EXHIBIT 21

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

PLAINTIFF'S EXHIBIT
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates
Phoenix, Arizona

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates, which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, functional revenues and expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

We did not audit the financial statements of Casa del Pueblo II dba: Casa del Pueblo II Apartments; Casa Mia Senior Apartments, Inc. dba: Casa Mia Apartments; Causa Community Development, Inc. dba: Guadalupe Barrio Nuevo; Gran Victoria Housing, LLC; Casa de Primavera Apartments, LLC dba: Casa de Primavera; Pueblo Senior Housing, Inc. dba: Casa del Pueblo; Santa Cruz Apartments, Inc. dba: Santa Cruz Apartments; Mountain Pointe Apartments, LP; dba Mountain Pointe Apartments, Bella Vista Properties I Limited Partnership; Ladera Village Limited Partnership and Villa Las Vegas Limited Partnership, wholly-owned subsidiaries, which statements reflect total assets of $37,418,567 as of June 30, 2022, and total revenues of $11,850,599 for the year then ended. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Casa del Pueblo II dba: Casa del Pueblo II Apartments; Casa Mia Senior Apartments, Inc. dba: Casa Mia Apartments; Causa Community Development, Inc. dba: Guadalupe Barrio Nuevo; Gran Victoria Housing, LLC; Casa de Primavera Apartments, LLC dba: Casa de Primavera; Pueblo Senior Housing, Inc. dba: Casa del Pueblo; Santa Cruz Apartments, Inc. dba: Santa Cruz Apartments; Mountain Pointe Apartments, LP; dba Mountain Pointe Apartments, Bella Vista Properties I Limited Partnership; Ladera Village Limited Partnership and Villa Las Vegas Limited Partnership, is based solely on the reports of the other auditors. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

The financial statements of Gran Victoria Housing, LLC, Santa Cruz Apartments, Inc. dba: Santa Cruz Apartments; Bella Vista Properties I Limited Partnership; Ladera Village Limited Partnership and Villa Las Vegas Limited Partnership were not audited in accordance with *Government Auditing Standards.*

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates as of June 30, 2022, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Board of Directors
Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Consolidated Financial Statements section of our report. We are required to be independent of Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates 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 opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated 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 Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 GAAS 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 consolidated financial statements.

In performing an audit in accordance with GAAS 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 Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' 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 Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2023, on our consideration of the Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' 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 result of that testing, and not to provide an opinion on the effectiveness of the Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' 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 Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Phoenix, Arizona
January 19, 2023

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022

ASSETS

CURRENT ASSETS	
Cash and Cash Equivalents	$ 193,109,158
Cash Designated for Lending	51,095,581
Cash Held for Loan Loss Reserve	55,939,242
Restricted Cash	128,755
Receivables:	
Grants and Contracts, Net	16,395,018
Interest Receivable	20,737,702
Other Receivables, Net	5,441
Notes Receivable, Current	5,479,550
Prepaid Expenses	538,672
Total Current Assets	343,429,119
LONG-TERM ASSETS	
Notes Receivable, Net	1,862,306,247
Real Estate Properties - Rental, Net	233,281,480
Property and Equipment, Net	45,002,217
Related Party Receivables, Net	1,354,961
Real Estate Held for Sale	19,203,509
Investments in Debt and Equity Securities	52,487,355
Investments in Affiliated Entities - Cost Method	15,531,247
Investments in Affiliated Entities - Equity Method	15,530,943
Deposits and Funded Reserves	5,056,874
Other Assets	1,494,225
Total Long-Term Assets	2,251,249,058
Total Assets	$ 2,594,678,177

See accompanying Notes to Consolidated Financial Statements.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
JUNE 30, 2022

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts Payable and Accrued Expenses	$ 23,225,455
Deferred Revenue, Current Portion	67,076,510
Mortgages Payable and Other Debt, Current	26,922,039
Other Liabilities	86,070,132
Total Current Liabilities	203,294,136
LONG-TERM LIABILITIES	
Lines of Credit	1,837,478,841
Deferred Revenue, Long-Term Portion	2,255,941
Mortgages Payable and Other Debt, Net	202,370,590
Total Long-Term Liabilities	2,042,105,372
Total Liabilities	2,245,399,508
NET ASSETS	
Without Donor Restrictions	343,133,288
With Donor Restrictions	6,145,381
Total Net Assets	349,278,669
Total Liabilities and Net Assets	$ 2,594,678,177

