

**INTERNATIONAL INSTITUTE
OF LOS ANGELES**

**REPORT ON AUDIT OF
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

VASIN, HEYN & COMPANY

ABOVE THE BRIGHT LINE

AN ACCOUNTANCY CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS | AUDITORS AND ADVISERS



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(A California Non-Profit Corporation)
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INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
GENERAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

Agency Name: International Institute of Los Angeles

Program Numbers/Type C2AP-1026 Alternative Payment Stage 2
 C3AP-1025 Alternative Payment Stage 3
 CAPP-0029 Alternative Payment
 CAPP-1028 Alternative Payment
 CCTR-1101 General Child Care & Dev. Programs
 CSPP-1206 California State Preschool Program
 19-01286-3 Child and Adult Care Food Program

Type of Agency: A California Non-Profit Corporation

Agency Address: 3845 Selig Place
Los Angeles, California 90031

Name of President / Chief Executive Officer: Ms. Cambria Tortorelli

Name of Chief Operating Officer: Ms. Susan Eckert

Name of Director of Accounting: Ms. Susan Hum, CPA

Telephone Number: (323) 224-3800

Fax Number: (323) 224-3810

Period Covered by Examination: July 1, 2021 through June 30, 2022

Number of Days of Agency Operation: 250 - 251 days

Scheduled Hours of Operation Each Day: Various



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INDEPENDENT AUDITORS' REPORT

To the Audit Committee of
International Institute of Los Angeles (IILA)
(A California Non-Profit Corporation)
Los Angeles, California

Opinion

We have audited the accompanying financial statements of International Institute of Los Angeles (A California Non-Profit Corporation) which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of International Institute of Los Angeles as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 International Institute of Los Angeles and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Adoption of Accounting Pronouncement

As described in Note 2 to the financial statements, International Institute of Los Angeles has adopted ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. Our opinion is not modified with respect to that matter.

INDEPENDENT AUDITORS' REPORT (Continued)

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 International Institute of Los Angeles' 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 International Institute of Los Angeles' 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 International Institute of Los Angeles' 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.

INDEPENDENT AUDITORS' REPORT (Continued)

Report on Summarized Comparative Information

We previously audited International Institute of Los Angeles' 2021 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 11, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

The summary financial statements do not contain all the disclosures required by accounting principles generally accepted in the United States of America. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of International Institute of Los Angeles.

Other Matters

Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Combining Schedule of Financial Position, Combining Schedule of Activities, Schedule of Claimed Equipment Expenditures, Schedule of Claimed Expenditures for Renovations and Repairs, Schedule of Claimed Administrative Costs, Schedule of Expenditures by State Categories, Notes to the Child Care and Development Program Supplemental Information and Audited Final Attendance and Fiscal Report Forms, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Combining Schedule of Financial Position, Combining Schedule of Activities, Schedule of Claimed Equipment Expenditures, Schedule of Claimed Expenditures for Renovations and Repairs, Schedule of Claimed Administrative Costs, Schedule of Expenditures by State Categories, Notes to the Child Care and Development Program Supplemental Information and Audited Final Attendance and Fiscal Report Forms are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements and in conformity with the Audit Guide for Audits of Child Development and Nutrition Programs issued by the *California Departments of Education and Social Services (CDE / CDSS Audit Guide)*. Such 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 Combining Schedule of Financial Position, Combining Schedule of Activities, Schedule of Claimed Equipment Expenditures, Schedule of Claimed Expenditures for Renovations and Repairs, Schedule of Claimed Administrative Costs, Schedule of Expenditures by State Categories, Notes to the Child Care and Development Program Supplemental Information and Audited Final Attendance and Fiscal Report Forms are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

INDEPENDENT AUDITORS' REPORT (Continued)

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 Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 15, 2022, on our consideration of International Institute of Los Angeles' 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 solely 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 International Institute of Los Angeles' 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 International Institute of Los Angeles' internal control over financial reporting and compliance.

Vorwin, Hryn + Co.

Calabasas, California
December 15, 2022

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR 2021)

	2022	2021
ASSETS		
Cash and cash equivalents	\$ 3,414,789	\$ 4,766,479
Contracts receivable	2,510,953	1,534,466
Accounts receivable	312,774	92,297
Investments	2,751,471	1,841,115
Deposits and prepaid expenses	112,106	158,220
Property and equipment, net	944,844	789,273
Total assets	\$ 10,046,937	\$ 9,181,850
LIABILITIES		
Accounts payable and accrued expenses	\$ 667,404	\$ 533,011
Accrued payroll and related liabilities	597,238	580,419
Contracts payable	290,970	1,097,612
Deferred revenue	292,797	338,171
Child development reserves	1,103,634	1,104,408
Paycheck Protection Program Loan	-	856,565
Liability for government funded assets	11,945	17,365
Total liabilities	2,963,988	4,527,551
COMMITMENTS AND CONTINGENCIES		
NET ASSETS		
Without Donor Restrictions	6,686,855	4,654,299
With Donor Restrictions	396,094	-
Total net assets	7,082,949	4,654,299
Total liabilities and net assets	\$ 10,046,937	\$ 9,181,850

See accompanying auditors' reports and notes to financial statements.

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR 2021)

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUE, SUPPORT AND RESTRICTIONS RELEASED				
Governmental service contracts	\$ 15,780,187	\$ -	\$ 15,780,187	\$ 12,725,320
CACFP center based food program	166,841	-	166,841	78,303
Contributions and grants	343,825	518,516	862,341	88,722
Parent fees	-	-	-	108,433
Fees for services	1,505,294	-	1,505,294	640,974
Other income	317,759	-	317,759	358,092
Forgiveness of Paycheck Protection Program Loan	856,565	-	856,565	-
Investment income	30,376	-	30,376	18,227
Realized and unrealized gain (loss) on investments, net	(518,957)	-	(518,957)	298,845
In-kind contributions and matching	202,872	-	202,872	36,990
Gain (loss) on sale of property and equipment	1,993,789	-	1,993,789	-
Rental income	73,899	-	73,899	72,330
Transfer from child development reserves	4,704	-	4,704	-
Restrictions released	-	(122,422)	(122,422)	-
	<u>20,757,154</u>	<u>396,094</u>	<u>21,153,248</u>	<u>14,426,236</u>
EXPENSES				
Program services	18,062,169	-	18,062,169	14,151,340
Support services	640,181	-	640,181	706,624
	<u>18,702,350</u>	<u>-</u>	<u>18,702,350</u>	<u>14,857,964</u>
CHANGE IN NET ASSETS	2,054,804	396,094	2,450,898	(431,728)
NET ASSETS - beginning of year	4,654,299	-	4,654,299	5,086,027
Restatement Adjustment (Note 18)	(22,248)	-	(22,248)	-
NET ASSETS - beginning of year as restated	<u>4,632,051</u>	<u>-</u>	<u>4,632,051</u>	<u>5,086,027</u>
NET ASSETS - end of year	<u>\$ 6,686,855</u>	<u>\$ 396,094</u>	<u>\$ 7,082,949</u>	<u>\$ 4,654,299</u>

See accompanying auditors' reports and notes to financial statements.

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR 2021)

	Program Services	Support Services	2022 Total Expenses	2021 Total Expenses
Salaries and related expenses				
Salaries	\$ 5,627,229	\$ 787,812	\$ 6,415,041	\$ 4,510,842
Employee benefits	1,296,024	142,331	1,438,355	1,164,931
Payroll taxes	<u>415,527</u>	<u>50,831</u>	<u>466,358</u>	<u>250,203</u>
	7,338,780	980,974	8,319,754	5,925,976
Other expenses				
Advertising	18,154	7,214	25,368	874
Bank charges	1,332	2,074	3,406	4,523
CDD - School activities	-	-	-	2,600
Client related costs	3,054,073	-	3,054,073	1,736,911
Computer maintenance	128,467	42,803	171,270	155,564
Dues and subscriptions	34,120	45,183	79,303	31,489
Education and training	3,209	359	3,568	3,322
Equipment purchased	34,539	7,496	42,035	20,317
Equipment rental and maintenance	45,497	15,802	61,299	66,793
Food costs	818,873	-	818,873	498,763
In-kind expenses	190,983	11,889	202,872	36,990
Insurance	70,155	56,409	126,564	104,474
Legal and audit	31,548	229,766	261,314	211,382
Miscellaneous expenses	7,144	-	7,144	-
Office expenses	68,966	33,496	102,462	81,955
Outside services	2,260	4,630	6,890	145,925
Postage and delivery	20,998	3,054	24,052	24,374
Printing	10,870	2,563	13,433	5,495
Provider payments	3,763,095	-	3,763,095	4,634,367
Rent	151,728	-	151,728	90,622
Repairs and maintenance	143,248	39,755	183,003	136,511
Stipends	318,920	-	318,920	360,299
Subcontractors	302,517	-	302,517	116,609
Supplies	242,086	15,520	257,606	169,070
Taxes and licenses	13,870	6,304	20,174	13,967
Telephone	59,984	29,131	89,115	82,631
Travel	127,810	1,532	129,342	26,477
Utilities	61,746	52,914	114,660	100,466
General and administrative - indirect costs	<u>973,951</u>	<u>(973,951)</u>	<u>-</u>	<u>-</u>
	18,038,923	614,917	18,653,840	14,788,746
Depreciation	<u>23,246</u>	<u>25,264</u>	<u>48,510</u>	<u>69,218</u>
Total Expenses	<u>\$ 18,062,169</u>	<u>\$ 640,181</u>	<u>\$ 18,702,350</u>	<u>\$ 14,857,964</u>

See accompanying auditors' reports and notes to financial statements.

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR 2021)

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 2,450,898	\$ (431,728)
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation	48,510	69,218
Gain (loss) on sale of property and equipment	(1,993,789)	-
Realized and unrealized (gain) loss on investments, net	518,957	(298,845)
Forgiveness of Paycheck Protection Program Loan	(856,565)	-
Restatement adjustment	(22,248)	-
(Increase) decrease in:		
Contracts receivable	(976,487)	(871,174)
Accounts receivable	(220,477)	(22,081)
Deposits and prepaid expenses	46,114	(70,895)
Increase (decrease) in:		
Accounts payable and accrued expenses	134,393	(69,066)
Accrued payroll and related liabilities	16,819	216,053
Contracts payable	(806,642)	285,936
Deferred revenue	(45,374)	223,521
Child development reserves	(774)	196,832
Liability for government funded assets	(5,420)	7,996
Total adjustments	<u>(4,162,983)</u>	<u>(332,505)</u>
Net Cash Provided (Used) by Operating Activities	(1,712,085)	(764,233)
 CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases/sales of investments and dividends reinvested, net	(1,429,313)	(19,325)
Purchases/sales of property and equipment, net	<u>1,789,708</u>	<u>64,915</u>
Net Cash Provided (Used) by Investing Activities	360,395	45,590
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,351,690)	(718,643)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>4,766,479</u>	<u>5,485,122</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 3,414,789</u>	<u>\$ 4,766,479</u>
 Supplementary Disclosures:		
In-kind contributions and matching	<u>\$ 202,872</u>	<u>\$ 36,990</u>
Forgiveness of Paycheck Protection Program Loan	<u>\$ 856,565</u>	<u>\$ -</u>

See accompanying auditors' reports and notes to financial statements.

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

1. DESCRIPTION OF ORGANIZATION

The International Institute of Los Angeles (the “Institute”) makes a real difference in the world. IILA was founded in 1914 and incorporated in 1935 to find solutions to the challenges facing newly arrived refugees and immigrants. The Institute provides a variety of programs to socially and disadvantaged people within the greater Los Angeles Metropolitan area. The Institute receives the majority of its funding through various federal, state, and local governmental programs.

The Institute is organized as a nonprofit, tax-exempt, charitable corporation under Section 501 (c) (3) of the Internal Revenue Code and was formed pursuant to the general nonprofit corporation laws of the State of California.

Over the last 100+ years, the Institute has helped hundreds of thousands of new arrivals and low-income families in Los Angeles County and beyond to overcome the barriers they face in becoming successful, self-sufficient, and productive members in society. The Institute offers hope to children and families in our preschool and daycare programs, delivers hundreds of thousands of nutritious meals to low-income children, provides a variety of social services, including case management services to victims of human trafficking and unaccompanied minors, helps newly arrived immigrants and refugees find housing and employment, and provides legal aid to immigrants so that they can begin a new life as contributing members of their communities.

The Institute has changed the lives of so many people by helping our clients and communities gain the skills, abilities, and resources to become self-sufficient and thrive. In FY21-22, the Institute provided services to approximately 53,000 individuals.

Here is a summary of the Institute’s various programs in FY 21-22:

CHILD DEVELOPMENT DIVISION

● **Alternative Payment Program (Stage 1, C2AP, C3AP, CAPP):**

The AP Program matches parents and childcare providers and reimburses the cost of childcare for children up to 12 years old from low-income families, through either our CalWORKs Stage 1, Stage 2, Stage 3, or AP program. We provide services for over 300 children enrolled with our 50 in-home childcare providers.

● **State Preschool (CSPP) and Full Day Child Care (CCTR)**

Prepares children for success by providing high quality childcare and education using the high scope curriculum. Over 400 children are enrolled each year at the Institute’s nine (9) preschool and full day childcare centers located throughout the Los Angeles County area. We provide free or low-cost preschool education for children 2-5 years old.

