

**ASSOCIATED MINISTRIES OF
TACOMA/PIERCE COUNTY**

Audited Financial Statements,
Supplementary Information and
Reports on Compliance and Internal Control

September 30, 2018 and 2017

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

Audited Financial Statements, Supplementary Information and
Reports on Compliance and Internal Control

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Independent Auditor's Report

Board of Directors
Associated Ministries of Tacoma/Pierce County
Tacoma, Washington

Report on the Financial Statements

We have audited the accompanying financial statements of Associated Ministries of Tacoma/Pierce County (a nonprofit organization) (the "Organization"), which comprise the statements of financial position as of September 30, 2018 and 2017, and the related statements of activities and 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.

Auditor's 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization'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 Organization'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 Associated Ministries of Tacoma/Pierce County as of September 30, 2018 and 2017, 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

Our audits were 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 audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2018 on our consideration of Associated Ministries of Tacoma/Pierce County'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 Associated Ministries of Tacoma/Pierce County'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 Associated Ministries of Tacoma/Pierce County's internal control over financial reporting and compliance.



JOHNSON, STONE & PAGANO, P.S.

December 20, 2018

AUDITED FINANCIAL STATEMENTS

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

STATEMENTS OF FINANCIAL POSITION

September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 122,964	\$ 141,525
Investments	221,562	208,187
Grants receivable	495,950	460,927
Promises to give receivable	9,466	17,297
Trust accounts	144,545	159,146
Prepaid expenses	<u>23,606</u>	<u>10,763</u>
Total Current Assets	1,018,093	997,845
BUILDING AND EQUIPMENT		
Building	875,459	868,151
Office furniture and equipment	<u>115,090</u>	<u>87,610</u>
	990,549	955,761
Less accumulated depreciation	<u>(390,360)</u>	<u>(355,419)</u>
Total Building and Equipment	<u>600,189</u>	<u>600,342</u>
TOTAL ASSETS	<u>\$ 1,618,282</u>	<u>\$ 1,598,187</u>

The accompanying notes are an integral part of these financial statements.

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

STATEMENTS OF FINANCIAL POSITION (Continued)

September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 43,762	\$ 37,277
Other accrued liabilities	27,881	30,540
Line of credit	140,000	150,000
Trust accounts payable	142,552	159,146
Current portion of long-term debt	<u>11,619</u>	<u>13,379</u>
Total Current Liabilities	365,814	390,342
LONG-TERM DEBT		
Loan payable, net of current portion	<u>201,168</u>	<u>213,072</u>
Total Liabilities	566,982	603,414
NET ASSETS		
Unrestricted		
Board-designated	156,635	148,394
Undesignated	<u>721,812</u>	<u>735,783</u>
Total Unrestricted	878,447	884,177
Temporarily restricted	<u>172,853</u>	<u>110,596</u>
Total Net Assets	<u>1,051,300</u>	<u>994,773</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,618,282</u>	<u>\$ 1,598,187</u>

The accompanying notes are an integral part of these financial statements.

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended September 30, 2018

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND OTHER REVENUES			
Support			
Faith communities	\$ 34,154		\$ 34,154
Individuals	128,728	\$ 3,343	132,071
Foundations	136,458	98,227	234,685
Other support	129,589	3,801	133,390
Special event revenues, net of direct expense of \$5,911	66,588		66,588
Revenue			
Program revenue	2,563,070		2,563,070
Interest and dividends	7,435	3,106	10,541
Net unrealized gains on investments	2,500	380	2,880
Loss on disposition of assets	(656)		(656)
Net assets released from restrictions	<u>46,600</u>	<u>(46,600)</u>	
Total Support and Other Revenues	3,114,466	62,257	3,176,723
EXPENSES			
Program services			
Coordinated Entry	1,225,762		1,225,762
Family Permanent Housing	819,340		819,340
Housing Assistance Pass-throughs	165,753		165,753
Payee and Mail Services	161,753		161,753
Landlord Liaison Program	151,059		151,059
Paint Tacoma/Pierce Beautiful	101,957		101,957
Interfaith Engagement	93,162		93,162
Volunteer Income Tax Assistance	71,121		71,121
Homeless No More	61,247		61,247
Other programs	<u>45,650</u>		<u>45,650</u>
Total Program Services	2,896,804		2,896,804
Management and general	145,374		145,374
Fundraising	<u>78,018</u>		<u>78,018</u>
Total Expenses	3,120,196		3,120,196
CHANGES IN NET ASSETS	(5,730)	62,257	56,527
Net Assets at Beginning of Year	<u>884,177</u>	<u>110,596</u>	<u>994,773</u>
NET ASSETS AT END OF YEAR	<u>\$ 878,447</u>	<u>\$ 172,853</u>	<u>\$ 1,051,300</u>

The accompanying notes are an integral part of these financial statements.

