30,225	52	$ 30,225	$ 30,225
Marshall	Rhonda	ES	Care Specialist - Rural Counties	yes	1.06	28.86	$ 15,600	$ 15,600	52	$ 15,600	$ 15,600
Key	Joy	SS	Director of Stability Services	no	1.08	28.86	$ 72,000	$ 72,000	52	$ 72,000	$ 72,000
Elliott	Summer	SS	Asst Director of Family Programs	no	0.26	13.57	$ 60,000	$ 60,000	52	$ 60,000	$ 60,000
Nichols	Karen	SS	Youth Homeless Demonstration Program (YHDP) Program Manager	no	9.01	28.86	$ 60,000	$ 60,000	52	$ 60,000	$ 60,000
Howard-Hamidi	Michelle	SS	HOPE Initiative Program Manager	no	3.90	28.86	$ 52,000	$ 52,000	52	$ 52,000	$ 52,000
Shimmel	Jamison	SS	Generations Stronger Program Manager	no	3.44	28.86	$ 52,000	$ 52,000	52	$ 52,000	$ 52,000
Athalone	Stephanie	SS	Youth Education Manager	no	4.34	28.86	$ 46,000	$ 46,000	52	$ 46,000	$ 46,000
Borstad	Hannah	SS	Youth Well-Being Coach	no	0.70	28.86	$ 44,850	$ 44,850	52	$ 44,850	$ 44,850
Valenzuela	Lourdes	SS	Camp HOPE Children's Coordinator	no	0.37	19.29	$ 44,000	$ 44,000	52	$ 44,000	$ 44,000
Harris Hammond	Lori	SS	Rapid Rehousing Case Manager	no	0.49	25.57	$ 44,000	$ 44,000	52	$ 44,000	$ 44,000
Foriest	Chaeli	SS	Life Coach	no	1.79	28.86	$ 44,000	$ 44,000	52	$ 44,000	$ 44,000
Paris	Cheryl	SS	Housing Navigator	no	2.38	28.86	$ 43,992	$ 43,992	52	$ 43,992	$ 43,992
Rantz	Sarah	SS	Life Coach	no	0.75	28.86	$ 42,842	$ 42,842	52	$ 42,842	$ 42,842
Cooley	(Robert) Finn	SS	Life Coach	no	0.39	20.57	$ 42,000	$ 42,000	52	$ 42,000	$ 42,000
Vacant		SS	Employment and Education Coach	no	0.00	0.00	$ 42,400	$ 42,400	52	$ 42,400	$ 42,400
Witcher	Denise	SS	Intake Specialist	no	8.67	28.86	$ 42,000	$ 42,000	52	$ 42,000	$ 42,000
Vacant		SS	Rapid Re-Housing Case Mgr	no	0.00	0	$ 40,000	$ 40,000	52	$ 40,000	$ 40,000
Smith	Jeanetta	SS	Transitional Living Specialist	no	2.00	28.86	$ 39,000	$ 39,000	52	$ 39,000	$ 39,000
Chapman	James	SS	Transitional Housing Crisis House Mgr	no	0.99	28.86	$ 35,000	$ 35,000	52	$ 35,000	$ 35,000

Partnership for Families, Children and Adults
Employee List

Last Name	First Name	Dept	Job Title	Part Time Hours	Years Employed	Current FY '24			Requested FY '25		
						Weeks Employed in FY (from 7/1/23 - 1/19/24)	Annual Salary	Budgeted Salary	Weeks Employed	Annual Salary	Budgeted Salary
Porter	Eundra	SS	Lead Supervised Visitation Monitor & CIDS Instructor	yes	3.24	28.86	$ 20,800	$ 20,800	52		
Tolliver	David	SS	Youth Education Specialist	yes	0.37	19.43	$ 20,010	$ 20,010	52	$ 20,010	$ 20,010
Taylor	Patricia	SS	Peer Support Prog. Specialist	yes	8.69	28.86	$ 19,915	$ 19,915	52	$ 19,915	$ 19,915
Muckle	Texas	SS	Temp Supervised Visitation Monitor Coordinator	yes	0.10	5.29	$ 18,720	$ 18,720	52		
Hicks	Grady	SS	PRN Supervised Visitation Monitor	yes	3.94	28.86	$ 5,000	$ 5,000	0	$ -	$ -
Elston	Terrena	SS	PRN Supervised Visitation Monitor	yes	4.87	28.86	$ 4,000	$ 4,000	0	$ -	$ -
Jordan	Sherrell	SS	PRN Supervised Visitation Monitor	yes	5.74	28.86	$ 1,700	$ 1,700	0	$ -	$ -
Smartt	Deroneasha	SS	PRN Supervised Visitation Monitor	yes	6.47	28.86	$ 3,200	$ 3,200	0	$ -	$ -
Benavides	Samantha	SS	PRN Bilingual Supervised Visitation Monitor & Bilingual CIDS Instructor	yes	1.50	28.86	$ 5,000	$ 5,000	52		
Oliver	Hannah	VSS	Assistant Director of VSS	no	2.60	28.86	$ 70,000	$ 70,000	52	$ 70,000	$ 70,000
Blevins	Angelina	VSS	Bilingual Project & Outreach Coordinator	no	0.57	28.86	$ 45,000	$ 48,000	52	$ 45,000	$ 45,000
Drake	Kyndal	VSS	Child Advocate	no	0.18	9.57	$ 39,000	$ 39,000	52	$ 39,000	$ 39,000
Wharton	Stacy	VSS	Clinical Supervisor	no	5.89	28.86	$ 60,000	$ 60,000	52	$ 60,000	$ 60,000
McGraw	Devin	VSS	Community Client Services Program Manager	no	18.50	28.86	$ 45,000	$ 45,000	52	$ 45,000	$ 45,000
Hullender	Jenni	VSS	Crisis Advocate (1st Shift)	no	4.58	28.86	$ 35,000	$ 35,000	52	$ 35,000	$ 35,000
Fletcher	Angela	VSS	Crisis Advocate (2nd Shift)	no	0.91	28.86	$ 35,000	$ 35,000	52	$ 35,000	$ 35,000
Pollard	Renita	VSS	Crisis Advocate (3rd Shift)	no	4.59	28.86	$ 35,000	$ 35,000	52	$ 35,000	$ 35,000
Hutson	Carmen	VSS	Director of Victim Support Services (VSS)	no	2.12	28.86	$ 85,000	$ 85,000	52	$ 85,000	$ 85,000
Dunavant	Meredith	VSS	Domestic Violence Community Case Mgr	no	0.84	28.86	$ 39,000	$ 39,000	52	$ 39,000	$ 39,000
vacant		VSS	Domestic Violence Liaison	no	0.00	0	$ 39,000	$ 39,000	52	$ 39,000	$ 39,000
Vacant		VSS	Employment & Edu Specialist	yes	0.17	9.00	$ 20,000	$ 20,000	52	$ 20,000	$ 20,000
Belew	Jillyan	VSS	FJC Domestic Violence Liaison	no	0.47	24.57	$ 39,000	$ 39,000	52	$ 39,000	$ 39,000
Albin	Amanda	VSS	FJC Sexual Assault Liaison	no	0.81	28.86	$ 39,000	$ 39,000	52	$ 39,000	$ 39,000
Barrows	Kalinen	VSS	House Manager (2nd Shift)	no	0.70	28.86	$ 32,000	$ 32,000	52	$ 32,000	$ 32,000
Moore	Reshonda	VSS	House Manager (3rd Shift)	no	0.24	12.57	$ 32,000	$ 32,000	52	$ 32,000	$ 32,000
Clark	Natalie	VSS	Housing Navigator	no	0.28	14.57	$ 39,000	$ 39,000	52	$ 39,000	$ 39,000
Aguilera	Valeria	VSS	Lead Court Advocate	no	3.36	28.86	$ 41,000	$ 41,000	52	$ 41,000	$ 41,000
Woodfin	Jennifer	VSS	Lead Crisis Advocate	no	0.48	25.29	$ 43,000	$ 43,000	52	$ 43,000	$ 43,000
Vacant		VSS	Lead Housing Navigator	no	0.00	0.00	$ 43,000	$ 43,000	52	$ 43,000	$ 43,000
Robinson	Brandon	VSS	Lead Shelter Case Manager	no	0.18	9.57	$ 43,000	$ 39,000	52	$ 43,000	$ 43,000
Boston	William	VSS	Maintenance/Custodian	no	6.58	28.86	$ 30,225	$ 30,225	52	$ 30,225	$ 30,225
Smith	Constance	VSS	PT Afterhours Manager	yes	11.17	28.86	$ 18,400	$ 18,400	52	$ 18,400	$ 18,400
Nathaniel	Sophia	VSS	PT Weekend House Manager	yes	0.72	28.86	$ 12,800	$ 12,800	52	$ 12,800	$ 12,800
Bradley	Kedrick	VSS	PT Weekend House Mgr (3rd Shift)	yes	0.11	5.86	$ 12,800	$ 12,800	52	$ 12,800	$ 12,800
Carlton	Amy	VSS	Rape Crisis Center Manager	no	5.71	28.86	$ 50,000	$ 50,000	52	$ 50,000	$ 50,000
Baptist	Christina	VSS	Sexual Assault Advocate (1st Shift)	no	0.87	28.86	$ 39,000	$ 39,000	52	$ 39,000	$ 39,000
Guadnola	Abigail	VSS	Sexual Assault Advocate (2nd Shift)	no	1.50	28.86	$ 39,000	$ 39,000	52	$ 39,000	$ 39,000
Vacant		VSS	Shelter Case Mgr	no	0.00	0.00	$ 39,000	$ 39,000	52	$ 39,000	$ 39,000
Vacant		Vss	Shelter Operations Mgr	no	0.00	0	$ 45,000	$ 45,000	52	$ 45,000	$ 45,000
Haun	Elizabeth	VSS	Shelter Program Manager	no	3.50	28.86	$ 50,000	$ 50,000	52	$ 50,000	$ 50,000
Eaton	Cooper	VSS	Therapist	no	0.93	28.86	$ 48,000	$ 48,000	52	$ 48,000	$ 48,000
Mays	Lorean	VSS	Volunteer Manager	no	0.18	9.57	$ 45,000	$ 45,000	52	$ 45,000	$ 45,000
Lewis	Deniqua	VSS	VSS PRN	yes	0.39	20.57	$ 5,550	$ 5,550	52		
Oehring	Candida	VSS	VSS PRN	yes	4.27	28.86	$ 1,600	$ 1,600	52		
Copeland	Kiana	VSS	VSS Support Specialist	no	1.42	28.86	$ 30,850	$ 30,851	52	$ 30,850	$ 30,850
Butler	Kristin	VSS	Weekend Crisis Advocate	yes	0.30	15.43	$ 14,000	$ 14,000	52	$ 14,000	$ 14,000
Wood	Amy	VSS	Weekend Crisis Advocate	yes	0.36	18.57	$ 14,000	$ 14,000	52	$ 14,000	$ 14,000
						Total Agency	**$ 4,006,537**	**$ 3,965,538**		**$ 3,940,967**	**$ 3,940,967**

AGENCY: Partnership for Families, Children and Adults, Inc

AWARDS AND GRANTS FROM GOVERNMENTAL AGENCIES CITY/COUNTY/STATE/FEDERAL

	PROGRAM/PROJECT TITLE	NAME OF SOURCE	FOR HOW LONG?	LAST YEAR	THIS YEAR	NEXT YEAR
1	Rape Crisis Center support	City of Chattanooga	1 year	80,000	80,000	80,000
2	DOH Hotline support	TN Coalition to End D & S Violence	1 year	8,000	8,888	8,888
3	VOCA Sexual Assault	Office of Criminal Justice	3 years	387,811	260,886	264,706
4	Sexual Assault ARP	Office of Criminal Justice	3 years	50,208	59,862	59,862
5	DV/SA Family Justice Center Liaison	Office of Criminal Justice	2 years	120,000	120,000	120,000
6	Improving Criminal Justice Response	Office of Violence Against Women	3 years		206,906	206,906
7	Emergency Food and Shelter Program		1 year	11,000	12,000	12,000
8	VOCA Domestic Violence	Office of Criminal Justice	3 years	590,312	401,322	400,348
9	VOCA DCS/DV Liaison	Office of Criminal Justice	1 year	56,400	56,400	56,400
10	Domestic Violence FVPSA	Office of Criminal Justice	3 years	350,236	307,738	286,248
11	Domestic Violence ARP	Office of Criminal Justice	3 years	271,049	267,031	266,384
12	VSSG Sexual Assault	Office of Criminal Justice	1 year	0	123,105	0
13	VSSG Domestic Violence	Office of Criminal Justice	1 year	0	188,990	0
14	Jim Casey Opportunity Passport for Youth	TN Dept. f Children's Svcs	4 years	50,000	50,000	50,000
15	Personal Responsibility Education Program for Youth	TN Dept. of Children's Svcs	4 years	91,040	141,040	142,000
16	Youth Homeless Demonstration Project	HUD	2 years	546,051	733,196	546,051
17	Tennessee Assistance to Needy Families	TN Dept. of Human Svcs	3 years	567,397	1,237,958	1,134,794
18	Social Service Block Grant - Homemaker Svcs	TN Dept. of Human Svcs.	1 year	460,745	433,500	435,000
	Total Fees From Governmental Agencies			3,640,249	4,688,822	4,069,587

ALL FINANCIAL INFORMATION ROUNDED TO NEAREST DOLLAR

AGENCY: Partnership for FCA - form #2

AWARDS AND GRANTS FROM GOVERNMENTAL AGENCIES CITY/COUNTY/STATE/FEDERAL

PROGRAM/PROJECT TITLE	NAME OF SOURCE	FOR HOW LONG?	LAST YEAR	THIS YEAR	NEXT YEAR
1 Long Term Care Ombudsman	SETAAAD	1 year	103,538	200,391	200,000
2 Retired Seniors Volunteer Program	Americorp	2 years	87,976	91,483	91,438
3 Deaf Services support grant	TN Dept. of Human Svcs	1 year	198,870	150,000	150,000
4 Deaf and Disabilities Accomodation grant	OVW	4 years	80,282	92,631	0
5 Justice for Families	OVW	3 year	212,272	200,000	0
6 Extended Foster Care	TN DCS	1 year	100,650	104,901	105,000
7 Parent Education and Remediation Fund	TN Office of Courts	1 year	9,770	9,770	0
8 Victims of Crime Fund		annual	25,000	25,000	25,000
9 Home - ARP Housing Navigation	THDA	18 mths	0	366,000	183,000
10 ESG or new grants					400,000
11					
12					
13					
14					
15					
16 Total from previous page			3,640,249	4,688,822	4,069,587
17					
18					
Total Fees From Governmental Agencies			4,458,607	5,928,998	5,224,025

ALL FINANCIAL INFORMATION ROUNDED TO NEAREST DOLLAR

IRS Department of the Treasury
Internal Revenue Service

CINCINNATI OH 45999-0038

In reply refer to: 0248167576
Mar. 13, 2018 LTR 4168C 0
62-1326050 000000 00
00016049
BODC: TE

PARTNERSHIP FOR FAMILIES CHILDREN
AND ADULTS INC
1800 MCCALLIE AVE
CHATTANOOGA TN 37404

028877

Employer ID Number: 62-1326050
Form 990 required: YES

Dear Taxpayer:

This is in response to your request dated Mar. 02, 2018, regarding your tax-exempt status.

We issued you a determination letter in March 1988, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Section 509(a)(2).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit www.irs.gov or call 1-800-TAX-FORM (1-800-829-3676).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

0248167576
Mar. 13, 2018 LTR 4168C 0
62-1326050 000000 00
00016050

PARTNERSHIP FOR FAMILIES CHILDREN
AND ADULTS INC
1800 MCCALLIE AVE
CHATTANOOGA TN 37404

Sincerely yours,

Doris P. Kenwright

Doris Kenwright, Operation Mgr.
Accounts Management Operations 1

Tre Hargett
Secretary of State

Division of Business Services
Department of State
State of Tennessee

312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

LYNDA LEVAN
5600 BRAINERD RD., SUITE E-3
CHATTANOOGA, TN 37411

January 11, 2024

Request Type: Certificate of Existence/Authorization
Request #: 0564141

Issuance Date: 01/11/2024
Copies Requested: 1

Document Receipt

Receipt # : 008554619	Filing Fee:	$20.00
Payment-Credit Card - State Payment Center - CC #: 3865607883		$20.00

Regarding:	Partnership for Families, Children and Adults, Inc.		
Filing Type:	Nonprofit Corporation - Domestic	Control # :	190924
Formation/Qualification Date:	07/01/1987	Date Formed:	07/01/1987
Status:	Active	Formation Locale:	TENNESSEE
Duration Term:	Perpetual	Inactive Date:	
Business County:	HAMILTON COUNTY		

CERTIFICATE OF EXISTENCE

I, Tre Hargett, Secretary of State of the State of Tennessee, do hereby certify that effective as of the issuance date noted above

Partnership for Families, Children and Adults, Inc.

* is a Corporation duly incorporated under the law of this State with a date of incorporation and duration as given above;

* has paid all fees, interest, taxes and penalties owed to this State (as reflected in the records of the Secretary of State and the Department of Revenue) which affect the existence/authorization of the business;

* has filed the most recent annual report required with this office;

* has appointed a registered agent and registered office in this State;

* has not filed Articles of Dissolution or Articles of Termination. A decree of judicial dissolution has not been filed.

Tre Hargett
Secretary of State

Processed By: Cert Web User

Verification #: 065086120

PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.