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

1. DESCRIPTION OF ORGANIZATION - Continued

● **Family Child Care Home Education Network (FCCHEN)**

The Family Child Care Home Education Network (FCCHEN) program is a partnership between the parent, family childcare home provider, and Children’s Home Society of California (CHS). The FCCHEN program offers affordable childcare to eligible parents, supports the quality of childcare, and establishes relationships between children, parents, family childcare home providers, and CHS program specialists. Family childcare home providers enrolled in the FCCHEN program receive ongoing professional development training, guidance, and technical support from CHS program specialists to assure high-quality child development services.

● **Child and Adult Food Program (CACFP)**

The Child and Adult Care Food Program (CACFP) is a federal program that provides reimbursements for nutritious meals and snacks to eligible children and adults who are enrolled for care at participating childcare centers, day care homes, and adult day care centers. CACFP also provides reimbursements for meals served to children and youth participating in afterschool care programs, children residing in emergency shelters, and adults over the age of 60 or living with a disability and enrolled in day care facilities. CACFP contributes to the wellness, healthy growth, and development of young children and adults in the United States.

CHILD NUTRITION DIVISION-Vended Meals Program

Our on-site commercial kitchen prepares and delivers approximately 1 million freshly cooked breakfasts, lunches, and snacks each year to children enrolled in various childcare programs throughout Los Angeles County. These meals ensure that children get the proper nutrition they need to thrive, learn and succeed in school as well as learn how to lead healthy lives through family style meal service and portion control.

IMMIGRATION LEGAL SERVICES DIVISION (ILSD)

ILSD provides legal services to immigrants in need of assistance either in court or in filing affirmative forms of relief. In FY 21-22, we served over 900 clients.

For immigrants in removal/deportation proceedings, attorneys represent clients in court in presenting applications for asylum, cancellation of removal, or other remedies they may qualify for. We also provide representation to unaccompanied minors who are seeking asylum and/or qualify for Special Immigrant Juvenile Visas.

For immigrants not in removal proceedings, we assist with petitions for citizenship, green cards and green card renewals, family petitions, consular processing, U and T-Visas, DACA renewals, and Temporary Protected Status.

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

1. DESCRIPTION OF ORGANIZATION - Continued

- **Afghan Legal Representation Project (ALRP):**

ALRP provides legal services for Afghan humanitarian parolees, SIV applicants, asylum seekers and asylees to assist with asylum applications, family petitions, assistance with SIV applications, TPS applications and other forms of immigration relief. These services are available to all eligible Afghan nationals residing in LA, Orange, San Bernardino, Riverside, Ventura, and Kern Counties.

LOCAL INTEGRATION & FAMILY EMPOWERMENT (LIFE) DIVISION

- **Reception & Placement Program (R&P)**

Through our LIFE division, the Institute assists newly arrived refugees and Special Immigrant Visa (SIV) holders to resettle in their new country. The program provides up to 90 days of social support services to newly arrived refugees and SIV holders. Services include airport reception, case management, housing, cultural and community orientation, basic needs, access to employment and education. The program resettles approximately 200 individuals a year. The refugees arrive primarily from Afghanistan, Iran, Iraq, Syria, Burma, and Central America.

- **Matching Grant (MG)**

Through the MG Program, the Institute provides refugees, asylees, and other vulnerable newcomers with the support they need to become stably employed and financially self-sufficient in a brand-new country. The program provides a monthly rental allowance that helps clients to pay their rent and basic expenses for up to six months. At the same time, clients receive personalized help and coaching from an Employment Case Manager as they take their first steps into the American workforce. The Institute's MG Case Managers address a wide variety of needs, including job development and placement, enrollment in English classes, and assistance with transportation.

Through MG, many Institute clients can find stable employment and become financially self-sufficient within 6 months of their program enrollment. The program empowers clients to rebuild their lives and increase their earning potential immediately, without relying on public benefits. In FY 21-22, over 300 clients received assistance through the MG program.

- **Afghan Placement and Assistance Program (APA)**

The APA program was put in place by the State Department to address the humanitarian crisis brought about by the fall of Kabul in August 2021 and the evacuation of tens of thousands of Afghan nationals. APA is the resettlement program for the 80,000 Afghans who arrived in the US after August 2021. Like the R&P program, it provides case management services for newly arrived Afghans and assistance with finding housing, employment, health care, enrolling in public benefits and other services to ensure a successful transition to life in the US. In FY 21-22, the Institute served almost 900 Afghan individuals through this program.

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

1. DESCRIPTION OF ORGANIZATION - Continued

- **Preferred Communities Program (PC)**

The Preferred Communities program provides long term case management services for newly arrived refugees who have special needs or who are vulnerable and who need intensive case management, culturally and linguistically appropriate linkages and coordination with other service providers to improve their access to services. The Institute served 36 clients through this program in FY 21-22.

The Preferred Communities Program also provides targeted funding to assist humanitarian parolees from Afghanistan and Ukraine. Through PC, Afghan humanitarian parolees received housing, legal, transportation and extended case management services. Ukrainian Humanitarian parolees received case management, community orientation and referrals, and housing assistance. The Institute served approximately 60 Ukrainians in FY 21-22.

- **Afghan Health Promotion Program (AHP)**

This program provides eligible Afghan new arrivals with assistance in accessing health care, including enrollment in MediCal or Refugee Medical Assistance, scheduling medical appointments and screening, arranging transportation to scheduled medical appointments, assist in troubleshooting with MediCal bills, assist patients to enroll in a MediCal managed care plan and select a primary care physician. The program also provides workshops on topics such as pre-natal care and dental hygiene. The program served approximately 900 clients in FY 21-22.

- **Human Trafficking Survivors Program (HTSP)**

Through HTSP, we provide comprehensive case management services to foreign national human trafficking survivors and their families. Case managers work in collaboration with law enforcement and community partners to help rebuild survivor's lives and help them reintegrate into their communities. In FY 21-22, we served 35 survivors of human trafficking.

- **Opportunities for Youth (OFY)**

The Opportunities for Youth (OFY) Project provides post-placement services that promote security and opportunities for unaccompanied immigrant youth by fostering parental resilience among sponsors and the socioemotional competence of the youth. The objective is to provide youth and their sponsors with services that support their reunification with sponsors and aide their integration into their new communities. In FY 21-22, OFY served 25 clients

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1. DESCRIPTION OF ORGANIZATION - Continued

- **Transitional Subsidized Employment Program (TSEP)**

The Transitional Subsidized Employment (TSE) program provides subsidized employment opportunities for CalWORKs participants. Typically, program participants are assigned to work in public agencies or private non-profit organizations. The TSE program helps overcome barriers to employment through fully supervised, paid work experience, and paid on-the-job training (OJT) with the goal of enabling the participant to secure unsubsidized employment after completion of their work assignment

- **Team/Changes (TEAM/CHANGES)**

TEAM (Telecommunication Education and Assistance in Multiple-Languages) and **CHANGES** (Community Help and Awareness of Natural Gas and Electricity Services) programs provide education and complaint resolution to consumers who are not proficient in English; programs also assist individuals with applying for low-income programs and establish new service.

- **Low Income Fare Is Easy (LIFE)**

LIFE provides transportation subsidies, including free bus rides and taxi rides, to low-income people throughout Los Angeles County. Low-income families can use the subsidies through countywide network of transit operators. Through this program, the Institute has also developed a network of over 50 human service agencies through which we provide approximately 1 million taxi and bus rides annually.

- **COVID-19 Community Equity Funding (CCEF)**

L.A County launched the County COVID-19 Community Equity Fund to help slow down the spread of COVID-19 in communities disproportionately impacted by the virus. As a partner, the Institute provides a range of services, including outreach, education, case assistance for diverse needs. The Institute also assists individuals who live in hard-hit neighborhoods connect with health and social services. In FY 21-22, the Institute served 1,000 individuals.

INTERNATIONAL INSTITUTE OF LOS ANGELES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Institute prepares its financial statements in accordance with generally accepted accounting principles (GAAP) promulgated in the United States of America. The significant accounting and reporting policies used by the Institute are described below to enhance the usefulness and understandability of the financial statements.

Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

- *Net asset without donor restrictions.* Net assets without donor restrictions are resources available to support operations. The only limits on the use of the net assets without donor restrictions are the broad limits resulting for the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.
- *Net assets with donor restrictions.* Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. The Institute's unspent contributions are classified in this class if the donor limited their use, as are the unspent appreciation of its donor-restricted endowment funds. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of equipment (or less commonly, the contribution of those assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the Institute, unless the donor provides more specific directions about the period of its use. Total net assets with donor restrictions for the year ended June 30, 2022 were \$396,094.

All revenues and net gains are reported as increases in net assets without donor restrictions in the statement of activities unless the use of the related resources is subject to donor restrictions. All expenses and net losses other than losses on endowment investments are reported as decreases in net assets without donor restrictions.

Cash and Cash Equivalents

Cash and cash equivalents are short term, interest bearing, highly liquid investments with original maturities of three months or less, unless the investments are held for meeting restrictions of a capital or endowment nature. At year end, and throughout the year, the Institute's cash balances, deposited in one bank, exceeded federally insured limits. Management believes the Institute is not exposed to any significant credit risk on cash and cash equivalents.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Contracts and Accounts Receivables

Receivables consist of contracts and accounts receivable and are stated at the amount management expects to collect from outstanding balances. Contracts receivable are primarily comprised of revenue apportionments due from federal, state and local agencies. Accordingly, no provision for doubtful accounts has been provided for such receivables. The Institute uses the allowance method of accounting for receivables determined to be potentially uncollectable. In management's opinion, all contracts and accounts receivable were collectible at year-end. No allowance for doubtful accounts for contracts and accounts receivable is considered necessary at June 30, 2022.

Investments

Investments in marketable securities with readily redeemable fair values and all investments in debt securities are carried at their fair market values in the statement of financial position. Unrealized gains and losses are included in the change in net assets without donor restrictions in the accompanying statement of activities.

Investment purchases and sales are accounted for on a trade-date basis. Realized gains and losses are calculated based upon the underlying cost of the securities traded. Gains or losses (including investments bought, sold, and held during the year), and interest and dividend income are reflected in the statement of activities as increases or decreases in net assets without donor restrictions assets unless their use is restricted by donor stipulations or by law.

Deposits and Prepaid Expenses

Deposits, prepaid insurance and other costs are expensed ratably over their respective terms of agreement.

Property and Equipment, Net

Land, buildings, property, and equipment are reported in the statement of financial position at cost, if purchased, and at fair value at the date of donation, if donated. All land, buildings, and property are capitalized. Equipment is capitalized if it has a cost of \$1,500 or more and a useful life when acquired of more than 1 year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Buildings	20 - 40 years
Building improvements	10 - 30 years
Furniture and Equipment	5 - 10 years
Leasehold improvements	3 - 30 years, or remaining lease term, if shorter
Vehicles	5 - 7 years

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Property and Equipment, Net - Continued

Property and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period.

Certain contracts with the State and the California Departments of Education and Social Services specify that the title to equipment acquired with program funds remain with the contracting agency. As a result, the Institute expenses such purchases as incurred.

Government-funded assets are recorded as an asset and an offsetting liability. The related assets are depreciated over their estimated useful lives and a corresponding amount reduces the related liability each year and is recognized as contract revenue.

Deferred Revenue

Deferred revenue represents revenues collected but not earned as of June 30, 2022. This is primarily composed of revenue for program funds accrued in advance. If a program is conducted over a fiscal year end, deferred revenue is recorded for all revenue related to programs predominately conducted in the next fiscal year.

Accounting for Contributions

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions, consistent with the nature of the restriction. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as net assets with donor restrictions until the payment is due unless the contribution is clearly intended to support activities of the current fiscal year or is received with donor-restrictions. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Adopted Accounting Pronouncement

In September 2020, the FASB amended guidance regarding the way nonprofit organizations report nonfinancial assets, including donated goods and rent, in-kind professional services, etc. The amendment requires contributed nonfinancial assets to be presented separately from cash and other financial assets on the statement of activities, and the footnote disclosure must include a dis-aggregation by type, donor restrictions, if applicable, and other details about the nature and valuation of the nonfinancial assets received. The new standard is effective for fiscal years beginning after June 15, 2021, and could have an impact on the Institute's reporting of contributed nonfinancial assets. During the year ended June 30, 2022 the Institute adopted Accounting Standards Update, ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*.

Contributed Goods and Services

Contributions of goods received that are measurable are recorded as revenue at their estimated fair value when received. Contributions of services are recognized if the services received meet any of these criteria: (1) if they create or enhance nonfinancial assets and (2) if they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The Institute benefits from personal services from volunteers. However the majority of the services do not meet the criteria for recognition on the financial statements.

Revenue Recognition

Revenues from government agencies, program service fees, and other third-party payors for services provided under such contracts are recognized when earned by the Institute. All gifts, bequests, and other public support are included in net assets without donor restrictions unless when restricted by the donor or the terms of the gift or grant instrument. Amounts received in excess of balances earned are recognized as liabilities in Contracts Payable.

Government Revenue

Government revenue is recognized when the qualifying costs are incurred for cost-reimbursement grants or contracts or when a unit of service is provided for performance grants. Government revenue from federal agencies is subject to independent audit under the Uniform Guidance and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, the Institute's management believes that costs ultimately disallowed, if any, would not materially affect the financial position of the Institute.