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS (Continued)

Year Ended September 30, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND OTHER REVENUES			
Support			
Faith communities	\$ 29,198		\$ 29,198
Individuals	144,772		144,772
Foundations	41,224	\$ 101,370	142,594
Other support	79,248		79,248
Special event revenues, net of direct expense of \$41,643	86,035		86,035
Revenue			
Program revenue	2,332,401		2,332,401
Interest and dividends	3,885	1,768	5,653
Net unrealized gains on investments	12,463	5,508	17,971
Loss on disposition of assets	(3,678)		(3,678)
Net assets released from restrictions	161,648	(161,648)	
Total Support and Other Revenues	<u>2,887,196</u>	<u>(53,002)</u>	<u>2,834,194</u>
EXPENSES			
Program services			
Coordinated Entry	1,190,106		1,190,106
Family Permanent Housing	594,045		594,045
Foreclosure Housing Counseling	80,981		80,981
Payee and Mail Services	122,144		122,144
Housing Assistance Pass-throughs	182,062		182,062
Paint Tacoma/Pierce Beautiful	101,224		101,224
Pierce County Hunger Walk	57,567		57,567
Asset Building Coalition	82,070		82,070
Interfaith Engagement	113,196		113,196
Other programs	61,679		61,679
Total Program Services	<u>2,585,074</u>		<u>2,585,074</u>
Management and general	193,623		193,623
Fundraising	94,598		94,598
Total Expenses	<u>2,873,295</u>		<u>2,873,295</u>
CHANGES IN NET ASSETS	13,901	(53,002)	(39,101)
Net Assets at Beginning of Year	<u>870,276</u>	<u>163,598</u>	<u>1,033,874</u>
NET ASSETS AT END OF YEAR	<u>\$ 884,177</u>	<u>\$ 110,596</u>	<u>\$ 994,773</u>

The accompanying notes are an integral part of these financial statements.

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended September 30, 2018

	Program Services										Supporting Services		Total Expenses	
	Coordinated Entry	Family Pemanent Housing	Housing Assistance Pass-throughs	Payee and Mail Services	Landlord Liasion Program	Paint Tacoma/Pierce Beautiful	Interfaith Engagement	Volunteer Income Tax Assistance	Homeless No More	Other Programs	Total Program Services	Management and General		Fundraising
Salaries and wages	\$ 685,787	\$ 264,261	\$ 19,317	\$ 110,054	\$ 104,038	\$ 61,977	\$ 49,823	\$ 32,048	\$ 42,699	\$ 16,716	\$ 1,386,720	\$ 89,674	\$ 50,971	\$ 1,527,365
Benefits	111,452	46,520	2,353	19,785	11,895	9,215	7,784	5,083	6,529	2,892	223,508	13,154	7,911	244,573
Payroll taxes	60,743	23,724	1,690	9,561	8,948	4,887	4,165	2,604	3,473	1,453	121,248	7,590	4,373	133,211
Total Wages, Taxes and Benefits	857,982	334,505	23,360	139,400	124,881	76,079	61,772	39,735	52,701	21,061	1,731,476	110,418	63,255	1,905,149
Assistance	242,997	442,192	139,895							15,734	840,818			840,818
Professional expense	15,187	5,153	375	2,066	3,060	1,359	12,262	25,061	2,539	3,176	70,238	5,566	5,083	80,887
Occupancy	12,868	4,824	344	1,895	2,330	1,122	882	582	760	298	25,905	5,619	901	32,425
Supplies	8,569	3,558	169	6,716	1,196	16,496	9,160	797	440	2,163	49,264	6,232	1,509	57,005
Telephone and technology	45,287	9,793	366	3,147	8,394	1,810	1,117	898	810	578	72,200	4,488	849	77,537
Travel and training	10,645	7,349	73	778	5,378	1,644	2,243	2,195	2,063	299	32,667	2,271	604	35,542
Interest	5,680	2,206	162	892	867	529	415	274	358	141	11,524	2,403	424	14,351
Printing and copying	5,964	1,742	324	1,095	2,012	625	986	583	1	1,562	14,894	220	1,505	16,619
Postage	754	688	146	2,799	58	536	2,604	85	386	171	8,227	171	2,308	10,706
Insurance	6,001	1,960	144	793	771	470	709	244	318	125	11,535	2,134	547	14,216
Total Expenses Before Depreciation	1,211,934	813,970	165,358	159,581	148,947	100,670	92,150	70,454	60,376	45,308	2,868,748	139,522	76,985	3,085,255
Depreciation	13,828	5,370	395	2,172	2,112	1,287	1,012	667	871	342	28,056	5,852	1,033	34,941
TOTAL EXPENSES	\$ 1,225,762	\$ 819,340	\$ 165,753	\$ 161,753	\$ 151,059	\$ 101,957	\$ 93,162	\$ 71,121	\$ 61,247	\$ 45,650	\$ 2,896,804	\$ 145,374	\$ 78,018	\$ 3,120,196