See accompanying Notes to Consolidated Financial Statements.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Contract Revenues:			
Grants and Contracts	$ 16,683,923	$ 4,927,288	$ 21,611,211
Cost Reimbursement	49,386,880	-	49,386,880
Fee for Service	40,697,698	-	40,697,698
Total Contract Revenues	106,768,501	4,927,288	111,695,789
Noncontract Revenues:			
Rental Income	25,536,280	-	25,536,280
Development Fees	942,132	-	942,132
Client Fees	6,159,237	-	6,159,237
Donations	18,239,205	-	18,239,205
Fundraising	991,281	-	991,281
Donated Materials and Services	1,268,607	-	1,268,607
Sales of Inventory	307,234	-	307,234
Other Revenues	2,813,651	-	2,813,651
Total Noncontract Revenues	56,257,627	-	56,257,627
Other Revenues:			
Investment Income (Loss)	(6,859,140)	-	(6,859,140)
Loan Fees	243,392,825		243,392,825
Interest Income	40,795,211	-	40,795,211
Total Other Revenues	277,328,896	-	277,328,896
Net Assets Released from Restrictions	4,626,260	(4,626,260)	-
Total Revenues	444,981,284	301,028	445,282,312
OPERATING EXPENSES			
Program Services	154,978,560	-	154,978,560
General and Administrative	42,309,038	-	42,309,038
Fundraising	2,436,129	-	2,436,129
Total Operating Expenses	199,723,727	-	199,723,727
NONOPERATING ACTIVITY			
Gain (Loss) on Sale of Assets	(167,746)	-	(167,746)
Impairment Loss on Real Estate	(147,889)	-	(147,889)
Net Nonoperating Activity	(315,635)	-	(315,635)
CHANGES IN NET ASSETS	244,941,922	301,028	245,242,950
Net Assets - Beginning of Year	98,191,366	5,844,353	104,035,719
NET ASSETS - END OF YEAR	$ 343,133,288	$ 6,145,381	$ 349,278,669

See accompanying Notes to Consolidated Financial Statements.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL REVENUES AND EXPENSES
YEAR ENDED JUNE 30, 2022

	CPLC Community Schools	Prestamos	Friendship	Behavioral Health	Health and Human Services	Single Family Housing and Counseling
SUPPORT AND REVENUES						
Contract Revenues:						
Grants and Contracts	$ 4,213,513	$ 1,051,559	$ -	$ 1,648,898	$ 4,315,031	$ 793,520
Cost Reimbursement	-	1,660,170	-	15,066	44,442,766	685,269
Fee for Service	-	1,343,492	-	9,074,000	3,776,391	1,095,731
Total Contract Revenues	4,213,513	4,055,221	-	10,737,964	52,534,188	2,574,520
Noncontract Revenues:						
Rental Income	-	-	-	2,183	1,585	-
Development Fees	-	-	-	-	-	-
Client Fees	-	7,560,611	-	13,515	1,803,664	9,739
Donation	142,182	851,327	-	55,661	5,478,483	18,692
Fund Raising	-	-	-	-	25,644	-
Donated Materials and Services	-	12,935	-	-	203,148	-
Sales of Inventory	-	-	-	-	-	(182,647)
Other Revenues	33,156	133,000	-	4,592	645	750
Total Noncontract Revenues	175,338	8,557,873	-	75,951	7,513,169	(153,466)
Other Revenues:						
Intercompany Dividend Income	-	-	-	-	-	-
Investment Income (Loss)	-	752,463	-	-	-	-
Loan Fees	-	243,392,825	-	-	-	-
Interest Income	-	40,680,010	-	-	81	-
Total Other Revenues	-	284,825,298	-	-	81	-
Total Support and Revenues	4,388,851	297,438,392	-	10,813,915	60,047,438	2,421,054

See accompanying Notes to Consolidated Financial Statements.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL REVENUES AND EXPENSES (CONT
YEAR ENDED JUNE 30, 2022