Chattanooga, Tennessee

FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

Years Ended June 30, 2021 and 2020

JOHNSON, HICKEY & MURCHISON, P.C.
Certified Public Accountants
Chattanooga, Tennessee

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PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.
ROSTER OF MANAGEMENT AND BOARD MEMBERS
JUNE 30, 2021

MANAGEMENT

Pam Ladd	Chief Executive Officer
Elaine Bradway	Director of Center for Family Connections
Sarah Elghalban	Director of Strategies and Grant Compliance
Sharon Love	Director of Philanthropy
Karen Nichols	Director of Stability Services
Eduardo Rosano	Chief Financial Officer
Pam Smith	Director of Deaf, Deaf-Blind, and Hard of Hearing Services
Konnie Smithers	Director of Human Resources
Christina St. Germaine	Director of Elder Support Services
Tim Tingle	Director of IT

BOARD MEMBERS

Andrew McGill	Board President
Dan Saieed	Vice President
Teresa Groves	Treasurer
Tyler Forrest	Secretary
Liz Ahmed	Director
Frank Alford	Director
Deborah Arfken	Director
Carolyn Brock	Director
Chuck Chitty	Director
Janet Dunn	Director
Todd Fortner	Director
Drishti Garg	Director
Damarise Goehring	Director
Adam Holland	Director
John Jackson	Director
Sharon Law	Director
Manny Rico	Director
Nick Spinelli	Director
Jim Tanner	Director

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

To the Board of Directors of
Partnership for Families, Children and Adults, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Partnership for Families, Children, and Adults, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Partnership for Families, Children, and Adults, Inc. as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The Roster of Management and Board Members on page 2, which is the responsibility of management, is of a nonaccounting nature and has not been subjected to the auditing procedures applied in the audit of the financial statements. Accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2021, 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.

Johnson, Wickey & Meacham, P.C.

Chattanooga, Tennessee
December 22, 2021

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

ASSETS

	2021	2020
CURRENT ASSETS		
Cash and cash equivalents		
Available	$ 746	$ 64,479
Restricted	54,264	120,314
Accounts and grants receivable	549,854	514,043
Unconditional promises to give	251,703	302,094
Prepaid expenses	74,259	50,554
Investments	4,836,780	3,920,506
Real estate held for sale	420,000	500,000
Total current assets	6,187,606	5,471,990
PROPERTY AND EQUIPMENT	5,335,931	5,139,446
Less accumulated depreciation	(3,991,130)	(3,844,631)
	1,344,801	1,294,815
	$ 7,532,407	$ 6,766,805

(The accompanying notes are an integral part of these statements.)

LIABILITIES AND NET ASSETS

	2021	2020
CURRENT LIABILITIES		
Bank overdraft	$ 47,038	$ -
Accounts payable	117,701	200,785
Accrued leave	195,966	174,271
Reserve for unemployment benefits	45,025	45,025
Other liabilities	8,855	37,896
Total current liabilities	414,585	457,977
LONG-TERM LIABILITIES		
Line of credit	207,512	100,696
Long-term debt	278,408	278,408
	485,920	379,104
NET ASSETS		
Without donor restrictions		
Designated by the governing board for replacement of property and equipment	789,153	789,153
Net investment in property and equipment	1,344,097	1,294,815
Undesignated	2,108,942	1,944,505
	4,242,192	4,028,473
With donor restrictions	2,389,710	1,901,251
Total net assets	6,631,902	5,929,724
	$ 7,532,407	$ 6,766,805

(The accompanying notes are an integral part of these statements.)

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Support		
Government grants	$ 3,537,624	$ 3,494,937
Contributions	324,136	703,112
	3,861,760	4,198,049
Net assets released from restrictions	505,043	695,159
REVENUES		
Program service fees	581,696	902,375
Gain on sale of property	7,943	161,424
Return on investments	769,528	42,217
Special events	72,957	82,964
Miscellaneous income	30,870	29,995
	1,462,994	1,218,975
Total support without donor restrictions, revenue and reclassifications	5,829,797	6,112,183
EXPENSES		
Program services	4,390,944	4,756,695
Management and general	1,061,941	1,151,580
Fundraising	163,193	162,727
	5,616,078	6,071,002
Increase in net assets without donor restrictions	213,719	41,181
NET ASSETS WITH DONOR RESTRICTIONS		
United Way contributions restricted to future periods	423,587	571,116
Return on investment	341,948	(27,855)
Other contributions with donor restrictions	195,613	433,108
Net assets released from restriction		
Expiration of time restrictions	(505,043)	(695,159)
Endowment earnings	32,354	35,904
Increase in net assets with donor restrictions	488,459	317,114
INCREASE IN NET ASSETS	$ 702,178	$ 358,295

(The accompanying notes are an integral part of these statements.)

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2021 AND 2020

	Net assets without donor restrictions	Net assets with donor restrictions	Total Net Assets
Balance at June 30, 2019	$ 3,987,292	$ 1,584,137	$ 5,571,429
Increase in net assets	41,181	317,114	358,295
Balance at June 30, 2020	4,028,473	1,901,251	5,929,724
Increase in net assets	213,719	488,459	702,178
Balance at June 30, 2021	$ 4,242,192	$ 2,389,710	$ 6,631,902

(The accompanying notes are an integral part of these statements.)

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2021 AND 2020

	2021			
	Total Program Services	Management and General	Fundraising and Development	Total
Salaries	$ 2,554,210	$ 558,239	$ 108,880	$ 3,221,329
Employee benefits	320,610	81,216	19,388	421,214
Payroll taxes	125,502	41,532	8,122	175,156
Professional fees	364,076	138,157	-	502,233
Supplies	138,356	24,590	2,963	165,909
Telephone	80,527	14,975	1,728	97,230
Postage	1,429	1,125	1,086	3,640
Occupancy	318,374	53,830	5,015	377,219
Equipment rental and maintenance	30,229	6,939	102	37,270
Printing and publishing	17,251	5,241	7,937	30,429
Transportation	53,532	3,350	-	56,882
Conferences and conventions	9,371	1,323	686	11,380
Assistance to individuals	205,368	-	-	205,368
Membership dues	14,691	14,723	984	30,398
Insurance	43,475	17,403	976	61,854
Bad debts	12,655	-	-	12,655
Miscellaneous	43,524	9,860	5,326	58,710
Total expenses before depreciation	4,333,180	972,503	163,193	5,468,876
Depreciation	57,764	89,438	-	147,202
Total expenses after depreciation	$ 4,390,944	$ 1,061,941	$ 163,193	$ 5,616,078

(The accompanying notes are an integral part of these statements.)

2020			
Total Program Services	Management and General	Fundraising and Development	Total
$ 2,617,498	$ 688,639	$ 111,118	$ 3,417,255
343,739	127,092	12,535	483,366
186,836	31,328	8,301	226,465
569,809	54,894	794	625,497
76,694	37,421	1,657	115,772
84,182	13,253	2,839	100,274
954	795	1,541	3,290
300,697	47,220	6,800	354,717
63,602	6,575	-	70,177
29,849	4,438	7,057	41,344
77,271	1,694	315	79,280
46,162	4,989	812	51,963
230,849	-	-	230,849
10,145	14,535	1,729	26,409
39,135	21,655	915	61,705
-	-	-	-
28,208	5,252	6,314	39,774
4,705,630	1,059,780	162,727	5,928,137
51,065	91,800	-	142,865
$ 4,756,695	$ 1,151,580	$ 162,727	$ 6,071,002

(The accompanying notes are an integral part of these statements.)

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	$ 702,178	$ 358,295
Adjustments to reconcile increase in net assets to cash used by operating activities		
Depreciation	147,202	142,865
Provision for bad debts	12,655	-
Net gain on marketable securities	(1,066,659)	(35,573)
Gain on disposal of property	(7,943)	(161,424)
Noncash contribution	-	(500,000)
Net (increase) decrease in operating assets		
Accounts and grants receivable	(48,466)	56,991
Unconditional promises to give	50,391	(29,868)
Prepaid expenses	(23,705)	(2,183)
Net increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	(61,390)	(63,497)
Advance contract funds	-	(6,327)
Other liabilities	(29,043)	(11,423)
Net cash used by operating activities	(324,780)	(252,144)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for property and equipment	(196,483)	(141,540)
Proceeds from sale of property	88,000	189,802
Purchase of investments	(132,128)	(3,279,170)
Proceeds from sale or maturity of investments	281,754	3,069,479
Net cash provided (used) by investing activities	41,143	(161,429)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	-	278,408
Net proceeds from line of credit	106,816	100,696
Net cash provided by financing activities	106,816	379,104
NET DECREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	(176,821)	(34,469)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH		
Beginning	184,793	219,262
Ending	$ 7,972	$ 184,793

(The accompanying notes are an integral part of these statements.)

	2021	2020
CASH CONSISTS OF		
Cash and cash equivalents - available	$ 746	$ 64,479
Cash and cash equivalents - restricted	54,264	120,314
Bank overdraft	(47,038)	-
	$ 7,972	$ 184,793
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for		
Interest	$ 7,133	$ 5,252
NONCASH INVESTING AND FINANCING TRANSACTIONS		
Noncash contribution		
Real estate held for sale	$ -	$ 500,000

(The accompanying notes are an integral part of these statements.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Partnership for Families, Children and Adults, Inc. was created to preserve and strengthen individual and family life, to create and promote conditions conducive to personal growth, and to alleviate and prevent human distress through appropriate community, social and other services. The Organization receives substantial support from various government agencies and the general public.

The Organization's ability to continue operations at its current level is dependent on its success at renegotiating its current, as well as, new contracts and the availability of funding by the governments for the type of programs offered by the Organization.

Basis of accounting

The financial statements of Partnership for Families, Children and Adults, Inc. have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

Basis of presentation

The financial statements are presented in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*. The Organization has adopted the provisions of Accounting Standards Update ("ASU") 2016-14: Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

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 the Organization. These net assets may be used at the discretion of the Organization'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 actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Board-designated net assets – Net assets without donor restrictions subject to self-imposed limits by action of the Organization's Board of Directors. Board-designated net assets may be earmarked for future programs, investment, contingencies, purchase or construction of fixed assets, or other uses.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. For contributions restricted to the acquisition of property and equipment, the restrictions are released when the asset is placed in service unless the donor has provided more explicit requirements.

Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported support, revenues and expenses. Actual results could vary from the estimates that were used.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts and grants receivable

Accounts and grants receivable are stated at outstanding principal less an allowance for uncollectible accounts. An allowance has been provided for management's estimate of accounts which are not expected to be collected. The allowance for uncollectible accounts totaled $1,926 and $2,770 for the years ended June 30, 2021 and 2020, respectively.

Promises to give

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Accounting pronouncements adopted

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.* The ASU clarifies and improves guidance for contributions received and contributions made, and provides guidance to organizations on how to account for certain exchange transactions. This change is preferable in that it clarifies whether to account for transactions as contributions or as exchange transactions. In addition, it clarifies whether a contribution is conditional. As a result, it enhances comparability of financial information among not-for-profit entities.

The change in accounting principle was adopted on a modified prospective basis on July 1, 2020. As a result, there was no effect on the financials.

In August 2018, the FASB issued ASU No. 2018-13, *Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement* (ASU 2018-13), which changes the fair value measurement disclosure requirements of ASC 820, *Fair Value Measurement.* The Organization adopted the provisions of ASU 2018-13 for the year ended June 30, 2021, with retrospective application of the 2020 financial statements. The adoption of ASU 2018-13 had no material impact on the financial statements.

Revenue recognition

Revenue from Exchange Transactions: The Organization recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. The Organization records the following exchange transaction revenue in its statement of activities for the years ending June 30, 2021 and 2020:

Grants from Government Agencies

The Organization provides services to individuals under various grants from various government agencies. Such grants are recorded as revenue as performance obligations are satisfied, which is generally when the related expenditures are incurred over the period the service is provided.

Program Service Fees

The Organization provides services to individuals under various contracts with the State of Tennessee. Such contracts are recorded as revenue as performance obligations are satisfied, which is generally when the related expenditures are incurred over the period the service is provided.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Contributions

The Organization recognizes contribution revenue when unconditional promises to give are received. Unconditional promises to give due in more than one year are reflected at the present value of estimated future cash flows using a discount rate equal to the average prime rate.

Special fundraising event revenue

The Organization conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event – the exchange component, and a portion represents contribution to the Organization. Unless a verifiable objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the Organization. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The direct costs of the special events, which ultimately benefit the donor rather than the Organization, are recorded as event costs in the statement of functional expenses. The performance obligation is delivery of the event, which is usually accompanied by a presentation. The event fee is set by the Organization. FASB ASU 2014-09 requires allocation of the transaction price to the performance obligation. Accordingly, the Organization presents in its notes to the financial statements the exchange and contribution components of the gross proceeds from special events. Special event fees collected by the Organization in advance of its delivery are initially recognized as liabilities (deferred revenue) and recognized as special event revenue after delivery of the event.

Donated services

The value of donated volunteer services is not reflected in the accompanying financial statements since there is no objective basis available by which to measure the value of such services. However, a substantial number of volunteers have donated significant amounts of their time to the Organization.

Property, equipment, and depreciation

Property and equipment with an original cost of $5,000 or more are recorded at cost, or fair value if donated. Depreciation of buildings and equipment is provided over the estimated useful lives of the respective assets using the straight line method.

Property and equipment acquired by the Organization are considered to be owned by the Organization. However, state funding sources may maintain an equitable interest in assets purchased with grant funds as well as the right to determine the use of any proceeds from the sale of these assets.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Most expenses can be directly allocated to one of the programs or supporting functions. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The basis of allocation of these expenses is the result of a time study. The percentage of time allocated to each of the programs and supporting functions is based on the results of the time studies and is applied to the expenses that are allocated. The financial statements report expenses by function in the Statement of Functional Expenses.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Real estate held for sale

The Organization receives certain noncash fundraising donations intended for future sale that are recognized as noncash donations at their fair values at the date of the donation. When the asset held for sale is sold and the proceeds from the sale differ from the asset's recorded value, the difference is included in gain on sale of property in the statement of activities.

Nonprofit status

Partnership for Families, Children and Adults, Inc. is chartered as a Tennessee nonprofit, general welfare corporation and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, there is no provision for federal income tax and tax-related items.

Compensated absences

The Organization's policy is to compensate employees for earned but unused vacation pay. The accompanying financial statements include a liability for compensated absences.

Cash equivalents

The Organization considers unrestricted highly liquid debt securities with an original maturity of three months or less to be cash equivalents.

Income taxes

The Organization follows the requirements of current guidance in accounting for uncertain tax positions. Under this guidance, the Organization must recognize the tax effect associated with tax positions taken when it is more than likely that the position will not be sustained. The Organization does not believe there are any material uncertain tax positions and, accordingly, it will not recognize any liability for unrecognized tax effects. Additionally, no provision for income taxes is reflected in these financial statements. Interest and penalties would be recognized as tax expense, however, there is no interest or penalties recognized in the statements of activities. The tax years after June 30, 2018 are still open to audit.

(2) INVESTMENTS

Investments are recorded at fair market value and consist of the following as of June 30, 2021 and 2020:

	2021	2020
Cash and money market funds	$ 487,003	$ 897,765
Government and corporate bonds	631,373	574,359
Mutual funds and equities	3,718,404	2,448,382
	$ 4,836,780	$ 3,920,506

The average annual yield, exclusive of net capital gains, was 1.81% and 2.26% for the years ended June 30, 2021 and 2020, respectively. Total returns for those years were 23.82% and 1.32%, respectively. Yields are computed using fair market values.

Investment return on invested net assets with donor restrictions is recorded as net assets with donor restrictions. The remaining return on investment is recorded as net assets without donor restrictions.

(2) INVESTMENTS (continued)

Components of net investment income for the years ended June 30, 2021 and 2020, consisted of the following:

	2021	2020
Interest and dividends (net of fees)	$ 79,066	$ 85,839
Net realized capital gains	102,761	196,418
Net unrealized capital gains (losses)	962,002	(231,991)
	$ 1,143,829	$ 50,266

(3) FAIR VALUE MEASUREMENTS

The Organization adopted current guidance that defines fair value, establishes a framework for measuring fair value, and expands disclosure about fair value measurements.

Financial instruments measured at fair value are categorized into a three-level classification. The lowest level input that is significant to the fair value measurement of a financial instrument is used to categorize the instrument and reflects the judgment of management. Financial assets and liabilities are presented at fair value and are generally categorized as follows:

Level 1
Inputs are unadjusted and represent quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2
Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date and for the duration of the instrument's anticipated life.

Level 3
Inputs are unobservable and supported by little or no market activity.

The Organization uses the following method and assumptions in estimating the fair values of the Organization's financial instruments:

Market approach- Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. Prices may be indicated by pricing guides, sale transactions, market trades, or other sources.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies and assumptions to determine fair value of certain the reporting date.

(3) FAIR VALUE MEASUREMENTS (continued)

The categorization of fair value measurements of the Organization's assets, by input level, at June 30, 2021, is as follows:

	Level 1	Level 2	Level 3	Total
Money market	$ 487,003	$ -	$ -	$ 487,003
Government and corporate bonds	631,373	-	-	631,373
Mutual funds and equities	3,718,404	-	-	3,718,404
Real estate held for sale	-	-	420,000	420,000
Total	$ 4,836,780	$ -	$ 420,000	$ 5,256,780

The categorization of fair value measurements of the Organization's assets, by input level, at June 30, 2020, is as follows:

	Level 1	Level 2	Level 3	Total
Money market	$ 897,765	$ -	$ -	$ 897,765
Government and corporate bonds	574,359	-	-	574,359
Mutual funds and equities	2,448,382	-	-	2,448,382
Real estate held for sale	-	-	500,000	500,000
Total	$ 3,920,506	$ -	$ 500,000	$ 4,420,506

Money market, government and corporate bonds, and mutual funds and equites are classified in Level 1 of the fair value hierarchy.