The accompanying notes are an integral part of these financial statements.

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

STATEMENTS OF FUNCTIONAL EXPENSES (Continued)

Year Ended September 30, 2017

	Program Services										Supporting Services		Total Expenses	
	Coordinated Entry	Family Permanent Housing	Foreclosure Housing Counseling	Payee and Mail Services	Housing Assistance Pass-throughs	Paint Tacoma/Pierce Beautiful	Pierce County Hunger Walk	Asset Building Coalition	Interfaith Engagement	Other Programs	Total Program Services	Management and General		Fundraising
Salaries and wages	\$ 650,756	\$ 226,424	\$ 58,724	\$ 83,876	\$ 25,030	\$ 52,301	\$ 2,481	\$ 29,725	\$ 62,639	\$ 28,139	\$ 1,220,095	\$ 109,944	\$ 58,418	\$ 1,388,457
Benefits	111,281	38,069	8,360	13,537	3,410	7,053	361	4,009	9,218	4,056	199,354	15,722	8,258	223,334
Payroll taxes	62,996	22,415	5,936	8,149	2,545	4,672	241	2,913	5,861	2,520	118,248	10,627	5,640	134,515
Total Wages, Taxes and Benefits	825,033	286,908	73,020	105,562	30,985	64,026	3,083	36,647	77,718	34,715	1,537,697	136,293	72,316	1,746,306
Assistance	282,210	268,214			142,462		47,993			19,672	760,551			760,551
Professional expense	11,907	6,266	802	1,128	1,605	966		37,617	12,119	1,513	73,923	23,752	5,005	102,680
Occupancy	12,548	6,450	897	1,220	1,572	903		722	578	528	25,418	4,879	1,200	31,497
Supplies	3,341	2,949	492	5,596	560	30,035	5,078	672	15,553	2,391	66,667	5,124	2,477	74,268
Telephone and technology	16,796	5,068	570	1,745	1,252	737	219	1,191	1,545	483	29,606	4,137	2,142	35,885
Travel and training	7,513	3,732	1,121	292	227	1,443	95	2,212	2,022	298	18,955	8,245	1,766	28,966
Interest	4,546	2,241	315	472	671	386		308	247	225	9,411	2,072	512	11,995
Printing and copying	7,910	2,844	2,017	1,633	110	713	162	1,470	1,678	897	19,434	1,020	3,249	23,703
Postage	1,959	1,112	637	2,831	251	655	937	144	788	163	9,477	795	3,496	13,768
Insurance	4,707	2,526	304	457	649	373		298	317	217	9,848	2,004	1,123	12,975
Total Expenses Before Depreciation	1,178,470	588,310	80,175	120,936	180,344	100,237	57,567	81,281	112,565	61,102	2,560,987	188,321	93,286	2,842,594
Depreciation	11,636	5,735	806	1,208	1,718	987		789	631	577	24,087	5,302	1,312	30,701
TOTAL EXPENSES	\$ 1,190,106	\$ 594,045	\$ 80,981	\$ 122,144	\$ 182,062	\$ 101,224	\$ 57,567	\$ 82,070	\$ 113,196	\$ 61,679	\$ 2,585,074	\$ 193,623	\$ 94,598	\$ 2,873,295

The accompanying notes are an integral part of these financial statements.