	La Causa	Economic Development	CPLC Nevada	Florence Crittenton	CPLC New Mexico, Inc.	CPLC Health Inc. (AZRA)
SUPPORT AND REVENUES						
Contract Revenues:						
Grants and Contracts	$ -	$ 2,084,287	$ 7,004,761	$ 346,858	$ -	$ 14,064
Cost Reimbursement	-	945,362	2,289,240	51,920	48,972	-
Fee for Service	6,863,919	-	201,106	979,947	3,659,034	146,660
Total Contract Revenues	6,863,919	-	9,495,107	1,378,725	3,708,006	160,724
Noncontract Revenues:						
Rental Income	-	29,890	800	800	-	-
Development Fees	80,765	962,436	-	-	-	-
Client Fees	-	-	25,120	4,449	130,000	-
Donation	-	-	12,575	578,495	-	5,000
Fund Raising	-	-	-	-	-	-
In-Kind	-	-	-	-	-	-
Sales of Inventory	-	-	-	-	-	-
Other Revenues	-	9,341	(12)	72,023	-	-
Total Noncontract Revenues	80,765	1,001,667	38,483	655,767	130,000	5,000
Other Revenues:						
Intercompany Dividend Income	-	-	-	-	-	-
Investment Income (Loss)	-	(33,931)	-	(290,771)	(20,629)	-
Loan Fees	-	-	-	-	-	-
Interest Income	3	-	-	-	33,778	-
Total Other Revenues	3	(33,931)	-	(290,771)	13,149	-
Total Support and Revenues	6,944,687	967,736	9,533,590	1,743,721	3,851,155	165,724

See accompanying Notes to Consolidated Financial Statements.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL REVENUES AND EXPENSES (CONT
YEAR ENDED JUNE 30, 2022

	Commercial Properties and Property Management	Single Family Residential	CPLC California	CPLC Texas	CPLC Action Fund PAC	CPLC Action Fund	
SUPPORT AND REVENUES							
Contract Revenues:							
Grants and Contracts	$ -	$ 490,693	$ -	$ 25,000	$ -	$ -	$
Cost Reimbursement	-	2,116,636	-	-	-	-	
Fee for Service	-	307,407	-	17,057,824	-	-	
Total Contract Revenues	-	2,914,736	-	17,082,824	-	-	
Noncontract Revenues:							
Rental Income	8,500,052	436,963	-	-	-	-	
Development Fees	-	-	-	-	-	-	
Client Fees	-	-	-	-	-	-	
Donation	-	2,216	-	27,350	31,000	6,030,706	
Fund Raising	-	-	-	-	-	-	
In-Kind	-	-	-	-	-	-	
Sales of Inventory	-	(91,000)	-	-	-	-	
Other Revenues	105,002	3,084	-	-	-	-	
Total Noncontract Revenues	8,605,054	351,263	-	27,350	31,000	6,030,706	
Other Revenues:							
Intercompany Dividend Income	-	-	-	-	-	-	
Investment Income (Loss)	-	32	-	-	-	-	
Loan Fees	-	-	-	-	-	-	
Interest Income	27	14,291	-	-	-	-	
Total Other Revenues	27	14,323	-	-	-	-	
Total Support and Revenues	8,605,081	3,280,322	-	17,110,174	31,000	6,030,706	

See accompanying Notes to Consolidated Financial Statements.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL REVENUES AND EXPENSES (CONT
YEAR ENDED JUNE 30, 2022

	CPLC Community Schools	Prestamos	Friendship	Behavioral Health	Health and Human Services	Single Family Housing and Counseling	Pı Relati Fund
OPERATING EXPENSES							
Salaries and Wages	$ 1,696,012	$ 2,950,687	$ -	$ 5,302,555	$ 26,191,011	$ 612,021	$ 1,
Payroll Taxes	107,401	252,707	-	428,063	2,434,900	53,911	
Fringe Benefits	220,621	230,035	-	609,121	4,150,862	108,911	
Contractor Expense	-	-	-	-	-	-	
Professional Fees	421,627	6,207,075	-	139,193	661,202	76,311	
Management Fees	-	3,708,823	-	-	33,600	-	
Staff Development	184,420	77,830	-	41,398	350,119	952	
Property Administration	-	-	-	-	-	-	
Travel	8,053	56,326	-	34,786	440,992	2,807	
Advertising and Marketing	9,162	46,777	-	10,584	619,131	2,956	
Administrative Costs	636,215	1,279,932	-	1,276,526	7,091,975	154,533	
Occupancy	423,570	119,647	-	575,224	890,860	83,600	
Insurance and Taxes	4,214	33,228	-	69,468	658,107	17,986	
Utility Expenses	63,826	13,084	-	78,857	706,406	5,138	
Repairs and Maintenance	-	18,597	-	185,233	1,249,437	5,680	
Office Expenses	19,269	74,023	-	46,562	611,995	3,388	
Furniture and Fixtures	-	29,063	-	4,494	194,169	-	
Technology and Communication	112,529	202,065	-	327,182	1,272,882	22,224	
Consumable Supplies	50,163	2,377	-	181,905	2,750,882	6,773	
Monetary Assistance	6,453	203,559,214	3,223	15,062	2,286,955	1,081,725	
Miscellaneous	45,255	172,769	-	4,908	354,142	1,893	
Program Construction	-	-	-	50,647	62,935	6,057	
Donated Materials and Services	-	12,935	-	-	200,039	-	
Depreciation	54,062	5,135	-	16,165	1,034,069	-	
Capital Outlay	-	-	-	-	(7,377)	-	
Interest Expense	-	14,978,482	-	-	(1,147)	11	
Bad Debt Expense (Recovery)	(10,934)	941,993	-	8	(13,230)	(35,763)	
Total Operating Expenses	4,051,918	234,972,804	3,223	9,397,941	54,224,916	2,211,114	2,
NONOPERATING ACTIVITY							
Gain/Loss on Sale of Assets, Net	-	-	-	-	-	(9,141)	
Impairment Loss on Real Estate	-	-	-	-	-	-	
Net Nonoperating Activity	-	-	-	-	-	(9,141)	
CHANGES IN NET ASSETS	$ 336,933	$ 62,465,588	$ (3,223)	$ 1,415,974	$ 5,822,522	$ 200,799	$

