

COMMUNITY ALLIANCE FOR THE HOMELESS, INC.

(Formerly Partners for the Homeless, Inc.)

(A Non-Profit Corporation)

Financial Statements

June 30, 2011 and 2010

MCLEAN & SPIVEY, PLLC

3211 KIRBY WHITTEN PARKWAY

BARTLETT, TENNESSEE 38134

COMMUNITY ALLIANCE FOR THE HOMELESS, INC.

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CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditors' Report

Board of Directors
Community Alliance for the Homeless, Inc.
Memphis, Tennessee

We have audited the accompanying statement of financial position of Community Alliance for the Homeless, Inc. (a nonprofit organization) as of June 30, 2011 and 2010, and the related statements of activities and change in net assets, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and, for the year ended June 30, 2011, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Alliance for the Homeless, Inc. as of June 30, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report (for the year ended June 30, 2011) dated March 21, 2012, on our consideration of Community Alliance for the Homeless, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards (for the year ended June 30, 2011) is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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.



March 21, 2012

COMMUNITY ALLIANCE FOR THE HOMELESS, INC.

Statements of Financial Position

June 30, 2011 and 2010

ASSETS	<u>2011</u>	<u>2010</u>
Cash and cash equivalents	\$ 238,671	\$ 213,655
Grants and pledges receivable	377,166	72,165
Due from programs	-	6,507
Prepaid expenses	30,621	26,881
Property and equipment, net of accumulated depreciation	25,555	27,649
Total assets	<u>\$ 672,013</u>	<u>\$ 346,857</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 182,872	\$ 75,439
Accrued compensation	13,741	5,681
Due to programs	-	6,507
Note payable	7,500	10,000
Line of credit	50,000	50,000
Other liabilities	12,532	3,643
Total liabilities	<u>266,645</u>	<u>151,270</u>
Net Assets		
Unrestricted	210,368	160,587
Temporarily restricted	195,000	35,000
Total net assets	<u>405,368</u>	<u>195,587</u>
Total liabilities and net assets	<u>\$ 672,013</u>	<u>\$ 346,857</u>

COMMUNITY ALLIANCE FOR THE HOMELESS, INC.

Statements of Activities and Changes in Net Assets

For the years ended June 30, 2011 and 2010

	2011			2010		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues and support						
Community support	\$ 46,885	\$ 180,000	\$ 226,885	\$ 131,886	\$ 15,000	\$ 146,886
Government revenue and support	1,484,429	-	1,484,429	556,447	-	556,447
Consulting services	-	-	-	4,403	-	4,403
Investment income	692	-	692	750	-	750
Memphis walks for the homeless	2,485	-	2,485	-	-	-
Other income	2,495	-	2,495	2,095	-	2,095
Total other revenues and support	<u>1,536,986</u>	<u>180,000</u>	<u>1,716,986</u>	<u>695,581</u>	<u>15,000</u>	<u>710,581</u>
Functional expenses						
Program services	1,184,918	-	1,184,918	452,106	-	452,106
Management and general	316,702	-	316,702	277,407	-	277,407
Fundraising	5,585	-	5,585	9,394	-	9,394
Total functional expenses	<u>1,507,205</u>	<u>-</u>	<u>1,507,205</u>	<u>738,907</u>	<u>-</u>	<u>738,907</u>
Net assets released from restrictions- satisfaction of program restrictions	<u>20,000</u>	<u>(20,000)</u>	<u>-</u>	<u>20,000</u>	<u>(20,000)</u>	<u>-</u>
Increase (decrease) in net assets	49,781	160,000	209,781	(23,326)	(5,000)	(28,326)
Net assets at beginning of year	<u>160,587</u>	<u>35,000</u>	<u>195,587</u>	<u>183,913</u>	<u>40,000</u>	<u>223,913</u>
Net assets at end of year	<u>\$ 210,368</u>	<u>\$ 195,000</u>	<u>\$ 405,368</u>	<u>\$ 160,587</u>	<u>\$ 35,000</u>	<u>\$ 195,587</u>

See notes to the financial statements.