Investments classified in Level 3 consist of directly held real estate that have valuations based on input other than quoted prices, including appraisals performed upon donation. The following presents activity for the year ended June 30, 2021 regarding fair value measurements using significant observable inputs (Level 3):

	Level 3
Beginning balance	$ 500,000
Acquisitions	-
Disposals	(80,000)
Adjustment to realizable value	-
Ending balance	$ 420,000

There were no changes in unrealized gains/losses related to Level 3 fair value measurements.

(4) ENDOWMENT

The Organization's endowment consists of one individual fund established for a specific purpose. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Organization and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Organization
(7) The investment policies of the Organization

Endowment net assets composition by type of fund as of June 30, 2021, are as follows:

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Donor restricted endowment funds	$ -	$ 1,122,022	$1,122,022
Board-designated endowment funds	-	-	-
Total funds	$ -	$ 1,122,022	$1,122,022

Endowment net assets composition by type of fund as of June 30, 2020, are as follows:

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Donor restricted endowment funds	$ -	$ 825,142	$ 825,142
Board-designated endowment funds	-	-	-
Total funds	$ -	$ 825,142	$ 825,142

(4) ENDOWMENT (continued)

Changes in Endowment net assets for the fiscal year ended June 30, 2021, are as follows:

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Endowment net assets, beginning of year	$ -	$ 825,142	$ 825,142
Investment income	-	300,089	300,089
Releases	-	(3,209)	(3,209)
Endowment net assets, end of year	$ -	$ 1,122,022	$1,122,022

Changes in Endowment net assets for the fiscal year ended June 30, 2020, are as follows:

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Endowment net assets, beginning of year	$ -	$ 900,998	$ 900,998
Investment loss	-	(74,289)	(74,289)
Releases	-	(1,567)	(1,567)
Endowment net assets, end of year	$ -	$ 825,142	$ 825,142

Description of endowment amounts classified as net assets with donor restrictions are as follows:

	2021	2020
Net assets with donor restrictions		
The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulation, purpose restriction, or by	$1,122,022	$ 825,142
Net assets without donor restrictions		
The portion of perpetual endowment funds that is not restricted by a purpose restriction under SPMIFA	$ -	$ -

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or SPMIFA requires to be retained as a fund of perpetual duration. There were no such deficiencies at June 30, 2021 and 2020, respectively.

(4) ENDOWMENT (continued)

Endowment assets include those assets of donor restricted funds that the Organization must hold in perpetuity, as well as board designated funds. The primary investment objectives for endowment assets are growth and income, as well as to maximize total return and minimize risk over a longer term time horizon.

To satisfy its long-term objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity based investments to achieve its long-term objectives within prudent risk constraints.

The Organization maintains separate accounts for each endowment fund. The Organization spends earnings from one endowment fund for prescription drugs, medical and physical needs on eligible recipient's greater than 65 year of age as designated by the donor. The Organization maintains a separate fund wherein spending is restricted until it reaches $250,000. This is consistent with the Organization's objective of long-term growth of the endowment fund.

(5) UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give due in more than one year are reflected at the present value of estimated future cash flows using a discount rate equal to the average prime rate. There were no pledges due to be received greater than one year as of June 30, 2021 and 2020, therefore no discount was reflected for the years then ended.

(6) PROPERTY AND EQUIPMENT

Land, buildings and equipment are comprised of the following major classifications:

	2021	2020
Land	$ 204,342	$ 204,342
Buildings	2,891,725	2,760,219
Furniture, fixtures and equipment	2,239,864	2,174,885
	5,335,931	5,139,446
Accumulated depreciation	(3,991,130)	(3,844,631)
	$ 1,344,801	$ 1,294,815

Depreciation expense totaled $147,202 and $142,865 for the years ended June 30, 2021 and 2020, respectively.

(7) RESERVE FOR UNEMPLOYMENT

The Organization is self-insured for unemployment purposes, consequently an accrual has been recorded for the estimated liability for unemployment benefits which totals $45,025 and $45,025 for the years ended June 30, 2021 and 2020, respectively.

(8) LINE OF CREDIT

On July 2, 2019, the Organization received a line of credit with Tennessee Valley Federal Credit Union with access to $1,000,000 and an interest rate of 5.0%. As of June 30, 2021, the outstanding balance was $207,512. This line of credit expires August 1, 2022, and interest only payments are required until that date.

(9) LONG-TERM DEBT

Long-term debt at June 30, 2021, consists of the following:

Note payable under the Paycheck Protection Program to First Horizon Bank, in monthly installments of $15,667, including interest at 1%	$ 278,408

Loan Forgiveness: Under the paycheck protection program (PPP) under the Coronavirus Aid, Relief, and Economic Security Act, up to the full principal amount of the loan and any accrued interest can be forgiven if the borrower uses all of the loan proceeds for forgivable purposes as required under the Act and any rule, regulation, or guidance issued by the SBA pursuant to the Act (collectively, the "Forgiveness Provisions"). Any process or procedures established under the Forgiveness Provisions must be followed and any requirements of the Forgiveness Provisions must be fully satisfied in order to obtain such loan forgiveness.

The entire loan was forgiven on September 13, 2021, and revenue will be recognized during that period.

(10) DEFINED CONTRIBUTION PLAN

The Organization maintains a 403(b) Defined Contribution Pension Plan covering all full-time employees with at least 12 months of service. The Organization makes a contribution to the plan each year equal to 2% of all eligible participants' compensation. In addition, the Organization matches participants' contributions to the plan up to 2% of the individual participants' compensation. Total expense for the years ended June 30, 2021 and 2020, was $108,994 and $98,636, respectively.

(11) CONCENTRATION OF CREDIT RISK

From time to time, the Organization has on deposit in financial institutions funds in excess of federal insurance limits. As of June 30, 2021, there were no amounts in excess of federal insurance limits.

(12) BOND AND INSURANCE COVERAGE

Partnership for Families, Children and Adults, Inc. holds an insurance policy for $400,000, per occurrence, which provides coverage against employee dishonesty. Further, the Organization has $1,000,000 in professional liability insurance and $2,000,000 in directors' and officers' liability insurance, as well as umbrella coverage in the amount of $5,000,000. The Organization has three employees that are notaries and are bonded.

(13) REVENUE

A detail analysis of the basic revenue accounts is as follows:

	2021	2020
Grants from Government Agencies		
Tennessee Department of Children's Services		
I AM Ready	$ 50,000	$ 48,604
Level II Continuum - SE	106,435	112,063
Sisters Saving Sisters	91,040	88,911
Tennessee Department of Human Services		
Homemaker	369,317	423,792
Deaf services	139,305	149,964
Sexual assualt response - COVID	-	10,463
Victim assistance	1,725,361	1,876,934
Victim assistance - COVID	29,276	79,500
OVW-Dart	176,309	104,514
HUD Transitional Housing	27,105	197,116
City of Chattanooga - Family Violence	22,670	56,080
Southeast Tennessee Development District	78,388	78,600
RSVP	86,277	84,805
City of Chattanooga - Sexual assault	63,700	65,000
Coronavirus Relief Funds	272,545	-
TANF	230,406	-
Access and visitation	21,451	-
Other Grants	48,039	118,591
Total grants from government agencies	$3,537,624	$ 3,494,937

	2021	2020
Program Service Fees		
Program service fees	$ 581,696	$ 789,475
EAP contract fees	-	112,900
Total program service fees	$ 581,696	$ 902,375

(14) FUNDRAISING ACTIVITIES

During the year ending June 30, 2021, the Organization recognized a net loss of $90,236 from fundraising activities. During the year ending June 30, 2020, the Organization recognized a net loss of $79,763 from fundraising activities.

(15) SPECIAL EVENTS REVENUE

Gross receipts from special fundraising events recorded by the Organization consist of exchange transaction revenue and contribution revenue. As a result of adopting FASB ASU 2014-09 during 2019, the Organization is required to separately present the components of this revenue.

	2021	2020
Contributions	$ 32,703	$ 45,041
Special event revenue	40,254	37,923
	$ 72,957	$ 82,964

(16) OPERATING LEASES

The Organization leases office space at various locations. Rent paid under these leases for the years ended June 30, 2021 and 2020, was $148,291 and $129,635, respectively. The terms of the leases are as follows:

Eastgate Towncenter Admin/Deaf Services– The premises are leased under a lease expiring June 30, 2026 at a monthly rate of $15,615 for the first year, $16,083 for the second year, $16, 569 for the third year, $17,072 for the fourth year, and $17,593 for the fifth year.

Eastgate Towncenter Elder Services – The premises are leased under a lease expiring March 31, 2022, at a monthly rental of $6,819 for the first year, $7,024 for the second year, $7,234 for the third year, $7,451 for the fourth year, and $7,675 for the fifth year.

MLK Thrift Store – The premises are leased under a lease expiring June 30, 2023, at a monthly rental varying from $2,743 - $2,910.

Bethlehem Center – An office is leased under an agreement expiring October 31, 2024, at a monthly rental of $1,200.

RCYC – An office is leased under an agreement expiring October 31, 2025, at a monthly rental of $4,000 for the first year, $4,120 for the second year, $4,244 for the third year, $4,371 for the fourth year, and $4,502 for the fifth year.

The minimum rental commitments existing under noncancelable leases are as follows:

For the fiscal year ending June 30, 2022	$ 355,815
2023	293,829
2024	265,171
2025	222,352
2026	265,138
	$ 1,402,305

(17) RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions consist of contributions restricted by the donor for specific purposes or with time restrictions. Such contributions are reported as net assets with donor restrictions and are reclassified to net assets without donor restrictions when the restrictions have been satisfied. As of June 30, 2021 and 2020, net assets with donor restrictions are available to be used for the following purposes:

	2021	2020
United Way appropriation	$ 251,704	$ 302,094
Phoenix Ward Fund	538,991	516,253
Elderly services	247,336	175,001
Prescription drugs for the elderly	423,749	369,738
Endowment	450,937	280,404
Eigenberg Fund	248,976	200,000
Santa All Season	89,370	-
Other	138,647	57,761
	$ 2,389,710	$ 1,901,251

The Endowment fund of $450,937 is a fund in which all earnings will be restricted until the fund reaches $250,000. After achieving that $250,000 level, the earnings from the fund will be available as outlined in the Endowment spending policy.

(18) LIQUIDITY

As of June 30, 2021 and 2020, respectively, the Organization has the following financial assets:

	2021	2020
Cash	$ 7,972	$ 184,793
Accounts and grants receivable	549,854	514,043
Investments	4,836,780	3,920,506
Total financial assets as of end of year	5,394,606	4,619,342
Less amounts not available to be used within one year	(2,138,006)	(1,704,185)
Financial assets available to meet cash needs for general expenditures within one year	$ 3,256,600	$ 2,915,157

Amounts not available to be used within one year include restricted cash and investments.

(18) LIQUIDITY (continued)

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. It has a strict budget which is monitored throughout the year. In addition, the Organization invests cash in excess of daily requirements in short-term money market accounts. The line of credit, as discussed in Note 8, is also available for additional working capital needs.

(19) RISKS AND UNCERTAINTIES

During March 2020, a global pandemic was declared related to the rapidly growing outbreak of a novel strain of coronavirus (COVID-19). The pandemic has significantly impacted the economic conditions across the nation as federal, state, and local governments react to the public health crisis, creating significant uncertainties in the economy. This situation is rapidly changing, and additional impacts may arise. While the disruption is currently expected to be temporary, there is uncertainty around its duration. The ultimate future impact, if any, of the pandemic on results of operations, financial position, liquidity or capital resources cannot be reasonably estimated at this time.

(20) SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 22, 2021, the date which these financial statements were available for issue.

On September 14, 2021, the Organization sold its McCallie Avenue and Duncan Avenue buildings for $1,250,000, resulting in an estimated gain of $765,000.

(21) RECLASSIFICATIONS

Certain items in the 2020 financial statement have been reclassified to conform with the current year presentation.

SUPPLEMENTAL DATA

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2021

Federal Grantor/ Pass-through Grantor/Program Title	Assistance Listing Number	Contract Number	Receivable Balance 6/30/20	Cash Receipts	Expenditures	Receivable Balance 6/30/21
FEDERAL AWARDS						
Major Program						
U.S. Department of Justice						
Pass-through from Tennessee Department of Human Services						
Victim Assistance Spouse Abuse #2	16.575	32206	$ 176,939	$ 1,133,485	$ 1,038,490	$ 81,944
Victim Assistance Spouse Abuse #3	16.575	35509	10,957	224,858	230,763	16,862
VOCA DV Liaison	16.575	39032	5,601	45,254	51,305	11,652
VOCA	16.575	41714	-	294,621	331,832	37,211
VOCA	16.575	44058	-	-	50,000	50,000
VOCA	16.575	39032	-	22,971	22,971	-
COVID-19 - VOCA FVPSA	16.575	N/A	79,500	79,500	-	-
Tested as a Major Program			272,997	1,800,689	1,725,361	197,669
U.S. Department of Justice						
Pass-through from Hamilton County, Tennessee						
OVW - DART	16.528	N/A	-	58,624	68,826	10,202
Education, Training and Svcs	16.529	2020-FJ-AX-0001	21,397	123,405	107,483	5,475
Pass-through from the Tennessee						
COVID-19 - Sexual Assault Response (SASP)	16.529	N/A	10,463	10,463	-	-
Total U.S. Department of Justice			304,857	1,993,181	1,901,670	213,346
U.S. Department of Health and Human Services						
Pass-through from the Tennessee Department of Human Services						
Title IV-D Access and Visitation	93.563	N/A	-	21,451	21,451	-
Homemaker	93.667	Z-20-49315	15,645	132,328	142,822	26,139
Pass-through from Hamilton County, Tennessee						
Homemaker	93.667	Z-20-49307	16,436	174,950	190,790	32,276
			32,081	328,729	355,063	58,415
Pass-through from SETAAD						
Ombudsman	93.044	01574	4,150	68,812	78,388	13,726
Total U.S. Department of Health and Human Services			36,231	397,541	433,451	72,141

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2021

Federal Grantor/ Pass-through Grantor/Program Title	Federal CFDA Number	Contract Number	Receivable Balance 6/30/20	Cash Receipts	Expenditures	Receivable Balance 6/30/21
U.S. Department of Education						
Pass-through from the Tennessee Department of Human Services						
Deaf Services	84.126	34570-71117	$ 13,234	$ 119,457	$ 139,305	$ 33,082
Total U.S. Department of Education			13,234	119,457	139,305	33,082
Corporation for National and Community Service (CNCS)						
RSVP	94.002	175RSTN001	11,315	90,056	86,277	7,536
Total CNCS			11,315	90,056	86,277	7,536
U. S. Department of Housing and Urban Development						
Pass-through from City of Chattanooga						
Emergency Shelter Grant	14.231	N/A	-	8,670	8,670	-
Emergency Shelter - ESF NBP	14.231	N/A	-		14,000	14,000
Emergency Solutions Grant	14.231	N/A	-	-	29,276	29,276
HUD - Transitional Housing	14.235	N0283L4J00180	8,753	35,858	27,105	-
Total U.S. Department of Housing and Urban Development			8,753	44,528	79,051	43,276
U.S. Department of the Treasury						
Pass-through from Tennessee Department of Human Services						
COVID-19 - Coronavirus Relief Funds	21.019	n/a	$ -	$ 272,545	$ 272,545	$ -
Total non-major programs			69,533	924,127	1,010,629	156,035
Total federal awards			$ 374,390	$ 2,917,308	$ 2,912,299	$ 369,381

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2021

Federal Grantor/ Pass-through Grantor/Program Title	Federal CFDA Number	Contract Number	Receivable Balance 6/30/20	Cash Receipts	Expenditures	Receivable Balance 6/30/21
STATE AWARDS						
Tennessee Department of Children's Services						
TNAF: Two Generation Approach	N/A	N/A	-	169,544	230,406	60,862
I Am Ready	N/A	52518	7,936	47,654	50,000	10,282
Level II Continuum - SE Cont	N/A	N/A	6,005	103,183	106,435	9,257
Sisters Saving Sisters	N/A	52554	4,599	74,304	91,040	21,335
Total Tennessee Department of Children's Services			18,540	394,685	477,881	101,736
Tennessee Department of Health						
Homemaker Services	N/A	N/A	3,911	33,082	35,706	6,535
Other Grants						
City of Chattanooga Sexual Assault	N/A	N/A	38,953	102,653	63,700	-
PEMF Supreme Court	N/A	N/A	1,021	10,281	10,000	740
Sexual Assault - CDS Grant	N/A	N/A	680	7,313	8,665	2,032
Total Other Grants			40,654	120,247	82,365	2,772
Total state awards			63,105	548,014	595,952	111,043
Total federal and state awards			$ 437,495	$ 3,465,322	$ 3,508,251	$ 480,424

PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2021

(1) BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of Partnership for Families, Children and Adults, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal* Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (*Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

(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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Partnership for Families, Children and Adults, Inc. has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

JOHNSON HICKEY MURCHISON
CERTIFIED PUBLIC ACCOUNTANTS • SINCE 1977

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

To the Board of Directors of
Partnership for Families, Children and Adults, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Partnership for Families, Children and Adults, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated December 22, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

2215 Olan Mills Drive | jhmcpa.com | 37421 | 423 756 0052 t
Chattanooga, Tennessee | 423 267 5945 f

Compliance and Other Matters

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

Johnson, Nickey & Meacham, P.C.

Chattanooga, Tennessee
December 22, 2021

JOHNSON HICKEY MURCHISON
CERTIFIED PUBLIC ACCOUNTANTS • SINCE 1977

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

To the Board of Directors of
Partnership for Families, Children and Adults, Inc.

