

Open Communities Annual Board Meeting Agenda June 17th 2024 (Zoom)

Call to Order and Roll Call

Mission minute:

New Vision

Communities we can all call home.

New Mission

Open Communities works to eradicate housing discrimination, and unjust practices that perpetuate segregation and inequity. We foster thriving, inclusive communities through fair housing enforcement, housing counseling, education, outreach, and advocacy.

Consent Agenda (Read before the meeting and call Cheryl before the meeting to ask questions)-

a call for changes and correction and a vote to approve all items in the Consent Agenda.

- Minutes approval from May 15th, 2024 board meeting- *see addendum A*
- Development Report- *See Addendum B*
 - Photos credited to Enrique Mayen [Photo Slide Show](#)
 - Many thanks to Northwestern University's Medill School of Journalism student, Brandon Kondritz, for producing this video. Learn more here: www.brandonkondritz.com.
[OC's Walk/Roll the Redline 5-27-2024 \(youtube.com\)](#)
- OC Program Updates- *See Addendum C*

CEO Report – *See Addendum D*

Financial Review -*See Addendum E*

Board Meeting Dates 2024-2025-*see Addendum F*

Audit Report 2023- *See Addendum G*

Old Business-- NONE

New Business

- Vote and approval of additional 3 year terms for Herb, Carol and Emily
- Vote Jessica as Treasurer for full term

Book Club Selection– *A Year of Learning Together*

- The Color of Law by Richard Rothstein
 - June – Chapter 11 – Epilogue reporting by Cheryl

Save the Date- June 18th 6-10 pm: Pint Night Fundraiser for OC



2000 Dempster Street, Evanston IL, 60202

Next Board Meeting: September 25th - Full Board Meeting in person at OC office

Minutes of Open Communities Meeting 05/15/2024:

Meeting called to order-6:34

Present from OC: Cheryl Lawrence, Maurya Delaney, Sarah Petersen

Board: Herb Brenner, Carol Golder, Grace Mya, Adam Klinger, Jessica Flores, Roger Williams, Emily Love (Absent: Rose Shapiro, Connie Berman)

Roger read the mission statement

Maurya showed fair housing video: skit/snapshots of housing discrimination on the north shore, based on racial bias; housing vouchers/source of income; national origin Each scenario video followed by an explanation of discrimination/fair housing law at issue by Dominic Voz. Videos used in trainings, will be on new OC website.

Consent agenda approved.

Walk/Roll the Red Line recap by Sarah Petersen:

Survey responses were very positive and helpful (29 respondents). Did well financially, with education and with outreach. People enjoyed the walk, appreciated that the city was involved, appreciated the exhibit at Fleetwood Jordain and the Shoreline exhibit. More than 200 people came plus 4 reporters. A lot of outreach to community.

Sponsorships: \$40,215 plus an unexpected \$5,000 donation from the Norris Foundation received today (the event raised the organization's profile). \$8,000 in personal donations, including 50 new contacts. Great support from businesses supporting the raffle. Ripple effects still occurring: Sarah met with a raffle winner today who suggested future donations may be forthcoming from congregation.

\$51,742 Total event income

\$8,000 of expenses, at least ½ of which went to local businesses. CNW Ice Cream owners have a foundation, give out food. Owners purchased the building at Church and Dodge, for retail and housing.

Roger mentioned that the event provided excellent exposure about OC. People at 2nd Baptist Church didn't know what OC was when he talked about OC before the event.

Net proceeds: \$43,700 (+\$5,000 donation today).

Zeffy allowed people to donate without additional processing fee to donor or OC.

Connections in the Black community, with Black vendors. This will help raise awareness—gives a good conduit to further exposure, potential donors.

Herb suggested OC use the videos.

June 18, Pint Night at Temperance Beer Company, \$1 from each beer sale goes to OC, chance to meet other housing advocates.

CEO report from Cheryl:

Board retreat in the fall, will help us dig into things, talk about strategies. Maurya and Cheryl have been working on ne board onboarding and other documents, will be nice to do it in a single block of time (about 4 hours). Informal poll indicates that Saturday morning in September will work. Maurya will send out a Doodle Poll.

No staffing changes, Mayra was last hire in September. A lot of the staff has been at OC for 2 years. Insperity, HR Partner, contract renews July 1. We are looking at other PEOs: Insperity has gotten very expensive, don't offer BC/BS, which puts many area providers out of network. Looking at different models, other PEOs, which would start on January 1, save money, get better insurance (want to get Blue Cross instead of United Health Care).

Cheryl sent out next year's budget today, we could pass it now or review it at next month's meeting in order to get final information about some outstanding grants and to give everyone a chance to review the budget. Budget is slightly higher than last year, but close. We need to be a \$1.2 million organization to maintain status quo, aspirationally we should be a \$1.5 million organization to have a complete staff.

\$294,000 left in Fanny Mae funding that must be spent or allocated to OC's unrestricted fund by the end of Feb. 2025. One acceptable way to spend the money is to invest it in OC. Didn't get a new PEI grant (after November), so it might be helpful to allocate the money to OC. OC Got a new HUD FHOI grant, \$260,000, will be helpful to OC's capacity-building activities, increased testing.

Housing Counseling: join eHome America, a non-profit national housing counseling program that works in tandem with HUD's housing counseling program. Participants pay \$90, and \$70 of that would go to OC for counseling sessions. Getting ready to do a lot around zoning, housing initiatives in Skokie.

The Biden administration is getting ready to publish recommendations for affirmatively furthering fair housing. The end result will be if Biden wins this election, there will be a lot of funding opportunities for OC.

Carol discussed the recent Shame of Chicago 4 part series on WTTW on how segregation in Chicago led to housing segregation nationwide.

Financial report by Jessica: April financials were part of the consent agenda.

Cheryl sent out information about OC looking for a few more board members. Want to have a diverse board in background, age, religion, lived experience. Jessica suggested a Linked-In post, partnering with Northwestern University program, as a way to increase the pool of applicants. Kellogg and Booth have programs for fellows—OC is strong enough.

Herb reported on Color of Law chapters on state-sanctioned violence and suppressed incomes. Maurya recommended The 1619 Project series on Hulu.

Meeting adjourned at 8:07 pm.

Development: Dalal Fihakhir/Sarah Petersen/Maurya Delaney

May 11, 2024 – June 10, 2024

Development Updates

Development Department:

Dalal Boudiaf, Director of Development

Sarah Petersen, Development Associate

Maurya Delaney, Director of Operations (Continue to support with development and fundraising)

Individual/Corporate Contributions

May 11, 2024 – June 10, 2024

First Name	Last Name	City	Note	Gift date	Gift amount
Elizabeth	Phillips	Wilmette	Increased donation	5/14/24	250
Anonymous			Vanguard Charitable DAF – referenced “PEP Fest”	5/20/24	500
Unitarian Church of Evanston		Evanston	Event Sponsorship	5/21/24	250
Janice	Goldblatt	Highland Park	Prior donor now new MONTHLY donor!***	5/22/24	25.75
Mark	Karlin	Evanston	RLTO Advocate	5/22/24	51.50
Sue Ann	Glaser	Evanston	Last gave in 2022	5/29/24	100
Jay and Julie	Mitchell and Federico	Naperville	Fidelity Charitable DAF	5/30/24	200
Anonymous			Fidelity Charitable DAF	5/30/24	300
Maria	Tolpin	Evanston	*NEW* Attended Walk/Roll Redline	5/29/24	77.25
Deborah	Kasindorf	Evanston	*New Donor – online	5/30/24	103
Eric & Christine	Strobel	Johns Island, SC	Fidelity DAF	5/31/24	200
Kelly and Deborah	Stonebraker	Naples, FL	Spring Appeal	6/2/24	500
Phyllis and Suzanne	Arist	Evanston	Spring Appeal	6/4/24	50
Lauren and Steven	McFarlane	Evanston	Spring Appeal	6/4/24	50
Barbara	Scott		Spring Appeal	6/4/24	1000
Wesley Realty		Evanston	Spring Appeal	6/11/24	250
George	Kasios	Lincolnwood	Spring Appeal	6/11/24	50
Carter and Donna	Cleland	Chicago	Spring Appeal	6/11/24	100
Bill and Dorris	Gould	Northfield	Spring Appeal	6/11/24	100
			Indiv	Total =	\$4,157.5