COMMUNITY ALLIANCE FOR THE HOMELESS, INC.

Statements of Functional Expenses

For the years ended June 30, 2011 and 2010

	2011							Total
	Government Funded Program Services				CAH	Management	Fund	
	THDA/HPRP	HUD	City/ HPRP	Sub-Total	Transition	and General	Raising	
Sub-grantee reimbursements	871,258	-	2,914	874,172	-	-	-	874,172
Salaries	119,325	81,740	-	201,065	-	70,313	-	271,378
Data analysis	-	16,379	9,159	25,538	-	42,143	-	67,681
Accounting	-	-	-	-	-	49,090	-	49,090
Data entry	-	1,266	46,703	47,969	-	-	-	47,969
Program development	-	-	-	-	-	46,156	-	46,156
Software and computer services	-	25,835	3,010	28,845	-	-	-	28,845
Rent	-	-	-	-	-	21,552	-	21,552
Employee benefits	-	-	-	-	-	18,796	-	18,796
Payroll taxes	-	-	-	-	-	17,266	-	17,266
Telephone	2,056	-	-	2,056	-	8,312	-	10,368
Automobile	1,661	-	174	1,835	-	8,508	-	10,343
Supplies	-	-	43	43	-	7,496	-	7,539
Equipment lease	-	-	-	-	-	6,239	-	6,239
Depreciation	-	-	-	-	-	6,063	-	6,063
Memphis walks for the homeless	-	-	-	-	-	-	5,585	5,585
Web-site development and maintenance	-	-	-	-	-	4,930	-	4,930
Travel	-	3,195	-	3,195	-	1,128	-	4,323
Insurance	-	-	-	-	-	3,776	-	3,776
Seminars	-	-	-	-	-	1,414	-	1,414
Miscellaneous	-	-	-	-	-	1,256	-	1,256
Repairs and maintenance	-	-	-	-	150	845	-	995
Management fees	-	-	-	-	-	419	-	419
Postage	-	-	-	-	-	391	-	391
Dues and subscriptions	-	-	-	-	-	220	-	220
Training	-	200	-	200	-	-	-	200
Moving costs	-	-	-	-	52	140	-	192
Printing	-	-	-	-	-	47	-	47
Total	994,300	128,615	62,003	1,184,918	202	316,500	5,585	1,507,205

See notes to the financial statements.

COMMUNITY ALLIANCE FOR THE HOMELESS, INC.

Statements of Functional Expenses

For the years ended June 30, 2011 and 2010

	2010							
	Government Funded Program Services				CAH	Management	Fund	Total
	THDA/HPRP	HUD	City/ HPRP	Sub-Total	Transition	and General	Raising	
Salaries	66,925	57,632	7,243	131,800	20,000	101,688	2,560	256,048
Sub-grantee reimbursements	210,330	-	2,757	213,087	-	-	-	213,087
Data entry	-	6,508	35,449	41,957	-	4,970	-	46,927
Program development	-	-	-	-	-	22,698	-	22,698
Data analysis	-	9,145	2,657	11,802	-	20,702	-	32,504
Software and computer services	-	33,585	6,000	39,585	-	-	-	39,585
Accounting	-	-	-	-	-	23,802	2,642	26,444
Rent	-	-	-	-	-	14,796	150	14,946
Payroll taxes	-	-	-	-	-	13,660	138	13,798
Employee benefits	-	-	-	-	-	9,960	100	10,060
Travel	-	7,036	-	7,036	-	2,865	-	9,901
Automobile	2,594	-	28	2,622	-	6,313	-	8,935
Telephone	1,010	-	500	1,510	-	6,454	420	8,384
Supplies	-	-	233	233	134	6,640	779	7,786
Moving costs	-	-	-	-	848	4,532	-	5,380
Equipment lease	-	-	-	-	-	4,060	214	4,274
Insurance	-	-	-	-	-	3,821	425	4,245
Miscellaneous	-	-	-	-	149	1,748	211	2,108
Training	-	2,475	-	2,475	-	-	1,272	3,747
Depreciation	-	-	-	-	-	2,259	252	2,511
Repairs and maintenance	-	-	-	-	1,205	459	16	1,680
Loss (Gain) on sale of assets	-	-	-	-	-	1,199	133	1,332
Printing	-	-	-	-	-	710	78	788
Seminars	-	-	-	-	-	643	-	643
Management fees	-	-	-	-	-	418	-	418
Postage	-	-	-	-	-	404	4	408
Dues and subscriptions	-	-	-	-	-	270	-	270
Total	280,859	116,381	54,867	452,106	22,336	255,071	9,394	738,907