Indirect Costs

Costs that benefit the operations of the entire organization are allocated according to an indirect cost allocation plan.

INTERNATIONAL INSTITUTE OF LOS ANGELES
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NOTES TO FINANCIAL STATEMENTS
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Expense Recognition and Allocation

The cost of providing the Institute's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Institute.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The Institute generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgements contain requests for contributions, joint costs have been allocated between fundraising and management and general expenses in accordance with standards for accounting for costs of activities that include fundraising. There were no fundraising costs for the year ended June 30, 2022.

Additionally, advertising costs are expensed as incurred; such amounts were insignificant at year end and totaled \$25,368.

Income Taxes

The Institute is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and California income taxes under section 23701(d) of the California Revenue and Taxation Code. The IRS classified the organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

The Institute has adopted Financial Accounting Standards Board Accounting Standards Codification (ASC) Section 740-10, which clarifies the accounting for uncertainty in income taxes. ASC Section 740-10 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC Section 740-10 requires that an organization recognize in the financial statements the impact of the tax position if that position will more likely than not be sustained on audit, based on the technical merits of the position. As of and for the year ended June 30, 2022, the Institute had no material unrecognized tax benefits, tax penalties or interest.

The Institute's Forms 990, *Return of Organization Exempt from Income Tax*, for each of the tax years ended June 30, 2021, 2020, and 2019, are subject to examination by the IRS, generally for 3 years after they were filed.

The Institute's Forms 199, *California Exempt Organization Return*, for each of the tax years ended June 30, 2021, 2020, 2019, and 2018 are subject to examination by the Franchise Tax Board, generally for 4 years after they were filed.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the Institute's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The Institute's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Reclassifications

Certain amounts in the 2021 comparative totals have been reclassified to conform with the 2022 reporting format.

Comparative Totals

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Institute's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

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NOTES TO FINANCIAL STATEMENTS
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Fair Value Measurements

The Institute reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal or most advantageous market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

- *Level 1* - Quoted prices for identical assets or liabilities in active markets to which the Institute has access at the measurement date.
- *Level 2* - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:
 - quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets in markets that are not active;
 - observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
 - inputs derived principally from, or corroborated by, observable market data by correlation or by other means.
- *Level 3* - Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The carrying amounts of cash and cash equivalents and accounts receivable approximate fair value because of the terms and relatively short maturity of these financial instruments. The certificate of deposit, alternative investments, equities and fixed income are valued at quoted market prices, which represent the net asset value of shares held by the Institute at year end.

The carrying amounts of liabilities, approximate fair value because of the relatively short maturity of these financial instruments.

When available, the Institute measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

INTERNATIONAL INSTITUTE OF LOS ANGELES
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FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)

3. CONTRACTS AND ACCOUNTS RECEIVABLES

Contracts are recorded at their net realizable value. All contracts are expected to be collected within one year. Management believes that all amounts will be received when due, therefore, no allowance for uncollectible contracts has been provided.

Contracts receivable at June 30, 2022, are summarized as follows:

Contractor/Grantor	Program	Amount
	County COVID-19 Community Equity Fund	\$ 30,318
Community Partners – Dept. of Public Health	Stage 1CalWorks	10,482
County of Los Angeles – DPPS	INTP	276,777
L.A. Metropolitan Transportation Authority	TEAM Collaborative	19,605
Self Help for the Elderly	CDD – CSPP	179,564
State of California – Dept. of Education	CDD – CAPP	145,716
State of California – Dept. of Social Services	CDD – C3AP	87,914
State of California – Dept. of Social Services	CDD – C2AP	19,471
State of California – Dept. of Social Services	CDD – CCTR	215,300
State of California – Dept. of Social Services	CDD Nutrition	41,195
State of California – Dept. of Social Services	ILSD/ISS	407,625
State of California – Dept. of Public Health Svcs	Opportunities for Youth Program	178,942
State of California – Dept. of Public Health Svcs	Afghan Health Promotion Program	19,390
U.S. Committee for Refugees and Immigrants	Afghan Placement and Assistance	51,529
U.S. Committee for Refugees and Immigrants	Preferred Communities Program	381,294
U.S. Committee for Refugees and Immigrants	USCRI – HTSP	168,078
U.S. Committee for Refugees and Immigrants	USCRI – Matching Grant	140,235
U.S. Committee for Refugees and Immigrants	USCRI – R&P	137,518
Total		<u>\$ 2,510,953</u>

Accounts receivable, at June 30, 2022, are summarized as follows:

	Amount
Nutrition Vended Meals	\$ 312,774
Total	<u>\$ 312,774</u>

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(CONTINUED)

4. INVESTMENTS

The Institute measures fair value in accordance with FASB ASC 820-10. FASB ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels; Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs, other than the quoted prices in active markets, are observable either directly or indirectly, and Level 3 unobservable inputs in which there is little or no market data, which requires the Institute to develop its own assumptions. The Institute uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Institute measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. All assets reported at fair value at June 30, 2022, are Level 1 and Level 2 inputs.

In December 2001, the Institute received a contribution upon the liquidation of the Madelyn Wills Trust (“Trust”). The Institute was a beneficiary of the Trust and had previously received annual contributions. The Trustees decided to liquidate the Trust’s assets to those organizations that were receiving contributions from the Trust. The Institute recorded the contribution of \$655,413 for marketable equity securities, which represents fair market value on the date of transfer.

Investments consisted of the following at June 30, 2022:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
Certificate of deposit	\$ 323,777	\$ -	\$ 323,777
Alternative investments	242,144	242,144	-
Equities	1,278,927	1,278,927	-
Fixed income	<u>906,623</u>	<u>906,623</u>	<u>-</u>
Total investments	<u>\$ 2,751,471</u>	<u>\$ 2,427,964</u>	<u>\$ 323,777</u>

At June 30, 2022, the Institute does not have any investments measured using level 3 inputs.

The composition of the investment return reported in the statement of activities as follows:

	<u>Amount</u>
Interest and dividends	\$ 29,149
Interest income from cash and cash equivalents accounts	1,227
Realized and unrealized gain(loss) on investments, net	<u>(518,957)</u>
Total investments return	<u>\$(488,581)</u>

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(CONTINUED)

5. PROPERTY AND EQUIPMENT, NET

Property and equipment consists of the following at June 30, 2022:

	Government Funded	Institute Owned	Total
Building	\$ -	\$ 511,318	\$ 511,318
Buildings improvements	-	589,389	589,389
Furniture and equipment	49,547	670,690	720,237
Land	-	280,000	280,000
Leasehold improvements	-	74,191	74,191
Vehicles	-	36,306	36,306
	49,547	2,161,894	2,211,441
Less accumulated depreciation	<u>(37,602)</u>	<u>(1,228,995)</u>	<u>(1,266,597)</u>
Property and equipment, net	<u>\$ 11,945</u>	<u>\$ 932,899</u>	<u>\$ 944,844</u>

Total depreciation expense charged to operations was \$48,510 for the year ended June 30, 2022.

In August 31, 2021, the Institute sold its Boyle Building located at 435 South Boyle Avenue, Los Angeles, CA 90032 for \$2,150,000. The Institute recorded a gain on sale of property of \$1,993,789. The remaining book value of the property was \$20,000 for the land. The book value for the building was \$1,050,285 and was fully depreciated at the time of the sale. The total closing cost was \$89,711 and a lien in the amount of \$46,500 was paid. Details are as follows:

	Amount
Sale price of property	\$ 2,150,000
Less: book value	(20,000)
Less: closing costs	(89,711)
Less: lien paid	<u>(46,500)</u>
Net, total	<u>\$ 1,933,789</u>

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(CONTINUED)

6. ACCRUED PAID TIME OFF (PTO)

Accrued paid time off, (PTO), benefits are accrued on a monthly basis. Full-time employees accrue vacation time based upon years of service to the Institute as follows:

<u>Years Employed</u>	<u>Annualized Accrual</u>
1 – 6 years	150 hours (20 days)
6 + years	187 hours (25 days)

Unused paid time off (PTO) will be paid at the time of termination. Total accrued paid time off at June 30, 2022, is \$307,647.

7. CHILD DEVELOPMENT RESERVES

Child development contractors are allowed, with prior CDE and/or CDSS approval, to maintain a reserve account from earned but unexpended child development contract funds for three types of programs: Center Based, Resource and Referral, and Alternative Payment. Transfers from a reserve account are considered restricted income for child development programs, but may be applied to any of the contracts that are eligible to contribute to that particular program type.

The Institute maintains a reserve account for Center Based, Resource and Referral and Alternative Payment contracts, and funds are deposited into an interest-bearing account. The reserve account balance at June 30, 2022, was \$1,103,634, which is recorded as an asset in the cash account. Also, upon termination of all child development Center Based, Resource and Referral and Alternative Payment contracts, the Institute would have to return the reserve funds to CDE and/or CDSS, so the reserve account is recorded as a liability (deferred revenue) in the amount of \$1,103,634.

The reserve account balance of \$1,103,634 includes interest of \$2,817 that the bank paid on the account balances during the year ended June 30, 2022.

8. PAYCHECK PROTECTION PROGRAM LOAN FORGIVENESS

During the year ended June 30, 2020 the Institute received a Paycheck Protection Program Loan for \$856,565 to address the impact of the COVID pandemic described in Note 9. The Paycheck Protection Program Loan contained a loan forgiveness provision which was met during the June 30, 2021 year end. In July 2021 the Institute received forgiveness of its Paycheck Protection Program (PPP) loan in the amount of \$856,565.

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(CONTINUED)

9. COMMITMENTS AND CONTINGENCIES

Contracts and Grants

Grant awards require the fulfillment of certain conditions as set forth in the instruments of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Institute generally deems this contingency remote since by accepting the grants and their terms it has accommodated the objectives of the organization to the provisions of the grants. The Institute's management is of the opinion that the organization has complied with the terms of all grants.

Contingent Contract Liability

Preliminary cost report approvals are made by contracting authorities, subject to adjustment, based upon a final independent contracted audit, or a final cost report settlement. As this process can extend over a number of years, along with any related appeals, it is uncertain as to whether any liability will result, and no provision for a liability has been made. Certain matters arose from operations during the year ended June 30, 2022 related to specific governmental service contracts which may affect future financial statements the ultimate resolution of which is not currently susceptible to reasonable estimation.

Legal Matters

In the ordinary course of business the Institute may be subject to certain lawsuits and other potential legal actions. The Institute's management represents that as of June 30, 2022, the Institute is not involved in any legal action or litigation.

COVID-19

On March 11, 2020 the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The ultimate financial impact and duration of these events cannot be reasonably estimated at this time.

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(CONTINUED)

10. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are part of the net assets of the Institute resulting from contributions and other inflows of assets whose use by the Institute is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Institute pursuant to those stipulations.

Net assets with donor restrictions were released by incurring expenses, satisfying the restricted purposes or by occurrence of other events specified by donors. Net assets with donor restrictions at June 30, 2022, consist of amounts restricted by donor-imposed stipulations.

The activity for the year ended June 30, 2022, is as follows:

Program	Balance at 6/30/21	Income	Expenditures	Balance at 6/30/22
Act Now for Afghans	\$ -	\$ 516,516	\$ (122,422)	\$ 394,094
Act Now for Ukraine	-	2,000	(-)	2,000
Total	<u>\$ -</u>	<u>\$ 518,516</u>	<u>\$ (122,422)</u>	<u>\$ 396,094</u>

11. RETIREMENT PLANS

The Institute sponsors a 401(k) salary deferral plan whereby employees may contribute up to an amount as allowed under Internal Revenue Service regulations. The Institute will provide a dollar-for-dollar match up to 4% of an employee's eligible compensation. The Institute contributed \$167,577 for the year ended June 30, 2022.

The Institute also has a defined contribution plan whereby employees may participate in the plan after one year of continuous service and 1,000 hours of service. The Institute's contribution to the plan is discretionary and is determined annually by the Board of Directors. The Institute contributed \$98,773 for the year ended June 30, 2022.

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12. OPERATING LEASE COMMITMENTS

The Institute leases certain facilities on a month-to-month basis. The Institute also leases equipment under non-cancelable operating leases expiring in various years through 2027 and is committed to minimum rental payments (exclusive of real estate taxes, maintenance, etc.) as follows:

<u>Year Ending June 30;</u>	<u>Amount</u>
2023	\$ 136,241
2024	55,575
2025	34,194
2026	19,409
2027	<u>14,441</u>
Total	<u>\$ 259,860</u>

Rent expense and equipment rental and maintenance expense charged to operations were \$151,728 and \$61,299, respectively for the year ended June 30, 2022.

13. GENERAL AND ADMINISTRATIVE – INDIRECT COSTS

The Institute’s general and administrative - indirect costs are reimbursed by and allocated among the other divisions based on approved indirect cost rates. Fundraising costs are not significant. Accordingly, the Indirect Division is eliminated and consists of the following natural expense categories:

	<u>Amount</u>
Employee Benefits	\$ 142,331
Gross Salaries	787,812
Payroll Taxes	<u>43,808</u>
Total	<u>\$ 973,951</u>

INTERNATIONAL INSTITUTE OF LOS ANGELES
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FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)

14. IN-KIND CONTRIBUTIONS AND MATCHING

Natural classifications of in-kind contributions and matching amounts are as follows:

	Amount
Cellular devices	\$ 13,000
Food	16,300
Furniture and household goods	38,180
Google advertising	10,613
Housing	42,087
Miscellaneous items	1,635
Transportation	10,782
Volunteer	70,275
Total	\$ 202,872

In-Kind Contributions Valuation Techniques & Inputs

In-kind contributions and matching are valued at the estimated fair value on the basis of estimates of wholesale values that would be received for selling similar products in the U.S.