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

STATEMENTS OF CASH FLOWS

Years Ended September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from contributions and public support	\$ 3,147,349	\$ 2,972,494
Cash paid to suppliers and employees	(3,083,671)	(2,944,095)
Interest paid	<u>(14,352)</u>	<u>(11,995)</u>
Net Cash Provided by Operating Activities	49,326	16,404
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(10,495)	(117,832)
Proceeds from sale of investments	1,718	
Proceeds from sale of equipment	750	
Purchase of equipment	<u>(36,196)</u>	<u>(53,430)</u>
Net Cash Used by Investing Activities	(44,223)	(171,262)
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings from line of credit	253,000	205,000
Repayments on line of credit	(263,000)	(164,000)
Repayments on long-term debt	<u>(13,664)</u>	<u>(10,495)</u>
Net Cash Provided (Used) by Financing Activities	<u>(23,664)</u>	<u>30,505</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(18,561)	(124,353)
Cash and Cash Equivalents at Beginning of Year	<u>141,525</u>	<u>265,878</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 122,964</u>	<u>\$ 141,525</u>

The accompanying notes are an integral part of these financial statements.

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

STATEMENTS OF CASH FLOWS (Continued)

Years Ended September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
RECONCILIATION OF NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Change in net assets	\$ 56,527	\$ (39,101)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	34,941	30,701
Donated securities	(1,716)	
Unrealized gain on investments	(2,880)	(17,971)
Loss on disposition of assets	656	3,678
(Increase) decrease in assets		
Grants receivable	(35,023)	95,571
Promises to give receivable	7,831	1,622
Prepaid expenses	(12,843)	5,303
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	3,826	(63,399)
Trust accounts	(1,993)	
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 49,326</u>	<u>\$ 16,404</u>

The accompanying notes are an integral part of these financial statements.

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

History of Organization

Associated Ministries of Tacoma/Pierce County (the "Organization") was incorporated in the state of Washington on July 22, 1969 as a non-profit organization. The Organization qualifies as a church controlled organization under Section 3121(w)(3) of the Internal Revenue Code.

Nature of Operations

The Organization is an interfaith organization partnering with congregations, community organizations and government agencies. The Organization mobilizes people of faith and goodwill to engage in community transformation, while also providing direct services to households and individuals in need.

Basis of Accounting

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

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The Organization does not have any permanently restricted net assets at September 30, 2018 and 2017, respectively.

Cash and Cash Equivalents

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

Fair Value Measurements

The Organization measures the fair value of assets and liabilities, and related disclosures in accordance with a hierarchy based on defined inputs. The hierarchy prioritizes the inputs underlying fair value measurements and requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs essentially distinguish the relative reliability of inputs to fair value measurements.

Level 1 inputs are more reliable and objective than Level 2 inputs, which are in turn more reliable and objective than Level 3 inputs. In arriving at a fair value measure, Associated Ministries of Tacoma/Pierce County is required to determine the level in the fair value hierarchy within which a fair value measurement ultimately falls, and provide disclosure of such determinations.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Realized and unrealized gains and losses are reflected in the change in net assets in the accompanying statement of activities.

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Building and Equipment

Building and equipment are carried at cost or at fair value at the gift date. Gains and losses from disposition of building and equipment are recognized in the year of disposition. Minor additions, maintenance and repairs are charged to expense as incurred. Additions and improvements greater than \$5,000 are capitalized and depreciated over their estimated useful lives. Depreciation is calculated on the straight-line method over the following estimated useful lives:

	<u>Years</u>
Building	40
Improvements	20
Furniture and fixtures	7
Office equipment	5 to 7
Vehicles	5

Depreciation expense for the year ended September 30, 2018 and 2017 was \$34,941 and \$30,701, respectively.

Recognition of Donor-restricted Contributions

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restriction expires in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily restricted or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promise becomes unconditional.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the Organization.

Functional Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Organization has no unrelated business activities.