See notes to the financial statements.

COMMUNITY ALLIANCE FOR THE HOMELESS, INC.

Statements of Cash Flows

For the years ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities		
Net increase (decrease) in net assets	\$ 209,781	\$ (28,326)
Adjustments to reconcile increase (decrease) in net assets to net cash used in operating activities		
Depreciation	6,063	-
Changes in operating assets and liabilities		
Grants and pledges receivable	(305,001)	(32,165)
Prepaid expenses	(3,740)	(562)
Accounts payable	107,433	73,392
Accrued compensation	8,060	(1,670)
Deferred income	-	(11,756)
Other liabilities	8,889	(1,741)
Net cash used in operating activities	<u>31,485</u>	<u>(2,828)</u>
Cash flows from investing activities		
Purchase of property and equipment	<u>(3,969)</u>	<u>(24,982)</u>
Net cash used in investing activities	<u>(3,969)</u>	<u>(24,982)</u>
Cash flows from financing activities		
Proceeds from note payable	-	60,000
Principal payments on notes payable	<u>(2,500)</u>	<u>-</u>
Net cash used in financing activities	<u>(2,500)</u>	<u>60,000</u>
Net increase (decrease) in cash and cash equivalents	25,016	32,190
Cash and cash equivalents at beginning of year	<u>213,655</u>	<u>181,465</u>
Cash and cash equivalents at end of year	<u>\$ 238,671</u>	<u>\$ 213,655</u>

COMMUNITY ALLIANCE FOR THE HOMELESS, INC.

Notes to the Financial Statements

For the years ended June 30, 2011 and 2010

Note 1 – Nature of activities and summary of significant accounting policies

Community Alliance for the Homeless, formerly Partners for the Homeless, is a non-profit corporation established in 1995 as an initiative of the Memphis Grantmakers Forum to unify public and private efforts to address the issue of homelessness. The Organization is nationally recognized for excellence. The Organization's mission is to break the cycle of homelessness and prevent future homelessness in Memphis and Shelby County, Tennessee.

Basis of accounting and presentation

The Organization prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed restrictions.

Temporarily restricted net assets – Net assets subject to donor-imposed restrictions that will be met either by actions of the Organization or by the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed restrictions which stipulate that the principal be maintained permanently by the Organization but permit the Organization to expend part or all of the income and gains derived from the donated assets.

Revenues and other gains and losses are reported as changes in unrestricted net assets unless limited by explicit donor-imposed restrictions or by law. Expenses are reported as decreases in unrestricted net assets.

When a time restriction ends or when a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Cash and cash equivalents

Cash and cash equivalents consist of all highly liquid investments purchased with original maturities of three months or less. There were no cash equivalents at June 30, 2011 and 2010.

Grants receivable

Grants receivable are stated at the amount management expects to collect from outstanding balances. The Organization provides for losses on uncollectible amounts using the allowance method. The allowance is based on experience and management's assessment of the status of each individual account. All balances are unconditional promises to give and are considered collectible as of June 30, 2011 and 2010, thus no allowance is recorded.

Property and equipment

Property and equipment are recorded at cost, if purchased, and at fair market value at the date received, if donated, and are depreciated using the straight-line method over their estimated useful lives of three to seven years. Expenditures for normal repairs and maintenance are expensed to operations as they occur.