Grants Updates

Awarded

Funder	Amount Awarded	Purpose	Funding Period	Notes
Dellora A and Lester J Norris Foundation	\$5,000	As needed	One-time lump payment	Unsolicited grant
City of Des Plaines	\$7,198.16	General Operating/Residents of Des Plaines	5/1/24-4/31/25	Unrestricted
HAI CHC – Housing Action Illinois – Comprehensive Housing Counseling grant	\$28,930.96	Housing counseling	7/1/24-3/31/25	9 months

Pending

Funder	Amount Requested	Restricted/Unrestricted	Anticipated Decision	Funding Period	Notes
IL Humanities	\$10,000	Storytelling/collecting with tenants	If invited to apply, decision first week of July	12 months	Submitted LOI 5/15/24; partnership with Helen Cho of NWU
RRF Foundation for Aging - Direct Service Grants	\$30,000	Organizational Capacity Building for Older Adults Program	Full proposal due 8/5/24	Approximately 1/1/25 – 12/31/25	LOI accepted and invited to submit a full application by 8/5/24.
HAI HOI – Housing Action Illinois – Homeownership Initiative	\$35,667.08	OC worked with HAI who is applying to receive these funds through HUD on behalf of its subgrantees		Approximately 7/1/24 – 3/31/25	App submitted on 4/4/24.
AgeOptions	\$49,607	Housing Counseling – 60+ population	July 2024	10/1/24 – 9/30/25	Applied 4/22

Township of Niles	\$10,000	General Operating/Residents of Township of Niles	May 2024	June 24 – May 25	Applied 3/22
Cook Development Block Grant CDBG	\$55,000	Housing Counseling and Fair Housing	July 2024	10/1/24 – 9/30/25	Applied 3/22
Illinois Access to Justice	\$143,219.14	Serving communities and individuals impacted by incarceration.	June 2024	7/1/24 – 6/30/25	Applied 5/3/24

Denied:

Funder	Amount Requested	Notes
Evanston Community Foundation (ECF)	\$25,000	Noted we did not match funding criteria

Prospects:

Funder	Notes
Herb Block Foundation	Defending Basic Freedoms due 10/3 (Fair Housing). Ask between \$10,000 and \$25,000.
Wayfarer Foundation	We've been providing preliminary information to Eve's contact. Dalal attended the Wayfarer Foundation panel discussion in March and met with ED. We are hoping to be invited to apply in fall 2024. Submitting a one-pager by May 31, 2024 at contact's request.
Endeavor Community Investment Fund	August 2024
Glencoe Union Church	August 2024
New Trier Township	App due 9/8/24
First Bank of Highland Park	Rolling Application
	The Development team is continuing to gather a list of prospects that align with OC's mission and will make it a priority to apply for private/corporate grants.

Currents:

Name	Amount	Time Period
FHOI – Fair Housing Organization Initiative (HUD – Gov)	\$260,000	Approximately starting on 6/1/24 for 12 or 18 months
SBB Research Group Foundation	\$1,000	One-time lump sum
AARP Foundation	\$258,997.05 total over 3 years (1 st payment \$103,598.81 at start; \$64,749.26 after 10/8/24; \$64,749.26 after 10/8/25; \$25,899.72 after final report 1/2026)	1/1/2024-12/31/26
Illinois Access to Justice (Eviction Prevention)	125,000	7/1/23 - 6/30/24
HUD PEI	\$425,000 for 3 years (year 3 current)	11/1/22 – 10/30/23
Niles Township	\$10,000	5/1/23 – 4/31/24 (Applied for renewal)
City of Des Plaines	\$7,198.16	5/1/24 – 4/31/25 Newly awarded
Housing Action Illinois (HAI) – Housing Counseling Program	\$41,472.09	7/1/23 - 6/30/24

Spring Appeal 2024: We sent out a paper appeal to 372 prior donors (who donated between 2021-present) highlighting our event success and participant quotes. We also emailed an electronic appeal to our entire emailing list, as well as distributed social media posts highlighting client stories, quotes, and end-of-fiscal-year appeals.

PINT NIGHT: Tues, June 18th, 6-10pm Pint for a Cause at Temperance Beer Co in Evanston will donate \$1 of every pint sold to Open Communities! Fun time to hang out together, casually introduce friends to Open Communities over a beer, reconnect with participants from the walk, and raise a little funds. No big agenda, just show up and grab a pint! 2000 Dempster St., Evanston. Free parking lot. (Night before Juneteenth – so maybe you and your friends have the next day off work?)

Website Redesign: We continue to meet weekly and gather content from our internal web team to share with our designer for our new website redesign. We hope to incorporate new photos from the event in our new website. We’re working on refining the design, editing our language so it’s engaging and accessible, and making sure we have a consistent brand image. We’re excited to complete the site and share it with our network later this year!



Housing Counseling Board Update, June 13th, 2024 (May 10th – Current)

1. Amanda's story from the last board report: Amanda inherited her house when her husband died and went through a long struggle to get the deed and the mortgage in her name. She is a self-employed senior, who rents out a room in her house to gain additional income. She fell behind on her property taxes during the pandemic and the servicer paid to bring her taxes current but caused her to then become delinquent on her mortgage. She attempted many times over the years to pay partial amounts to the lender, but they would only accept payment in full. Since Amanda has not filed her income taxes in several years and she did not have a written lease with her tenant, she did not have the correct documentation to qualify for a loss mitigation option with her servicer. When Amanda first came to OC, the lender had filed for foreclosure. Amanda is a sexual assault survivor who struggles with her mental health. She also does not understand technology. Because of these two realities, communication with her servicer or asking for help has been extremely difficult for Amanda. After meeting with her Housing Counselor, Sarah Buckley, Amanda told the counselor that she felt so relieved to have found assistance with a person she didn't fear and felt that she could trust in this process. In addition to the lack of correct documentation needed, the servicer also stated that Amanda would need to make at least \$1500 more a month to qualify for a workout option. Amanda's counselor assisted her in better documenting her income, helped her create a lease for her tenant, and encouraged Amanda to seek out the assistance of an accountant to file her income taxes in order to have the correct documentation for her lender. Through this process, Amanda was able to account for more income than she originally submitted and found out that she qualified for her late husband's social security. This more than doubled her original monthly income and provided her with a lump sum of \$12k in social security back pay. Client and counselor have just submitted another loss mitigation application this week with full expectation of her being offered an option to retain her home.

Update on Amanda's story. After working with Sarah Buckley, her housing counselor, Amanda reapplied for a third time for a loss mitigation option with her servicer and was approved for a modification. The servicer took her \$60k delinquency and stretched her loan out to a 40 year mortgage. With a new, lowered, monthly payment, she is able to comfortably remain in her home and avoid foreclosure. Amanda stated "I am grateful to you beyond expression .."

2. Juan, his three children, and his wife currently rent a small apartment for \$880 per month. Their lease expires at the end of August and the landlord informed them that the new rent will increase to \$1200. Juan and his family decided to purchase a property instead. Juan went through Open Communities' Pre-Purchase Education and Counseling Program which enabled him to qualify for a \$10000 down payment assistance forgivable grant. Though Juan's mortgage payment will be about \$1400, he would rather be paying that increased amount towards his own ownership share than to someone else. Juan closes on his new home on June 14th.