The Organization's management evaluates tax positions taken by the Organization and recognizes a tax liability (or asset) if the Organization has taken an uncertain position that, more likely than not, would be sustained upon examination by the Internal Revenue Service.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make use of estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from those estimates.

New Accounting Pronouncement

In August 2016, the Financial Accounting Standards Board issued Accounting Standards Board Updated ("ASU") 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, to improve the presentation of net asset classifications and other information, presented or disclosed in the financial statements, regarding a not-for-profit entity's liquidity and availability of financial resources, board designations of net assets, financial performance and expenses on a functional basis. The ASU's requirements are broadly applicable, and will be effective for years beginning after December 15, 2017. Management is currently evaluating how the new requirements will affect the Organization's financial statements.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

Subsequent Events

The management of the Organization evaluated for subsequent events and transactions for potential recognition and disclosure through December 20, 2018, the date the financial statements were available to be issued.

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 and 2017

NOTE 2 - DESCRIPTION OF PROGRAM AND SUPPORTING SERVICES

Program and supporting services included in the accompanying financial statements are:

Coordinated Entry System ("CES")

CES is Pierce County's homeless crisis response system, managed by Associated Ministries. It offers multiple points of entry for Pierce County households experiencing homelessness to become prioritized to receive housing services.

Family Permanent Housing

Family Permanent Housing works to rapidly re-house individuals and families experiencing homelessness. We use strengths-based case management and provide rental assistance using a progressive engagement model in order to support clients to achieve stability. Referrals to participate must come through the Coordinated Entry System.

Housing Assistance Pass-throughs

Housing Assistance Pass-throughs help homeless people find shelter and those facing eviction find resources to stay in their homes.

Payee and Mail Services

Payee and Mail Services strive to create and maintain support networks for families moving from dependence on welfare to self-sufficiency through employment.

Landlord Liaison Project

Landlord Liaison Project is a program committed to increasing access to affordable housing for the Pierce County Coordinated Entry System by connecting tenant-ready renters with housing opportunities provided by property owners and managers offering alternative screening options.

Paint Tacoma/Pierce Beautiful

Paint Tacoma/Pierce Beautiful organizes volunteer crews to paint the homes of low-income seniors and disabled residents.

Interfaith Engagement

Interfaith Engagement mobilizes people of faith in Pierce County to engage in education, inspiration, service and advocacy.

Volunteer Income Tax Assistance ("VITA")

VITA trains volunteers and coordinates facilities to offer free income tax preparation to low income households, assisting access to generating financial support for the households and the community by way of accessing refunds.

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 and 2017

NOTE 2 - DESCRIPTION OF PROGRAM AND SUPPORTING SERVICES

(Continued)

Homeless No More

Homeless No More engages faith communities and people of faith and goodwill to become part of the solution to homelessness by providing tools, information and support. Community quarterly meetings bring these groups together to learn and work on solutions.

Foreclosure Housing Counseling

Foreclosure Housing Counseling services works with homeowners in Pierce County who are facing foreclosure and their financial institutions to keep families in their homes whenever feasible for their budget and to assist them with alternative planning when it is not. These services were provided under a grant at no cost to the homeowners. This program was discontinued during 2017.

Pierce County Hunger Walk

Pierce County Hunger Walk is an annual event to generate support for the local food banks. This program was discontinued during 2017.

Asset Building Coalition

Asset Building Coalition is continually developing programs to give low-income wage-earners the tools they need to control, manage and increase their financial resources. This program was discontinued during 2017.

Other programs include those designed to relieve poverty and hunger, eradicate homelessness and assist other critical needs, provide community pastoral care and assistance, prepare for disasters and address a variety of other needs. The Organization also serves as fiscal sponsor to several small charitable community programs. Fiscal sponsorship allows the groups to operate under the Organization's tax exemption with its administrative services and general oversight.

Management and General

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

Fundraising

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

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 and 2017

NOTE 3 - INVESTMENTS

Marketable securities valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Marketable securities valued using Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets.