COMMUNITY ALLIANCE FOR THE HOMELESS, INC.

Notes to the Financial Statements

For the years ended June 30, 2011 and 2010

Note 1 – Nature of activities and summary of significant accounting policies (continued)

Revenue recognition

The provisions of the grant agreement determine the timing of revenue recognition. For reimbursement arrangements, revenues are recognized in the period expenses are incurred. Other grants are treated as contributions.

Contributions are recorded as revenue in the period received or pledged and are considered available for unrestricted use unless specifically restricted by the donor. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions. All contributions were unrestricted for the years ended June 30, 2011 and 2010.

Functional allocation of expenses

The costs of providing programs and supporting services are summarized in the statement of functional expenses. Certain costs are allocated among the program and supporting services benefited.

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 estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income tax status

The Organization is exempt from federal income taxes on related income under Section 501(c)(3) of the U.S. Internal Revenue Code and has been classified as an organization which is not a private foundation under IRC Section 509(a). The Organization had no material unrelated business income tax liability for the years ended June 30, 2011 and 2010. Management is not aware of any actions or events that have occurred that might adversely affect the Organization's tax-exempt status.

The Organization follows the provisions of FASB ASC 740, Accounting for Uncertainty in Income Taxes, which requires the computation of any current income tax assets or liabilities only consider tax positions that are more likely than not (defined as greater than 50% chance) to be sustained if the taxing authorities examined the positions. The Organization is subject to income tax examination by taxing authorities for years ending after June 30, 2007. There are no tax positions deemed questionable under these guidelines.

Note 2 – Property and equipment

Property and equipment consisted of the following at June 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Property and equipment, at cost	\$ 42,006	\$ 38,038
Less: accumulated depreciation	<u>16,451</u>	<u>10,389</u>
Property and equipment, net	<u>\$ 25,555</u>	<u>\$ 27,649</u>
Depreciation expense	<u>\$ 6,063</u>	<u>\$ 2,511</u>

COMMUNITY ALLIANCE FOR THE HOMELESS, INC.

Notes to the Financial Statements

For the years ended June 30, 2010 and 2009

Note 3 – Temporarily restricted net assets

The \$135,000 and \$35,000 in temporarily restricted net assets as of June 30, 2011 and 2010, respectively, represents funds donated or pledged unconditionally to the Organization by local foundations. The contributions are restricted for use in operations for the subsequent fiscal years.

Note 4 – Lease commitments

The Organization rents its office facility under an operating lease agreement which expires June 30, 2013. Office rental expense was \$21,552 for the year ended June 30, 2011 and \$14,946 for the year ended June 30, 2010.

The Organization rents a copier under an operating lease agreement which expires August, 2015. Equipment lease expense was \$6,239 for the year ended June 30, 2011 and \$4,274 for the year ended June 30, 2010

Future minimum lease payments required by the lease agreements at June 30, 2011 are as follows:

Year ending June 30,	<u>Copier</u>	<u>Office</u>
2012	4,341	22,752
2013	4,341	23,952
2014	4,341	-
2015	<u>4,341</u>	<u>-</u>
Total	<u>\$ 17,364</u>	<u>\$ 46,704</u>

Note 5 – Concentrations of credit risk

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk for cash and cash equivalents.

Note 6 – Note payable

The Organization has a non-interest bearing note payable of \$25,000 with Tennessee Housing Development Agency. The note matures September 30, 2011. The note requires monthly payments of \$2,500. As of June 30, 2011, the balance is \$7,500..

As of June 30, 2011, the Organization has a \$50,000 non-interest bearing note payable with the City of Memphis. The note matures December 31, 2010. The note payable is an advance to help with initial costs associated with the program delivery. The note payable will be paid through the grant funding from the City of Memphis.

Note 7 – Subsequent event

Subsequent events have been evaluated through March 21, 2012, the date the financial statements were available for issue.