See accompanying Notes to Consolidated Financial Statements.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL REVENUES AND EXPENSES (CONT
YEAR ENDED JUNE 30, 2022

	La Causa	Economic Development	CPLC Nevada	Florence Crittenton	CPLC New Mexico, Inc.	CPLC Health Inc. (AZRA)	N
OPERATING EXPENSES							
Salaries and Wages	$ 1,365,442	$ 791,264	$ 3,904,259	$ 1,277,010	$ 511,032	$ 177,175	$
Payroll Taxes	134,826	63,168	383,517	257,747	42,150	16,960	
Fringe Benefits	140,607	78,727	400,472	149,619	41,973	14,687	
Contractor Expense	7,123,023	-	-	-	-	-	
Professional Fees	113,685	88,602	1,701,222	107,931	2,998,517	116,975	
Management Fees	-	-	-	-	-	-	
Staff Development	45,197	10,999	17,613	11,006	5,293	244	
Property Administration	-	-	-	-	-	-	
Travel	14,451	24,727	208,650	-	45,317	2,852	
Advertising and Marketing	1,764	155	28,054	8,820	9,692	4,000	
Administrative Costs	353,245	192,242	1,109,469	361,716	108,767	31,109	
Occupancy	44,223	33,464	115,379	-	49,213	8,169	
Insurance and Taxes	188,483	55,453	7,458	132,339	16,628	1,028	
Utility Expenses	475	16,956	29,201	71,892	15,848	-	
Repairs and Maintenance	16,265	91,741	40,448	97,277	12,151	50	
Office Expenses	22,751	3,075	153,246	10,341	9,216	754	
Furniture and Fixtures	1,074	-	8,518	-	-	-	
Technology and Communication	38,619	23,521	86,439	160,319	9,300	22,801	
Consumable Supplies	7,886	1,052	43,511	40,705	-	1,469	
Monetary Assistance	-	-	665,446	7,333	-	-	
Miscellaneous	96,167	278	97,286	23,185	18,181	971	
Program Construction	15,731	757,352	5,000	4,760	-	-	2,
Donated Materials and Services	-	-	-	-	-	-	
Depreciation	7,032	-	17,125	220,937	52,628	2,141	
Capital Outlay	-	-	623,908	-	-	-	
Interest Expense	89,053	75,509	-	10,396	87	-	
Bad Debt Expense (Recovery)	-	-	(11,676)	(79,418)	17,109	-	
Total Operating Expenses	9,819,999	2,308,285	9,634,545	2,873,915	3,963,102	401,385	2,
NONOPERATING ACTIVITY							
Gain/Loss on Sale of Assets, Net	(581,509)	-	-	108,335	1,501,305	-	
Impairment Loss on Real Estate	-	-	-	-	-	-	
Net Nonoperating Activity	(581,509)	-	-	108,335	1,501,305	-	
CHANGES IN NET ASSETS	$ (3,456,821)	$ (1,340,549)	$ (100,955)	$ (1,021,859)	$ 1,389,358	$ (235,661)	$ (1,