Donor Restrictions

Certain in-kind contributions and matching amounts contained donor restrictions to be used on specific programs received during the year ended June 30, 2022.

Monetization of In-Kind Contributions

The Institute does not sell donated in-kind contributions only distributes goods or uses the services for program use.

15. NUTRITION PROGRAM

The Institute has a nutrition agreement with California Department of Social Services for Child and Adult Care Food Programs, as reported in the Schedule of Expenditures of Federal and State Awards. However, no nutrition audit report schedules are included in the audit because (1) the audit disclosed no nutrition overpayments, underpayments, or program findings; (2) the contractor did not request reimbursement of audit costs; and (3) the audit is not a program-specific nutrition audit.

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)

16. LIQUIDITY AND FUNDS AVAILABLE

The total financial assets held by the Institute at June 30, 2022 and the amount of those financial assets that could be made available for general expenditure within one year of the date of the statement of financial position are summarized in the following table:

	June 30, 2022
Financial assets:	
Cash and cash equivalents	\$ 3,414,789
Contracts receivable	2,510,953
Accounts receivable	312,774
Investments	2,751,471
Total financial assets	8,989,987
Less: donor-imposed restrictions:	(396,094)
Financial assets available to meet cash needs for general expenditures within one year	\$ 8,593,893

The Institute's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$5,000,000). As part of its liquidity plan, the Institute receives monthly payments against government contracts as well as ongoing revenue streams from its meals sales and childcare from non-subsidy childcare services. Amounts available for expenditure over the period of the next twelve months are dependent on government funder's payment cycles, which vary from 0 to 30 days, and the revenue streams mentioned above.

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)

17. CONCENTRATION RISK

Amounts held in financial institutions occasionally are in excess of the Federal Deposit Insurance Corporation and Securities Investor Protection Corporation limits. The Institute deposits its cash with high quality financial institutions, and management believes the organization is not exposed to significant credit risk on those amounts.

The majority of the Institute's contributions and grants are received from corporations, foundations, and individuals and from agencies located throughout the state of California. As such, the Institute's ability to generate resources via contributions and grants is dependent upon the economic health of that area and of the state of California. An economic downturn could cause a decrease in contributions and grants that coincides with an increase in demand for the Institute's services.

The Institute's investments are subject to various risks, such as interest rate, credit, and overall market volatility risks. Further, because of the significance of the investments to the Institute's financial position and the level of risk inherent in most investments, it is reasonably possible that changes in the values of these investments could occur in the near term and such changes could materially affect the amounts reported in the financial statements. Management is of the opinion that the diversification of its invested assets among the various asset classes should mitigate the impact of changes in any one class.

18. RESTATEMENT ADJUSTMENT

During the year the Institute corrected an error in deferred revenue which resulted in a decrease of net assets at the beginning of the year in the amount of \$22,248.

19. SUBSEQUENT EVENTS

The Institute has evaluated events subsequent to June 30, 2022, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 15, 2022, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

SUPPLEMENTAL INFORMATION

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
COMBINING SCHEDULE OF FINANCIAL POSITION
JUNE 30, 2022

	Child Development Programs	Nutrition Program	Immigrant and Refugee Services	INTP	Administration	Total Agency
ASSETS						
Cash and cash equivalents	\$ 1,711,618	\$ 349,189	\$ 333,818	\$ 56,000	\$ 964,164	\$ 3,414,789
Contracts receivable	658,447	41,195	1,534,534	276,777	-	2,510,953
Accounts receivable	-	-	-	-	312,774	312,774
Investments	-	-	-	-	2,751,471	2,751,471
Deposits and prepaid expenses	-	-	-	-	112,106	112,106
Property and equipment, net	-	-	-	-	944,844	944,844
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>944,844</u>	<u>944,844</u>
Total assets	<u>\$ 2,370,065</u>	<u>\$ 390,384</u>	<u>\$ 1,868,352</u>	<u>\$ 332,777</u>	<u>\$ 5,085,359</u>	<u>\$ 10,046,937</u>
LIABILITIES						
Accounts payable and accrued expenses	\$ -	\$ 55	\$ -	\$ -	\$ 667,349	\$ 667,404
Accrued payroll and related liabilities	-	-	-	-	597,238	597,238
Contracts payable	-	290,970	-	-	-	290,970
Deferred revenue	-	-	-	-	292,797	292,797
Child development reserves	1,103,634	-	-	-	-	1,103,634
Due to (from) other funds	-	(12,459,021)	5,671,498	-	6,787,523	-
Liability for government funded assets	11,945	-	-	-	-	11,945
	<u>11,945</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,945</u>
Total liabilities	1,115,579	(12,167,996)	5,671,498	-	8,344,907	2,963,988
COMMITMENTS AND CONTINGENCIES						
NET ASSETS						
Without Donor Restrictions	1,254,486	12,558,380	(3,803,146)	332,777	(3,655,642)	6,686,855
With Donor Restrictions	-	-	-	-	396,094	396,094
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>396,094</u>	<u>396,094</u>
Total net assets	<u>1,254,486</u>	<u>12,558,380</u>	<u>(3,803,146)</u>	<u>332,777</u>	<u>(3,259,548)</u>	<u>7,082,949</u>
Total liabilities and net assets	<u>\$ 2,370,065</u>	<u>\$ 390,384</u>	<u>\$ 1,868,352</u>	<u>\$ 332,777</u>	<u>\$ 5,085,359</u>	<u>\$ 10,046,937</u>

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Alternative Payment Stage 2 C2AP-1026 (16)	Alternative Payment Stage 3 C3AP-1025 (15)	Alternative Payment CAPP-0029 (14)	Alternative Payment CAPP-1028 (14)	General Child Care & Development CCTR-1101 (11)	California State Preschool CSPP-1206 (17)	QRIS (17)	CDSS COVID-19 Stipends	Total CDE / CDSS Programs	Other Nutrition Program (10)	DPSS CalWorks Stage 1 S1CC18-006 (12)	Total Child Development & Child Care Food Program
Revenue and Support												
Governmental service contracts	\$ 263,899	\$ 711,370	\$ 439,803	\$ 452,750	\$ 2,873,784	\$ 3,296,666	\$ -	\$ -	\$ 8,038,272	\$ -	\$ 687,970	\$ 8,726,242
CACFP Center Based Food Program	-	-	-	-	26,694	140,147	-	-	166,841	-	-	166,841
Parent fees	-	-	-	-	-	-	-	-	-	-	-	-
Contributions and grants	-	-	-	-	-	-	96,263	-	96,263	-	-	96,263
Fees for services	-	-	-	-	-	-	-	-	-	1,498,124	-	1,498,124
Other income and PPP loan forgiveness	-	-	-	-	-	-	-	268,800	268,800	89,420	48,000	406,220
Investment income	-	-	-	-	-	-	-	-	-	-	-	-
Realized and unrealized gain (loss) on investments, net	-	-	-	-	-	-	-	-	-	-	-	-
Match income	-	-	-	-	-	-	-	-	-	-	-	-
In-kind contributions and matching	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from child development reserves	1,930	2,774	-	-	-	-	-	-	4,704	-	-	4,704
Total revenue and support	265,829	714,144	439,803	452,750	2,900,478	3,436,813	96,263	268,800	8,574,880	1,587,544	735,970	10,898,394
Expenses												
Salaries	33,418	64,038	29,767	31,628	665,800	2,001,529	-	-	2,826,180	362,535	86,760	3,275,475
Employee benefits	6,627	9,586	4,614	4,919	174,513	588,194	-	-	788,453	124,391	16,268	929,112
Payroll taxes	2,594	4,998	2,277	2,420	49,941	147,975	-	-	210,205	27,988	7,436	245,629
Advertising	-	-	-	-	625	4,194	-	-	4,819	2,268	-	7,087
Auto expense	-	-	-	-	-	-	-	-	-	-	-	-
Bank charges	12	12	-	10	6	10	-	-	50	14	12	76
CDD - School activities	-	-	-	-	-	-	-	-	-	-	-	-
Client related costs	-	-	-	-	-	-	-	-	-	-	-	-
Computer maintenance	5,831	4,023	2,954	1,797	13,154	22,739	-	-	50,498	10,089	5,105	65,692
Consultants	-	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	880	1,535	756	410	529	629	-	-	4,739	80	1,403	6,222
Education and training	19	51	8	35	4,040	16,274	-	-	20,427	28,854	460	49,741
Equipment purchased	-	-	-	-	1,480	2,082	14,578	-	18,140	-	-	18,140
Equipment rental and maintenance	180	357	16	261	2,738	13,349	-	-	16,901	610	5,693	23,204
Food costs	-	-	-	-	12,999	68,246	-	-	81,245	737,627	-	818,872
In-kind expenses	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	545	412	137	126	7,597	36,371	-	-	45,188	16,267	535	61,990
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-
Investment fees	-	-	-	-	-	-	-	-	-	-	-	-
Legal and audit	2,230	2,369	-	2,254	3,192	2,808	-	-	12,853	1,548	1,388	15,789
Miscellaneous expenses	-	-	-	-	-	-	-	-	-	-	-	-
Office expenses	473	722	307	256	3,144	4,909	-	-	9,811	6,608	1,576	17,995
Outside services	-	-	-	-	-	-	-	-	-	-	-	-
Postage and delivery	209	682	328	287	41	53	-	-	1,600	-	-	1,600
Printing	100	126	46	45	674	1,380	-	-	2,371	146	135	2,652
Professional fees	-	-	-	-	-	-	-	-	-	-	-	-
Provider payments	188,810	568,858	365,943	372,569	1,698,566	-	-	-	3,194,746	-	568,349	3,763,095
Rent	-	-	-	-	7,135	55,459	-	-	62,594	-	-	62,594
Repairs and maintenance	794	603	135	251	13,067	98,293	-	-	113,143	17,940	795	131,878
Scholarships	-	-	-	-	-	-	-	-	-	-	-	-
Small equipment	-	-	-	-	-	-	-	-	-	-	-	-
Special events expenses	-	-	-	-	-	-	-	-	-	-	-	-
Stipends	-	-	-	-	-	-	-	268,800	268,800	-	-	268,800
Subcontractors	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	246	241	113	113	14,546	79,747	81,685	-	176,691	46,755	305	223,751
Supplies, food services	-	-	-	-	-	-	-	-	-	-	-	-
Taxes and licenses	5	4	-	2	1,305	7,902	-	-	9,218	3,239	5	12,462
Telephone	242	356	145	117	3,356	13,554	-	-	17,770	3,228	504	21,502
Travel	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	2,323	1,760	622	503	6,098	19,973	-	-	31,279	12,878	2,282	46,439
General and administrative - indirect costs	19,639	52,856	31,466	34,626	213,554	248,753	-	-	600,894	53,127	6,941	660,962
Depreciation	265,177	713,589	439,634	452,629	2,898,100	3,434,423	96,263	268,800	8,568,615	1,456,192	705,952	10,730,759
Total expenses	265,829	714,144	439,803	452,750	2,900,478	3,436,813	96,263	268,800	8,574,880	1,473,173	705,952	10,754,005
CHANGE IN NET ASSETS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,371	\$ 30,018	\$ 144,389

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)