Report on Compliance for Each Major Federal Program

We have audited Partnership for Families, Children and Adults, Inc.'s compliance with the types of compliance requirements described 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, 2021. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on Each Major Federal Program

In our opinion, Partnership for Families, Children and Adults, 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, 2021.

Report on Internal Control Over Compliance

Management of Partnership for Families, Children and Adults, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Johnson, Nickey & Meacham, P.C.

Chattanooga, Tennessee
December 22, 2021

PARTNERSHIPS FOR FAMILIES, CHILDREN, AND ADULTS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2021 AND 2020

A. SUMMARY OF AUDITORS' RESULTS

1. The independent auditors' report expresses an unmodified opinion on whether the financial statements of Partnership for Families, Children and Adults, Inc. were prepared in accordance with GAAP.

2. No material weaknesses were identified during the audit of the financial statements.

3. No instances of noncompliance material to the financial statements of Partnership for Families, Adults and Children, Inc. were disclosed by the audit.

4. No material weaknesses were identified during the audit of the major federal award program.

5. The auditors' report on the major federal awards program for Partnership for Families, Children and Adults, Inc. expresses an unmodified opinion.

6. Audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) are reported in this schedule.

7. The program tested as a major program was:
   U.S. Department of Justice
   VOCA – CFDA #16.575

8. The threshold level for distinguishing Type A and B programs was $750,000.

9. Partnership for Families, Children and Adults, Inc. was determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

Current year

None

Prior year

None

C. FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS

Current year

None

Prior year

None

PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.

Chattanooga, Tennessee

FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

Years Ended June 30, 2022 and 2021

JOHNSON, HICKEY & MURCHISON, P.C.
Certified Public Accountants
Chattanooga, Tennessee

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PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.
ROSTER OF MANAGEMENT AND BOARD MEMBERS
JUNE 30, 2022

MANAGEMENT

Pam Ladd	Chief Executive Officer
Sarah Elghalban	Director of Strategies and Grant Compliance
Carmen Quezada Hutson	Director of Victim Support Services
Sharon Love	Director of Philanthropy
Karen Nichols	Director of Stability Services
Eduardo Rosano	Chief Financial Officer
Pam Smith	Director of Deaf, Deaf-Blind and Hard of Hearing Services
Konnie Smithers	Director of Human Resources
Tim Tingle	Director of IT
Christina St. Germaine	Director of Elder Support Services

BOARD MEMBERS

Tyler Forrest	Board President
Liz Ahmed	Vice President
Drishti Garg	Treasurer
Deborah Arfken	Director
Carolyn Brock	Director
Brant Caldwell	Director
Michelle Coffman	Director
Damarise Goehring	Director
Micha Guster	Director
Adam Holland	Director
John Jackson	Director
Jenny Johnston	Director
Sharon Law	Director
Andrew McGill	Director
Jacqueline Strong Moss	Director
Manny Rico	Director
Nick Spinelli	Director
Jim Tanner	Director

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Partnership for Families, Children and Adults, Inc.

Opinion

We have audited the accompanying financial statements of Partnership for Families, Children, and Adults, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, changes in net assets, functional expenses, and cash flows for the years 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 Partnership for Families, Children, and Adults, Inc. as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

Supplemental data

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 and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The Roster of Management and Board Members on page 2, which is the responsibility of management, is of a nonaccounting nature and has not been subjected to the auditing procedures applied in the audit of the financial statements. Accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2023, 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.

Johnson, Nickey & Meacham, P.C.

Chattanooga, Tennessee
January 20, 2023

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

ASSETS

	2022	2021
CURRENT ASSETS		
Cash and cash equivalents		
Available	$ 110,697	$ 746
Restricted	87,242	54,264
Accounts and grants receivable	528,563	549,854
Unconditional promises to give	154,750	251,703
Prepaid expenses	48,267	74,259
Investments	5,154,791	4,836,780
Real estate held for sale	-	420,000
Total current assets	6,084,310	6,187,606
PROPERTY AND EQUIPMENT	4,102,857	5,335,931
Less accumulated depreciation	(3,198,066)	(3,991,130)
	904,791	1,344,801
	$ 6,989,101	$ 7,532,407

(The accompanying notes are an integral part of these statements.)

LIABILITIES AND NET ASSETS

	2022	2021
CURRENT LIABILITIES		
Bank overdraft	$ -	$ 47,038
Accounts payable	70,016	117,703
Accrued leave	149,810	195,966
Reserve for unemployment benefits	45,025	45,025
Other liabilities	52,311	8,853
Total current liabilities	317,162	414,585
LONG-TERM LIABILITIES		
Line of credit	344,331	207,512
Long-term debt	-	278,408
	344,331	485,920
NET ASSETS		
Without donor restrictions		
Designated by the governing board for replacement of property and equipment	725,824	789,153
Net investment in property and equipment	904,793	1,344,097
Undesignated	2,608,332	2,108,942
	4,238,949	4,242,192
With donor restrictions	2,088,659	2,389,710
Total net assets	6,327,608	6,631,902
	$ 6,989,101	$ 7,532,407

(The accompanying notes are an integral part of these statements.)

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Support		
Government grants	$ 3,606,305	$ 3,537,624
Contributions	91,832	324,136
	3,698,137	3,861,760
Net assets released from restrictions	721,488	505,043
REVENUES		
Program service fees	682,297	581,696
Gain on sale of property	763,490	7,943
Return on investments	(504,128)	769,528
Special events	66,039	71,326
Paycheck Protection Program Loan income	278,408	-
Miscellaneous income	47,774	32,501
	1,333,880	1,462,994
Total support without donor restrictions, revenue and reclassifications	5,753,505	5,829,797
EXPENSES		
Program services	4,357,707	4,390,944
Management and general	1,200,866	1,061,941
Fundraising	198,175	163,193
	5,756,748	5,616,078
Increase (decrease) in net assets without donor restrictions	(3,243)	213,719
NET ASSETS WITH DONOR RESTRICTIONS		
United Way contributions restricted to future periods	505,101	423,587
Return on investment	(183,454)	341,948
Other contributions with donor restrictions	149,200	195,613
Net assets released from restriction		
Expiration of time restrictions	(721,488)	(505,043)
Endowment earnings	(50,410)	32,354
Increase (decrease) in net assets with donor restrictions	(301,051)	488,459
INCREASE (DECREASE) IN NET ASSETS	$ (304,294)	$ 702,178

(The accompanying notes are an integral part of these statements.)

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2022 AND 2021

	Net assets without donor restrictions	Net assets with donor restrictions	Total Net Assets
Balance at June 30, 2020	$ 4,028,473	$ 1,901,251	$ 5,929,724
Increase in net assets	213,719	488,459	702,178
Balance at June 30, 2021	4,242,192	2,389,710	6,631,902
Decrease in net assets	(3,243)	(301,051)	(304,294)
Balance at June 30, 2022	$ 4,238,949	$ 2,088,659	$ 6,327,608

(The accompanying notes are an integral part of these statements.)

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2022 AND 2021

	2022			
	Total Program Services	Management and General	Fundraising and Development	Total
Salaries	$ 2,309,190	$ 675,176	$ 80,476	$ 3,064,842
Employee benefits	315,101	60,569	11,384	387,054
Payroll taxes	173,424	39,025	6,031	218,480
Professional fees	407,086	169,834	-	576,920
Supplies	60,234	10,472	-	70,706
Telephone	64,549	14,841	262	79,652
Postage	1,292	1,143	-	2,435
Occupancy	356,871	113,826	13,215	483,912
Equipment rental and maintenance	18,282	5,774	-	24,056
Printing and publishing	10,987	17,942	3,198	32,127
Transportation	79,285	3,464	-	82,749
Conferences and conventions	20,892	-	-	20,892
Assistance to individuals	366,837	-	-	366,837
Membership dues	22,775	11,278	1,360	35,413
Insurance	39,654	15,266	918	55,838
Interest	-	17,587	-	17,587
Bad debts	-	-	-	-
Marketing	5,065	-	41,187	46,252
Miscellaneous	24,878	658	40,144	65,680
Total expenses before depreciation	4,276,402	1,156,855	198,175	5,631,432
Depreciation	81,305	44,011	-	125,316
Total expenses after depreciation	$ 4,357,707	$ 1,200,866	$ 198,175	$ 5,756,748

(The accompanying notes are an integral part of these statements.)

2021			
Total Program Services	Management and General	Fundraising and Development	Total
$ 2,554,210	$ 558,239	$ 108,880	$ 3,221,329
320,610	81,216	19,388	421,214
125,502	41,532	8,122	175,156
364,076	138,157	-	502,233
138,356	24,590	2,963	165,909
80,527	14,975	1,728	97,230
1,429	1,125	1,086	3,640
318,374	53,830	5,015	377,219
30,229	6,939	102	37,270
17,251	5,241	7,937	30,429
53,532	3,350	-	56,882
9,371	1,323	686	11,380
205,368	-	-	205,368
14,691	14,723	984	30,398
43,475	17,403	976	61,854
-	7,133	-	7,133
12,655	-	-	12,655
-	-	-	-
43,524	2,727	5,326	51,577
4,333,180	972,503	163,193	5,468,876
57,764	89,438	-	147,202
$ 4,390,944	$ 1,061,941	$ 163,193	$ 5,616,078

(The accompanying notes are an integral part of these statements.)

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	$ (304,294)	$ 702,178
Adjustments to reconcile increase (decrease) in net assets to cash used by operating activities		
Depreciation	125,316	147,202
Provision for bad debts	-	12,655
Net (gain) loss on marketable securities	852,888	(1,066,659)
Gain on disposal of property	(763,490)	(7,943)
Forgiveness of Paycheck Program Protection loan	(278,408)	-
Net (increase) decrease in operating assets		
Accounts and grants receivable	21,291	(48,466)
Unconditional promises to give	96,953	50,391
Prepaid expenses	25,992	(23,705)
Net increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	(93,844)	(61,390)
Other liabilities	43,456	(29,043)
Net cash used by operating activities	(274,140)	(324,780)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for property and equipment	(171,813)	(196,483)
Proceeds from sale of property	1,250,000	88,000
Proceeds from sale of real estate held for sale	420,000	-
Purchase of investments	(1,186,137)	(132,128)
Proceeds from sale or maturity of investments	15,238	281,754
Net cash provided by investing activities	327,288	41,143
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from line of credit	136,819	106,816
Net cash provided by financing activities	136,819	106,816
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	189,967	(176,821)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH		
Beginning	7,972	184,793
Ending	$ 197,939	$ 7,972

(The accompanying notes are an integral part of these statements.)

	2022	2021
CASH CONSISTS OF		
Cash and cash equivalents - available	$ 110,697	$ 746
Cash and cash equivalents - restricted	87,242	54,264
Bank overdraft	-	(47,038)
	$ 197,939	$ 7,972
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for		
Interest	$ 17,587	$ 7,133

(The accompanying notes are an integral part of these statements.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Partnership for Families, Children and Adults, Inc. (the Organization) was created to preserve and strengthen individual and family life, to create and promote conditions conducive to personal growth, and to alleviate and prevent human distress through appropriate community, social and other services. The Organization receives substantial support from various government agencies and the general public.

The Organization's ability to continue operations at its current level is dependent on its success at renegotiating its current, as well as, new contracts and the availability of funding by the governments for the type of programs offered by the Organization.

Basis of accounting

The financial statements of Partnership for Families, Children and Adults, Inc. have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

Basis of presentation

The financial statements are presented in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*. The Organization has adopted the provisions of Accounting Standards Update ("ASU") 2016-14: Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

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 the Organization. These net assets may be used at the discretion of the Organization'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 actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Board-designated net assets – Net assets without donor restrictions subject to self-imposed limits by action of the Organization's Board of Directors. Board-designated net assets may be earmarked for future programs, investment, contingencies, purchase or construction of fixed assets, or other uses.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. For contributions restricted to the acquisition of property and equipment, the restrictions are released when the asset is placed in service unless the donor has provided more explicit requirements.

Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported support, revenues and expenses. Actual results could vary from the estimates that were used.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts and grants receivable

Accounts and grants receivable are stated at outstanding principal less an allowance for uncollectible accounts. An allowance has been provided for management's estimate of accounts which are not expected to be collected. The allowance for uncollectible accounts totaled $3,242 and $1,926 for the years ended June 30, 2022 and 2021, respectively.

Promises to give

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Revenue recognition

Revenue from Exchange Transactions: The Organization recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. The Organization records the following exchange transaction revenue in its statement of activities for the years ending June 30, 2022 and 2021:

Grants from Government Agencies

The Organization provides services to individuals under various grants from various government agencies. Such grants are recorded as revenue as performance obligations are satisfied, which is generally when the related expenditures are incurred over the period the service is provided.

Program Service Fees

The Organization provides services to individuals under various contracts with the State of Tennessee. Such contracts are recorded as revenue as performance obligations are satisfied, which is generally when the related expenditures are incurred over the period the service is provided.

Contributions

The Organization recognizes contribution revenue when unconditional promises to give are received. Unconditional promises to give due in more than one year are reflected at the present value of estimated future cash flows using a discount rate equal to the average prime rate.

Special fundraising event revenue

The Organization conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event – the exchange component, and a portion represents contribution to the Organization. Unless a verifiable objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the Organization. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The direct costs of the special events, which ultimately benefit the donor rather than the Organization, are recorded as event costs in the statement of functional expenses. The performance obligation is delivery of the event, which is usually accompanied by a presentation. The event fee is set by the Organization. FASB ASU 2014-09 requires allocation of the transaction price to the performance obligation. Accordingly, the Organization presents in its notes to the financial statements the exchange and contribution components of the gross proceeds from special events. Special event fees collected by the Organization in advance of its delivery are initially recognized as liabilities (deferred revenue) and recognized as special event revenue after delivery of the event.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated services

The value of donated volunteer services is not reflected in the accompanying financial statements since there is no objective basis available by which to measure the value of such services. However, a substantial number of volunteers have donated significant amounts of their time to the Organization.

Property, equipment, and depreciation

Property and equipment with an original cost of $5,000 or more are recorded at cost, or fair value if donated. Depreciation of buildings and equipment is provided over the estimated useful lives of the respective assets using the straight line method.

Property and equipment acquired by the Organization are considered to be owned by the Organization. However, state funding sources may maintain an equitable interest in assets purchased with grant funds as well as the right to determine the use of any proceeds from the sale of these assets.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Most expenses can be directly allocated to one of the programs or supporting functions. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The basis of allocation of these expenses is the result of a time study. The percentage of time allocated to each of the programs and supporting functions is based on the results of the time studies and is applied to the expenses that are allocated. The financial statements report expenses by function in the Statement of Functional Expenses.

Real estate held for sale

The Organization receives certain noncash fundraising donations intended for future sale that are recognized as noncash donations at their fair values at the date of the donation. When the asset held for sale is sold and the proceeds from the sale differ from the asset's recorded value, the difference is included in gain on sale of property in the statement of activities.

Nonprofit status

Partnership for Families, Children and Adults, Inc. is chartered as a Tennessee nonprofit, general welfare corporation and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, there is no provision for federal income tax and tax-related items.

Compensated absences

The Organization's policy is to compensate employees for earned but unused vacation pay. The accompanying financial statements include a liability for compensated absences.

Cash equivalents

The Organization considers unrestricted highly liquid debt securities with an original maturity of three months or less to be cash equivalents.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

The Organization follows the requirements of current guidance in accounting for uncertain tax positions. Under this guidance, the Organization must recognize the tax effect associated with tax positions taken when it is more than likely that the position will not be sustained. The Organization does not believe there are any material uncertain tax positions and, accordingly, it will not recognize any liability for unrecognized tax effects. Additionally, no provision for income taxes is reflected in these financial statements. Interest and penalties would be recognized as tax expense, however, there is no interest or penalties recognized in the statements of activities. The tax years after June 30, 2019 are still open to audit.

(2) INVESTMENTS

Investments are recorded at fair market value and consist of the following as of June 30, 2022 and 2021:

	2022	2021
Cash and money market funds	$ 309,619	$ 487,003
Government and corporate bonds	-	631,373
Mutual funds and equities	4,845,172	3,718,404
	$ 5,154,791	$ 4,836,780

The average annual yield, exclusive of net capital gains, was 2.30% and 1.81% for the years ended June 30, 2022 and 2021, respectively. Total returns for those years were -14.77% and 23.82%, respectively. Yields are computed using fair market values.

Investment return on invested net assets with donor restrictions is recorded as net assets with donor restrictions. The remaining return on investment is recorded as net assets without donor restrictions.

Components of net investment income for the years ended June 30, 2022 and 2021, consisted of the following:

	2022	2021
Interest and dividends (net of fees)	$ 114,896	$ 79,066
Net realized capital gains	64,888	102,761
Net unrealized capital gains (losses)	(917,776)	962,002
	$ (737,992)	$ 1,143,829

(3) FAIR VALUE MEASUREMENTS

The Organization adopted current guidance that defines fair value, establishes a framework for measuring fair value, and expands disclosure about fair value measurements.

Financial instruments measured at fair value are categorized into a three-level classification. The lowest level input that is significant to the fair value measurement of a financial instrument is used to categorize the instrument and reflects the judgment of management. Financial assets and liabilities are presented at fair value and are generally categorized as follows:

Level 1
Inputs are unadjusted and represent quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2
Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date and for the duration of the instrument's anticipated life.

Level 3
Inputs are unobservable and supported by little or no market activity.

The Organization uses the following method and assumptions in estimating the fair values of the Organization's financial instruments:

Market approach- Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. Prices may be indicated by pricing guides, sale transactions, market trades, or other sources.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants.