See accompanying Notes to Consolidated Financial Statements.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL REVENUES AND EXPENSES (CONT
YEAR ENDED JUNE 30, 2022

	Commercial Properties and Property Management	Single Family Residential	CPLC California	CPLC Texas	CPLC Action Fund PAC	CPLC Action Fund	Othe
OPERATING EXPENSES							
Salaries and Wages	$ 665,607	$ 564,827	$ 176,423	$ 7,351,338	$ -	$ 36,513	$ (3
Payroll Taxes	103,748	53,815	28,764	891,222	-	2,985	
Fringe Benefits	68,072	65,510	5,573	2,054,260	-	3,645	(
Contractor Expense	-	-	-	-	-	-	
Professional Fees	94,557	46,545	66	2,833,635	2,405	4,428,110	
Management Fees	425,641	145,561	-	-	-	-	
Staff Development	129	20,509	-	18,994	-	4,677	
Property Administration	69,164	(2)	-	-	-	-	
Travel	233	25,558	6,179	167,492	-	95	
Advertising and Marketing	14,864	1,621	10	908,410	-	1,667,332	
Administrative Costs	-	188,869	(6,224)	37,371	-	-	
Occupancy	-	6,075	-	34,578	-	1,010	
Insurance and Taxes	986,064	156,668	-	1,292,111	-	71	
Utility Expenses	826,432	80,092	-	-	-	-	
Repairs and Maintenance	1,253,097	97,709	-	14,088	-	-	8
Office Expenses	9,014	2,781	-	10,685	-	1,327	
Furniture and Fixtures	-	-	64	(95)	-	-	
Technology and Communication	46,184	31,831	38	222,716	-	778	1
Consumable Supplies	-	16,147	-	36,809	-	162	
Monetary Assistance	-	1,052,214	-	5,011,800	5,000	5,000	
Miscellaneous	3,136	1,385	-	1,024	6,336	356	
Program Construction	-	14,186	-	-	-	-	
Donated Materials and Services	-	-	-	-	-	-	
Depreciation	2,405,387	214,028	-	33,976	-	-	61
Capital Outlay	-	-	-	(1,749)	-	-	
Interest Expense	1,805,500	33,501	-	-	-	-	
Bad Debt Expense (Recovery)	27,587	-	-	15,011	-	-	
Total Operating Expenses	8,804,416	2,819,430	210,893	20,933,676	13,741	6,152,061	69
NONOPERATING ACTIVITY							
Gain/Loss on Sale of Assets, Net	(474,220)	-	-	(577,517)	-	-	
Impairment Loss on Real Estate	-	(147,889)	-	-	-	-	
Net Nonoperating Activity	(474,220)	(147,889)	-	(577,517)	-	-	
CHANGES IN NET ASSETS	$ (673,555)	$ 313,003	$ (210,893)	$ (4,401,019)	$ 17,259	$ (121,355)	$ 14,94

See accompanying Notes to Consolidated Financial Statements.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Changes in Net Assets	$ 245,242,950
Adjustment to Reconcile Changes in Net Assets to Net Cash Used by Operating Activities:	
Depreciation	8,700,004
Realized/Unrealized Loss on Investments	8,358,012
Change in Allowance for Doubtful Accounts and Provision for Loan Loss	1,448,837
Gain on Sale of Assets, Net	(338,694)
Impairment Loss on Real Estate	147,889
Amortization of Loan Issuance Costs	109,636
Forgivable Loan Principal Reduction	(51,702)
Excess of Assets Acquired Over Liabilities Assumed of Florence Crittenton	(14,417,197)
(Increase) Decrease in Assets:	
Grants and Contracts, Net	31,739,306
Interest Receivable	(12,010,265)
Other Receivables, Net	815
Prepaid Expenses	1,182,671
Related Party Receivables, Net	(208,053)
(Increase) Decrease in Liabilities:	
Accounts Payable and Accrued Expenses	3,704,356
Deferred Revenue	(242,193,996)
Other Liabilities	(169,300,308)
Net Cash Used by Operating Activities	(137,885,739)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of Real Estate and Property and Equipment	(33,908,350)
Purchases of Investments	(87,742,606)
Proceeds from Sales of Investments	7,165,253
Purchases of Real Estate Held for Sale	(5,189,945)
Proceeds from Sales of Real Estate	3,496,917
Change in Deposits and Funded Reserves	(874,849)
Payments Received from Notes Receivable	5,000,150,840
Issuances of Notes Receivable	(163,926,815)
Cash Balance From the Acquistion of Florence Crittenton	968,796
Change in Other Assets	(222,858)
Net Cash Provided by Investing Activities	4,719,916,383
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from Mortgages and Other Debt Borrowings	1,759,141
Payments on Mortgages and Other Debt	(18,603,299)
Debt Issuance Costs	(462,000)
Proceeds from Lines of Credit	(5,320,042,144)
Net Cash Used by Financing Activities	(5,337,348,302)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(755,317,658)
Cash, Cash Equivalents and Restricted Cash - Beginning of Year	1,055,590,394
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	$ 300,272,736