	Total Child Development & Child Care Food Program	U.S. Committee for Refugees and Immigrants (20)	LIFE - CCEF (21)	LIFE Cedars-Sinai (23)	LIFE - OFY (24)	Immigration Legal Service Division/ Immigration Social Service (26)	Immediate Needs Transportation Program (34)	Team Colla- borative (35)	Human Survivor Trafficking Program (36)
Revenue and Support									
Governmental service contracts	\$ 8,726,242	\$ 561,100	\$ 223,414	\$ -	\$ 323,658	\$ 1,250,325	\$ 706,313	\$ 41,282	\$ 258,319
CACFP Center Based Food Program	166,841	-	-	-	-	-	-	-	-
Parent fees	-	-	-	-	-	-	-	-	-
Contributions and grants	96,263	6,950	-	1,619	-	-	-	-	1,157
Fees for services	1,498,124	-	-	-	-	7,170	-	-	-
Other income and PPP loan forgiveness	406,220	48,626	-	-	-	247,762	5,012	-	22,598
Investment income	-	-	-	-	-	-	-	-	-
Realized and unrealized gain (loss) on investments, net	-	-	-	-	-	-	-	-	-
In-kind contributions and matching	-	82,364	-	-	-	-	-	-	-
Gain (loss) on disposition of property and equipment	-	-	-	-	-	-	-	-	-
Rental income	-	-	-	-	-	-	-	-	-
Transfer from child development reserves	4,704	-	-	-	-	-	-	-	-
Total revenue and support	10,898,394	699,040	223,414	1,619	323,658	1,505,257	711,325	41,282	282,074
Expenses									
Salaries	3,275,475	95,570	165,904	3,897	234,913	664,773	186,334	-	95,314
Employee benefits	929,112	20,675	37,807	364	35,821	118,130	35,782	-	10,944
Payroll taxes	245,629	6,841	12,688	(2,811)	17,354	49,563	13,085	-	7,090
Advertising	7,087	-	-	-	-	3,781	84	-	1,352
Bank charges	76	12	-	-	-	12	12	-	1,104
CDD - School activities	-	-	-	-	-	-	-	-	-
Client related costs	-	402,588	-	-	-	-	-	-	180,791
Computer maintenance	65,692	1,540	3,263	5	3,701	14,348	14,492	106	1,123
Dues and subscriptions	6,222	2,500	-	-	-	16,746	989	-	2,500
Education and training	49,741	-	-	-	-	-	-	-	-
Equipment purchased	18,140	-	-	-	1,597	1,325	12,513	-	-
Equipment rental and maintenance	23,204	337	1,001	-	843	15,483	935	-	276
Food costs	818,872	-	-	-	-	-	-	-	-
In-kind expenses	-	82,363	-	-	-	-	-	-	-
Insurance	61,990	100	652	-	372	5,485	345	-	180
Legal and audit	15,789	2,322	-	-	774	6,825	1,554	-	774
Miscellaneous expenses	-	29	-	-	-	-	58	-	-
Office expenses	17,995	3,030	1,332	-	1,446	8,366	7,307	528	1,187
Outside services	-	-	-	-	-	250	-	-	556
Postage and delivery	1,600	594	47	-	66	10,916	2,746	-	162
Printing	2,652	150	-	-	120	473	7,469	-	-
Provider payments	3,763,095	-	-	-	-	-	-	-	-
Rent	62,594	4,567	-	-	3,024	9,730	16,785	-	1,764
Repairs and maintenance	131,878	2,450	-	-	-	4,609	300	-	-
Stipends	268,800	-	2,120	-	-	-	-	-	-
Subcontractors	-	-	-	-	-	-	302,517	-	-
Supplies	223,751	-	-	-	-	2,971	7	-	-
Taxes and licenses	12,462	-	-	-	-	73	-	-	-
Telephone	21,502	1,764	4,447	164	3,480	9,080	8,162	-	1,658
Travel	-	5,382	71	-	774	13,794	2,683	207	3,198
Utilities	46,439	-	-	-	-	13,603	688	-	-
General and administrative - indirect expenses	660,962	12,491	20,852	-	23,034	95,938	36,168	4,163	12,216
	10,730,759	645,305	250,184	1,619	327,319	1,066,274	651,015	5,004	322,189
Depreciation	23,246	-	-	-	-	-	-	-	-
Total expenses	10,754,005	645,305	250,184	1,619	327,319	1,066,274	651,015	5,004	322,189
CHANGE IN NET ASSETS	\$ 144,389	\$ 53,735	\$ (26,770)	\$ -	\$ (3,661)	\$ 438,983	\$ 60,310	\$ 36,278	\$ (40,115)

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)

	LIFE APA (37)	LIFE Preferred Communities (39)	LIFE ACT NOW AFGHANS (42)	MG 2022 43	MG 2021 (44)	TSEP (45)	Other Program Reclassifications	Afghan Health Promotion (46)	General and Adminis- trative (90)	Total Agency
Revenue and Support										
Governmental service contracts	\$ 1,970,294	\$ 465,139	\$ -	\$ 983,755	\$ 184,255	\$ 22,200	\$ -	\$ 19,391	\$ 44,500	\$ 15,780,187
CACFP Center Based Food Program	-	-	-	-	-	-	-	-	-	166,841
Parent fees	-	-	-	-	-	-	-	-	-	-
Contributions and grants	40,515	-	13,983	133,994	150	-	-	-	49,194	343,825
Fees for services	-	-	-	-	-	-	-	-	-	1,505,294
Other income and PPP loan forgiveness	-	-	-	-	17,155	1,467	-	-	-	425,484
Investment income	-	-	-	-	-	-	-	-	-	30,376
Realized and unrealized gain (loss) on investments, net	-	-	-	-	-	-	-	-	(518,957)	(518,957)
In-kind contributions and matching	-	-	1,210	96,615	10,795	-	-	-	-	11,888
Gain (loss) on disposition of property and equipment	-	-	-	-	-	-	-	-	1,993,789	1,993,789
Rental income	-	-	-	-	-	-	-	-	-	73,899
Transfer from child development reserves	-	-	-	-	-	-	-	-	-	4,704
Total revenue and support	2,010,809	465,139	15,193	1,214,364	212,355	23,667	-	19,391	2,110,173	20,757,154
Expenses										
Salaries	485,324	216,750	10,500	132,279	42,667	17,529	-	-	787,812	6,415,041
Employee benefits	55,544	17,914	525	22,606	7,632	2,501	51	616	142,331	1,438,355
Payroll taxes	36,371	14,291	803	10,837	2,580	1,206	-	-	50,831	466,358
Advertising	4,078	328	-	1,444	-	-	-	-	7,214	25,368
Bank charges	114	-	-	2	-	-	-	-	2,074	3,406
CDD - School activities	-	-	-	-	-	-	-	-	-	-
Client related costs	1,244,862	179,893	-	901,842	125,100	-	-	18,997	-	3,054,073
Computer maintenance	7,254	8,445	-	6,315	835	91	1,257	-	42,803	171,270
Dues and subscriptions	2,700	-	-	2,500	-	-	(37)	-	45,183	79,303
Education and training	-	-	-	-	-	-	(46,532)	-	359	3,568
Equipment purchased	7,232	3,607	-	4,703	-	-	(14,578)	-	7,496	42,035
Equipment rental and maintenance	2,740	99	-	376	202	2	(1)	-	15,802	61,299
Food costs	-	-	-	-	-	-	1	-	-	818,873
In-kind expenses	-	-	1,210	96,615	10,795	-	-	-	11,889	202,872
Insurance	575	189	-	-	45	-	222	-	56,409	126,564
Legal and audit	981	-	774	981	-	774	-	-	229,766	261,314
Miscellaneous expenses	6,096	930	-	31	-	-	-	-	-	7,144
Office expenses	11,759	543	-	1,723	353	68	13,329	-	33,496	102,462
Outside services	-	280	-	1,009	165	-	-	-	4,630	6,890
Postage and delivery	1,362	1	-	513	59	5	2,927	-	3,054	24,052
Printing	6	-	-	-	-	-	-	-	2,563	13,433
Provider payments	-	-	-	-	-	-	-	-	-	3,763,095
Rent	5,839	1,165	-	1,764	-	-	44,496	-	-	151,728
Repairs and maintenance	3,925	-	-	-	26	-	60	-	39,755	183,003
Stipends	-	-	-	-	-	-	48,000	-	-	318,920
Subcontractors	-	-	-	-	-	-	-	-	-	302,517
Supplies	-	-	-	-	-	-	15,357	-	15,520	257,606
Taxes and licenses	1,267	67	-	-	-	-	1	-	6,304	20,174
Telephone	4,843	867	-	3,590	475	3	(121)	70	29,131	89,115
Travel	62,282	910	-	7,214	637	-	30,402	256	1,532	129,342
Utilities	172	818	-	26	-	-	-	-	52,914	114,660
General and administrative - indirect expenses	65,482	18,040	1,381	17,994	3,628	1,602	-	-	(973,951)	-
Depreciation	2,010,808	465,137	15,193	1,214,364	195,199	23,781	94,834	19,939	614,917	18,653,840
Total expenses	2,010,808	465,137	15,193	1,214,364	195,199	23,781	94,834	19,939	640,181	18,702,350
CHANGE IN NET ASSETS	\$ 1	\$ 2	\$ -	\$ -	\$ 17,156	\$ (114)	\$ (94,834)	\$ (548)	\$ 1,469,992	\$ 2,054,804

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
SCHEDULE OF CLAIMED EQUIPMENT EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Alternative Payment Stage 2 C2AP-1026</u>	<u>Alternative Payment Stage 3 C3AP-1025</u>	<u>Alternative Payment CAPP-0029</u>	<u>Alternative Payment CAPP-1028</u>	<u>General Child Care & Dev Program CCTR-1101</u>	<u>California State Preschool Program CSPP-1206</u>	<u>Total Cost</u>
Capitalized equipment expensed on the AUD with prior written CDE / CDSS approval							
Item:							
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total:	-	-	-	-	-	-	-
Capitalized equipment expensed on the AUD without prior written CDE / CDSS approval:							
Item:							
None	-	-	-	-	-	-	-
Total:	-	-	-	-	-	-	-
Total Equipment Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

International Institute of Los Angeles' capitalization threshold is \$1,500 or more.

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
SCHEDULE OF CLAIMED EXPENDITURES FOR RENOVATIONS AND REPAIRS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Alternative Payment Stage 2 C2AP-1026</u>	<u>Alternative Payment Stage 3 C3AP-1025</u>	<u>Alternative Payment CAPP-0029</u>	<u>Alternative Payment CAPP-1028</u>	<u>General Child Care & Dev Program CCTR-1101</u>	<u>California State Preschool Program CSPP-1206</u>	<u>Total Cost</u>
Unit Cost Under \$10,000 Per Item:							
Item:							
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total:	-	-	-	-	-	-	-
Unit Cost \$10,000 or More Per Item							
With Prior Written Approval:							
Item:							
None	-	-	-	-	-	-	-
Total:	-	-	-	-	-	-	-
Unit Cost \$10,000 or More Per Item							
Without Prior Approval:							
Item:							
None	-	-	-	-	-	-	-
Total:	-	-	-	-	-	-	-
Total Renovations and Repairs Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

International Institute of Los Angeles' capitalization threshold is \$1,500 or more.

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
SCHEDULE OF CLAIMED ADMINISTRATIVE COSTS
FOR THE YEAR ENDED JUNE 30, 2022

	Alternative Payment Stage 2 C2AP-1026	Alternative Payment Stage 3 C3AP-1025	Alternative Payment CAPP-0029	Alternative Payment CAPP-1028	General Child Care & Dev Program CCTR-1101	California State Preschool Program CSPP-1206	Total Cost
Administrative Costs							
Administrative Salaries	\$ 13,692	\$ 22,990	\$ 13,940	\$ 15,312	\$ 52,963	\$ 37,701	\$ 156,598
<i>Employee Benefits:</i>							
Retirement 5%	685	1,150	697	766	2,648	1,885	7,831
Life Insurance	6	9	5	6	22	15	63
Health Insurance	1,084	1,731	1,120	1,186	4,017	2,951	12,089
SUI	86	137	88	94	317	231	953
Payroll Taxes	1,802	2,873	1,066	1,171	6,347	4,656	17,915
Legal, Election and Audit	2,230	2,369	-	2,254	3,192	2,808	12,853
	<u>19,585</u>	<u>31,259</u>	<u>16,916</u>	<u>20,789</u>	<u>69,506</u>	<u>50,247</u>	<u>208,302</u>
Child Development Indirect Costs:	19,639	52,856	31,466	34,626	212,540	243,428	594,555
CACFP Indirect Costs:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,014</u>	<u>5,325</u>	<u>6,339</u>
Total Indirect Costs with CACFP Indirect Costs:	<u>\$ 19,639</u>	<u>\$ 52,856</u>	<u>\$ 31,466</u>	<u>\$ 34,626</u>	<u>\$ 213,554</u>	<u>\$ 248,753</u>	<u>\$ 600,894</u>
Total Administrative Costs	<u>\$ 39,224</u>	<u>\$ 84,115</u>	<u>\$ 39,224</u>	<u>\$ 55,415</u>	<u>\$ 283,060</u>	<u>\$ 299,000</u>	<u>\$ 809,196</u>

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
COMBINING SCHEDULE OF EXPENDITURES BY STATE CATEGORIES
FOR THE YEAR ENDED JUNE 30, 2022

	Alternative Payment Stage 2 C2AP-1026 (16)	Alternative Payment Stage 3 C3AP-1025 (15)	Alternative Payment CAPP-0029 (14)	Alternative Payment CAPP-1028 (14)	General Child Care & Development CCTR-1101 (11)	California State Preschool CSPP-1206 (17)	CDE / CDSS COVID-19 Stipends	Total Reimbursable Programs	Total Non- Reimbursable Programs
DIRECT PAYMENTS TO PROVIDERS	\$ 188,810	\$ 568,858	\$ 365,943	\$ 372,569	\$ 1,698,566	\$ -	\$ -	\$ 3,194,746	\$ -
1000 CERTIFICATED SALARIES	-	-	-	-	144,059	799,450	-	943,509	-
2000 CLASSIFIED SALARIES	33,418	64,038	29,767	31,628	521,741	1,202,079	-	1,882,671	-
3000 EMPLOYEE BENEFITS	9,221	14,584	6,891	7,339	224,454	736,169	-	998,658	-
4000 BOOKS, SUPPLIES AND EQUIPMENT	246	241	113	113	14,546	79,747	-	95,006	-
5000 SERVICES/OTHER OPERATING EXPENSES	13,843	13,012	5,454	6,354	81,180	368,225	268,800	756,868	-
6100/6200 OTHER APPROVED CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
6400 NEW EQUIPMENT (PROGRAM RELATED)	-	-	-	-	-	-	-	-	-
6500 EQUIPMENT REPLACEMENT (PROGRAM RELATED)	-	-	-	-	-	-	-	-	-
START-UP/CLOSE DOWN EXPENSES	-	-	-	-	-	-	-	-	-
DEPRECIATION	652	555	169	121	2,378	2,390	-	6,265	-
INDIRECT COSTS	19,639	52,856	31,466	34,626	213,554	248,753	-	600,894	-
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	<u>\$ 265,829</u>	<u>\$ 714,144</u>	<u>\$ 439,803</u>	<u>\$ 452,750</u>	<u>\$ 2,900,478</u>	<u>\$ 3,436,813</u>	<u>\$ 268,800</u>	<u>\$ 8,478,617</u>	<u>\$ -</u>
SUPPLEMENTAL EXPENSES	-	-	-	-	-	96,263	-	96,263	-
TOTAL EXPENDITURES	<u>\$ 265,829</u>	<u>\$ 714,144</u>	<u>\$ 439,803</u>	<u>\$ 452,750</u>	<u>\$ 2,900,478</u>	<u>\$ 3,533,076</u>	<u>\$ 268,800</u>	<u>\$ 8,574,880</u>	<u>\$ -</u>

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
NOTES TO THE CHILD CARE AND DEVELOPMENT PROGRAM
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

In accordance with the applicable requirements from the Funding Terms & Conditions:

1. Interest expense is only allowable as a reimbursable cost in certain circumstances when it has been preapproved by the administering state department or relates to the lease purchase, acquisition, or repair or renovation of early learning and care facilities owned or leased by the contractor. International Institute of Los Angeles had no interest expense claimed as a reimbursable expense for the year ended June 30, 2022. No interest expense relating to the line of credit was claimed to a child development contract for the year ended June 30, 2022.
2. All expenses claimed for reimbursement under a related party rent transaction must be supported by a fair market rental estimate from an independent appraiser, licensed by the California Office of Real Estate Appraisers. There was no related party rent expense claimed as a reimbursable expense for the year ended June 30, 2022.
3. Bad debt expense is unallowable unless it relates to uncollected family fees where documentation of adequate collection attempts exists. No bad debt expense was claimed to a child development contract for the year ended June 30, 2022.