IL Access to justice (IA2J) Report

IA2J PROGRAM'S GOALS FY 2023-2024

- Referrals: 50
- Number of individuals provided and Assessment: 100
- Accompaniments:60
- Individuals reached through Know Your Rights (KYR) Presentations: 100
- Number of individuals through Outreach: 1000

Service Dates for this report: **May 10th- June 7th, 2024.**

Service Numbers Breakdown:

- Referrals:116 out of 50
- Number of individuals provided and Assessment:118 out of 100.
- Accompaniments: 59 out of 60
- Individuals reached through Know Your Rights (KYR) Presentations: 167 out of 100.
- Number of individuals through Outreach: 1922 out of 1000

UPDATES:

- We created a connection with the Palatine library, We were invited to do the first workshop in Spanish related to Fair Housing Amendment. We will be back in August for the second time.
- After our connection with Erie Clinic, our Community Navigator Coordinator (CNC) scheduled tabling events once a month from June- September.

CLIENT STORIES:

During these months we had victories:



- One of our clients that we served in the previous months called us and shared that she was able to get help from one of the resources we gave her. She is a single mother with 2 kids and will receive \$1560 from (Low Income Home Energy Assistance Program) LIHEAP. She mentioned to be grateful.
- In the month of May, a client who had received help from our CNC reached back again asking for help. During the conversation, he shared about his son who was imprisoned few years ago and the struggle that he has with his record with jobs. He mentioned how difficult it is to go through life with a record, with a disability and when someone is undocumented. Mr. J this month asked for help advocating for his wife to participate in the Levy Senior Center to support her treatment by using the gym. After his effort to pay for her membership, when he was helping his wife in the gym he was asked to leave because he did not have his own membership. The staff member did not understand their need, especially his wife's need as she always requires assistance, she uses a wheelchair to aid her mobility. The CNC followed up on this situation and after many obstacles, set up a meeting with the director of the Levy Senior Center. During the meeting the CNC and the client explained their situation and how they were treated. The client said to Amy K, " even if wanted a membership for me, I don't have the money and I don't qualify based on my age to be part of the Levy Center". He was crying while explaining their situation. In the end, Amy K. donated a membership for him so he could accompany his wife and therefore help her health. His wife is 57 and had been dealing with Parkinson's disease for more than 5 yrs. now.



Fair Housing Board Update, June 13th, 2024 (May 10th – Current)

- Admin / General Updates
 - We successfully reported on our HUD FHIP grant using Salesforce data in late May – this marked an important achievement in being able to capture data which is more robust and organized.
 - The Fair Housing Team is fortunate to have grant dollars set aside in FHIP that must be used for professional development...during May, we scheduled two important conferences, one in Washington DC in July (the National Fair Housing Alliance's annual conference) which will be attended by the core FH team, and another in New Orleans in August (a mandatory HUD conference based around FHIP finances and administration) which will be attended by Cheryl and Dalal.
 - On May 14th, Dominic, Adelaide, Kenya, Vanessa, and Dalal attended HOPE's Envisioning Equity Conference. Staff enjoyed the opportunity to network with other professionals from the fair housing community and beyond and learn from two sets of workshops. In one workshop, Dominic sat on a panel with a local Realtor and an attorney from Zillow to discuss problems and potential solutions in third party tenant screening.
- Advocacy
 - As the statewide effort to pass the Community Safety Through Stable Homes Act winded down, the team discussed strategy for pursuing the issue in the next legislative session. The team plans to continue raising the issue in workshops and in discussions with local governments (for example, the team will take part in a workshop with Skokie city staff on June 11th and will discuss Skokie's problematic crime-free ordinance which can require tenants be evicted for alleged criminal activity even in the absence of a criminal conviction). We will also explore areas of potential enforcement where these ordinances create harm.
 - The Evanston RLTO process is reaching its apex in many ways. The full city council will meet twice in June to discuss the amendments (minus Just Cause, which is being held in committee for further discussion). These amendments are critical in and of themselves – a limit on late fees, more notice for tenants who will be non-renewed, strengthened right to organize tenants' unions without retaliation, a one-time right for tenants to pay all back rent and stay in their homes. Many more. Our team will be connecting with leaders throughout the community to encourage participation in the process so that council members who are seeing the issue for the first time (over half of council has not yet been involved in the conversation till now) will see the outpouring of support for renter's rights.
 - We strongly encourage all board members to attend the June 10th meeting. Contact Dominic for more info.
- Investigations



- Investigations are ongoing. Dominic and Adelaide will conduct the agency's first Design and Construction test in several years this month. Given our new FHOI grant goals, we will be increasingly focused on building out these specialized testing methods over the coming months. As for rental testing, Kenya continues systemically testing for compliance with fair housing law across our service area and is completing thorough and productive tests at over twice the rate as when she started with OC.
- Education Activities
 - Just a few upcoming workshops and events include:
 - June 11th Skokie panel on fair and affordable housing, history of civil rights in housing in Skokie.
 - June 27th we will have two events
 - An in person Fair Housing 101 in Des Plaines, and
 - A virtual event with the Chicago Area Fair Housing Alliance and the NAREB Realtist group to discuss source of income protections and homeownership opportunities for voucher holders.
 - Race Against Hate (YWCA) event on June 16th.
- Client Stories
 - A client in Evanston reached out to Open Communities from the hospital last month, where she is being treated for terminal cancer. Amidst these existential health problems, she was worried about her housing situation given that her lease renewal date was fast approaching. She left a message asking for support in advocating for an extension so that she has more time to determine whether she will be moving to a hospice location or receive care in her home. We were able to call the staff attorney for the management company (who we had previously worked with on a somewhat contentious case that ended amicably) and spoke about the situation while remaining cautious about disclosure of sensitive health information. The attorney was understanding and spoke directly to the building management about ensuring that no adverse actions are taken during this difficult time.

**OPEN COMMUNITIES
ANNUAL BOARD MEETING 6/17/2024 FY24 REVIEW
CEO REPORT- CHERYL LAWRENCE**

By all accounts FY24 was a stable and successful year. While the ending of substantial emergency assistance created a financial challenge, Open Communities was able to maintain its cash position. We suffered several disappointments from denials of grants that we thought we would receive but we also received funding support from unexpected sources and from fair housing settlements. Our entire team has engaged in outreach efforts and building relationships which has built a promising foundation for the coming years. Our housing counseling team has provided outstanding services thus increasing our reputation as an important community asset. Just yesterday I received this communication that came from a bank that has been working with our housing counselor, Sarah Buckley, on a loan modification for one of our clients. This is just one example of how our work can have a wider impact beyond the client:

Sarah

I wanted to take a moment to thank you for helping Sandra with her mortgage. She is stopping by today to sign the loan modification documents for Associated Bank and have them notarized. You and your organization have gone above and beyond helping Sandra save her home and I sincerely appreciate all of your help navigating this process with her Bank.

On a side note Cornerstone National Bank & Trust my employer has expressed an interest in potentially meeting with someone from your organization to see if there may be any way we can be of assistance thru either maybe volunteer opportunities or board support. We were recently discussing the positive impact your organization has had helping Sandra and thought we might ask if there were any possibilities for perhaps one of our key employees getting involved. As you can probably tell we take supporting our community seriously and seeing all that your team did to help Sandra has been an inspiration. If you wouldn't mind please forward this to the appropriate person in your organization to see if perhaps we could schedule a meeting or call or if there is any interest.