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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
Community Alliance for the Homeless, Inc.
Memphis, Tennessee

We have audited the financial statements of Community Alliance for the Homeless, Inc. (a nonprofit organization) as of and for the year ended June 30, 2011, and have issued our report thereon dated March 21, 2012. We conducted our audit 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Community Alliance for the Homeless, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Alliance for the Homeless, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of management, Board of Directors, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

McLean & Spivey

Barlett, Tennessee
March 21, 2012

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REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
Community Alliance for the Homeless, Inc.
Memphis, Tennessee

Compliance

We have audited Community Alliance for the Homeless, Inc.'s compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of Community Alliance for the Homeless, Inc.'s major federal programs for the year ended June 30, 2011. Community Alliance for the Homeless, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Community Alliance for the Homeless, Inc.'s management. Our responsibility is to express an opinion on Community Alliance for the Homeless, Inc.'s compliance based on our audit.

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 OMB Circular A-133. Those standards and OMB Circular A-133 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 Community Alliance for the Homeless, Inc.'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. Our audit does not provide a legal determination of Community Alliance for the Homeless, Inc.'s compliance with those requirements.

In our opinion, Community Alliance for the Homeless, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of Community Alliance for the Homeless, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Community Alliance for the Homeless, Inc.'s internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Community Alliance for the Homeless, Inc.'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 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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, Board of Directors, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Barlett, Tennessee
March 21, 2012

COMMUNITY ALLIANCE FOR THE HOMELESS, INC.

Schedule of Expenditures of Federal and State Awards

For the year ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Expenditures
CDBG-Entitlement Grants Cluster-Cluster		
Department of Housing and Urban Development Pass-Through Programs From Community Development Block Grants/Entitlement Grants	14.218	<u>191,699</u>
Total Community Development Block Grants/Entitlement Grants		<u>191,699</u>
 Total Department of Housing and Urban Development Pass-Through Programs		<u>191,699</u>
 Total Department of Housing and Urban Development		<u>191,699</u>
 Total CDBG-Entitlement Grants Cluster-Cluster		<u>191,699</u>
Other Programs		
Department of Housing and Urban Development Direct Programs ARRA - Homeless Prevention and Rapid Re-Housing Program Technical Assistance	14.262	<u>1,147,388</u>
Total Homeless Prevention and Rapid Re-Housing Program Technical Assistance		<u>1,147,388</u>
 Supportive Housing Program	14.235	<u>108,082</u>
Total Supportive Housing Program		<u>108,082</u>
 Total Department of Housing and Urban Development Direct Programs		<u>1,255,470</u>
 Total Department of Housing and Urban Development		<u>1,255,470</u>
 Total Other Programs		<u>1,255,470</u>
 Total Expenditures of Federal Awards		<u><u>1,447,169</u></u>

Basis of Presentation

The above schedule of expenditures of federal awards includes the federal grant activity of Community Alliance for the Homeless and is presented on the accrual basis of accounting. The information in the schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the basic financial statements.

COMMUNITY ALLIANCE FOR THE HOMELESS, INC.

Schedule of Findings and Questioned Costs

For the year ended June 30, 2011

Summary of Audit Results

1. The independent auditors' report on the financial statements of Community Alliance for the Homeless, Inc. (The Organization) expressed an unqualified opinion.
2. No material weaknesses relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance considered material to the financial statements were disclosed by the audit.
4. No material weaknesses relating to the audit of major federal award program is reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The independent auditors' Report on Compliance with Requirements that Could Have A Direct and Material Effect on Each Major P Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 expressed an unqualified opinion.
6. There were no audit findings relative to the major federal awards program.
7. The Organization's major program was the Homeless Prevention and Rapid Re-Housing Program Technical Assistance (CFDA 14.262).
8. A threshold of \$300,000 was used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133.
9. The Organization did not qualify as a low-risk auditee as that term in defined in OMB Circular A-133.

Findings – Financial Statements Audit

None

Finds and Questioned Costs – Major Federal Awards

None