AUDITED FINAL ATTENDANCE AND FISCAL REPORT FORMS

AUDITED FISCAL REPORT FOR CALWORKS, ALTERNATIVE PAYMENT OR FAMILY CHILD CARE HOME PROGRAMS

Fiscal Year Ending	June 30, 2022
Contract Number	C2AP1026
Vendor Code	B460

Full Name of Contractor **International Institute of Los Angeles**

Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
Restricted Income - Subtotal				
Transfer from Reserve (alternative payment only)		1,930		1,930
Waived Family Fees for Certified Children (July-August) FY 2020-21 USE ONLY*				
Waived Family Fees for Certified Children (Sept.-June FY 2020-21 and FY 2021-22)*		1,285		1,285
Family Fees Collected for Certified Children				
Interest Earned on Child Development Apportionment Payments				
Unrestricted Income - Other:				
Total Revenue (*Waived Family Fees Not Included)		1,930		1,930

Contract Number C2AP1026

Full Name of Contractor International Institute of Los Angeles

Section 2 - Reimbursable Expenses

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers		188,810		188,810
1000 Certificated Salaries				
2000 Classified Salaries		33,418		33,418
3000 Employee Benefits		9,220	1	9,221
4000 Books and Supplies		246		246
5000 Services and Other Operating Expenses		13,844	-1	13,843
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance		652		652
Indirect Costs (include in Total Administrative Cost)		19,639		19,639
Non-Reimbursable (State use only)				
Total Reimbursable Expenses		265,829		265,829
Total Administrative Cost (included in Section 2 above)		39,224		39,224
Days of Operation		251		251

Approved Indirect Cost Rate: 8.0%

NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 3.

Contract Number

C2AP1026

Full Name of Contractor International Institute of Los Angeles

Section 5 - Summary

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Transfer from Reserve (alternative payment only)		1,930		1,930
Family Fees Collected for Certified Children				
Interest Earned on Child Development Apportionment Payments				
Direct Payments to Providers		188,810		188,810
Total Administrative Cost		39,224		39,224
Days of Operation		251		251
Total Reimbursable Expenses		265,829		265,829

Comments:

AUDITED FISCAL REPORT FOR CALWORKS, ALTERNATIVE PAYMENT OR FAMILY CHILD CARE HOME PROGRAMS

Fiscal Year Ending **June 30, 2022**

Contract Number **C3AP1025**

Vendor Code **B460**

Full Name of Contractor **International Institute of Los Angeles**

Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
Restricted Income - Subtotal				
Transfer from Reserve (alternative payment only)		2,774		2,774
Waived Family Fees for Certified Children (July-August) FY 2020-21 USE ONLY*				
Waived Family Fees for Certified Children (Sept.-June FY 2020-21 and FY 2021-22)*		20,446		20,446
Family Fees Collected for Certified Children				
Interest Earned on Child Development Apportionment Payments				
Unrestricted Income - Other:				
Total Revenue (*Waived Family Fees Not Included)		2,774		2,774

Contract Number **C3AP1025**

Full Name of Contractor **International Institute of Los Angeles**

Section 2 - Reimbursable Expenses

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers		568,858		568,858
1000 Certificated Salaries				
2000 Classified Salaries		64,038		64,038
3000 Employee Benefits		14,583	1	14,584
4000 Books and Supplies		241		241
5000 Services and Other Operating Expenses		13,013	-1	13,012
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance		555		555
Indirect Costs (include in Total Administrative Cost)		52,856		52,856
Non-Reimbursable (State use only)				
Total Reimbursable Expenses		714,144		714,144
Total Administrative Cost (included in Section 2 above)		84,115		84,115
Days of Operation		251		251

Approved Indirect Cost Rate:

NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 3.

Contract Number **C3AP1025**

Full Name of Contractor **International Institute of Los Angeles**

Section 5 - Summary

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Transfer from Reserve (alternative payment only)		2,774		2,774
Family Fees Collected for Certified Children				
Interest Earned on Child Development Apportionment Payments				
Direct Payments to Providers		568,858		568,858
Total Administrative Cost		84,115		84,115
Days of Operation		251		251
Total Reimbursable Expenses		714,144		714,144

Comments:

AUDITED FISCAL REPORT FOR CALWORKS, ALTERNATIVE PAYMENT OR FAMILY CHILD CARE HOME PROGRAMS

Fiscal Year Ending **June 30, 2022**

Contract Number **CAPP0029**

Vendor Code **B460**

Full Name of Contractor **International Institute of Los Angeles**

Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
Restricted Income - Subtotal				
Transfer from Reserve (alternative payment only)				
Waived Family Fees for Certified Children (July-August) FY 2020-21 USE ONLY*				
Waived Family Fees for Certified Children (Sept.-June FY 2020-21 and FY 2021-22)*		7,007		7,007
Family Fees Collected for Certified Children	9,301	-461		8,840
Interest Earned on Child Development Apportionment Payments				
Unrestricted Income - Other:				
Total Revenue (*Waived Family Fees Not Included)	9,301	-461		8,840

Contract Number

CAPP0029

Full Name of Contractor International Institute of Los Angeles

Section 2 - Reimbursable Expenses

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers	464,070	365,943		830,013
1000 Certificated Salaries	22,334	4,766	-4,766	22,334
2000 Classified Salaries	18,892	19,209	10,558	48,659
3000 Employee Benefits	8,851	5,551	1,340	15,742
4000 Books and Supplies	53	115	-2	166
5000 Services and Other Operating Expenses	9,098	5,832	-378	14,552
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance	218	168	1	387
Indirect Costs (include in Total Administrative Cost)	43,728	30,926	540	75,194
Non-Reimbursable (State use only)				
Total Reimbursable Expenses	567,244	432,510	7,293	1,007,047
Total Administrative Cost (included in Section 2 above)	54,493	47,841	541	102,875
Days of Operation		251		251

Approved Indirect Cost Rate:

8.0%

 NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 3.

Audit Report Page

4-8

Contract Number

CAPP0029

Full Name of Contractor International Institute of Los Angeles

Section 5 - Summary

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Transfer from Reserve (alternative payment only)				
Family Fees Collected for Certified Children	9,301	-461		8,840
Interest Earned on Child Development Apportionment Payments				
Direct Payments to Providers	464,070	365,943		830,013
Total Administrative Cost	54,493	47,841	541	102,875
Days of Operation		251		251
Total Reimbursable Expenses	567,244	432,510	7,293	1,007,047

Comments:

AUDITED FISCAL REPORT FOR CALWORKS, ALTERNATIVE PAYMENT OR FAMILY CHILD CARE HOME PROGRAMS

Fiscal Year Ending **June 30, 2022**

Contract Number **CAPP1028**

Vendor Code **B460**

Full Name of Contractor **International Institute of Los Angeles**

Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
Restricted Income - Subtotal				
Transfer from Reserve (alternative payment only)				
Waived Family Fees for Certified Children (July-August) FY 2020-21 USE ONLY*				
Waived Family Fees for Certified Children (Sept.-June FY 2020-21 and FY 2021-22)*		10,264		10,264
Family Fees Collected for Certified Children				
Interest Earned on Child Development Apportionment Payments				
Unrestricted Income - Other:				
Total Revenue (*Waived Family Fees Not Included)				

Contract Number **CAPP1028**

Full Name of Contractor **International Institute of Los Angeles**

Section 2 - Reimbursable Expenses

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers		372,569		372,569
1000 Certificated Salaries				
2000 Classified Salaries		31,628		31,628
3000 Employee Benefits		7,339		7,339
4000 Books and Supplies		113		113
5000 Services and Other Operating Expenses		6,354		6,354
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance		121		121
Indirect Costs (include in Total Administrative Cost)		34,626		34,626
Non-Reimbursable (State use only)				
Total Reimbursable Expenses		452,750		452,750
Total Administrative Cost (included in Section 2 above)		55,415		55,415
Days of Operation		251		251

Approved Indirect Cost Rate:

NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 3.

Contract Number **CAPP1028**

Full Name of Contractor **International Institute of Los Angeles**

Section 5 - Summary

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Transfer from Reserve (alternative payment only)				
Family Fees Collected for Certified Children				
Interest Earned on Child Development Apportionment Payments				
Direct Payments to Providers		372,569		372,569
Total Administrative Cost		55,415		55,415
Days of Operation		251		251
Total Reimbursable Expenses		452,750		452,750

Comments:

**AUDITED ATTENDANCE AND FISCAL REPORT
FOR CHILD DEVELOPMENT PROGRAMS**

Fiscal Year Ending **June 30, 2022**

Contract Number **CCTR1101**

Vendor Code **B460**

Full Name of Contractor **International Institute of Los Angeles**

Section 1 - Days of Enrollment Certified Children

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus	526		526	2.8792	1,514.4592
Infants (up to 18 months) Full-time	2,482		2,482	2.4400	6,056.08
Infants (up to 18 months) Three-quarters-time (July to December 2021)	366		366	1.8300	669.78
Infants (up to 18 months) One-half-time	372		372	1.3420	499.224
Toddlers (18 up to 36 months) Full-time-plus	1,228		1,228	2.1240	2,608.272
Toddlers (18 up to 36 months) Full-time	12,902		12,902	1.8000	23,223.6
Toddlers (18 up to 36 months) Three-quarters-time (July to December 2021)	1,358		1,358	1.3500	1,833.3
Toddlers (18 up to 36 months) One-half-time	2,040		2,040	0.9900	2,019.6
Three Years and Older Full-time-plus	1,110		1,110	1.1800	1,309.8
Three Years and Older Full-time	8,045		8,045	1.0000	8,045
Three Years and Older Three-quarters-time (July to December 2021)	1,803		1,803	0.7500	1,352.25
Three Years and Older One-half-time Total Standard Rate (July 2021 through June 2022)	5,591		5,591	0.5500	3,075.05
Three Years and Older One-half-time Total Direct Service Counties (January 2022 through June 2022)*				Direct Service Counties	
Exceptional Needs Full-time-plus				1.8172	
Exceptional Needs Full-time				1.5400	
Exceptional Needs Three-quarters-time (July to December 2021)				1.1550	
Exceptional Needs One-half-time				0.8470	

Contract Number CCTR1101

Full Name of Contractor International Institute of Los Angeles

Section 1 - Days of Enrollment Certified Children (continued)

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Limited and Non-English Proficient Full-time-plus	214		214	1.2980	277.772
Limited and Non-English Proficient Full-time	6,532		6,532	1.1000	7,185.2
Limited and Non-English Proficient Three-quarters-time (July to December 2021)	1,665		1,665	0.8250	1,373.625
Limited and Non-English Proficient One-half-time	676		676	0.6050	408.98
At Risk of Abuse or Neglect Full-time-plus				1.2980	
At Risk of Abuse or Neglect Full-time				1.1000	
At Risk of Abuse or Neglect Three-quarters-time (July to December 2021)				0.8250	
At Risk of Abuse or Neglect One-half-time				0.6050	
Severely Disabled Full-time-plus				2.2774	
Severely Disabled Full-time				1.9300	
Severely Disabled Three-quarters-time (July to December 2021)				1.4475	
Severely Disabled One-half-time				1.0615	
TOTAL CERTIFIED DAYS OF ENROLLMENT	46,910		46,910	N/A	61,451.9922
DAYS OF OPERATION	250		250	N/A	N/A
DAYS OF ATTENDANCE	46,322		46,322	N/A	N/A

*If applicable, must attach AUD9500S days of enrollment supplemental pages for direct service counties

NO NON-CERTIFIED CHILDREN Check this box (omit pages 3-4) and continue to Revenue Section on page 5.