The categorization of fair value measurements of the Organization's assets, by input level, at June 30, 2022, is as follows:

	Level 1	Level 2	Level 3	Total
Money market	$ 309,619	$ -	$ -	$ 309,619
Government and corporate bonds	-	-	-	-
Mutual funds and equities	4,845,172	-	-	4,845,172
Total	$ 5,154,791	$ -	$ -	$ 5,154,791

(3) FAIR VALUE MEASUREMENTS (continued)

The categorization of fair value measurements of the Organization's assets, by input level, at June 30, 2021, is as follows:

	Level 1	Level 2	Level 3	Total
Money market	$ 487,003	$ -	$ -	$ 487,003
Government and corporate bonds	631,373	-	-	631,373
Mutual funds and equities	3,718,404	-	-	3,718,404
Real estate held for sale	-	-	420,000	420,000
Total	$ 4,836,780	$ -	$ 420,000	$ 5,256,780

Money market, government and corporate bonds, and mutual funds and equites are classified in Level 1 of the fair value hierarchy.

Investments classified in Level 3 consist of directly held real estate that have valuations based on input other than quoted prices, including appraisals performed upon donation. The following presents activity for the year ended June 30, 2022 regarding fair value measurements using significant observable inputs (Level 3):

	Level 3
Beginning balance	$ 420,000
Disposals	(420,000)
Ending balance	$ -

Real estate held for sale was sold on September 7, 2021. There were no changes in unrealized gains/losses related to Level 3 fair value measurements.

(4) ENDOWMENT

The Organization's endowment consists of one individual fund established for a specific purpose. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

(4) ENDOWMENT (continued)

The Board of Directors has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Organization and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Organization
(7) The investment policies of the Organization

Endowment net assets composition by type of fund as of June 30, 2022, are as follows:

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Donor restricted endowment funds	$ -	$ 951,430	$ 951,430
Board-designated endowment funds	-	-	-
Total funds	$ -	$ 951,430	$ 951,430

Endowment net assets composition by type of fund as of June 30, 2021, are as follows:

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Donor restricted endowment funds	$ -	$ 1,122,022	$1,122,022
Board-designated endowment funds	-	-	-
Total funds	$ -	$ 1,122,022	$1,122,022

(4) ENDOWMENT (continued)

Changes in Endowment net assets for the fiscal year ended June 30, 2022, are as follows:

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Endowment net assets, beginning of year	$ -	$ 1,122,022	$1,122,022
Investment loss	-	(170,238)	(170,238)
Releases	-	(354)	(354)
Endowment net assets, end of year	$ -	$ 951,430	$ 951,430

Changes in Endowment net assets for the fiscal year ended June 30, 2021, are as follows:

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Endowment net assets, beginning of year	$ -	$ 825,142	$ 825,142
Investment income	-	300,089	300,089
Releases	-	(3,209)	(3,209)
Endowment net assets, end of year	$ -	$ 1,122,022	$1,122,022

Description of endowment amounts classified as net assets with donor restrictions are as follows:

	2022	2021
Net assets with donor restrictions		
The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulation, purpose restriction, or by SPMIFA	$ 951,430	$1,122,022
Net assets without donor restrictions		
The portion of perpetual endowment funds that is not restricted by a purpose restriction under SPMIFA	$ -	$ -

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or SPMIFA requires to be retained as a fund of perpetual duration. There was an investment loss of $170,238 at June 30, 2022 and no losses at June 30, 2021, respectively.

(4) ENDOWMENT (continued)

Endowment assets include those assets of donor restricted funds that the Organization must hold in perpetuity, as well as board designated funds. The primary investment objectives for endowment assets are growth and income, as well as to maximize total return and minimize risk over a longer term time horizon.

To satisfy its long-term objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity based investments to achieve its long-term objectives within prudent risk constraints.

The Organization maintains separate accounts for each endowment fund. The Organization spends earnings from one endowment fund for prescription drugs, medical and physical needs on eligible recipient's greater than 65 year of age as designated by the donor. The Organization maintains a separate fund wherein spending is restricted until it reaches $250,000. This is consistent with the Organization's objective of long-term growth of the endowment fund.

(5) UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give due in more than one year are reflected at the present value of estimated future cash flows using a discount rate equal to the average prime rate. There were no pledges due to be received greater than one year as of June 30, 2022 and 2021, therefore no discount was reflected for the years then ended.

(6) PROPERTY AND EQUIPMENT

Land, buildings and equipment are comprised of the following major classifications:

	2022	2021
Land	$ 64,342	$ 204,342
Buildings	1,700,822	2,891,725
Furniture, fixtures and equipment	2,337,693	2,239,864
	4,102,857	5,335,931
Accumulated depreciation	(3,198,066)	(3,991,130)
	$ 904,791	$ 1,344,801

Depreciation expense totaled $125,316 and $147,202 for the years ended June 30, 2022 and 2021, respectively.

On September 14, 2021, the Organization sold its McCallie Avenue and Duncan Avenue buildings for $1,250,000, resulting in a gain of $765,035. The Organization also sold a piece of property that resulted in a loss of $1,545.

(7) RESERVE FOR UNEMPLOYMENT

The Organization is self-insured for unemployment purposes, consequently an accrual has been recorded for the estimated liability for unemployment benefits which totals $45,025 and $45,025 for the years ended June 30, 2022 and 2021, respectively.

(8) LINE OF CREDIT

On July 2, 2019, the Organization received a line of credit with Tennessee Valley Federal Credit Union with access to $1,000,000 at an interest rate of 5.0%. As of June 30, 2022, the outstanding balance was $344,331 with interest only payments required until the expiration date. The original line of credit expired August 1, 2022, however, the maturity date was extended on July 28, 2022, and now expires August 1, 2025. The new interest rate is prime plus .25% adjusting annually with a ceiling of 18% and a floor of 4%.

(9) PAYCHECK PROTECTION PROGRAM

On April 22, 2020, the Organization was granted a loan from First Horizon Bank in the amount of $278,408, pursuant to the Paycheck Protection Program (PPP) of the Coronavirus Aid, Relief, and Economic Security Act, which was enacted March 27, 2020. The loan was forgiven during the year ended June 30, 2022, and is included in revenue in the accompanying statements of activities.

(10) DEFINED CONTRIBUTION PLAN

The Organization maintains a 403(b) Defined Contribution Pension Plan covering all full-time employees with at least 12 months of service. The Organization makes a contribution to the plan each year equal to 2% of all eligible participants' compensation. In addition, the Organization matches participants' contributions to the plan up to 2% of the individual participants' compensation. Total expense for the years ended June 30, 2022 and 2021, was $91,509 and $108,994, respectively.

(11) CONCENTRATION OF CREDIT RISK

From time to time, the Organization has on deposit in financial institutions funds in excess of federal insurance limits. As of June 30, 2022, there were no amounts in excess of federal insurance limits.

(12) BOND AND INSURANCE COVERAGE

Partnership for Families, Children and Adults, Inc. holds an insurance policy for $500,000, per occurrence, which provides coverage against employee dishonesty. Further, the Organization has $1,000,000 in professional liability insurance and $2,000,000 in directors' and officers' liability insurance, as well as umbrella coverage in the amount of $5,000,000. The Organization has one employee that is a notary and is bonded.

(13) REVENUE

A detail analysis of the basic revenue accounts is as follows:

	2022	2021
Grants from Government Agencies		
Tennessee Department of Children's Services		
I AM Ready	$ 37,493	$ 50,000
Level II Continuum - SE	90,421	106,435
Sisters Saving Sisters	66,361	91,040
Tennessee Department of Human Services		
SSBG Homemaker	375,029	369,317
Deaf services	176,410	139,305
Emergency solutions grant - COVID	436,162	-
Victim assistance	1,455,434	1,725,361
Victim assistance - COVID	-	29,276
OVW-Justice for Families	150,879	176,309
OVW-Training and services	101,003	-
HUD Transitional Housing	-	27,105
Emergency Food & Shelter Program	36,000	22,670
Southeast Tennessee Development District	81,326	78,388
Retired Seniors Volunteer Program	87,752	86,277
City of Chattanooga - Sexual assault	63,700	63,700
Coronavirus Relief Funds	-	272,545
Temporary Assistance to Needed Families (TANF)	400,488	230,406
Access and visitation	-	21,451
Other Grants	47,847	48,039
Total grants from government agencies	$3,606,305	$ 3,537,624

(14) SPECIAL EVENTS REVENUE

Gross receipts from special fundraising events recorded by the Organization consist of exchange transaction revenue and contribution revenue. As a result of adopting FASB ASU 2014-09, the Organization is required to separately present the components of this revenue.

	2022	2021
Contributions	$ 24,119	$ 31,072
Special event revenue	41,920	40,254
	$ 66,039	$ 71,326

(15) OPERATING LEASES

The Organization leases office space at various locations. Rent paid under these leases for the years ended June 30, 2022 and 2021, was $288,313 and $148,291, respectively. The terms of the leases are as follows:

Eastgate Towncenter Admin/Deaf Services– The premises are leased under a lease expiring June 30, 2026 at a monthly rate of $15,615 for the first year, $16,083 for the second year, $16,569 for the third year, $17,072 for the fourth year, and $17,593 for the fifth year.

MLK Thrift Store – The premises are leased under a lease expiring June 30, 2023, at a monthly rental of $3,000.

Bethlehem Center – An office is leased under an agreement expiring February 28, 2024, at a monthly rental of $1,200. This agreement can be cancelled by either party within 60 days.

RCYC – An office is leased under an agreement expiring October 31, 2025, at a monthly rental of $4,000 for the first year, $4,120 for the second year, $4,244 for the third year, $4,371 for the fourth year, and $4,502 for the fifth year.

Family Justice Center – The premises are leased under a lease expiring June 30, 2024, at a monthly rental of $1.

The minimum rental commitments existing under noncancelable leases are as follows:

For the fiscal year ending June 30, 2023	$ 293,829
2024	260,371
2025	258,368
2026	229,123
	$ 1,041,691

(16) RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions consist of contributions restricted by the donor for specific purposes or with time restrictions. Such contributions are reported as net assets with donor restrictions and are reclassified to net assets without donor restrictions when the restrictions have been satisfied. As of June 30, 2022 and 2021, net assets with donor restrictions are available to be used for the following purposes:

	2022	2021
United Way appropriation	$ 154,751	$ 251,704
Phoenix Ward Fund	522,750	538,991
Elderly services	174,532	247,336
Prescription drugs for the elderly	376,371	423,749
Endowment	400,527	450,937
Eigenberg Fund	217,326	248,976
Santa All Season	123,876	89,370
Other	118,526	138,647
	$ 2,088,659	$ 2,389,710

The Endowment fund of $400,527 is a fund in which all earnings will be restricted until the fund reaches $250,000. After achieving that $250,000 level, the earnings from the fund will be available as outlined in the Endowment spending policy.

(17) LIQUIDITY

As of June 30, 2022 and 2021, respectively, the Organization has the following financial assets:

	2022	2021
Cash	$ 197,939	$ 7,972
Accounts and grants receivable	528,563	549,854
Investments	5,154,791	4,836,780
Total financial assets as of end of year	5,881,293	5,394,606
Less amounts not available to be used within one year	(1,930,908)	(2,138,006)
Financial assets available to meet cash needs for general expenditures within one year	$ 3,950,385	$ 3,256,600

Amounts not available to be used within one year include restricted cash and investments.

(17) LIQUIDITY (continued)

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. It has a strict budget which is monitored throughout the year. In addition, the Organization invests cash in excess of daily requirements in short-term money market accounts. The line of credit, as discussed in Note 8, is also available for additional working capital needs.

(18) RISKS AND UNCERTAINTIES

During March 2020, a global pandemic was declared related to the rapidly growing outbreak of a novel strain of coronavirus (COVID-19). The pandemic has significantly impacted the economic conditions across the nation as federal, state, and local governments react to the public health crisis, creating significant uncertainties in the economy. This situation is rapidly changing, and additional impacts may arise. While the disruption is currently expected to be temporary, there is uncertainty around its duration. The ultimate future impact, if any, of the pandemic on results of operations, financial position, liquidity or capital resources cannot be reasonably estimated at this time.

(19) SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 20, 2023, the date which these financial statements were available for issue.

(20) RECLASSIFICATIONS

Certain items in the 2021 financial statement have been reclassified to conform with the current year presentation.

SUPPLEMENTAL DATA

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2022

Federal Grantor/ Pass-through Grantor/Program Title	Federal Assistance Listing Number	Contract Number	Receivable Balance 6/30/21	Cash Receipts	Expenditures	Receivable Balance 6/30/22
FEDERAL AWARDS						
Major Program						
U.S. Department of Justice						
Pass-through from Tennessee Department of Human Services						
Victim Assistance Spouse Abuse #2	16.575	32206	$ 81,944	$ 859,616	$ 861,854	$ 84,182
Victim Assistance Spouse Abuse #3	16.575	35509	16,862	239,166	241,512	19,208
VOCA DV Liaison	16.575	39032	11,652	59,370	53,370	5,652
VOCA	16.575	41714	37,211	278,738	265,409	23,882
VOCA	16.575	44058	50,000	50,000	-	-
VOCA	16.575	44058	-	33,288	33,288	-
Tested as a Major Program			197,669	1,520,179	1,455,434	132,924
U.S. Department of Justice						
Pass-through from Hamilton County, Tennessee						
OVW - Justice for Families	16.528	2020-FJ-AX-0001	10,202	149,494	150,879	11,587
Education, Training and Svcs	16.529	2019FWAXK004	-	97,880	101,003	3,123
Pass-through from the Tennessee Coalition to End Domestic & Sexual Violence						
OVW - Sexual Assualt Hotline	16.529	N/A	5,475	11,983	7,999	1,491
Total U.S. Department of Justice			213,346	1,779,536	1,715,315	149,125
U.S. Department of Health and Human Services						
Pass-through from the Tennessee Department of Human Services						
SSBG Homemaker	93.667	Z-21-49315	26,139	19,975	33,190	39,354
COVID-19 - SSBG Homemaker	93.667	Z-22-49365	-	4,037	4,037	-
COVID-19 - SSBG Homemaker	93.667	Z-22-49315	-	111,857	114,009	2,152
			26,139	135,869	151,236	41,506
Pass-through from Hamilton County, Tennessee						
COVID-19 - SSBG Homemaker	93.667	N/A	-	3,403	3,403	-
SSBG Homemaker	93.667	Z-22-49307	-	127,808	128,431	623
SSBG Homemaker	93.667	Z-21-49307	32,276	50,381	54,150	36,045
			32,276	181,592	185,984	36,668
Pass-through from SETAAD						
COVID-19 - Ombudsman	93.044	N/A	-	-	3,165	3,165
Ombudsman	93.044	01574	13,726	84,778	78,161	7,109
			13,726	84,778	81,326	10,274
Total U.S. Department of Health and Human Services			72,141	402,239	418,546	88,448

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2022

Federal Grantor/ Pass-through Grantor/Program Title	Federal Assistance Listing Number	Contract Number	Receivable Balance 6/30/21	Cash Receipts	Expenditures	Receivable Balance 6/30/22
U.S. Department of Education						
Pass-through from the Tennessee Department of Human Services						
Deaf Services	84.126	34570-71117	$ 33,082	$ 168,138	$ 176,410	$ 41,354
Total U.S. Department of Education			33,082	168,138	176,410	41,354
Corporation for National and Community Service (CNCS)						
Retired Seniors Volunteer Program (RSVP)	94.002	175RSTN001	7,536	93,194	87,753	2,095
Total CNCS			7,536	93,194	87,753	2,095
U. S. Department of Housing and Urban Development						
Pass-through from City of Chattanooga						
Emergency Shelter - ESF NBP	14.231	N/A	14,000	50,000	36,000	-
Emergency Solutions Grant	14.231	N/A	29,276	436,907	436,162	28,531
Total U.S. Department of Housing and Urban Development			43,276	486,907	472,162	28,531
Total non-major programs			156,035	1,150,478	1,154,871	160,428
Total federal awards			$ 369,381	$ 2,930,014	$ 2,870,185	$ 309,553

PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2022

Federal Grantor/ Pass-through Grantor/Program Title	Federal Assistance Listing Number	Contract Number	Receivable Balance 6/30/21	Cash Receipts	Expenditures	Receivable Balance 6/30/22
STATE AWARDS						
Tennessee Department of Children's Services						
Temporary Assistance to Needed Families (TANF): Two Generation Approach	N/A	N/A	$ 60,862	$ 397,319	$ 400,488	$ 64,031
I Am Ready	N/A	52518	10,282	37,136	37,493	10,639
Level II Continuum - SE Cont	N/A	N/A	9,257	94,748	90,421	4,929
Sisters Saving Sisters	N/A	52554	21,335	83,873	66,361	3,823
Total Tennessee Department of Children's Services			101,736	613,076	594,762	83,422
Tennessee Department of Health						
COVID-19 - SSBG Homemaker Services	N/A	Z-22-49365	-	1,009	1,009	-
SSBG Homemaker Services	N/A	Z-22-49315	-	27,964	28,502	538
SSBG Homemaker Services	N/A	Z-21-49315	6,535	4,995	8,298	9,838
Total Tennessee Department of Health			6,535	33,968	37,809	10,376
Other Grants						
City of Chattanooga Sexual Assault	N/A	N/A	-	63,700	63,700	-
PEMF Supreme Court	N/A	N/A	740	6,480	8,500	2,760
Sexual Assault - CDS Grant	N/A	N/A	2,035	2,035	-	-
Chattanooga Housing Authority	N/A	N/A	-	31,348	31,348	-
Total Other Grants			2,775	103,563	103,548	2,760
Total state awards			111,046	750,607	736,119	96,558
Total federal and state awards			$ 480,427	$ 3,680,620	$ 3,606,305	$ 406,111

PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2022

(1) BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of Partnership for Families, Children and Adults, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal* Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (*Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

(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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Partnership for Families, Children and Adults, Inc. has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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

To the Board of Directors of
Partnership for Families, Children and Adults, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Partnership for Families, Children and Adults, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, 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 January 20, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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Chattanooga, Tennessee | 423 267 5945 f

Report on Compliance and Other Matters

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

Johnson, Nickey & Meacham, P.C.