See accompanying Notes to Consolidated Financial Statements.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2022

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest	$	19,623,781
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Non Cash Proceeds from Sale of Property	$	1,600,000
Purchase of Property Through Debt Issuance	$	101,410,000
Cash, Cash Equivalents and Restricted Cash Consist of the Following:		
Cash and Cash Equivalents	$	193,109,158
Cash Designated for Lending		51,095,581
Cash Held for Loan Programs		55,939,242
Restricted Cash		128,755
Total Cash, Cash Equivalents and Restricted Cash	$	300,272,736

See accompanying Notes to Consolidated Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Chicanos Por La Causa, Inc. (CPLC or the Organization) is an Arizona statewide community development corporation (CDC) with operations in California, Nevada, New Mexico and Texas, committed to building stronger, healthier communities as a lead advocate, coalition builder, and direct service provider. CPLC promotes positive change and self-sufficiency to enhance the quality of life for the benefit of those they serve. The objective of CPLC and its subsidiaries and affiliates (collectively referred to as CPLC or Organization) is the accumulation of a sufficient capital asset base to continually advance the mandate for self-sufficiency, as stated in Title VII of the Community Services Act of 1974 (Title VII). CPLC receives substantially all of its revenue from government contracts and rental income from its real estate properties.

Principles of Consolidation

On October 1, 2021 the board of directors of Florence Crittenton amended its bylaws and CPLC became its sole member completing the acquisition of Florence Crittenton.

The accompanying consolidated financial statements include the financial statements of CPLC and its subsidiaries, Futuro Investments Corp. (FIC); Tiempo, Inc. (Tiempo); La Causa Realty, LLC (LCR); Futuro Camion Services, LLC; Liberty-Irvington, LLC; Friendship Community Mental Health Center (FCMHC); Prestamos CDFI, LLC (PC); La Causa Construction (LCC); Casa Loma Affordable Apartments, LLC (CL); Glenrosa Affordable Apartments, LLC (GA or La Buena Vida); Hazelwood Affordable Apartments, LLC (HA or Starlight); Bella Vista Management, LLC and Bella Vista Properties I Limited Partnership; Villa Las Vegas Limited Partnership; Ladera Village Limited Partnership; Mountain Pointe Apartments LIHTC, LLC; Mountain Pointe Apartments, LP; CPLC Donation Partners, LLC (DP); CPLC Housing Partners, LLC; Casa de Primavera Apartments, LLC (COP); Gran Victoria Housing, LLC (GV); CPLC Estancia, LLC; CPLC Housing & Health, LLC; Central and Grant Plaza, LLC; CPLC Fountain Villas, LLC; Chicanos Por La Causa Land Bank, LLC; CPLC Holding and Asset Management Company, LLC; CPLC Land Bank Manager, LLC; Futuro Equity Fund, LLC; CPLC NM Community Stabilization Partners, LLC (CS); CPLC Pickle House, LLC; 59TH Avenue and Roosevelt, LLC; Nuevas Vistas on Main, LLC (Mesa Royal); CPLC 1551 W. Van Buren, LLC; Vista Village on Van Buren, LLC (Travel Inn); La Causa Development Nevada, LLC; La Causa Realty Nevada, LLC; CPLC Main and Country, LLC; Main and Country Club, LLC; CPLC Prestamos, Mesa Royale East Motel, LLC; CPLC Southwest Charter Schools, LLC; CPLC Broadway Revitalization, LLC; CPLC Mesa 5th Place LLC; CPLC Nevada Property Holdings, LLC; CPLC 1401 S. Central, LLC; CPLC Freemont Apartments, LLC; CPLC Property Holdings, LLC; CPLC Resource Navigation, LLC; CPLC 1202 Central, LLC; Mesa Royale West, LLC; 2728 CPLC Apartments, LLC; CPLC Texas Affordable Housing, LLC; CPLC Oak Park, LLC; CPLC Hummingbird, LLC; CPLC Cactus Wren, LLC; CPLC Magnolia, LLC; CPLC PM Redevelopment, LLC; and CPLC 1380 US HWY 395, LLC.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Principles of Consolidation (Continued)