Thank you
Roy

Our housing counseling team is the largest it has ever been with three HUD-certified counselors providing a wide range of services to help people purchase their first home, save their home from foreclosure, build budgets, address reverse mortgage issues or work out landlord/tenant issues.

Our Illinois Access to Justice program for serving communities impacted by incarceration has stabilized and our Community Navigator, Mayra Moreno, has greatly extended our reach in the Latino community. Open Communities hosted its first AmeriCorp Vista in

many years- Vanessa Johnson-McCoy has been an important member of our team and a tremendous connector to Evanston's African- American community. Between their programs and the rest of our team doing outreach, we have participated in over 50 events in the last year.

Our Fair Housing team has recruited more testers and conducted more testing than the organization has done in ten years. We have reached settlements on fair housing cases north of \$250,000. Every settlement requires that fair housing training for every forward-facing employee. The Fannie Mae case that was settled in 2022 that allocated community funds allowed us to support important work in the community including essential home repairs to preserve affordable housing and investment in a land trust property that we be affordable in perpetuity. Our team has taken the lead in changing policy and laws to stabilize renters and provide important protections from unexpected displacement from their homes which in today's housing market is catastrophic to many renters. Open Communities is advocating for zoning change and increases in affordable housing and housing options.

Open Communities launched a new program, with the support of AARP, to specifically serve the housing needs of older adults. We are continually bringing new services to this program in the form of referrals to ensure a holistic approach to services.

We have embarked on several capacity building initiatives in the last year. We completed the new strategic plan, a racial equity plan, and an assessment that built a roadmap of our most pressing needs. We are now completely on Salesforce for all our client services and outreach efforts. We are in the process of building a dashboard to have a monthly record of all services that we will share with the board. Open Communities is also about halfway finished with its new website that will launch in the first half of FY25.

We have created a strong development and communications program. We have done three fundraising events, written numerous grant proposals, increased individual donors and have a strong social media presence that is creating more connections.

As we move forward, there is no doubt that we can continue to build momentum in the fight for fair housing so that everyone has a place they can call home.

Open Communities
Balance Sheet
As of May 31, 2024

	Total	
	As of May 31, 2024	As of May 31, 2023 (PY)
ASSETS		
Current Assets		
Bank Accounts		
1000 Gen Checking x7756	50,173	56,258
1011 IHDA HSCP Deposits	50	-
1060 OC Organizational	81,125	67,087
Fund @ ECF		
1086 Fannie Mae	560,807	612,399
Community Fund x7944		<i>Board restricted funds related to Fannie Mae settlement</i>
1087 General Savings	104,442	408,482
x7952		
1088 Board Restricted	256,917	
Savings x4738		
Total Bank Accounts	1,053,513	1,144,226
Accounts Receivable		
1100 Grants & Accts	322,696	259,246
Receivable		<i>Includes \$161.8k ERTC receivable from IRS</i>
Total Accounts Receivable	322,696	259,246
Other Current Assets		
1200 Undeposited Funds	-	100
1203 Rent Deposits	16,973	16,973
		<i>deposit paid on Ridge Ave lease</i>
1400 Prepaid Expense -		
Insurance		
1401 D&O	-	455
1402 Gen Liab	235	229
1403 Litigation MP	-	625
Total 1400 Prepaid	235	1,310
Expense - Insurance		
1405 Other Prepaid	1,833	1,833
Expenses		

Total Other Current Assets	19,041	20,216
Total Current Assets	1,395,251	1,423,688
Fixed Assets		
1510M01 Furniture and Fixtures	24,804	24,804
1599 Accumulated Depreciation	(1,772)	
Total Fixed Assets	23,032	24,804
Other Assets		
1600 Right-of-Use Asset	434,758	495,776 <i>Asset related to value of leased property (offset by Lease Liability on row 56 below)</i>
Total Other Assets	434,758	495,776
TOTAL ASSETS	1,853,041	1,944,268
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 Accounts Payable	35,374	6,671 <i>Includes \$32.4k payable to ERTC preparers, to be paid when cash is received from IRS</i>
Total Accounts Payable	35,374	6,671
Credit Cards		
2190 Delaney #7752	4,614	1,455
2195 Lawrence #7590	4,091	4,973
Total Credit Cards	8,705	6,428
Other Current Liabilities		
2050 Rent Deposit	5,200	5,200 <i>FLAP rent deposit held by Open Communities</i>
2201 Accrued Vacation	26,147	14,800
Total Other Current Liabilities	31,347	20,000
Total Current Liabilities	75,425	33,099
Long-Term Liabilities		

2600 Lease Liability	428,781	495,776 <i>Liability for furture rent payments on Ridge Ave lease</i>
Total Long-Term Liabilities	428,781	495,776
Total Liabilities	504,206	528,876
Equity		
3200 Unrestricted Net Assets	1,330,690	1,326,530
Net Income	18,145	88,862
Total Equity	1,348,835	1,415,392
TOTAL LIABILITIES AND EQUITY	1,853,041	1,944,268

Open Communities															
FY24 Budget-to-Actual Analysis															
As of May 31, 2024															
	OPEN COMMUNITIES	FY24 BUDGET	FY24 ACTUAL YTD THROUGH MAY 2024	FY24 BUDGET YTD THROUGH MAY 2024	VARIANCE (\$)	VARIANCE (%)		NOTES ON FY24 ACTIVITY	FY23 ACTUAL	FY23 BUDGET	VARIANCE (%)	NOTES ON FY23 ACTIVITY			
		Approved 6/21/2023		Approved 6/21/2023											
	INCOME														
4001	Contribution-	12,000	18,241	9,000	9,241	103%			10,683	15,000	-29%				
4100	Contributions-	50,000	29,424	37,500	(8,076)	-22%			20,550	20,000	3%				
4150	Events	6,300	4,585	4,725	(140)	-3%			12,011	12,000	0%				
	Events -		20,189	-	20,189	0%			23,361	-	0%				
4200	Corporate	15,000	16,279	11,250	5,029	45%			13,977	30,000	-53%				
4300	Foundations	200,000	107,899	150,000	(42,101)	-28%		\$259k related to AARP grant	59,207	46,655	27%				
4500	Litigation	20,000	109,010	15,000	94,010	627%			95,196	40,000	138%	77,000 Redfin came			
	Federal Govt (ERTC Refund)	-	169,042	-	169,042	0%		Payroll tax refund expected	16,373		0%				
	Local Govt	20,000	-	15,000	(15,000)	-100%			-	18,000	-100%				
4600	HUD-Fair		-	-	-				-						
	HUD - EOI	75,000	-	56,250	(56,250)	-100%		Grant ended	68,691	125,000	-45%				
	HUD - PEI	425,000	460,482	318,750	141,732	44%			294,518	375,000	-21%				
	HUD-ARP		-	-	-				145,568	146,649	-1%				
4712	CDBG	55,000	15,308	41,250	(25,942)	-63%			39,692	82,500	-52%				
4800	IDHA Housing		-	-	-				-						
	IHDA ILRPP 2.0	28,125	19,643	21,094	(1,451)	-7%			76,184	58,218	31%				
	IHDA - HAF	58,000	45,176	43,500	1,676	4%			149,784	125,700	19%				
	IHDA- HSCP	-	-	-	-				21,450	35,100	-39%	too many grants--			
4880	HUD/HAI	60,000	44,519	45,000	(481)	-1%			46,254						
	HAI - HSCP	-	12,219	-	12,219	0%			20,419	36,726	-44%				
4990	ILA2J/Westside	130,000	104,373	97,500	6,873	7%			100,054	65,000	54%				
	Investment/Int		39,254	-	39,254	0%			23,013		0%				
	TOTAL INCOME	1,154,425	1,215,643	865,819	349,824	40%			1,236,984	1,231,548	0%				
	EXPENSES														
5000	Payroll	827,376	760,858	620,532	140,326	23%			714,402	774,000	-8%				
5080	Employer	82,738	70,230	62,054	8,177	13%			69,255	70,000	-1%				
5090	Healthcare	24,000	29,291	18,000	11,291	63%			20,916	36,000	-42%				
5095	PEO Services	26,400	28,719	19,800	8,919	45%			27,882	26,400	6%				
	Phone-Staff	7,200	8,808	5,400	3,408	63%			5,530	7,800	-29%				
5101	Accounting	21,000	50,429	15,750	34,679	220%		\$33k fee to ERTC refund preparers	32,217	24,000	34%				
5102	Audit	9,000	14,700	6,750	7,950	118%			14,000	6,500	115%	Level of Fed Funding			
5103	Legal Services		8,473	-	8,473	0%			22,424		0%	Atty. Fees for			
5104	Marketing Consultant	6,000	181	4,500	(4,319)	-96%		nets against line below	38,000	6,996	443%	Covered in grants			
5108	Marketing - Website	5,500	8,500	4,125	4,375	106%		nets against line above	382	2,400	-84%	Covered in grants			