Chattanooga, Tennessee
January 20, 2023

JOHNSON HICKEY MURCHISON
CERTIFIED PUBLIC ACCOUNTANTS • SINCE 1977

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

To the Board of Directors of
Partnership for Families, Children and Adults, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Partnership for Families, Children and Adults, Inc.'s 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, 2022. 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, Partnership for Families, Children and Adults, 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, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the 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.

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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the 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.

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over

compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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.

Johnson, Nickey & Meacham, P.C.

Chattanooga, Tennessee
January 20, 2023

PARTNERSHIPS FOR FAMILIES, CHILDREN, AND ADULTS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022 AND 2021

A. SUMMARY OF AUDITORS' RESULTS

1. The independent auditors' report expresses an unmodified opinion on whether the financial statements of Partnership for Families, Children and Adults, Inc. were prepared in accordance with GAAP.

2. No material weaknesses were identified during the audit of the financial statements.

3. No instances of noncompliance material to the financial statements of Partnership for Families, Adults and Children, Inc. were disclosed by the audit.

4. No material weaknesses were identified during the audit of the major federal award program.

5. The auditors' report on the major federal awards program for Partnership for Families, Children and Adults, Inc. expresses an unmodified opinion.

6. Audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) are reported in this schedule.

7. The program tested as a major program was:
   U.S. Department of Justice
   VOCA – CFDA #16.575

8. The threshold level for distinguishing Type A and B programs was $750,000.

9. Partnership for Families, Children and Adults, Inc. was determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

Current year

None

Prior year

None

C. FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS

Current year

None

Prior year

None

PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.

Chattanooga, Tennessee

FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

Years Ended June 30, 2023 and 2022

JOHNSON, HICKEY & MURCHISON, P.C.
Certified Public Accountants
Chattanooga, Tennessee

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PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.
ROSTER OF MANAGEMENT AND BOARD MEMBERS
JUNE 30, 2023

MANAGEMENT

Kevin Hyde	Chief Executive Officer
Lynda LeVan	Director of Grant Strategy and Compliance
Carmen Quezada Hutson	Director of Victim Support Services
Sharon Love	Director of Philanthropy and Communications
Joy Key	Director of Stability Services
Eduardo Rosano	Chief Financial Officer
Pam Smith	Director of Deaf, Deaf-Blind and Hard of Hearing and Auxiliary
Sarah Wilkerson	Director of Human Resources
Tim Tingle	Director of IT
Wendy Winters	Director of Elder and Disability Services and Quality Improvement

BOARD MEMBERS

Liz Ahmed	Board President
John Jackson	Vice President
Brant Caldwell	Treasurer
Deborah Arfken	Secretary
Pat Branam	Director
Carolyn Brock	Director
Nicole Burney	Director
Michele Coffman	Director
Drishti Garg	Director
Jim Gilliland	Director
Micah Guster	Director
Bernard Harris	Director
Jenny Johnston	Director
Andrew McGill	Director
Nick Spinelli	Director
Jim Tanner	Director
Michele Holt	Director
Jacqueline Strong Moss	Director

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Partnership for Families, Children and Adults, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Partnership for Families, Children, and Adults, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, changes in net assets, functional expenses, and cash flows for the years 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 Partnership for Families, Children, and Adults, Inc. as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 opinions.

Responsibilities of Management for the Financial Statements

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

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

Supplemental data

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 and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the roster of management and board members but does not include the basic financial statements and our auditors' report thereon. Our opinion on the basic financial statements does not cover the other information, and, we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 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.

Johnson, Wickey & Meacham, P.C.

Chattanooga, Tennessee
January 19, 2024

PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022

ASSETS

	2023	2022
CURRENT ASSETS		
Cash and cash equivalents		
Available	$ 314,106	$ 110,697
Restricted	248,081	87,242
Accounts and grants receivable	589,003	528,563
Unconditional promises to give	-	154,750
Prepaid expenses	26,494	48,267
Investments	5,264,489	5,154,791
Total current assets	6,442,173	6,084,310
PROPERTY AND EQUIPMENT	4,102,858	4,102,857
Less accumulated depreciation	(3,315,241)	(3,198,066)
	787,617	904,791
NON-CURRENT ASSETS		
Right of use asset, net	1,183,873	1,058,752
Total assets	$ 8,413,663	$ 8,047,853

(The accompanying notes are an integral part of these statements.)

LIABILITIES AND NET ASSETS

	2023	2022
CURRENT LIABILITIES		
Current portion of lease obligation	$ 239,726	$ 223,753
Accounts payable	157,804	70,016
Accrued leave	156,510	149,810
Reserve for unemployment benefits	45,025	45,025
Other liabilities	76,896	52,311
Total current liabilities	675,961	540,915
LONG-TERM LIABILITIES		
Line of credit	70,000	344,331
Long-term lease obligations, less current maturities shown above	971,359	852,186
	1,041,359	1,196,517
NET ASSETS		
Without donor restrictions		
Designated by the governing board for endowment	839,171	776,897
Net investment in property and equipment	787,617	904,791
Undesignated	3,747,629	2,591,148
	5,374,417	4,998,660
With donor restrictions	1,321,926	1,311,761
Total net assets	6,696,343	6,310,421
	$ 8,413,663	$ 8,047,853

(The accompanying notes are an integral part of these statements.)

PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Support		
Government grants	$ 3,733,656	$ 3,606,305
Contributions	220,042	91,832
	3,953,698	3,698,137
Net assets released from restrictions	493,077	1,498,385
REVENUES		
Program service fees	592,394	682,297
Gain on sale of property	-	763,490
Return on investments	366,529	(504,128)
Special events	92,939	66,039
Paycheck Protection Program Loan income	-	278,408
Rent revenue	10,348	-
United Way contributions	309,500	-
Miscellaneous income	383,084	47,774
	1,754,794	1,333,880
Total support without donor restrictions, revenue and reclassifications	6,201,569	6,530,402
EXPENSES		
Program services	4,383,485	4,374,894
Management and general	1,107,200	1,200,866
Fundraising	188,114	198,175
	5,678,799	5,773,935
Increase (decrease) in net assets without donor restrictions	522,770	756,467
NET ASSETS WITH DONOR RESTRICTIONS		
United Way contributions	-	505,101
Return on investment	118,168	(183,454)
Other contributions with donor restrictions	322,800	149,200
Net assets released from restriction		
Expiration of time restrictions	(493,077)	(1,498,385)
Endowment earnings	62,274	(50,410)
Increase (decrease) in net assets with donor restrictions	10,165	(1,077,948)
INCREASE (DECREASE) IN NET ASSETS	$ 532,935	$ (321,481)

(The accompanying notes are an integral part of these statements.)

PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.
STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2023 AND 2022

	Net assets without donor restrictions	Net assets with donor restrictions	Total net assets
Balance at June 30, 2021	$ 4,242,193	$ 2,389,709	$ 6,631,902
Decrease in net assets	756,467	(1,077,948)	(321,481)
Balance at June 30, 2022	4,998,660	1,311,761	6,310,421
Prior period adjustment	(147,013)	-	(147,013)
Balance at June 30, 2022, restated	4,851,647	1,311,761	6,163,408
Increase in net assets	522,770	10,165	532,935
Balance at June 30, 2023	$ 5,374,417	$ 1,321,926	$ 6,696,343

(The accompanying notes are an integral part of these statements.)

PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2023 AND 2022

	2023			
	Total Program Services	Management and General	Fundraising and Development	Total
Salaries	$ 2,307,140	$ 697,690	$ 112,101	$ 3,116,931
Employee benefits	306,428	73,717	6,645	386,790
Payroll taxes	168,906	51,686	8,484	229,076
Professional fees	544,427	95,250	-	639,677
Supplies	80,275	7,067	-	87,342
Telephone	55,455	18,201	208	73,864
Postage	2,065	847	-	2,912
Occupancy	460,293	42,256	4,779	507,328
Equipment rental and maintenance	19,200	5,939	-	25,139
Printing and publishing	12,941	17,137	8,707	38,785
Transportation	86,291	388	-	86,679
Conferences and conventions	17,503	-	-	17,503
Assistance to individuals	167,992	-	-	167,992
Membership dues	21,912	22,117	1,410	45,439
Insurance	37,472	20,479	957	58,908
Interest	-	20,950	-	20,950
Bad debts	2,874	-	-	2,874
Marketing	3,032	-	2,090	5,122
Miscellaneous	5,512	70	42,733	48,315
Total expenses before depreciation	4,299,718	1,073,794	188,114	5,561,626
Depreciation	83,767	33,406	-	117,173
Total expenses after depreciation	$ 4,383,485	$ 1,107,200	$ 188,114	$ 5,678,799

(The accompanying notes are an integral part of these statements.)

2022			
Total Program Services	Management and General	Fundraising and Development	Total
$ 2,309,190	$ 675,176	$ 80,476	$ 3,064,842
315,101	60,569	11,384	387,054
173,424	39,025	6,031	218,480
407,086	169,834	-	576,920
60,234	10,472	-	70,706
64,549	14,841	262	79,652
1,292	1,143	-	2,435
374,058	113,826	13,215	501,099
18,282	5,774	-	24,056
10,987	17,942	3,198	32,127
79,285	3,464	-	82,749
20,892	-	-	20,892
366,837	-	-	366,837
22,775	11,278	1,360	35,413
39,654	15,266	918	55,838
-	17,587	-	17,587
-	-	-	-
5,065	-	41,187	46,252
24,878	658	40,144	65,680
4,293,589	1,156,855	198,175	5,648,619
81,305	44,011	-	125,316
$ 4,374,894	$ 1,200,866	$ 198,175	$ 5,773,935

(The accompanying notes are an integral part of these statements.)

PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	$ 532,935	$ (321,481)
Adjustments to reconcile increase (decrease) in net assets to cash provided (used) by operating activities		
Depreciation	117,173	125,316
Net change in operating lease activities	10,025	17,187
Provision for bad debts	2,874	-
Net (gain) loss on marketable securities	(323,382)	852,888
Gain on disposal of property	-	(763,490)
Forgiveness of Paycheck Program Protection loan	-	(278,408)
Net (increase) decrease in operating assets		
Accounts and grants receivable	(63,314)	21,291
Unconditional promises to give	7,738	96,953
Prepaid expenses	21,773	25,992
Net increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	94,488	(93,846)
Other liabilities	24,585	43,458
Net cash provided (used) by operating activities	424,895	(274,140)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for property and equipment	-	(171,813)
Proceeds from sale of property	-	1,250,000
Proceeds from sale of real estate held for sale	-	420,000
Purchase of investments	(562,979)	(1,186,137)
Proceeds from sale or maturity of investments	776,663	15,238
Net cash provided by investing activities	213,684	327,288
CASH FLOWS FROM FINANCING ACTIVITIES		
Net change in line of credit	(274,331)	136,819
Net cash provided (used) by financing activities	(274,331)	136,819
NET INCREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	364,248	189,967
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH		
Beginning	197,939	7,972
Ending	$ 562,187	$ 197,939

(The accompanying notes are an integral part of these statements.)

	2023	2022
CASH CONSISTS OF		
Cash and cash equivalents - available	$ 314,106	$ 110,697
Cash and cash equivalents - restricted	248,081	87,242
	$ 562,187	$ 197,939
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for		
Interest	$ 20,950	$ 17,587

(The accompanying notes are an integral part of these statements.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Partnership for Families, Children and Adults, Inc. (the Organization) was created to preserve and strengthen individual and family life, to create and promote conditions conducive to personal growth, and to alleviate and prevent human distress through appropriate community, social and other services. The Organization receives substantial support from various government agencies and the general public.

The Organization's ability to continue operations at its current level is dependent on its success at renegotiating its current, as well as, new contracts and the availability of funding by the governments for the type of programs offered by the Organization.

Basis of accounting

The financial statements of Partnership for Families, Children and Adults, Inc. have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

Basis of presentation

The financial statements are presented in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*. The Organization has adopted the provisions of Accounting Standards Update ("ASU") 2016-14: Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

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 the Organization. These net assets may be used at the discretion of the Organization'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 actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Board-designated net assets – Net assets without donor restrictions subject to self-imposed limits by action of the Organization's Board of Directors. Board-designated net assets may be earmarked for future programs, investment, contingencies, purchase or construction of fixed assets, or other uses.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period as receipt are reported as contributions without donor restrictions. For contributions restricted to the acquisition of property and equipment, the restrictions are released when the asset is placed in service unless the donor has provided more explicit requirements.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported support, revenues and expenses. Actual results could vary from the estimates that were used.

Accounts and grants receivable

Accounts and grants receivable are stated at outstanding principal less an allowance for uncollectible accounts. An allowance has been provided for management's estimate of accounts which are not expected to be collected. The allowance for uncollectible accounts totaled $6,116 and $3,242 for the years ended June 30, 2023 and 2022, respectively.

Promises to give

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Revenue recognition

Revenue from Exchange Transactions: The Organization recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. The Organization records the following exchange transaction revenue in its statement of activities for the years ending June 30, 2023 and 2022:

Grants from Government Agencies

The Organization provides services to individuals under various grants from various government agencies. Such grants are recorded as revenue as performance obligations are satisfied, which is generally when the related expenditures are incurred over the period the service is provided.

Program Service Fees

The Organization provides services to individuals under various contracts with the State of Tennessee. Such contracts are recorded as revenue as performance obligations are satisfied, which is generally when the related expenditures are incurred over the period the service is provided.

Contributions

The Organization recognizes contribution revenue when unconditional promises to give are received. Unconditional promises to give due in more than one year are reflected at the present value of estimated future cash flows using a discount rate equal to the average prime rate.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Special fundraising event revenue

The Organization conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event – the exchange component, and a portion represents contribution to the Organization. Unless a verifiable objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the Organization. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The direct costs of the special events, which ultimately benefit the donor rather than the Organization, are recorded as event costs in the statement of functional expenses. The performance obligation is delivery of the event, which is usually accompanied by a presentation. The event fee is set by the Organization. FASB ASU 2014-09 requires allocation of the transaction price to the performance obligation. Accordingly, the Organization presents in its notes to the financial statements the exchange and contribution components of the gross proceeds from special events. Special event fees collected by the Organization in advance of its delivery are initially recognized as liabilities (deferred revenue) and recognized as special event revenue after delivery of the event.

Donated services

The value of donated volunteer services is not reflected in the accompanying financial statements since there is no objective basis available by which to measure the value of such services. However, a substantial number of volunteers have donated significant amounts of their time to the Organization.

Property, equipment, and depreciation

Property and equipment with an original cost of $5,000 or more are recorded at cost, or fair value if donated. Depreciation of buildings and equipment is provided over the estimated useful lives of the respective assets using the straight line method.

Property and equipment acquired by the Organization are considered to be owned by the Organization. However, state funding sources may maintain an equitable interest in assets purchased with grant funds as well as the right to determine the use of any proceeds from the sale of these assets.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Most expenses can be directly allocated to one of the programs or supporting functions. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied.

The basis of allocation of these expenses is the result of a time study. The percentage of time allocated to each of the programs and supporting functions is based on the results of the time studies and is applied to the expenses that are allocated. The financial statements report expenses by function in the Statement of Functional Expenses.

Cash equivalents

The Organization considers unrestricted highly liquid debt securities with an original maturity of three months or less to be cash equivalents.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Real estate held for sale

The Organization receives certain noncash fundraising donations intended for future sale that are recognized as noncash donations at their fair values at the date of the donation. When the asset held for sale is sold and the proceeds from the sale differ from the asset's recorded value, the difference is included in gain on sale of property in the statement of activities.

Nonprofit status

Partnership for Families, Children and Adults, Inc. is chartered as a Tennessee nonprofit, general welfare corporation and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, there is no provision for federal income tax and tax-related items.

Compensated absences

The Organization's policy is to compensate employees for earned but unused vacation pay. The accompanying financial statements include a liability for compensated absences.

Income taxes

The Organization follows the requirements of current guidance in accounting for uncertain tax positions. Under this guidance, the Organization must recognize the tax effect associated with tax positions taken when it is more than likely that the position will not be sustained. The Organization does not believe there are any material uncertain tax positions and, accordingly, it will not recognize any liability for unrecognized tax effects. Additionally, no provision for income taxes is reflected in these financial statements. Interest and penalties would be recognized as tax expense, however, there is no interest or penalties recognized in the statements of activities. The tax years after June 30, 2020 are still open to audit.

Right of use assets and lease liabilities

Right of use ("ROU") assets represent the Organization's right to use the underlying assets for the lease term and lease liabilities represent the net present value of the Organization's obligation to make payments arising from these leases. The lease liabilities are based on the present value of fixed lease payments over the lease term using the Organization's incremental borrowing rate on the lease commencement date. If the lease includes one or more options to extend the term of the lease, the renewal option is considered in the lease term if it is reasonably certain the Organization will exercise the options. Operating lease expense is recognized on a straight-line basis over the term of the lease. Finance lease expense is recognized as amortization of the right of use asset and interest expense. As permitted by ASU 2016-02, *Leases: Topic 842*, leases with an initial term of twelve months or less ("short-term leases") are not recorded on the accompanying statements of financial position.