Investment return is summarized as follows at September 30:

	<u>2018</u>	<u>2017</u>
Interest and dividend income	\$ 10,541	\$ 5,653
Net unrealized gain	<u>2,880</u>	<u>17,971</u>
	<u>\$ 13,421</u>	<u>\$ 23,624</u>

Fair values of investments measured on a recurring basis at September 30 are as follows:

	<u>Fair Value</u>	<u>Fair Value Measurements</u>	
		<u>Quoted Prices in Active Markets for Identical Assets (Level) 1</u>	<u>Significant Other Observable Inputs (Level 2)</u>
<u>September 30, 2018</u>			
Mutual funds	\$ 147,011	\$ 147,011	
Bonds	<u>74,551</u>	<u> </u>	\$ <u>74,551</u>
Total	<u>\$ 221,562</u>	<u>\$ 147,011</u>	<u>\$ 74,551</u>
<u>September 30, 2017</u>			
Mutual funds	\$ 140,190	\$ 140,190	
Bonds	<u>67,997</u>	<u> </u>	\$ <u>67,997</u>
Total	<u>\$ 208,187</u>	<u>\$ 140,190</u>	<u>\$ 67,997</u>

NOTE 4 - TRUST ACCOUNTS

The trust accounts are deposit accounts held by the Organization for individuals under the Payee and Mail Services program. In Payee and Mail Services, the Organization acts as an agent for the Social Security Administration, the Department of Social and Health Services and the South Puget Sound Intertribal Planning Agency. The Organization holds and disburses social security funds and welfare funds for individuals that need assistance managing their finances for a minimal fee.

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 and 2017

NOTE 5 - LINE OF CREDIT

The Organization has a revolving line of credit agreement with a bank to borrow up to \$150,000 at the bank's prime rate, plus 1.50% with no stated maturity date. The interest rate at September 30, 2018 and 2017 was 6.50% and 5.75%, respectively. The Organization is required to pay monthly payments of all accrued unpaid interest. The line of credit is collateralized by substantially all assets of the Organization. The balance due at September 30, 2018 and 2017 is \$140,000 and \$150,000, respectively.

NOTE 6 - LONG-TERM DEBT

Long-term notes payable at September 30 consist of the following:

	<u>2018</u>	<u>2017</u>
Note payable to KeyBank, bearing interest at a fixed rate of 5.62%, maturing on June 15, 2032. The term agreement requires 180 monthly payments of \$1,850 and is secured by substantially all assets of the Organization.	\$ 211,587	\$ 221,430
Note payable to a vendor, secured by equipment, requiring 36 monthly payments of \$307, with interest of 4.895%, maturing on February 28, 2019.	<u>1,200</u> 212,787	<u>5,021</u> 226,451
Less currently maturing portion	<u>11,619</u>	<u>13,379</u>
Total Long-term Debt	\$ <u>201,168</u>	\$ <u>213,072</u>

The maturity of long-term debt for the next five years and thereafter is as follows:

2019	\$ 11,619
2020	10,997
2021	11,671
2022	12,354
2023	13,076
Thereafter	<u>153,070</u>
	\$ <u>212,787</u>

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 and 2017

NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were available for the following purposes at September 30:

	<u>2018</u>	<u>2017</u>
Housing & Shelter Services activities	\$ 65,621	\$ 49,106
Other programs activities	<u>107,232</u>	<u>61,490</u>
	<u>\$ 172,853</u>	<u>\$ 110,596</u>

NOTE 8 - DONATED SERVICES

The fair value of donated services included as contributions in the financial statements and the corresponding program or management expenses for the years ended September 30, 2018 are as follows:

	<u>2018</u>	<u>2017</u>
Volunteer income tax assistance - tax return preparation	\$ 21,404	\$ 31,380
Management and general - strategic plan consulting	<u> </u>	<u>18,000</u>
Total	<u>\$ 21,404</u>	<u>\$ 49,380</u>

In addition, volunteers and interns donated significant hours of services in support of the Organization's work, which were not recognized in the financial statements because they do not meet the recognition criteria.