5130	Fair Housing Testers and	6,000	9,526	4,500	5,026	112%		covered by PEI grant	4,612	5,280	-13%	Covered in grants
5135	Equity		-	-	-	0%			39,760	37,960	5%	Covered in grants
	Americorp	5,000	8,208	3,750	4,458	119%			-		0%	
	Salesforce	5,000	10,951	3,750	7,201	192%			75,953	72,000	5%	Covered in grants
5700	Fundraising &	2,000	7,456	1,500	5,956	397%			17,860	17,826	0%	
	Credit Card	850	171	638	(466)	-73%			681	600	14%	
6102	Occupancy	69,420	69,166	52,065	17,101	33%			77,081	91,650	-16%	Includes move. Net
6104	Sub-lease	(31,200)	(31,590)	(23,400)	(8,190)	35%			(19,686)		0%	
6200	Insurance (Gen. Liability, D&O,	5,000	7,799	3,750	4,049	108%		Expense is front-loaded in FY24	5,866	5,250	12%	
6501	Staff	5,400	3,157	4,050	(893)	-22%			7,021	4,800	46%	
6502	Staff Travel Out-	6,000	3,407	4,500	(1,093)	-24%			7,293		0%	
6503	Conferences, Events-local	7,200	1,579	5,400	(3,821)	-71%			1,527	9,600	-84%	
		700	-	525	(525)	-100%			-		0%	
6504	Local Travel	2,400	1,490	1,800	(310)	-17%			542	3,600	-85%	
6505	Food/Refreshm	2,400	1,734	1,800	(66)	-4%			1,864	2,400	-22%	
	Marketing/adve	4,000	5,161	3,000	2,161	72%			497	1,200	-59%	
6601	Bank Fees	1,500	1,309	1,125	184	16%			1,893	720	163%	Wintrust, ECF
6602	Hiring	600	350	450	(100)	-22%			1,358	600	126%	
6603	Equipment Expense		-	-	-	0%			7,630		0%	Purchase of laptops (\$5.9k), plus
6605	Memberships/	1,200	1,600	900	700	78%			750	2,400	-69%	
6606	Printing/Photoc	3,600	1,297	2,700	(1,403)	-52%			5,902		0%	
6610	Software	13,224	9,517	9,918	(401)	-4%			9,668	12,100	-20%	
6613	Telecom	16,000	19,132	12,000	7,132	59%			23,551	28,200	-16%	Middleground/Next
6614	Translation	1,600	-	1,200	(1,200)	-100%			668	3,000	-78%	
6615	Postage/Ship/	1,200	-	900	(900)	-100%			830	6,000	-86%	
	Office Supplies	8,652	5,593	6,489	(896)	-14%			14,207	12,000	18%	
	Govt Fees &	432	339	324	15	5%			329	324	2%	
6608	OC Grants to		2,293	-	2,293	0%			163			
	Other or		-	-	-	0%			-			
	TOTAL	1,147,392	1,119,833	860,544	259,289	30%			1,232,824	1,271,606	-3%	
	NET	7,033	95,810	5,275	90,536	1716%			4,159	(40,058)		
	FANNIE MAE											
	OC/FM Grants	N/A	75,000	N/A	N/A	N/A						
	TOTAL FANNIE		(75,000)									
	NET INCOME	7,033	20,810	5,275	90,536	295%						
	REMAINING	N/A	479,000	N/A	N/A	N/A						
			(0)	-	(0)			Net Income				Net Income

**Open Communities
A/R Aging Summary
As of May 31, 2024**

	Current	1 - 30	31 - 60	61 - 90	91 and over	Total	
CDBG 22/23 #2201-042					15,308	15,308	
Housing Action Illinois	10,419				25,037	35,456	<i>\$10.4k received June 4</i>
HUD PEI 23/34	85,000					85,000	
ILA2J/WSJ FY 23_24		13,299	11,789			25,089	
Internal Revenue Service				161,844		161,844	<i>Payroll tax refund expected for Employee Retention Credit claimed</i>
TOTAL	\$ 95,419	\$ 13,299	\$ 11,789	\$ 161,844	\$ 40,345	\$ 322,696	

OPEN COMMUNITIES	FY25 DRAFT	FY24 BUDGET	FY24 PROJECTED ACTUAL	FY23 BUDGET	FY23 ACTUAL		
						NOTES FOR 2025 BUDGET	
INCOME							
Contribution-Board	14,000	12,000	20,000	15,000	10,735		
Contributions-	42,100	50,000	31,000	20,000	32,359		
Events Tickets/Raffle	15,000	6,300	5,000	12,000	12,011		
Corporate	50,000	15,000	18,000	30,000	23,977		
Foundations	275,000	200,000	108,000	46,655	60,707	AARP= 103,600 FOR FY24, 130 FY25	68,000 FY25, 90,648 FY26
Local Govt	50,000	20,000	20,000	18,000	16,373	ADD TWO MORE MUNICIPALITIES	
Litigation Income	36,000	20,000	120,000	40,000	95,196		
HUD-Fair Housing					-		
HUD - EOI		75,000		125,000	68,691		
HUD-FHOI	260,000						
HUD - PEI	170,000	425,000	460,500	375,000	386,667		
HUD-ARP				146,649	145,068		
CDBG	55,000	55,000	15,300	82,500	39,692		
IDHA Housing					-		
IHDA ILRPP 2.0		28,125	19,643	58,218	62,955	GRANT OVER	
IHDA - HAF		58,000	45,176	125,700	149,784	GRANT OVER	
IHDA- HSCP		-		35,100	-	GRANT OVER	
HUD/HAI Housing	80,000	60,000	55,000		18,983		
HAI - HSCP		-	12,200	36,726	49,157	GRANT OVER	
ILA2J/Westside	135,000	130,000	125,000	65,000	100,054		
AGE OPTIONS	33,200					NEW GRANT BUT WE SHOULD RECEIVE IT	