The Organization has lease agreements with lease and non-lease components, which are accounted for as a single lease component under the practical expedient provisions of the standard. The Organization has lease agreements with terms less than one year. For the qualifying short-term leases, the Organization elected the short-term lease recognition exemption in which the Organization will not recognize ROU assets or lease liabilities, including the ROU assets or lease liabilities for existing short-term leases of those assets upon adoption.

Variable lease payments such as common area maintenance, utilities, and taxes, are not included in the recognition of ROU assets and related lease liabilities. Variable lease payments and short-term lease expenses

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Right of use assets and lease liabilities (continued)

were immaterial to the Organization's financial statements for the years ended June 30, 2023 and 2022. The Organization's lease agreements do not contain material restrictive covenants.

Change in accounting principle

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases: Topic 842*. This ASU affects any entity that enters a lease, with some specified scope exemptions. The main difference between previous GAAP and this ASU is the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under previous GAAP. The Organization has implemented this ASU for the year ended June 30, 2022, using the modified retrospective approach. The Organization elected the optional practical expedient package which, among other things, includes the historical classification of leases.

As a result, the adoption of ASU 2016-02, *Leases: Topic 842* amounts for 2022 shown in the statements of financial position, statements of activities, statements of functional expenses and statements of cash flows have been restated for comparison purposes to present the right of use assets, accumulated amortization of the right of use assets, short and long-term finance lease liabilities, the change in finance lease expense and cash flow affects as though ASU 2016-02*, Leases: Topic 842* had been effective for that period. There was a reduction of $17,147 on the June 30, 2022 change in net assets as a result of the adoption of ASU 2016-2, *Leases: Topic 842*.

(2) LIQUIDITY

As of June 30, 2023 and 2022, respectively, the Organization has the following financial assets:

	2023	2022
Cash	$ 562,187	$ 197,939
Accounts and grants receivable	589,003	528,563
Investments	5,264,489	5,154,791
Total financial assets as of end of year	6,415,679	5,881,293
Less amounts not available to be used within one year	(1,321,926)	(1,311,761)
Financial assets available to meet cash needs for general expenditures within one year	$ 5,093,753	$ 4,569,532

Amounts not available to be used within one year include restricted cash and investments. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. It has a strict budget which is monitored throughout the year. In addition, the Organization invests cash in excess of daily requirements in short-term money market accounts. The line of credit, as discussed in Note 10, is also available for additional working capital needs.

(3) INVESTMENTS

Investments are recorded at fair market value and consist of the following as of June 30, 2023 and 2022:

	2023	2022
Money market funds	$ 1,460,608	$ 309,619
Real estate	107,578	-
Mutual funds and equities	3,696,303	4,845,172
	$ 5,264,489	$ 5,154,791

The average annual yield, exclusive of net capital gains, was 4.29% and 2.30% for the years ended June 30, 2023 and 2022, respectively. Total returns for those years were 10.50% and -14.77%, respectively. Yields are computed using fair market values.

Investment return on invested net assets with donor restrictions is recorded as net assets with donor restrictions. The remaining return on investment is recorded as net assets without donor restrictions.

Components of net investment income for the years ended June 30, 2023 and 2022, consisted of the following:

	2023	2022
Interest and dividends (net of fees)	$ 223,589	$ 114,896
Net realized capital gains (losses)	(38,835)	64,888
Net unrealized capital gains (losses)	362,217	(917,776)
	$ 546,971	$ (737,992)

(4) FAIR VALUE MEASUREMENTS

The Organization adopted current guidance that defines fair value, establishes a framework for measuring fair value, and expands disclosure about fair value measurements.

Financial instruments measured at fair value are categorized into a three-level classification. The lowest level input that is significant to the fair value measurement of a financial instrument is used to categorize the instrument and reflects the judgment of management. Financial assets and liabilities are presented at fair value and are generally categorized as follows:

Level 1
Inputs are unadjusted and represent quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2
Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date and for the duration of the instrument's anticipated life.

Level 3

Inputs are unobservable and supported by little or no market activity.

(4) FAIR VALUE MEASUREMENTS (continued)

The Organization uses the following method and assumptions in estimating the fair values of the Organization's financial instruments:

Market approach- Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. Prices may be indicated by pricing guides, sale transactions, market trades, or other sources.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants.

The categorization of fair value measurements of the Organization's assets, by input level, at June 30, 2023, is as follows:

	Level 1	Level 2	Level 3	Total
Money market	$ 1,460,608	$ -	$ -	$ 1,460,608
Mutual funds and equities	3,696,303	-	-	3,696,303
Real estate	-	-	107,578	107,578
Total	$ 5,156,911	$ -	$ 107,578	$ 5,264,489

The categorization of fair value measurements of the Organization's assets, by input level, at June 30, 2022, is as follows:

	Level 1	Level 2	Level 3	Total
Money market	$ 309,619	$ -	$ -	$ 309,619
Mutual funds and equities	4,845,172	-	-	4,845,172
Total	$ 5,154,791	$ -	$ -	$ 5,154,791

Money market, government and corporate bonds, and mutual funds and equites are classified in Level 1 of the fair value hierarchy.

Investments classified in Level 3 consist of directly held real estate that have valuations based on input other than quoted prices, including appraisals performed upon donation. The following presents activity for the year ended June 30, 2023 regarding fair value measurements using significant observable inputs (Level 3):

(4) FAIR VALUE MEASUREMENTS (continued)

	Level 3
Beginning balance	$ -
Contributions	383,367
Withdrawals	(269,269)
Investment income	(6,520)
Ending balance	$ 107,578

(5) ENDOWMENT

The Organization's endowment consists of one individual fund established for a specific purpose. Its endowment includes funds designated by the Board of Directors to function as an endowment. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted or endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted or board designated endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Organization and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Organization
(7) The investment policies of the Organization

Endowment net assets composition by type of fund as of June 30, 2023, are as follows:

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Donor restricted endowment funds	$ -	$ -	$ -
Board-designated endowment funds	839,171	-	839,171
Total funds	$ 839,171	$ -	$ 839,171

(5) ENDOWMENT (continued)

Endowment net assets composition by type of fund as of June 30, 2022, are as follows:

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Donor restricted endowment funds	$ -	$ -	$ -
Board-designated endowment funds	776,897	-	776,897
Total funds	$ 776,897	$ -	$ 776,897

Changes in Endowment net assets for the fiscal year ended June 30, 2023, are as follows:

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Endowment net assets, beginning of year	$ 776,897	$ -	$ 776,897
Investment income	62,274	-	62,274
Releases	-	-	-
Endowment net assets, end of year	$ 839,171	$ -	$ 839,171

Changes in Endowment net assets for the fiscal year ended June 30, 2022, are as follows:

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Endowment net assets, beginning of year	$ 827,307	$ -	$ 827,307
Investment loss	(50,410)	-	(50,410)
Releases	-	-	-
Endowment net assets, end of year	$ 776,897	$ -	$ 776,897

(5) ENDOWMENT (continued)

Description of endowment amounts classified as net assets with donor restrictions are as follows:

	2023	2022
Net assets with donor restrictions		
The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulation, purpose restriction, or by SPMIFA	$ -	$ -
Net assets without donor restrictions		
The portion of perpetual endowment funds that is not restricted by a purpose restriction under SPMIFA	$ 139,171	$ 76,897

From time to time, the fair value of assets associated with the endowment fund may fall below the level that the donor or SPMIFA requires to be retained as a fund of perpetual duration. There were no investment losses at June 30, 2023 and an investment loss of $50,410 at June 30, 2022, respectively.

Endowment assets are governed by a Board Approved Investment Policy Statement, which details investment management, asset allocation, investment objectives and spending policy. The primary endowment investment objectives are growth and income, as well as to maximize total return and minimize risk over a longer-term time horizon. The Organization's current spending policy is up to 4% annually with a suspension of distributions in if endowment assets fall below $700,000.

(6) CHANGE IN ACCOUNTING ERROR

During the year ended June 30, 2023, the Organization discovered, during historical research of investments, funds were erroneously accounted for as an endowment and net asset with donor restrictions instead of an endowment and net assets without donor restrictions (board designated). As a result, endowment and net assets with donor restrictions were overstated. The errors have been corrected by restating each of the affected financial statement line items for the prior period.

(7) UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give due in more than one year are reflected at the present value of estimated future cash flows using a discount rate equal to the average prime rate. There were no pledges due to be received greater than one year as of June 30, 2023 and 2022, therefore no discount was reflected for the years then ended.

(8) PROPERTY AND EQUIPMENT

Land, buildings and equipment are comprised of the following major classifications:

	2023	2022
Land	$ 64,342	$ 64,342
Buildings	1,700,822	1,700,822
Furniture, fixtures and equipment	2,337,693	2,337,693
	4,102,857	4,102,857
Accumulated depreciation	(3,315,240)	(3,198,066)
	$ 787,617	$ 904,791

Depreciation expense totaled $117,173 and $125,316 for the years ended June 30, 2023 and 2022, respectively.

On September 14, 2021, the Organization sold its McCallie Avenue and Duncan Avenue buildings for $1,250,000, resulting in a gain of $765,035. The Organization also sold a piece of property that resulted in a loss of $1,545.

(9) RESERVE FOR UNEMPLOYMENT

The Organization is self-insured for unemployment purposes, consequently an accrual has been recorded for the estimated liability for unemployment benefits which totals $45,025 and $45,025 for the years ended June 30, 2023 and 2022, respectively.

(10) LINE OF CREDIT

On July 2, 2019, the Organization received a line of credit with Tennessee Valley Federal Credit Union with access to $1,000,000 at an interest rate of 5.0%. As of June 30, 2023, the outstanding balance was $70,000 with interest only payments required until the expiration date. The original line of credit expired August 1, 2022, however, the maturity date was extended on July 28, 2022, and now expires August 1, 2025. The new interest rate is prime plus .25% adjusting annually with a ceiling of 18% and a floor of 4%.

(11) PAYCHECK PROTECTION PROGRAM

On April 22, 2020, the Organization was granted a loan from First Horizon Bank in the amount of $278,408, pursuant to the Paycheck Protection Program (PPP) of the Coronavirus Aid, Relief, and Economic Security Act, which was enacted March 27, 2020. The loan was forgiven during the year ended June 30, 2022, and is included in revenue in the accompanying statements of activities.

(12) EMPLOYEE RETENTION TAX CREDIT

The Employee Retention Tax Credit (ERTC) was introduced as part of the CARES Act. The ERTC is designed to encourage employers to maintain employees on their payroll despite experiencing economic hardship due to the COVID-19 pandemic. The ERTC works as a refundable payroll tax credit and is based on a percentage of payroll paid during the year. Specific eligibility requirements are applicable under the language of the CARES Act and subsequent legislative packages. Pursuant to these requirements, the Organization has met all eligibility requirements. In the absence of specific U.S. required accounting guidance at the date of report release, the Organization has recorded the credit consistent with International Accounting Standards 20, Accounting for Governmental Grants and Disclosure of Government Assistance. For the year ended June 30, 2023, refundable credits of $359,894 are included in miscellaneous income on the statement of activities.

(13) DEFINED CONTRIBUTION PLAN

The Organization maintains a 403(b) Defined Contribution Pension Plan covering all full-time employees with at least 12 months of service. The Organization makes a contribution to the plan each year equal to 2% of all eligible participants' compensation. In addition, the Organization matches participants' contributions to the plan up to 2% of the individual participants' compensation. Total expense for the years ended June 30, 2023 and 2022, was $82,846 and $91,509, respectively.

(14) CONCENTRATION OF CREDIT RISK

From time to time, the Organization has on deposit in financial institutions funds in excess of federal insurance limits. As of June 30, 2023, there were amounts in excess of federal insurance limits of $334,905.

(15) BOND AND INSURANCE COVERAGE

Partnership for Families, Children and Adults, Inc. holds an insurance policy for $500,000, per occurrence, which provides coverage against employee dishonesty. Further, the Organization has $1,000,000 in professional liability insurance and $2,000,000 in directors' and officers' liability insurance, as well as umbrella coverage in the amount of $5,000,000. The Organization has one employee that is a notary and is bonded.

(16) REVENUE

A detail analysis of the basic revenue accounts is as follows:

	2023	2022
Grants from Government Agencies		
Tennessee Department of Children's Services		
James Casey (I.AM.Ready)	$ 49,719	$ 37,493
Level II Continuum - SE	88,130	90,421
Sisters Saving Sisters	91,040	66,361
Tennessee Department of Human Services		
SSBG Homemaker	474,449	375,029
Deaf services	198,871	176,410
Emergency solutions grant - COVID	12,496	436,162
Youth Homelessness Demonstration Program	190,415	-
Victim assistance	1,482,518	1,455,434
OVW-Justice for Families	212,273	150,879
OVW-Sexual Assault	44,441	
TN Coalition to end domestic & sexual assualt	9,477	
OVW-Training and services	80,282	101,003
HUD Transitional Housing	12,357	-
Emergency Food & Shelter Program	22,000	36,000
Southeast Tennessee Development District	103,538	81,326
Retired Seniors Volunteer Program	87,976	87,752
City of Chattanooga - Sexual assault	80,000	63,700
Temporary Assistance to Needed Families (TANF)	483,904	400,488
Other Grants	9,770	47,847
Total grants from government agencies	$3,733,656	$ 3,606,305

(17) SPECIAL EVENTS REVENUE

Gross receipts from special fundraising events recorded by the Organization consist of exchange transaction revenue and contribution revenue. As a result of adopting FASB ASU 2014-09, the Organization is required to separately present the components of this revenue.

	2023	2022
Contributions	$ 62,618	$ 24,119
Special event revenue	30,321	41,920
	$ 92,939	$ 66,039

(18) LEASE

The Organization has various operating leases for space used for the Organization's programs and administrative functions that have initial lease terms through February 28, 2026.

The schedule on the following page summarizes the line items in the statements of financial position which include amounts for the Organization's operating lease as of June 30, 2023 and 2022:

Operating lease	2023	2022
ROU - office space	$ 1,657,979	$ 1,279,282
ROU - accumulated amortization	474,106	220,529
ROU, net	$ 1,183,873	$ 1,058,753
Current portion of operating lease	$ 239,726	$ 223,753
Long-term operating lease, less current maturities	971,359	852,186
Total operating lease liability	$ 1,211,085	$ 1,075,939

The following summarizes the weighted average reaming lease term and discount rate as of June 30, 2023 and 2022:

Operating lease	2023	2022
Weighted average remaining lease term - operating	5.99 years	5.23 years
Weighted average remaining lease term - operating	5.68%	6.04%

The maturity of the lease liability as of June 30, 2023, is as follows:

	Operating
June 30, 2024	$ 300,785
2025	308,450
2026	243,848
2027	104,758
2028	106,460
Thereafter	351,111
Total lease payments	1,415,412
Present value discount	(204,327)
Total lease liability	$ 1,211,085

(18) LEASE (continued)

The following summarizes cash flow information related to the lease for the years ended June 30, 2023 and 2022:

	2023	2022
Cash paid for amounts included in the measurement of the lease liability -		
Operating cash flows from operating leases	$ 309,373	$ 251,599
ROU assets obtained in exchange for net operating lease liability	$ 374,697	$ 1,256,667

(19) RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions consist of contributions restricted by the donor for specific purposes or with time restrictions. Such contributions are reported as net assets with donor restrictions and are reclassified to net assets without donor restrictions when the restrictions have been satisfied. As of June 30, 2023 and 2022, net assets with donor restrictions are available to be used for the following purposes:

	2023	2022
United Way appropriation	$ -	$ 154,751
Phoenix Ward Fund	450,414	522,750
Elderly services	242,285	174,532
Eigenberg Fund	239,736	217,326
Camp Hope	319,660	123,876
Parker Estate	69,831	50,225
Other	-	68,301
	$ 1,321,926	$ 1,311,761

(20) PRIOR PERIOD ADJUSTMENT

In prior years, a receivable was booked for receipts related to the United Way campaign which had previously been on a calendar year. Since United Way changed their year end to a fiscal year June 30, there was a receivable carried forward that should have been moved to revenue. As a result, promises to give on the statement of financial position and contributions with donor restrictions on the statement of activities was overstated by $147,013.

(21) SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 19, 2024, the date which these financial statements were available for issue.