Also included in the accompanying consolidated financial statements are the assets, liabilities, and net assets of thirteen affiliates which are under common control, and in which CPLC possess an economic interest. These include CPLC Community Schools (CCS); Santa Cruz Apartments, Inc. (SC); Causa Community Development, Inc. (CCD); Pueblo Senior Housing, Inc. (PSH); Casa Del Pueblo II, Inc. (PSH II); Casa Mia Senior Apartments, Inc. (CM); CPLC New Mexico, Inc.; CPLC Nevada, Inc. (CPLC Nevada); CPLC Action Fund; CPLC Health, Inc.; CPLC Texas Inc. Chicanos Por La Causa California Inc.; CPLC Action Fund PAC; and Florence Crittenton. SC owns the Santa Cruz apartment complex; CCD owns the Guadalupe Barrio Nuevo apartment complex; and PSH owns the Casa Del Pueblo apartment complex. All significant inter-organization transactions and accounts have been eliminated in consolidation.

The consolidated financial statements of Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the consolidated financial statements to the reader.

Basis of Presentation

The accompanying consolidated financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to nonprofit organizations. The Organization's consolidated financial statements are prepared to focus on the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets (Continued)

We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less to be cash and cash equivalents. Deposits at each institution are insured in limited amounts by the Federal Deposit Insurance Corporation (FDIC). Restricted cash consists of funds held for the Classroom Site Fund, for use solely at school sites. These funds are available for teacher compensation increases, employment related expenses and maintenance and operations purposes including classroom size reduction.

Cash Designated for Lending and Cash Held for Loan Loss Reserves

CPLC receives loans and grant funds from various sources to be used for loans to new or existing small businesses or as cash reserves for loan losses. These loans are included in mortgages payable and lines of credit in the accompanying consolidated statement of financial position. The funds are maintained in separate bank accounts. As of June 30, 2022, CPLC had $51,095,581 in these accounts as cash designated for lending that are to be used to fund additional loans and $55,939,242 as cash held for loan loss reserves.

Grants and Contracts Receivable

Grants and contracts receivable consist primarily of amounts due from state and federal agencies for the provision of services; accordingly, credit risk is limited. Receivables are stated at the amount management expects to collect. Management provides for probable uncollectible amounts through a decrease to earnings and an increase to the allowance for uncollectible accounts based on its assessment of the current status of individual receivables. The allowance for uncollectible receivables was $678,171 as of June 30, 2022.

CPLC recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give that is, those with a measurable performance or other barrier and a right of return are not recognized until the conditions on which they depend have been met. Federal and state contracts and grants are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Consequently, as of June 30, 2022, conditional contributions approximating $20,203,547, of which no amounts had been received in advance, have not been recognized in the accompanying consolidated financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Notes Receivable

Notes receivable consists of loans made to small businesses. They are reported at their outstanding unpaid principal balance adjusted for the notes allowance for notes receivable credit losses.

Interest income is accrued on the unpaid principal balance. The accrual of interest on loans is discontinued at the time the loan is 90 days delinquent unless the credit is well secured and in process of collection. Past due status is based on contractual terms of the loan. Loans are placed on nonaccrual or charged-off at an earlier date if collection of principal or interest is considered doubtful. All interest accrued but not collected for loans that are placed on nonaccrual or charged-off is reversed against interest income. The interest on these loans is accounted for on the cash-basis or cost-recovery method, until qualifying for return to accrual. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured.

The Organization has determined that the accounting for nonrefundable fees and costs associated with originating or acquiring loans, except for those associated with PPP loans, does not have a material effect on its consolidated financial statements. As such, these fees and costs have been recognized during the period they are collected and incurred, respectively. Starting in May 2020, the Organization began participating in the Paycheck Protection Program. Loan origination fees associated with PPP loans are deferred and amortized through the earlier of SBA forgiveness obtained or through the term of the loan.

Allowance for Notes Receivable Credit Losses

The allowance for notes receivable credit losses is established as losses are estimated to have occurred through a provision for loan losses charged to earnings. Loan losses are charged against the allowance when management believes the uncollectibility of a loan balance is confirmed. Subsequent recoveries, if any, are credited to the allowance.