Contract Number

CCTR1101

Full Name of Contractor International Institute of Los Angeles

Section 3 - Revenue

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs	26,694		26,694
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - American Rescue Plan Act (ARPA)			
Restricted Income - Other:			
Restricted Income - Subtotal	26,694		26,694
Transfer From Reserve			
Waived Family Fees for Certified Children	75,269		75,269
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income - Fees for Non-Certified Children			
Unrestricted Income - Head Start			
Unrestricted Income - Other:			
Total Revenue	26,694		26,694

Comments:

Contract Number CCTR1101

Full Name of Contractor International Institute of Los Angeles

Section 4 - Reimbursable Expenses

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers (FCCH only)	1,698,566		1,698,566
1000 Certificated Salaries	144,059		144,059
2000 Classified Salaries	521,742	-1	521,741
3000 Employee Benefits	224,454		224,454
4000 Books and Supplies	14,034	512	14,546
5000 Services and Other Operating Expenses	80,211	969	81,180
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)	1,480	-1,480	
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance	2,378		2,378
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (include in Total Administrative Cost)	213,554		213,554
Non-Reimbursable (State use only)			
Total Reimbursable Expenses	2,900,478		2,900,478
Total Administrative Cost (included in Section 4 above)	282,046	1,014	283,060
Total Staff Training Cost (included in Section 4 above)			

Approved Indirect Cost Rate: 8.0%

NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 7.

Contract Number **CCTR1101**

Full Name of Contractor **International Institute of Los Angeles**

Section 7 - Summary

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment	46,910		46,910
Days of Operation	250		250
Days of Attendance	46,322		46,322
Restricted Program Income	26,694		26,694
Transfer from Reserve			
Waived Family Fees for Certified Children	75,269		75,269
Interest Earned on Child Development Apportionment Payments			
Direct Payments to Providers	1,698,566		1,698,566
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	2,900,478		2,900,478
Total Administrative Cost	282,046	1,014	283,060
Total Staff Training Cost			

Total Certified Adjusted Days of Enrollment **61,451.9922**

Total Non-Certified Adjusted Days of Enrollment

Independent auditor's assurances on agency's compliance with contract funding terms and conditions and program requirements for programs that transferred to the California Department of Social Services on July 1, 2021 pursuant to WIC Section 10203(b):

Eligibility, enrollment and attendance records are being maintained as required (select YES or NO from the drop-down box): **Yes**

Reimbursable expenses claimed on page 6 are eligible for reimbursement, reasonable, necessary, and adequately supported (select YES or NO from the drop-down box): **Yes**

Include any comments in the comments box on page 5. If necessary, attach additional sheets to explain adjustments.

**California State Preschool Program – Form 1A
 Certified Children Days of Enrollment and Attendance from July 2021 – December 2021**

Pilot Program: None

Enrollment Description	Column A Cumulative FY per CPARIS December Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Three Years and Older Full-time-plus	1,305		1,305	1.1800	1,539.9000
Three Years and Older Full-time	5,580		5,580	1.0000	5,580.0000
Three Years and Older Three-quarters-time	1,565		1,565	0.7500	1,173.7500
Three Years and Older One-half-time	361		361	0.6193	223.5673
Exceptional Needs Full-time-plus			0	1.8172	0.0000
Exceptional Needs Full-time			0	1.5400	0.0000
Exceptional Needs Three-quarters-time			0	1.1550	0.0000
Exceptional Needs One-half-time			0	0.9537	0.0000
Limited and Non-English Proficient Full-time-plus	525		525	1.2980	681.4500
Limited and Non-English Proficient Full-time	3,573		3,573	1.1000	3,930.3000
Limited and Non-English Proficient Three-quarters-time	694		694	0.8250	572.5500
Limited and Non-English Proficient One-half-time	262		262	0.6193	162.2566

Enrollment Description	Column A Cumulative FY per CPARIS December Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
At Risk of Abuse or Neglect Full-time-plus			0	1.2980	0.0000
At Risk of Abuse or Neglect Full-time			0	1.1000	0.0000
At Risk of Abuse or Neglect Three-quarters-time			0	0.8250	0.0000
At Risk of Abuse or Neglect One-half-time			0	0.6193	0.0000
Severely Disabled Full-time-plus			0	2.2774	0.0000
Severely Disabled Full-time			0	1.9300	0.0000
Severely Disabled Three-quarters-time			0	1.4475	0.0000
Severely Disabled One-half-time			0	1.1952	0.0000
TOTAL CERTIFIED DAYS OF ENROLLMENT	13,865	0	13,865	N/A	13,863.7739

Attendance	Column A Cumulative FY per CPARIS December Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
DAYS OF ATTENDANCE	13,314		13,314	N/A	N/A

Enter the sum of Total Certified Days of Enrollment from all Form 1s in the Total Certified Days of Enrollment line of AUD 8501, Section 2.

Enter the sum of Days of Attendance from all Form 1s and Form 2s in the Days of Attendance line of AUD 8501, Section 2.

**California State Preschool Program – Form 1B
 Certified Children Days of Enrollment and Attendance from January 2022 – June 2022**

Service County: Los Angeles

Enrollment Description	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Three Years and Older Full-time-plus	1,628		1,628	1.1800	1,921.0400
Three Years and Older Full-time	8,659		8,659	1.0000	8,659.0000
Three Years and Older One-half-time	2,015		2,015	0.6334	1,276.3010
Exceptional Needs Full-time-plus			0	1.8172	0.0000
Exceptional Needs Full-time	28		28	1.5400	43.1200
Exceptional Needs One-half-time	100		100	0.9754	97.5400
Dual Language Learner Full-time-plus	565		565	1.2980	733.3700
Dual Language Learner Full-time	3,469		3,469	1.1000	3,815.9000
Dual Language Learner One-half-time	1,072		1,072	0.6334	679.0048
At Risk of Abuse or Neglect Full-time-plus			0	1.2980	0.0000
At Risk of Abuse or Neglect Full-time			0	1.1000	0.0000
At Risk of Abuse or Neglect One-half-time			0	0.6334	0.0000

Enrollment Description	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Severely Disabled Full-time-plus			0	2.2774	0.0000
Severely Disabled Full-time			0	1.9300	0.0000
Severely Disabled One-half-time			0	1.2225	0.0000
TOTAL CERTIFIED DAYS OF ENROLLMENT	17,536	0	17,536	N/A	17,225.2758

Attendance	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
DAYS OF ATTENDANCE	15,006		15,006	N/A	N/A

Enter the sum of Total Certified Days of Enrollment from all Form 1s in the Total Certified Days of Enrollment line of AUD 8501, Section 2.

Enter the sum of Days of Attendance from all Form 1s and Form 2s in the Days of Attendance line of AUD 8501, Section 2.

Contractor Name: International Institute of Los Angeles
California Department of Education
Audited Enrollment, Attendance and Fiscal
Report for California State Preschool Program

Contract Number: CSPP1206
Fiscal Year Ended: June 30, 2022
Vendor Code: B460

Section 1 – Number of Counties Where Services are Provided

Number of counties where the agency provided services to certified children (Form 1): **1**

Number of counties where the agency provided mental health consultation services to certified children (Form 2): **0**

Number of counties where the agency provided services to non-certified children (Form 3): **0**

Number of counties where the agency provided mental health consultation services to non-certified children (Form 4): **0**

Total enrollment and attendance forms to attach: **2**

Note: For each of the above categories, submit one July-December form and one form for each service county for January-June.

Section 2 – Days of Enrollment, Attendance and Operation

Enrollment and Attendance Form Summary	Column A Cumulative FY per CPARIS	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjusted Days per Audit
Total Certified Days of Enrollment	31,401		31,401	31,089.0500
Total Certified Days of Enrollment with Mental Health Consultation Services			0	
Days of Attendance (including MHCS)	28,320		28,320	N/A
Total Non-Certified Days of Enrollment			0	
Total Non-Certified Days of Enrollment with Mental Health Consultation Services			0	

Days of Operation	Column A Cumulative FY per CPARIS	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjusted Days per Audit
Days of Operation	250		250	N/A

Section 3 – Revenue

Restricted Income	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Child Nutrition Programs	140,147		140,147
County Maintenance of Effort (EC Section 8279)			0
Other:			0
Other:			0
TOTAL RESTRICTED INCOME	140,147	0	140,147

Transfer from Reserve	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Transfer from Reserve			0

Other Income	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Waived Family Fees for Certified Children	71,315		71,315
Interest Earned on Child Development Apportionment Payments			0
Fees for Non-Certified Children			0
Unrestricted Income: Head Start			0
Other:			0
Other:			0

Section 4 - Reimbursable Expenses

Cost Category	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Direct Payments to Providers (FCCH only)			0
1000 Certificated Salaries	799,450		799,450
2000 Classified Salaries	1,202,079		1,202,079
3000 Employee Benefits	736,169		736,169
4000 Books and Supplies	77,053	2,694	79,747
5000 Services and Other Operating Expenses	368,837	(612)	368,225
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (program-related)	2,082	(2,082)	0
6500 Equipment Replacement (program-related)			0
Depreciation or Use Allowance	2,390		2,390
Start-up Expenses (service level exemption)			0
Indirect Costs (include in Total Administrative Cost)	248,753		248,753
TOTAL REIMBURSABLE EXPENSES	3,436,813	0	3,436,813

Does the agency have an indirect cost rate approved by its cognizant agency (Select YES or NO)? Yes No

Approved Indirect Cost Rate: 8 %

Specific Items of Reimbursable Expenses	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Total Administrative Cost (included in Reimbursable Expenses)	293,675	5,325	299,000
Total Staff Training Cost (included in Reimbursable Expenses)			0

NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 4.

Section 5 - Supplemental Funding

Supplemental Revenue	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Enhancement Funding		96,263	96,263
Other:			0
Other:			0
TOTAL SUPPLEMENTAL REVENUE	0	96,263	96,263

Supplemental Expenses	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
1000 Certificated Salaries			0
2000 Classified Salaries			0
3000 Employee Benefits			0
4000 Books and Supplies	81,685		81,685
5000 Services and Other Operating Expenses			0
6000 Equipment / Capital Outlay	14,578		14,578
Depreciation or Use Allowance			0
Indirect Costs			0
Non-Reimbursable Supplemental Expenses			0
TOTAL SUPPLEMENTAL EXPENSES	96,263	0	96,263

Section 6 - Summary

Description	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Total Certified Days of Enrollment (including MHCS)	31,401	0	31,401
Days of Operation	250	0	250
Days of Attendance (including MHCS)	28,320	0	28,320
Total Certified Adjusted Days of Enrollment	N/A	N/A	31,089.0500
Total Non-Certified Adjusted Days of Enrollment	N/A	N/A	0.0000
Restricted Program Income	140,147	0	140,147
Transfer from Reserve	0	0	0
Interest Earned on Apportionment Payments	0	0	0
Direct Payments to Providers	0	0	0
Start-up Expenses (service level exemption)	0	0	0
Total Reimbursable Expenses	3,436,813	0	3,436,813
Total Administrative Cost	293,675	5,325	299,000
Total Staff Training Cost	0	0	0
Non-Reimbursable Cost (State Use Only)	N/A	N/A	

Section 7 – Auditor’s Assurances

Independent auditor's assurances on agency's compliance with the contract funding terms and conditions and program requirements of the California Department of Education, Early Education Division:

Eligibility, enrollment and attendance records are being maintained as required (Select YES or NO): Yes No

Reimbursable expenses claimed in Section 4 are eligible for reimbursement, reasonable, necessary, and adequately supported (Select YES or NO): Yes No

Section 8 – Comments

Include any comments in the comment box. If necessary, attach additional sheets to explain adjustments.

AUDITED RESERVE ACCOUNT ACTIVITY REPORT

Fiscal Year End	June 30, 2022
Reserve Account Type	Alternative Payment
Vendor Code	B460

Full Name of Contractor International Institute of Los Angeles

Section 1 - Prior Year Reserve Account Activity

1. Beginning Balance (2020–21 AUD 9530A Ending Balance)	4,692
2. Plus Transfers to Reserve Account:	Per 2020–21 Post-Audit CDNFS 9530
Contract No.CAPP9029	2,675
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Total Transferred from 2020–21 Contracts to Reserve	2,675
3. Less Excess Reserve to be Billed	
4. Ending Balance per 2020–21 Post-Audit CDNFS 9530	7,367

Section 2 - Current Year (2021–22) Reserve Account Activity

	Column A CDNFS 9530A	Column B Audit Adjustments	Column C per Audit
5. Plus Interest Earned This Year on Reserve:	12		12
6. Less Transfers to Contracts from Reserve:			
Contract No.C2AP1026	1,930		1,930
Contract No.C3AP1025	2,774		2,774
Contract No.			
Contract No.			
Contract No.			
Contract No.			
Total Transferred to Contracts from Reserve Account	4,704		4,704
7. Ending Balance on June 30, 2022	2,675		2,675

COMMENTS - If necessary, attach additional sheets to explain adjustments.

The ending balance on the June 30, 2022 AUD does not match the Reserve Liability as of June 30, 2022 on the Statement of Financial Position due to the timing of receipt of the final per audit letters. The Agency did not transfer the money until the final audit letters were received.