Investment/Interest	30,000		43,000		23,013		
Employee Retention			161,844				
TOTAL INCOME	1,245,300	1,154,425	1,259,663	1,231,548	1,295,420		
EXPENSES							
Payroll	844,032	827,376	828,000	774,000	714,402		
Employer Payroll	84,403	82,738	83,000	70,000	69,255		
Healthcare	36,000	24,000	32,000	36,000	20,916		
PEO Services (HR, Payroll, 401K,	33,000	26,400	32,000	26,400	28,718		
Phone-Staff	8400	7,200	9,200	7,800	5,530		
Accounting	15,400	21,000	50,000	24,000	32,217	33K to Company handling Employee Retention Credit	
Audit	10,000	9,000	14,700	6,500	14,000	FY24 Single Audit required	for 2023
Legal Services			9,000		22,424		
Marketing		6,000	181	6,996	38,261		
Marketing - Website	1,000	5,500	8,500	2,400	121		
Fair Housing Testors	13,000	6,000	10,000	5,280	4,260		
Equity				37,960	47,240		
Americorp VISTA	13,000	5,000	9,000		-	7,000 Change 6/10	
Salesforce	15,000	5,000	12,000	72,000	75,953		
Fundraising & Events	4000	2,000	8,000	17,826	18,357		
Credit Card Fees	300	850	200	600	681		
Occupancy	106126	69,420	69,166	91,650	84,101		
Sub-lease (FLAP)	-32,513	(31,200)	(31,200)		(19,686)		
Insurance (Gen. Liability, D&O, WC	8,400	5,000	7,800	5,250	5,030	FY24 budget did not include WC?	
Staff Training/Prof	2,004	5,400	5,000	4,800	7,021		
Staff Travel Out-of-	2,004	6,000	4,000		7,329		

Conferences, Events	2,004	7,200	2,000	9,600	1,527	
Events-local (OC	2,004	700	500		-	
Local Travel	2,004	2,400	2,000	3,600	506	
Food/Refreshments/	1500	2,400	1,700	2,400	1,864	
Marketing/advertisin	2,100	4,000	5,200	1,200	-	
Bank Fees	900	1,500	1,350	720	1,965	
Hiring	360	600	350	600	1,610	
Equipment Expense					5,858	
Memberships/Donati	2400	1,200	1,600	2,400	750	
Printing/Photocopy	1620	3,600	1,300		830	
Software License &	13,500	13,224	11,000	12,100	9,595	
Telecom (phones & internet)	24,000	16,000	22,000	28,200	23,551	Where is Comcast -- office supplies?
Translation Services	240	1,600	200	3,000	668	
Postage/Ship/Messgr	1020	1,200	700	6,000	5,902	IS THIS CURRENTLY INCLUDED IN OFFICE SUPPLIES
Office Supplies	6,000	8,652	6,000	12,000	14,935	
Govt Fees & Licenses	434	432	430	324	329	
Other or					163	
TOTAL EXPENSES	1,223,642	1,147,392	1,216,877	1,271,606	1,246,181	
NET OPERATING	21,658	7,033	42,786	(40,058)	49,238	



Meeting Dates

July 2024 – June 2025

4th Wednesdays @ 6:30 PM

Date	Type
July	No meeting
August	No meeting
September 25	Full Board Meeting in person at OC office
October 23	<i>Board Member Gathering on Zoom</i>
November 20 (3 rd Wednesday)	Full Board Meeting on Zoom
December	No meeting
January 22	Full Board Meeting on Zoom
February 26	<i>Board Member Gathering on Zoom</i>
March 19 (3 rd Wednesday)	Full Board Meeting in person at OC office
April 23	<i>Board Member Gathering on Zoom</i>
May 28	Full Board Meeting on Zoom
June 25	Full Board Meeting in person at OC office

OPEN COMMUNITIES
FINANCIAL STATEMENTS
JUNE 30, 2023

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor’s Report	3-5
Financial Statements:	
Statement of Financial Position	6
Statement of Activities and Changes in Net Assets.....	7
Statement of Functional Expenses.....	8
Statement of Cash Flows	9
Notes to Financial Statements	10-16
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	17-18
Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance required by Uniform Guidance	19-21
Supplemental Information:	
Schedule of Expenditures of Federal Awards.....	22-23
Schedule of Audit Results, Findings and Questioned Costs.....	24

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Open Communities

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Open Communities, which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expense, 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 Open Communities as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Open Communities and to meet 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 opinion.

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, which raise substantial doubt about Open Communities ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Open Communities' 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, which raise substantial doubt about Open Communities' ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

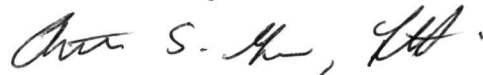
Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, located on pages 23-24 as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards 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 April 30, 2024 on our consideration of Open Communities' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Open Communities' 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 Open Communities' internal control over financial reporting and compliance.

Emphasis of Matters

As described in the notes to the financial statements, the Organization adopted the provisions of the new Lease Standard ASC-842. Our opinion is not modified with respect to this matter.



Northbrook, IL
April 30, 2024

OPEN COMMUNITIES
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023

ASSETS

Cash	\$	1,167,777
Grants Receivable		200,938
Prepaid Expenses		2,063
Property and equipment, net of \$33,838 in accumulated depreciation		23,032
Security Deposit		16,973
Right of Use Asset		<u>434,758</u>
Total Assets	\$	<u>1,845,541</u>

LIABILITIES AND NET ASSETS

Liabilities:

Accounts Payable	\$	19,242
Accrued payroll		26,147
Deferred Revenue		35,482
Sub-Lease Security Deposit		5,200
Right of Use - Lease Liability		<u>428,780</u>
Total Liabilities		<u>514,851</u>

Net Assets:

Net assets without restrictions	\$	726,697	
Net assets with board restrictions		<u>603,993</u>	
Net assets without donor restrictions			1,330,690
Net assets with donor restrictions			<u>-</u>
Total net assets			<u>1,330,690</u>
Total Liabilities and Net Assets	\$		<u>1,845,541</u>

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

OPEN COMMUNITIES

STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS

YEAR ENDED JUNE 30, 2023

SUPPORT AND REVENUE:

Support:

Grants/Contracts	\$	978,986
Individual, including Board, contributions		31,233
Corporate & Foundation contributions		73,184
Litigation settlement income		95,196

Total support \$ 1,178,599

Revenue:

Investment	\$	23,014
Event income, net of expenses		17,841

Total revenue \$ 40,855

Total support and revenue \$ 1,219,454

EXPENSES:

Program services	\$	1,004,924
Management and general		196,461
Fundraising		13,909

Total expenses \$ 1,215,294

Change in net assets \$ 4,160

Net assets - July 1, 2022 1,326,530

Net assets - June 30, 2023 \$ 1,330,690

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

OPEN COMMUNITIES
STATEMENT OF FUNCTIONAL EXPENSE
YEAR ENDED JUNE 30, 2023

	Total Programs	Mgmt & General	Fundraising	Organization Total
Staffing	\$ 745,976	\$ 55,198	\$ 10,365	\$ 811,539
Benefits	12,693	13,753	-	26,446
Capacity building	111,041	4,672	-	115,713
Conferences, meeting & training	16,949	5,492	166	22,607
Fundraising software	-	-	1,010	1,010
Insurance	1,642	4,224	-	5,866
Marketing	38,385	-	373	38,758
Office expense	35,293	30,619	1,893	67,805
Office rent	24,380	33,014	-	57,394
Professional fees	18,565	49,489	102	68,156
	<u>1,004,924</u>	<u>196,461</u>	<u>13,909</u>	<u>1,215,294</u>
Total	<u>\$ 1,004,924</u>	<u>\$ 196,461</u>	<u>\$ 13,909</u>	<u>\$ 1,215,294</u>

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

OPEN COMMUNITIES
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2023

INCREASE <DECREASE> IN CASH:

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$	4,160
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation		1,772
Change in accounts receivable		16,598
Change in prepaid expense and other current assets		551
Change in security deposits		(11,773)
Change in accounts payable		(3,233)
Change in accrued expense		(27,151)
Change in deferred revenue		35,482
Change in lease liability and right of use assets		<u>(5,978)</u>
Net Cash Provided by (Used in) Operating Activities		<u>10,428</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of furniture and equipment		<u>(24,804)</u>
Net Cash Provided by (Used in) Investing Activities		<u>(24,804)</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

		<u>-</u>
Net Cash Provided by (Used in) Financing Activities		<u>-</u>

NET INCREASE (DECREASE) IN CASH \$ (14,376)

CASH - BEGINNING OF THE YEAR 1,182,153

CASH - END OF THE YEAR 1,167,777

Supplemental disclosure of cash flow information:

Cash paid for interest \$ -

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

OPEN COMMUNITIES

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

HISTORY AND NATURE OF ORGANIZATION

Open Communities (the “Organization”, formerly Interfaith Housing Center of the Northern Suburbs), was incorporated in April 1977, as an Illinois nonprofit organization. The Organization’s mission is to promote just and inclusive communities in the north suburban communities of Chicago. The Organization seeks to eradicate housing discrimination, in all its forms and against all persons, because of race, color, national origin, religion, gender, gender identity, sex, sexual orientation, disability, familial status, or source of income. To further its goal of equal housing opportunities for all, the Organization engages in activities that encourage fair housing, counseling services, community education, and advocacy.