NOTE 9 - PROGRAM REVENUES

Program revenues included in the financial statements for the years ended September 30 were for the following programs:

	<u>2018</u>	<u>2017</u>
Coordinated Entry System	\$ 1,184,601	\$ 1,171,372
Family Permanent Housing	820,892	590,278
Housing Assistance Pass-throughs	152,437	151,258
Payee and Mail Services	145,576	149,935
Landlord Liaison Program	144,443	
Paint Tacoma/Pierce Beautiful	83,817	58,121
Volunteer Income Tax Assistance	18,944	25,256
Other programs	12,360	10,000
Foreclosure Housing Counseling		88,286
Asset Building Coalition		9,170
Pierce County Hunger Walk		<u>78,725</u>
Total	<u>\$ 2,563,070</u>	<u>\$ 2,332,401</u>

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 and 2017

NOTE 10 - CONCENTRATION OF SUPPORT

The Organization received approximately 80% of its revenues from governmental units for the years ended September 30, 2018 and 2017. A significant reduction in the level of this support, if it were to occur, would have a significant effect on the Organization's programs and activities.

NOTE 11 - CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances in banks located in the South Puget Sound. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization has cash balances on deposit with financial institutions which may at times exceed insured limits. The Organization has not experienced any losses on such accounts.

Also, the Organization maintains cash in deposit accounts with a high credit quality financial institution. The accounts are not federally insured. At September 30, 2018, the Organization had an uninsured balance of \$694.

In addition, the Organization has investments in uninsured mutual funds and bonds. At September 30, 2018, the balance was \$221,562.

NOTE 12 - DEFINED CONTRIBUTION PLAN

The Organization sponsored a defined contribution pension plan (the "Plan") under Section 403(b) of the Internal Revenue Code covering employees that met specified age and service requirements. The Organization contributed to the Plan 1% of employee wages. Total expenses for the years September 30, 2018 and 2017 were \$9,371 and \$31,764, respectively.

Effective January 1, 2018, the Organization transitioned from an existing 403(b) plan to a SIMPLE IRA, under which it made non-elective contributions to eligible employees' accounts totaling \$30,352 for the year ended September 30, 2018.

SUPPLEMENTARY INFORMATION

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended September 30, 2018

<u>Grantor/Pass-through Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Expenditures</u>
Federal Awards				
Department of Housing and Urban Development				
CDBG - Entitlement Grant Cluster				
City of Tacoma - Emergency Shelter	14.218	Unknown		44,052
City of Tacoma - Emergency Shelter	14.218	Unknown		39,764
Total CDBG - Entitlement Grant Cluster				<u>83,816</u>
Pass-through Pierce County				
Emergency Food Solutions	14.231	SC-105558		296,296
Total Emergency Food Solutions				<u>296,296</u>
Pass-through Pierce County				
Family Permanent Housing	14.871	SC-104545		217,789
Total Section 8 Housing Choice Vouchers				<u>217,789</u>
Continuum of Care Program	14.267	SC-105145		48,762
Continuum of Care Program	14.267	SC-104513		18,381
Continuum of Care Program	14.267	SC-105186		73,285
Total Continuum of Care Program				<u>140,428</u>
Moving to Work Demonstration Program	14.881	SC-106068		105,797
Total Moving to Work Demonstration Program				<u>105,797</u>
Total U.S. Department of Housing and Urban Development				<u>844,126</u>
Internal Revenue Service				
Voluntary Income Tax Assistance	21.009	17VITA0290		25,256
Total Internal Revenue Service				<u>25,256</u>
Department of Homeland Security				
Emergency Food and Shelter Program	97.024	34-8914-39		4,535
Emergency Food and Shelter Program	97.024	35-8914-39		4,513
Total Emergency Food and Shelter Program				<u>9,048</u>
Pass-through Pierce County				
Disaster Preparedness & Recovery	97.067	SC-102426 -4		7,291
Total Pierce County				<u>7,291</u>
Total U.S. Department of Homeland Security				<u>16,339</u>
Department of Health and Human Services				
Pass-through Pierce County				
Temporary Assistance to Needy Families	93.558	SC-104545 -3		64,225
Total Department of Health and Human Services				<u>64,225</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$</u>	<u>\$ 949,946</u>

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)