AUDITED RESERVE ACCOUNT ACTIVITY REPORT

Fiscal Year End	June 30, 2022
Reserve Account Type	Center-Based
Vendor Code	B460

Full Name of Contractor **International Institute of Los Angeles**

Section 1 - Prior Year Reserve Account Activity

1. Beginning Balance (2020–21 AUD 9530A Ending Balance)	676,459
2. Plus Transfers to Reserve Account:	Per 2020–21 Post-Audit CDNFS 9530
Contract No.CCTR0097	1,113
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Total Transferred from 2020–21 Contracts to Reserve	1,113
3. Less Excess Reserve to be Billed	
4. Ending Balance per 2020–21 Post-Audit CDNFS 9530	677,572

Section 2 - Current Year (2021–22) Reserve Account Activity

	Column A CDNFS 9530A	Column B Audit Adjustments	Column C per Audit
5. Plus Interest Earned This Year on Reserve:	1,724		1,724
6. Less Transfers to Contracts from Reserve:			
Contract No.			
Contract No.			
Contract No.			
Contract No.			
Contract No.			
Contract No.			
Total Transferred to Contracts from Reserve Account			
7. Ending Balance on June 30, 2022	679,296		679,296

COMMENTS - If necessary, attach additional sheets to explain adjustments.

The ending balance on the June 30, 2022 AUD does not match the Reserve Liability as of June 30, 2022 on the Statement of Financial Position due to the timing of receipt of the final per audit letters. The Agency did not transfer the money until the final audit letters were received.

California Department of Education
Audited Preschool Reserve Account Activity Report

Fiscal Year Ending: June 30, 2022

Vendor Code: B460

Contractor Name: International Institute of Los Angeles

Section 1 – Prior Year Reserve Account Activity

1. Beginning Balance (2020–21 AUD 9530A Ending Balance): 423,257

2. Plus Transfers to Reserve Account:

2020–21 Contract No.	Per 2020–21 Post-Audit CDFFS 9530
Total Transferred from 2020–21 Contracts	0

3. Less Excess Reserve to be Billed:

4. 2020–21 CDFFS 9530 Reserve Balance After Billing: 423,257

Section 2 – Current Year Reserve Account Activity

5. Plus Interest Earned This Year on Reserve:

Description	Column A per CPARIS	Column B Audit Adjustments	Column C Total per Audit
Interest Earned	1,081		1,081

6. Less Transfers to Contracts from Reserve:

2021–22 Contract No.	Column A per CPARIS	Column B Audit Adjustments	Column C Total per Audit
			0
			0
			0
Total Transferred to Contracts	0	0	0

7. Ending Balance:

Description	Column A per CPARIS	Column B Audit Adjustments	Column C Total per Audit
Ending Balance on June 30, 2022	424,338	0	424,338

COMMENTS – If necessary, attach additional sheets to explain adjustments.

The ending balance on the June 30, 2022 AUD does not match the Reserve Liability as of June 30, 2022 on the Statement of Financial Position due to the timing of receipt of the final per audit letters. The Agency did not transfer the money until the final audit letters were received.

**INFORMATION REQUIRED BY *GOVERNMENT AUDITING STANDARDS*
AND THE UNIFORM GUIDANCE**



VASIN, HEYN & COMPANY

ABOVE THE BRIGHT LINE



AN ACCOUNTANCY CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS | AUDITORS AND ADVISERS

**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 Audit Committee of
International Institute of Los Angeles (IILA)
(A California Non-Profit Corporation)
Los Angeles, California

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 International Institute of Los Angeles (A California Non-Profit Corporation), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 15, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered International Institute of Los Angeles' 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 International Institute of Los Angeles' 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether International Institute of Los Angeles 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.

Vorlein, Hagen + Co.

Calabasas, California
December 15, 2022



VASIN, HEYN & COMPANY

ABOVE THE BRIGHT LINE

AN ACCOUNTANCY CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS | AUDITORS AND ADVISERS

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

To the Audit Committee of
International Institute of Los Angeles (IILA)
(A California Non-Profit Corporation)
Los Angeles, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited International Institute of Los Angeles' (A California Non-Profit Corporation) 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 International Institute of Los Angeles' s major federal programs for the year ended June 30, 2022. International Institute of Los Angeles' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, International Institute of Los Angeles 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of International Institute of Los Angeles 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 International Institute of Los Angeles' 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 International Institute of Los Angeles' federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on International Institute of Los Angeles' 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 International Institute of Los Angeles' 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 International Institute of Los Angeles' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of International Institute of Los Angeles' 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 International Institute of Los Angeles' internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Vorstin, Hagen + Co.

Calabasas, California
December 15, 2022

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022
(FEIN: 95-1641446)

Federal Grantor, Pass-Through Grantor, Program Title	Award Date	Federal CFDA Number	Pass-Through Entity Identifying Number	Program or Award Amount	Federal Expenditures	Non-Federal/ Match Expenditures	Payments to Subrecipients
U.S. Department of Health and Human Services							
Child Care and Development Fund Cluster:							
Passed Through the California Department of Social Services							
Family Childcare		93.596	CCTR - 1101	\$ 837,312	\$ 456,358	\$ -	\$ -
Alternative Payment		93.596	CAPP - 1028	338,728	130,755	-	-
Alternative Payment - Stage 3		93.596	C3AP - 1025	36,963	30,653	-	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund		93.596		1,213,003	617,766	-	-
Passed Through the California Department of Social Services							
Family Childcare		93.575	CCTR - 1101	1,046,020	570,109	-	-
Alternative Payment		93.575	CAPP - 1028	346,812	133,874	-	-
Alternative Payment - Stage 2		93.575	C2AP - 1026	184,238	74,083	-	-
Alternative Payment - Stage 3		93.575	C3AP - 1025	358,554	297,362	-	-
Child Care and Development Block Grant		93.575		1,935,624	1,075,428	-	-
Total Child Care and Development Fund Cluster:				\$ 3,148,627	\$ 1,693,194	\$ -	\$ -
Passed Through the Los Angeles County Department of Public and Social Services							
Stage I Child Care Services							
Temporary Assistance for Needy Families		93.558	CMD 06-042	687,970	687,970	-	-
Passed Through the U.S. Committee for Refugees and Immigrants							
Refugees Matching Grant	10/1/20-12/31/2021	93.567	2102VARVMG	184,405	184,255	10,795	-
Refugees Matching Grant	10/1/21-9/30/2022	93.567	2202VARVMG	983,755	983,755	230,609	-
Refugees and Entrant Assistance Voluntary Agency Programs		93.567		1,168,160	1,168,010	241,404	-

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022
(FEIN: 95-1641446)
(CONTINUED)

Federal Grantor, Pass-Through Grantor, Program Title	Award Date	Federal CFDA Number	Pass-Through Entity Identifying Number	Program or Award Amount	Federal Expenditures	Non-Federal/ Match Expenditures	Payments to Subrecipients
U.S. Department of Health and Human Services - Continued							
Passed Through the Immigration and Refugee Services of America							
Preferred Communities	9/30/21-9/29/22	93.576	90RP0119	137,800	42,949	-	-
Preferred Communities Program - Supplemental Funding II - Housing	9/30/21-9/29/22	93.576	90RP0119-01-03	166,914	38,719	-	-
Preferred Communities Program - Supplemental Funding II - Legal	9/30/21-9/29/22	93.576	90RP0119-01-03	262,680	12,441	-	-
Refugees and Entrant Assistance_Discretionary Grants		93.576		567,394	94,109	-	-
Passed Through the Immigration and Refugee Services of America							
Services to Victims of a Severe Form of Trafficking	9/30/2018 to 9/29/2022	93.598	90ZV0135-00, 90ZV0136-00, 90ZV0137-00	258,319	258,319	62,712	-
Total U.S. Department of Health and Human Services				\$ 5,830,470	\$ 3,901,602	\$ 344,630	\$ -
U.S. Department of State							
Passed Through the U.S. Committee for Refugees and Immigrants							
Afghan Placement and Assistance Program	9/30/21-9/29/22	19.510	SPRMCO21CA3294	\$ 2,064,904	\$ 1,970,294	\$ 40,514	-
Passed Through the Immigration and Refugee Services of America							
Preferred Communities Program - Supplemental Funding	9/30/21-9/29/22	19.510	90RP0119-01-01	750,000	371,031	-	-
Passed Through the U.S. Committee for Refugees and Immigrants							
USCRI Programs - Extension	10/1/2020-12/31/2021	19.510	SPRMCO21CA3006	299,479	299,479	56,251	-
USCRI Programs	1/24/2022-9/30/22	19.510	SPRMCO21CA0021	261,621	261,621	33,063	-
U.S. Refugee Admissions Program		19.510		561,100	561,100	89,314	-
Total U.S. Department of State				\$ 3,376,004	\$ 2,902,425	\$ 129,828	\$ -
U.S. Department of Agriculture							
Passed Through the California Department of Social Services, Office of							
Child Nutrition Services Child Care Food Programs (Homes & Centers)							
Child and Adult Care Food Program		10.558	19-B460-00-01286-3	\$ 166,841	\$ 166,841	\$ -	\$ -
Total U.S. Department of Agriculture				\$ 166,841	\$ 166,841	\$ -	\$ -
TOTAL FEDERAL EXPENDITURES				\$ 9,373,315	\$ 6,970,868	\$ 474,458	\$ -

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022
(FEIN: 95-1641446)
(CONTINUED)

Federal Grantor, Pass-Through Grantor, Program Title	Award Date	Federal CFDA Number	Pass-Through Entity Identifying Number	Program or Award Amount	Federal Expenditures	Non-Federal/ Match Expenditures	Payments to Subrecipients
STATE FUNDING							
California Departments of Education and Social Services							
General Child Care and Development Programs							
General Child Care and Development			CCTR - 1101	\$ 3,671,955	\$ 1,847,317	\$ -	\$ -
CDSS COVID-19 Stipends			None	268,000	268,000	-	-
State Preschool			CSPP - 1206	3,473,297	3,296,666	-	-
Alternative Payment			CAPP - 0029	439,803	439,803	-	-
Alternative Payment			CAPP - 1028	487,345	188,121	-	-
Alternative Payment - Stage 2			C2AP - 1026	533,300	189,816	-	-
Alternative Payment - Stage 3			C3AP - 1025	462,244	383,355	-	-
				<u>9,335,944</u>	<u>6,613,078</u>	-	-
State of California Department of Social Services							
Unaccompanied Undocumented Minors (UUMs)			SG-UUM-17-3071	53,000	53,000	-	-
Unaccompanied Undocumented Minors (UUMs)			SG-UUM-20-0015	336,000	280,000	-	-
Immigration Service Funding			SG-ISF-21	408,000	262,924	-	-
Immigration Service Funding			SG-ISF-20-0045	408,000	142,800	-	-
Immigration Service Funding Removal Defense			SG-RD19-0017	386,000	77,200	-	-
Immigration Service Funding Removal Defense			SG-RD-20-0017	446,500	250,350	-	-
				<u>2,037,500</u>	<u>1,066,274</u>	-	-
				<u>\$ 11,373,444</u>	<u>\$ 7,679,352</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL STATE EXPENDITURES							
TOTAL FEDERAL AND STATE EXPENDITURES					<u>\$ 20,746,759</u>	<u>\$ 14,650,220</u>	<u>\$ 474,458</u>

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal and State Awards (the "Schedule") includes the federal grant activity of the International Institute of Los Angeles under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Because the schedule presents only a selected portion of the operations of the Institute, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Institute.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

3. DE MINIMIS INDIRECT COST RATE

International Institute of Los Angeles elected to use the 10% de minimis indirect cost rate for the year ended June 30, 2022 for all programs except for the Child Development & Child Care Food and Nutrition Program which use the indirect cost rate of 8%.

4. LOAN AND LOAN GUARANTEE

International Institute of Los Angeles did not have any balances of loan and loan guarantee programs outstanding at June 30, 2022 for loans described in 2 CFR section 200.50(b).

**INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

Section I - Summary of Auditors' Results

Financial Statements

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

Unmodified.

Internal control over financial reporting:

• Material weakness(es) identified?

_____ Yes X No

• Significant deficiency(ies) identified?

_____ Yes X None Reported

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards

Internal control over major programs:

• Material weakness(es) identified?

_____ Yes X No

• Significant deficiency(ies) identified?

_____ Yes X None Reported

Type of auditors' report issued on compliance for major programs

Unmodified.

Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?

_____ Yes X No

Identification of major programs:

CFDA Number(s)

19.510

93.567

Name of Federal Program or Cluster

U.S. Refugee Admissions Program

Refugees and Entrant Assistance_Voluntary Agency Program

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

\$ 750,000

Auditee qualified as low-risk auditee?

 X Yes _____ No

Section II - Financial Statement Findings

No matters were reported.

Section III - Federal Award Findings and Questioned Costs

No matters were reported.

INTERNATIONAL INSTITUTE OF LOS ANGELES
(A California Non-Profit Corporation)
SCHEDULE OF CURRENT AND PRIOR YEARS FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

CURRENT YEAR

2022 Findings:

There were no 2022 findings noted.

2022 Questioned Costs:

There were no 2022 questioned costs noted.

PRIOR YEARS

2021 Findings:

There were no 2021 findings noted.

2021 Questioned Costs:

There were no 2021 questioned costs noted.

2020 Findings:

There were no 2020 findings noted.

2020 Questioned Costs:

There were no 2020 questioned costs noted.