Fair Housing: The Organization enforces fair housing laws by investigation of fair housing complaints brought by individuals, by investigation of systemic discrimination used by entities, by monitoring for illegal advertising for housing, and evaluating current and proposed legislation. The Organization files administrative complaints with appropriate governmental bodies and works with attorneys to litigate cases when appropriate and works directly with housing providers to secure reasonable accommodations or modifications for disabled clients.

Housing Counseling: The Organization is a HUD-certified housing counseling agency that provides housing counseling to individuals to mediate landlord/tenant issues, provides foreclosure mitigation solutions, provides financial budgeting, assists with securing benefits, and provides financial counseling for first-time home buyers. The Organization also has a program that focuses on the needs of older adults seeking to age in place.

Education: The Organization conducts extensive outreach in its service area and participates in a number of events to create awareness and provide education about fair housing rights and responsibilities and also provides resources to hard-to-reach populations including those impacted by incarceration.

Advocacy: The Organization is involved in advocacy efforts to strengthen housing laws for people in protected classes as defined in federal, state and local fair housing laws.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting.

OPEN COMMUNITIES
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

Net assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

Net Assets Without Donor Restrictions – Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or have been met. The Organization’s governance may elect to restrict funds voluntarily for specified purposes.

Net Assets with Donor Restrictions – Assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Organization. Certain restrictions may be needed to be maintained in perpetuity.

Earnings related to restricted net assets will be included in net assets without donor restrictions unless otherwise specifically required to be included in donor-restricted net assets by the donor or by applicable state law. All net assets of the Organization at June 30, 2023, were considered to be net assets without donor restrictions.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Financial Statement Estimates

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

Income Taxes

The Organization is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor for specific purposes. Amounts that are designated for future periods or restricted by the donor for specific purposes are reported as restricted support.

OPEN COMMUNITIES

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Support, Revenue and Receivables

The Organization receives its grant and contract support from various Federal, State and Local agencies. Support received from those grants and contracts is recognized either on a pro-rata basis over a 12-month period, which represents the service period for most contracts, or to the extent of reimbursable expense for services provided. Revenue recognition depends on the contract. All grants received that are designated for future periods or restricted by the grantor for specific purposes are reported as donor restricted that increases those net asset classifications. When restricted net assets are reclassified to net assets without donor restrictions, those net assets are reported in the statement of activities as net assets released from restrictions.

Granting agencies at their discretion may require the Organization to pay back funds as a result of not meeting statistical service expectations and requirements, or, if the Organization engaged in activities that resulted in non-compliance with grants and contracts.

Receivables are stated at unpaid balances, less an allowance for doubtful accounts when applicable. The Organization provides for losses on receivables using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of donors and grantors to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible receivables when management determines the receivable will not be collected. As of June 30, 2023, receivables are considered by management to be fully collectible and accordingly, no allowance for doubtful accounts is determined to be necessary.

Long-Lived Assets

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the excess of the assets' carrying amount over the fair value of the asset. Fair value is based on market quotes, if available, or is based on valuation techniques. There were no impairment losses recognized during the year ended June 30, 2023.

Functional allocation of expenses

The costs of providing program and supporting services have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, costs have been allocated among the programs and supporting services in a direct functional method, when applicable, and on the basis of proportional use of the service provided.

OPEN COMMUNITIES

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated services

Donated services consist of donated goods and services, including fundraising goods and services and professional services. The Organization has requested providers of goods and services to submit documentation in support of their contributions. The value of donated services is reflected in the financial statements to the extent that the providers of the contributions submit proper support to quantify the donation's value or if no documentation is submitted, to the extent that the fair market value of the goods or services is readily available. The amounts reflected in the accompanying financial statements as donated services are offset by like amounts included in expenses.

PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost. Property and equipment is comprised of computers and other office equipment. There is no land, buildings, or improvements. The Organization generally capitalizes those assets in excess of \$2,500. Depreciation is calculated using the straight-line method, over periods of 3 to 5 years.

Property and equipment acquired by the Organization are considered to be owned by the Organization. However, grant-funding sources may maintain equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. Property and equipment at June 30, 2023, consists of the following:

Furniture and fixtures	\$ 29,996
Equipment	<u>26,874</u>
Total property and equipment at cost	56,870
Less: Accumulated depreciaton	<u>(33,838)</u>
Net property and equipment	<u>\$ 23,032</u>

ADOPTION OF NEW ACCOUNTING STANDARD – LEASES

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842), which supersedes lease requirements in ASC 840. ASC 842 is intended to improve financial reporting of leasing transactions by requiring organizations that lease assets to recognize assets and liabilities for the rights and obligations created by leases on the balance sheet, with a limited exception for short-term leases. Leases are classified as either finance or operating, the classification affecting the pattern of expense recognition in the statement of operations. The Organization implemented this guidance for the year ended June 30, 2023.

OPEN COMMUNITIES

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

FACILITY LEASE

The Organization entered into a lease dated September 16, 2022 for a suite of offices located on Ridge Avenue, in Evanston, Illinois. The lease term is for sixty-five (65) months commencing on November 1, 2022 and expiring on March 31, 2028, and provides for a rent abatement period for months 9-12 of the lease. The annual monthly base rate is for \$8,487 per month during the year ended June 30, 2023, and current terms include a lease escalation clause of 2.5% effective in November each year. The lease also includes one three-year renewal option, with an additional 2.5% annual escalation from the current lease expiration. Total operating costs were \$71,390 for the year ended June 30, 2023.

The Organization deposited \$16,973 as a security deposit upon execution of the lease.

The lease is now subject to the provisions of ASC 842, as described on the previous page, since the initial term is greater than 12 months. The “right of use” asset recognized on the Statement of Financial Position at June 30, 2023 was \$434,758 and the “right of use lease liability” recognized on the Statement of Financial Position at June 30, 2023 was \$428,780. The Organization applied the mid-term annual applicable federal rate as of June 30, 2023 to calculate the net present value of future lease payments pursuant to provisions of ASC 842.

FACILITY SUB-LEASE

On November 1, 2023, Open Communities entered into a sublease agreement with Farmworkers and Landscapers Advocacy Project (FLAP). The lease term is for sixty-five (65) months commencing on November 1, 2022 and expiring on March 31, 2028. The monthly base rate for the year ended June 30, 2023 was \$2,600 and the current lease terms include a lease escalation of 2.5% effective in November of each year. The Organization recognized \$19,686 of sublease income for the year ending June 30, 2023. The Organization holds a \$5,200 deposit which was received in November 2022 upon execution of the sub-lease.

ACCOUNTS, GRANTS AND CONTRACTS RECEIVABLE

The Organization monitors accounts receivable and writes off those receivables that are deemed uncollectible. As of June 30, 2023, the Organization determined that all receivables were collectable, and accordingly, no allowance for uncollectible accounts was established.