Year Ended September 30, 2018

Grantor/Pass-through Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	State Expenditures
STATE AWARDS				
Washington Department of Social and Health Services				
Homeless Clients Mail Delivery	N/A	1712-91499		\$ 70,518
Representative Payee Services	N/A	1716-90139		21,382
Total Direct Washington Department of Social and Health Services				91,900
Pass-through Pierce County Community Connections				
Coordinated Entry System	N/A	104593		96,598
Coordinated Entry System	N/A	105558		213,535
Coordinated Entry System	N/A	105558 + BC		578,172
Family Permanent Housing	N/A	104545-3		8,974
Family Permanent Housing	N/A	104545-5		109,514
Family Permanent Housing	N/A	106068		46,279
Family Permanent Housing	N/A	105145		14,246
Landlord Liaison Project	N/A	105520		144,410
Project Homeless Connect	N/A	106256		2,394
Emergency Shelter Operations and Maintenance	N/A	105013	\$ 77,712	77,712
Emergency Shelter Operations and Maintenance	N/A	105557	65,662	65,677
Total Pierce County Community Connections			143,374	1,357,511
Pass-through City of Tacoma				
Family Permanent Housing	N/A	NONE		42,168
Total City of Tacoma				42,168
Total Washington Department of Social and Health Services			143,374	1,491,579
TOTAL EXPENDITURES OF STATE AWARDS			\$ 143,374	\$ 1,491,579

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended September 30, 2018

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards (the "Schedule") includes the federal and state grant activity of Associated Ministries of Tacoma/Pierce County under programs of the federal and state government for the year ended September 2018. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of Associated Ministries of Tacoma/Pierce County, it is not intended to and does not present the financial position, changes in net assets or cash flows of Associated Ministries of Tacoma/Pierce County.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 1) 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.
- 2) Pass-through entity identifying numbers are presented where available.
- 3) Associated Ministries of Tacoma/Pierce County has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

REPORTS ON COMPLIANCE
AND INTERNAL CONTROL



1501 Regents Blvd., Suite 100
Fircrest, WA 98466-6060

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

Board of Directors
Associated Ministries of Tacoma/Pierce County
Tacoma, Washington

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 Associated Ministries of Tacoma/Pierce County (a nonprofit organization) (the "Organization"), which comprise the statements of financial position as of September 30, 2018 and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated December 20, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Associated Ministries of Tacoma/Pierce County's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Associated Ministries of Tacoma/Pierce County's internal control. Accordingly, we do not express an opinion on the effectiveness of Associated Ministries of Tacoma/Pierce County'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 Organization'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.

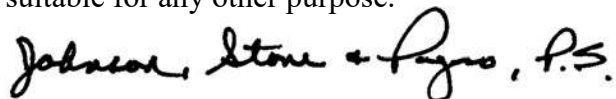
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Associated Ministries of Tacoma/Pierce County'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



JOHNSON, STONE & PAGANO, P.S.

December 20, 2018



1501 Regents Blvd., Suite 100
Fircrest, WA 98466-6060

Independent Auditor's Report on Compliance for Each Major
Program and on Internal Control over Compliance
Required by the Uniform Guidance

Board of Directors
Associated Ministries of Tacoma/Pierce County
Tacoma, Washington

Report on Compliance for Each Major Federal Program

We have audited Associated Ministries of Tacoma/Pierce County's (a nonprofit organization) (the "Organization") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Associated Ministries of Tacoma/Pierce County's major federal programs for the year ended September 30, 2018. Associated Ministries of Tacoma/Pierce County's major federal programs are identified in the summary of auditor's 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.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Associated Ministries of Tacoma/Pierce County'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 Associated Ministries of Tacoma/Pierce County'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 Associated Ministries of Tacoma/Pierce County's compliance.

Opinion on Each Major Federal Program

In our opinion, the Organization 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 September 30, 2018.

Report on Internal Control over Compliance

Management of Associated Ministries of Tacoma/Pierce County 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 Associated Ministries of Tacoma/Pierce County'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 Associated Ministries of Tacoma/Pierce County'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, STONE & PAGANO, P.S.

December 20, 2018

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended September 30, 2018

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over financial reporting	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	No
Identification of major programs	
14.231 U.S. Department of Housing and Urban Development Emergency Food Solutions	
14.871 U.S. Department of Housing and Urban Development Family Permanent Housing	
Dollar threshold used to distinguish between type A and type B programs	\$ 750,000
Auditee qualified as a low-risk auditee?	No

ASSOCIATED MINISTRIES OF TACOMA/PIERCE COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

Year Ended September 30, 2018

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

SECTION IV - PRIOR YEAR AUDIT FINDINGS

No matters were reported.