SUPPLEMENTAL DATA

PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass-through Grantor/Program Title	Federal Assistance Listing Number	Contract Number	Receivable Balance 6/30/22	Cash Receipts	Expenditures	Receivable Balance 6/30/23
FEDERAL AWARDS						
Major Program						
U.S. Department of Justice						
Pass-through from Tennessee Department of Human Services						
VOCA DV Liaison	16.575	47655	$ 84,182	$ 536,337	$ 504,871	$ 52,716
VOCA - Youth Services	16.575	35509	19,208	19,208	-	-
VOCA DV Liaison	16.575	39032	5,652	50,634	51,196	6,214
VOCA - STOP	16.575	47657	23,882	294,543	293,952	23,291
VOCA	16.575	47652	-	187,081	221,787	34,706
VOCA	16.575	47656	-	50,510	54,846	4,336
VOCA FVPS	16.575	47653	-	35,232	39,216	3,984
VOCA DV SVPSA	16.575	47654	-	275,623	316,650	41,027
Tested as a Major Program			132,924	1,449,168	1,482,518	166,274
U.S. Department of Justice						
Pass-through from Hamilton County, Tennessee						
OVW - Justice for Families	16.528	2020-FJ-AX-0001	11,587	201,462	212,273	22,398
Education, Training and Svcs	16.529	2019FWAXK004	3,123	76,984	80,282	6,421
Pass-through from the Tennessee Coalition to End Domestic & Sexual Violence						
OVW - Sexual Assualt Hotline	16.529	N/A	1,491	1,633	9,477	9,335
OVW - Improving criminal justice response	16.525	N/A	-	32,427	44,441	12,014
Total Education, Training, and Enhanced Services			16,201	312,506	346,473	50,168
Total U.S. Department of Justice			149,125	1,761,674	1,828,991	216,442
U.S. Department of Health and Human Services						
Pass-through from the Tennessee Department of Human Services						
SSBG Homemaker	93.667	Z-22-49315	39,354	152,337	137,702	24,719
COVID-19 - SSBG Homemaker	93.667	Z-22-49365	-	1,300	4,346	3,046
COVID-19 - SSBG Homemaker	93.667	Z-22-49315	2,152	136,311	174,612	40,453
			41,506	289,948	316,660	68,218
Pass-through from Hamilton County, Tennessee						
COVID-19 - SSBG Homemaker	93.667	Z-22-49315	-	1,386	2,406	1,020
SSBG Homemaker	93.667	Z-22-49365	623	37,690	37,067	-
SSBG Homemaker County	93.667	Z-22-49315	-	39,150	39,150	-
SSBG Homemaker	93.667	Z-21-49307	36,045	36,045	-	-
			36,668	114,271	78,623	1,020
Total Social Services Block Grant			78,174	404,219	395,283	69,238

PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass-through Grantor/Program Title	Federal Assistance Listing Number	Contract Number	Receivable Balance 6/30/22	Cash Receipts	Expenditures	Receivable Balance 6/30/23
Aging Cluster						
Pass-through from SETAAD						
COVID-19 - Ombudsman	93.044	N/A	3,165	44,016	40,851	-
Ombudsman	93.044	01574	7,109	67,203	62,687	2,593
			10,274	111,219	103,538	2,593
Total U.S. Department of Health and Human Services			88,448	515,438	498,821	71,831
U.S. Department of Education						
Pass-through from the Tennessee Department of Human Services						
Deaf Services	84.126	70005	$ 41,354	$ 231,343	$ 198,871	$ 8,882
Total U.S. Department of Education			41,354	231,343	198,871	8,882
Corporation for National and Community Service (CNCS)						
Retired Seniors Volunteer Program (RSVP)	94.002	20SRSTN001	2,095	67,078	87,976	22,993
Total CNCS			2,095	67,078	87,976	22,993
U. S. Department of Housing and Urban Development						
Pass-through from City of Chattanooga						
Youth Homelessness Demonstration Program	14.276	N/A	-	152,029	190,415	38,386
Emergency Shelter - ESF NBP	14.231	N/A	-	22,000	22,000	-
Emergency Solutions Grant	14.231	66817	28,531	33,762	12,496	7,265
Total U.S. Department of Housing and Urban Development			28,531	207,791	224,911	45,651
Total non-major programs			160,428	1,021,650	1,010,579	149,357
Total federal awards			$ 309,553	$ 2,783,324	$ 2,839,570	$ 365,799

PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass-through Grantor/Program Title	Federal Assistance Listing Number	Contract Number	Receivable Balance 6/30/22	Cash Receipts	Expenditures	Receivable Balance 6/30/23
STATE AWARDS						
Tennessee Department of Children's Services						
Temporary Assistance to Needed Families (TANF): Two Generation Approach	N/A	N/A	$ 64,031	$ 472,355	$ 483,905	$ 75,581
I Am Ready	N/A	52518	10,639	49,919	49,204	9,924
Level II Continuum	N/A	N/A	-	78,702	88,645	9,943
Level II Continuum - SE Cont	N/A	N/A	4,929	4,929	-	-
Sisters Saving Sisters	N/A	64092	3,823	70,343	91,040	24,520
Total Tennessee Department of Children's Services			83,422	676,248	712,794	119,968
Tennessee Department of Health						
COVID-19 - SSBG Homemaker Services	N/A	Z-22-49365	-	325	1,086	761
SSBG Homemaker Services	N/A	Z-22-49315	538	34,078	43,653	10,113
SSBG Homemaker Services	N/A	Z-21-49315	9,838	38,084	34,426	6,180
Total Tennessee Department of Health			10,376	72,487	79,165	17,054
Other Grants						
City of Chattanooga Sexual Assault	N/A	N/A	-	80,000	80,000	-
PEMF Supreme Court	N/A	N/A	2,760	8,591	9,770	3,939
Chattanooga Housing Authority	N/A	N/A	-	12,357	12,357	-
Total Other Grants			2,760	100,948	102,127	3,939
Total state awards			96,558	849,683	894,086	140,961
Total federal and state awards			$ 406,111	$ 3,633,007	$ 3,733,656	$ 506,760

PARTNERSHIP FOR FAMILIES, CHILDREN, AND ADULTS, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2023

(1) BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of Partnership for Families, Children and Adults, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal* Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (*Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

(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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Partnership for Families, Children and Adults, Inc. has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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ACCOUNTANTS

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

To the Board of Directors of
Partnership for Families, Children and Adults, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Partnership for Families, Children and Adults, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, 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 January 19, 2024.

Report on Internal Control over Financial Reporting

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

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

2215 Olan Mills Drive, Chattanooga, TN 37421 **T** 423.756.0052 | **F** 423.267.5945 **jhmcpa.com**

Report on Compliance and Other Matters

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

Johnson, Nickey & Meacham, P.C.

Chattanooga, Tennessee
January 19, 2024

EST JHM 1977
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Directors of
Partnership for Families, Children and Adults, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Partnership for Families, Children and Adults, Inc.'s 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, 2023. 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, Partnership for Families, Children and Adults, 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the 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.

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.

2215 Olan Mills Drive, Chattanooga, TN 37421 **T** 423.756.0052 | **F** 423.267.5945 **jhmcpa.com**

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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the 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.

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over

compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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.

Johnson, Nickey & Meacham, P.C.

Chattanooga, Tennessee
January 19, 2024

PARTNERSHIPS FOR FAMILIES, CHILDREN, AND ADULTS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2023 AND 2022

A. SUMMARY OF AUDITORS' RESULTS

1. The independent auditors' report expresses an unmodified opinion on whether the financial statements of Partnership for Families, Children and Adults, Inc. were prepared in accordance with GAAP.

2. No material weaknesses or significant deficiencies were identified during the audit of the financial statements.

3. No instances of noncompliance material to the financial statements of Partnership for Families, Adults and Children, Inc. were disclosed by the audit.

4. No material weaknesses were identified during the audit of the major federal award program.

5. The auditors' report on the major federal awards program for Partnership for Families, Children and Adults, Inc. expresses an unmodified opinion.

6. Audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) are reported in this schedule.

7. The program tested as a major program was:
   U.S. Department of Justice
   VOCA – ALN #16.575

8. The threshold level for distinguishing Type A and B programs was $750,000.

9. Partnership for Families, Children and Adults, Inc. was determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

Current year

None

Prior year

None

C. FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS

Current year

None

Prior year

None

Partnership for Families, Children and Adults, Inc.

Strategic Plan Major Goals & Key Priorities 2021

Board Approved: June 23, 2021

Programmatic Excellence
- Direct Service Outcomes & Impact
- Staff Competency & Performance
- Financial Strategy & Grant Compliance
- Research, Trends Standards, and Best Practices

Community Relations & Collaboration
- Client Outreach
- Municipalities & Court Systems
- Collaborative Partnerships w/ Non-Profit Agencies
- Business & Corporate Relationships
- Public Relations/Media

Empower People & Enhance Culture
- Recruitment & Retention
- Succession Planning
- Accountability Culture
- Training, Career Planning, Professional Development

Operational Effectiveness
- Business Intelligence & Automation
- Safety, Risk Management & Compliance
- Facilities Management
- Efficient Processes

Development & Sustainability
- Brand Elevation
- Major Donor Cultivation
- Diverse & Innovative Funding Sources
- Stewardship Practices

Family Justice Center
Chattanooga • Hamilton County
Pathways to Hope and Safety

Jan. 20, 2024

Hamilton County Board of Commissioners
625 Georgia Ave # 401
Chattanooga, TN 37402

Dear Commissioners,

I am writing this letter of support for the Partnership of Families, Children, and Adults' application for support from the Hamilton County Government. Since 1982, Partnership has provided critical services to vulnerable victims of domestic violence and sexual assault in Hamilton Co. and is an important partner with the Family Justice Center. In 2022, the Tennessee Bureau of Investigation reported within Hamilton Co. and all its police jurisdictions there were 2,974 domestic violence cases and 457 cases of sexual assault. Partnership provides essential public services, which are crucial to our County.

Last fiscal year, Partnership responded to 1,604 calls from victims on its 24/7 hotline, provided 11,388 bed nights in the domestic violence shelter, and completed 144 sexual assault forensic exams. After the victims are safe, Partnership provides bilingual wrap-around services, including case management, sexual assault advocacy, counseling and support groups, safety planning, court advocacy, housing navigation, and other critical services to build stability for survivors of Domestic violence and sexual assault.

The Partnership participated in the strategic planning that established the Chattanooga Hamilton County Family Justice Center (CHC FJC) in 2015. The CHC FJC brings together a wide array of professionals in a collaborative trauma-informed effort guided by best practices to provide community residents who are experiencing intimate partner violence, family violence, sexual assault, elder abuse, child abuse or human trafficking, support and accessibility/connection to services and resources in one location. The CHC FJC partners offer comprehensive legal and trauma-informed social services. Working in a synergistic fashion, the partnership of professionals at the CHC FJC seeks to reduce intimate partner violence incidents, recidivism and homicides in the City of Chattanooga and Hamilton County. Furthermore, the CHC FJC and its partners provide extensive community education at all levels focusing on violence prevention and improving trauma-informed systems of care within the criminal justice system. Requests for services at the FJC continue to increase. Last year we experienced a 27% increase in individuals served. .

As a full partner with the Family Justice Center, Partnership provides Domestic Violence and Sexual Assault Liaisons located in the Family Justice Center to work with FJC-referred clients, assess each individual's needs, and provide community services. Working with law enforcement, the District Attorney's office, and other community partners, Partnership leads the Sexual Assault Response Team (SART), which fosters interagency collaboration to support victims and seek justice. Partnership also trains and provides support for law enforcement on the Lethality Assessment Program, which

Family Justice Center
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Pathways to Hope and Safety

determines a victim's level of danger after domestic violence and sexual assault. Finally, Partnership provides information, data, and resources to enable a holistic community response.

This is a critical time for Agencies to meet the growing demand for domestic violence and sexual assault services. Federal Victim of Crime Act funding through the Office of Criminal Justice Programs is significantly decreasing over the next two years and federal grant match waivers have expired. Local funding is critical for these essential community services.

We ask that you support this critical work by funding the full request of Partnership for Families, Children and Adults in 2024-2025.

Sincerely,

Regina McDevitt

Regina McDevitt, M.Ed
Executive Director
City of Chattanooga
Family Justice Center

PATSY HAZLEWOOD
STATE REPRESENTATIVE
27TH LEGISLATIVE DISTRICT
rep.patsy.hazlewood@capitol.tn.gov

LEGISLATIVE OFFICE
425 5th Avenue, North
SUITE 606 Cordell Hull Building
NASHVILLE, TN 37243
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House of Representative
State of Tennessee

NASHVILLE

COMMITTEES:
FINANCE COMMITTEE- CHAIR
CALENDAR AND RULES COMMITTEE
COMMERCE COMMITTEE
COUNCIL ON PENSIONS
FISCAL REVIEW COMMITTEE
TRANSPORTATION COMMITTEE

SUBCOMMITTEES:
APPRORIATIONS SUBCOMMITTEE
FINANCE SUBCOMMITTEE
TRANSPORTATION SUBCOMMITTEE

January 24, 2024

Hamilton County Board of Commissioners
652 Georgia Ave #401
Chattanooga, TN 37402

Dear Commissioners:

I am writing this letter of support for the Partnership of Families, Children, and Adults' application for support from the Hamilton County Government. Since 1982, Partnership has been the only provider of critical services to vulnerable victims of domestic violence and sexual assault in Hamilton Co. In 2022, the Tennessee Bureau of Investigation reported within Hamilton Co. and all its police jurisdictions there were 2,974 domestic violence cases and 457 cases of sexual assault. Without the Partnerships' Domestic Violence Shelter and the services, many victims in our community would have to return to their perpetrators, and more would lose their lives. Additionally, Partnership's Rape Crisis Center meets the needs of victims in crisis and collects critical evidence that can lead to a successful prosecution. Partnership provides essential public services, which are crucial to our County.

Last fiscal year, Partnership responded to 1,604 calls from victims on its 24/7 hotline, provided 11,388 bed nights in the domestic violence shelter, and completed 144 sexual assault forensic exams. After the victims are safe, Partnership provides bilingual wrap-around services, including case management, sexual assault advocacy, counseling and support groups, safety planning, court advocacy, housing navigation, and other critical services to build stability for survivors of Domestic violence and sexual assault.

This is a critical time for community agencies to meet the growing demand for domestic violence and sexual assault services. Federal Victim of Crime Act funding through the Office of Criminal

PATSY HAZLEWOOD
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January 24, 2024

Justice Programs is significantly decreasing over the next two years and federal grant match waivers have expired. Local funding is critical for these essential community services.

We ask that you support this critical work by funding the full request of Partnership for Families, Children and Adults in 2024-2025.

Sincerely,

Representative Patsy Hazlewood
Chair; House Finance, Ways and Means Committee
Tennessee General Assembly
House of Representatives
District 27

tennessee coalition to end domestic & sexual violence

Jan. 20, 2024

Hamilton County Board of Commissioners
625 Georgia Ave # 401
Chattanooga, TN 37402

Dear Commissioners,

I am writing this letter of support for the Partnership of Families, Children, and Adults' application for support from the Hamilton County Government. Since 1982, Partnership has been the only provider of critical services to vulnerable victims of domestic violence and sexual assault in Hamilton Co. In 2022, the Tennessee Bureau of Investigation reported within Hamilton Co. and all its police jurisdictions there were 2,974 domestic violence cases and 457 cases of sexual assault. Without the Partnerships' Domestic Violence Shelter and the services, many victims in our community would have to return to their perpetrators, and more would lose their lives. Additionally, Partnership's Rape Crisis Center meets the needs of victims in crisis and collects critical evidence that can lead to a successful prosecution.

Last fiscal year, Partnership responded to 1,604 calls from victims on its 24/7 hotline, provided 11,388 bed nights in the domestic violence shelter, and completed 144 sexual assault forensic exams. After the victims are safe, Partnership provides bilingual wrap-around services, including case management, sexual assault advocacy, counseling and support groups, safety planning, court advocacy, housing navigation, and other critical services to build stability for survivors of Domestic violence and sexual assault.

Partnership of Families, Children and Adults is a member of the Tennessee Coalition to End Domestic and Sexual Violence, and staff have served on committees that review and determine best practices for Victim Support Services throughout the State. Additionally, they receive grant funds that support the 24/7 Hotline. Annual audits find high standards and impactful services that enable survivors to heal from the crisis and successfully move on with their lives.

This is a critical time for Agencies to meet the growing demand for domestic violence and sexual assault services. Federal Victim of Crime Act funding through the Office of Criminal Justice Programs is significantly decreasing over the next two years and federal grant match waivers have expired. Local funding is critical for these essential community services.

We ask that you support this crucial work by funding the full request of Partnership for Families, Children and Adults in 2024-2025.

Sincerely,

Jennifer Escue

Jennifer Escue
CEO
TN Coalition to End Domestic and Sexual Violence
jescue@tncoalition.org

Office of District Attorney General Coty Wamp
11th Judicial District • Hamilton County, TN

600 Market Street, Suite 310
Chattanooga, TN 37402

(423) 209-7400

January 30, 2024

Hamilton County Board of Commissioners
625 Georgia Ave #401
Chattanooga, TN 37402

Dear Commissioners,

I'm writing to express my support for the Partnership of Families, Children, and Adults' proposal for Hamilton County Government funding. Partnership has been the sole supplier of vital services to susceptible victims of sexual assault and domestic abuse in Hamilton County since 1982. According to the Tennessee Bureau of Investigation, there were 457 cases of sexual assault and 2,974 cases of domestic violence in Hamilton County and all of its police jurisdictions in 2022. Many victims in our community would have to return to their abusers if Partnerships Domestic Violence had not provided the shelter and resources. In addition to providing for the victims in crisis, the Rape Crisis Center gathers vital evidence that my office requires to pursue a successful prosecution. Therefore, Partnership is essential to our County.

In the previous fiscal year, Partnership conducted 144 sexual assault forensic examinations, answered 1,604 victim calls on its round-the-clock hotline, and gave 11,388 bed nights in the domestic abuse shelter. Partnership offers bilingual wrap-around services once the victims are safe. These services include case management, advocacy for victims of sexual assault, counseling, and support groups; safety planning; court advocacy; housing navigation; and other vital services that help survivors of sexual assault and domestic abuse establish stability.

In order to support victims and pursue justice, Partnership leads the Sexual Assault Response Team (SART), which fosters interagency collaboration with the help of law enforcement, the District Attorney's office, and other community partners. Law enforcement is also trained and supported by Partnership in the Lethality Assessment Program, which assesses the danger level of victims of domestic abuse as well as sexual assault. Lastly, Partnership offers resources, data, and information to support an all-encompassing community response.

In order to address the rising demand for services related to sexual assault and domestic abuse, agencies must act quickly. Over the next two years, the Office of Criminal Justice Programs will receive substantially less federal funding under the Victim of Crime Act, and the federal grant match waivers have expired. Local funding is necessary to support these vital community programs.

We kindly request your full support of Partnership for Families, Children, and Adults' 2024–2025 funding request in order to help this important work.

Respectfully,

Coty Wamp
District Attorney General
11th Judicial District