FAIR VALUE OF FINANCIAL INSTRUMENTS

Generally accepted accounting principles require disclosure of an estimate of fair value of certain financial instruments. The Organization's significant financial instruments are cash, accounts receivable, and other short-term assets and liabilities, as well as the capital lease obligation. For these financial instruments, carrying values approximate fair value.

OPEN COMMUNITIES

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

AVAILABILITY OF FINANCIAL ASSETS

At June 30, 2023, the Organization has \$764,722 available to meet needs for general expenditures consisting of cash of \$1,1672,777 and \$200,938 of accounts receivable, reduced by approximately \$603,993 of funds that have been restricted for specific use by the Board of Directors. None of the remaining financial assets are subject to donor or other contractual restrictions. Accordingly, all such funds are available to meet the cash needs of the Organization in the next 12 months. The Organization manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due. Cash needs of the Organization are expected to be met on a monthly basis from contract and program performance. In general, the Organization maintains sufficient financial assets on hand to meet 30 days' worth of normal operating expenses.

FANNIE MAE SETTLEMENT

Open Communities along with NHFA (National Fair Housing) and 18 other fair housing organizations sued Fannie Mae for its disparate treatment of foreclosed properties in communities of color versus those in predominately white communities. This resulted in a \$53,000,000 nationwide settlement, with \$1,031,627 settlement awarded to Open Communities. The settlement was broken down into three categories: 1.) Diversion of resources and expenses incurred; 2.) Damages resulting from the "frustration of mission" by the defendant that will go towards general Fair Housing organizational support; and 3.) Damages resulting from the "frustration of mission" by the defendant that will go towards community relief as defined the settlement and includes, among other options, programming, collaborations with community partners and assistance to individuals.

The breakdown of the settlement, pursuant to the settlement agreement, and how it was recognized by the organization is as follows:

- Diversion of resources and reimbursement for expenses: \$29, 484 (recognized in FY22 as unrestricted funds)
- Damages for "frustration of mission" to Open Communities: \$247,143 (recognized in FY22 as unrestricted funds)

OPEN COMMUNITIES

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

FANNIE MAE SETTLEMENT (continued)

- Frustration of Mission/Community Relief (\$755,000) allocated as follows:
 1. Administration fees of 20% allowed amounted to \$151,000 (Recognized in FY22 as unrestricted funds)
 2. The remainder of approximately \$604,000 is in a separate “Board Restricted” account at Wintrust Bank. The Organization believes this is important for record-keeping and reporting. It will be treated as pass through income to be distributed to the community in various ways, yet to be determined. This amount is reflected on the Statement of Financial Position as “Net Assets without Donor Restrictions – Net assets with board restrictions.”

AMOUNTS HELD IN TRUST

The Evanston Community Foundation holds funds on behalf of Open Communities pursuant to a trust agreement. The amount held at June 30, 2023, was \$77,099. The net increase in the trust balance was \$12,835 during the fiscal year ended June 30, 2023.

MANAGEMENT REVIEW OF SUBSEQUENT EVENTS

Events that occur after the balance sheet date but before the financial statements were issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events require disclosure in the accompanying notes for events after the year end date. The Organization has reviewed subsequent events through and including, April 30, 2024, which is the first date the financial statements were available for distribution.

Independent Auditor's Report

To the Board of Directors
Open Communities

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 Open Communities (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, 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 April 30, 2024.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Open Communities' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Open Communities' 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 material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

***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 (continued)***

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.



Northbrook, Illinois
April 30, 2024

Independent Auditor's Report

To the Board of Directors
Open Communities

Report on Compliance for Each Major Federal Program

We have audited Open Communities' 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 Open Communities major federal programs for the year ended June 30, 2023. Open Communities' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 am required to be independent of Open Communities. and to meet 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 Open Communities' 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 Open Communities federal programs.

***Independent Auditor's Report On Compliance for Each Major Program
And on Internal Control Over Compliance Required by the Uniform Guidance (continued)***

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 Open Communities 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 Open Communities' compliance with the requirements of each major federal program as a whole. In performing an audit in accordance with GAAS, *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 Open Communities compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Open Communities' 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 Open Communities 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.

***Independent Auditor's Report On Compliance for Each Major Program
And on Internal Control Over Compliance Required by the Uniform Guidance (continued)***

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.



Arthur S. Gunn, Ltd.
April 30, 2024

OPEN COMMUNITIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Grantor/Program Title	Pass-Through Grantor/ Contract Number	Assistance Listing Number (ALN)	Federal Expenditures
<u>US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Direct Award:			
Fair Housing Initiatives	FPE2I22017	14.408	\$ 158,640
Education and Outreach Initiatives	FEO1210064	14.416	\$ 106,276
Private Enforcement Initiatives	FEO1210012	14.418	\$ 326,612
Passed through Cook County Department of Planning and Development:			
Community Development Block Grant	2204-042	14.218	39,692
	Total Community Development Block Grant - 14.218		\$ 366,304
Passed through Housing Action Illinois:			
Housing Counselling Assistance Program	N/A	14.169	\$ 45,825
Housing Stability Counseling	N/A	99.U19	\$ 20,419
<u>US DEPARTMENT OF TREASURY</u>			
Passed through Illinois Housing and Development Authority:			
Emergency Rental Assistance 2	51917	21.023	\$ 69,606
Homeowner Assistance Fund	52064	21.027	\$ 142,362
Housing Stability Counseling	N/A	99.U19	\$ 21,450
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 930,882

The accompanying notes located on the next page, are an integral part of this schedule.

OPEN COMMUNITIES

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

YEAR ENDED JUNE 30, 2023

NOTES ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

Basis of Presentation:

This schedule includes the federal award activity of Open Communities under programs of the Federal Government for the year ended June 30, 2023. The information in this schedule is presented in accordance with Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the entity, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the entity.

Significant Accounting Policies for the Schedule of Expenditures of Federal Awards:

1. Expenditures reported on this schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
2. The Organization elected the 10% de-minimis indirect cost rate.
3. There were no other audits performed under the Uniform Guidance for the year ended June 30, 2023.
4. There were no subrecipients for this Organization during the year ended June 30, 2023.
5. There were no non-cash awards received during the year ended June 30, 2023.
6. There were no federal loan or loan guarantees at June 30, 2023.
7. There was no federal insurance in effect in the year ended June 30, 2023.
8. Programs tested as major programs: Private Enforcement Initiatives (ALN 14.418), and Emergency Rental Assistance ALN (ALN 21.023).

OPEN COMMUNITIES

SUMMARY OF AUDIT RESULTS, SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2023

1. The auditor's report expresses an unmodified opinion on the financial statements of Open Communities.
2. There are no findings relating to the audit of the federal awards as reported in the Independent Auditors' Report on Compliance and on Internal Control and Financial Reporting required by Government Auditing Standards.
3. There were no instances of noncompliance material to the Organization's financial statements disclosed for the current year under audit.
4. There are no findings and no questioned costs that are required to be reported under Uniform Guidance.
5. The Auditor's report on compliance for the major Federal award programs for the Organization expresses an unmodified opinion on the major Federal programs.
6. There are no findings relative to the major Federal award programs for the Organization reported on this Schedule.
7. The programs tested as a major programs: Private Enforcement Initiatives (ALN 14.418), and Emergency Rental Assistance ALN (ALN 21.023).
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. As the previous year was the first audit subject to the Uniform Guidance, the auditee was determined not to be a low risk auditee.

Findings and Questioned Costs – Financial statement audit

NONE

Findings and Questioned Costs – Federal Awards

NONE

Findings and Questioned Costs – Prior Year

NONE