The allowance for notes receivable credit losses is evaluated on a regular basis by management and is based upon management's periodic review of the collectability of the loans in light of historical experience, the nature and volume of the loan portfolio, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral and prevailing economic conditions. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available.

The allowance consists of allocated and general components. The allocated component relates to loans that are classified as impaired. For those loans that are classified as impaired, an allowance is established when the discounted cash flows (or collateral value or observable market price) of the impaired loan is lower than the carrying value of that loan. The general component covers nonimpaired loans and is based on historical loss rates for each portfolio segment, adjusted for the effects of qualitative or environmental factors that are likely to cause estimated credit losses as of the evaluation date to differ from the portfolio segment's historical loss experience.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for Notes Receivable Credit Losses (Continued)

Qualitative factors include consideration of the following: changes in lending policies and procedures; changes in economic conditions; changes in the nature and volume of the portfolio; changes in the experience, ability and depth of lending management and other relevant staff; changes in the volume and severity of past due, nonaccrual and other adversely graded loans; changes in the loan review system; changes in the value of the underlying collateral for collateral-dependent loans; and concentrations of credit and the effect of other external factors such as competition and legal and regulatory requirements.

Investments in Limited Liability Companies

The Organization is the sole member of seven limited liability companies (LLCs): Casa De Encanto Operating Company, LLC; Casa De Flores Operating Company, LLC; Guadalupe Huerta Operating Company, LLC; Rosa Linda Operating Company, LLC; Mountain Pointe Apartments LIHTC Phase II, LLC and Highland Manager, LLC and 25th and Bell, LLC. These LLCs have virtually no assets or liabilities as of June 30, 2022. These LLCs manage the general partnership interest for Casa De Encanto Senior Apartments LIHTC, LP; Casa De Flores Senior Apartments LIHTC, LP; Guadalupe Huerta Senior Apartments LIHTC, LP; Rosa Linda Senior Apartments LIHTC, LP; Mountain Pointe Apartments Phase II, LP and Highland at Vista, LLC, 25th and Bell LIHTC, LLC, and Dayton GMC LIHTC, LLC. The LLCs have 0.01% general partner interest in each of the Partnerships, and have minimal assets, liabilities, revenue, and expenses.

In October 2017, the Organization invested $412,871 into Courtyard at Encanto, LLC, which is the owner of a 160-unit multifamily apartments. The investment represented 15% ownership of the LLC.

Investments in Affiliated Entities

The equity method of accounting is used when the Organization has 20% to 50% interest in other entities. Under the equity method, original investments are recorded at cost and adjusted for the Organization's share of undistributed earnings or losses of these entities. Nonmarketable investments in which the Organization has less than a 20% interest and in which it does not have the ability to exercise significant influence over the investee are initially recorded at cost, and periodically reviewed for impairment.

Investments in Debt and Equity Securities

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the consolidated statement of financial position. Net investment return/(loss) is reported in the consolidated statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less investment management and custodial fees.

Real Estate Held for Sale

Real estate held for sale is stated at lower of cost or market and includes foreclosed properties, land under development, developed lots, direct and indirect costs of housing construction and interest, and overhead costs incurred during the development period. Cost is determined by the specific identification method.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Real Estate Properties and Property and Equipment

The Organization records real estate properties and property and equipment additions over $5,000 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from five to forty years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful lives of the assets or the lease terms. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the consolidated statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Organization reviews the carrying values of real estate property and property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. During the year ended June 30, 2022, the Organization recognized an impairment loss of $147,889.

Deposits and Funded Reserves

Deposits and funded reserves are assets whose use is limited and are held by trustees under third-party debt agreements. Deposits consist of escrow and security deposits, and reserves are required for property replacements and repairs.

Debt Issuance Costs

Debt issuance costs are amortized over the period the related obligation is outstanding using the straight-line method, which approximates the effective interest method. Debt issuance costs are included within long-term debt on the consolidated statement of financial position. Amortization of debt issuance costs is included in interest expense.

Deferred Revenue

Each month, the Organization receives block payment funding for behavioral health services from the Regional Behavioral Health Authority (RBHA) in Maricopa County. These funds are considered earned if total service claims generated equal or exceed the block payments. If service claims are insufficient, the RBHA has the contractual right to recoup the fund or characterize the deficiency as deferred revenue with an authorization to use the funding in the next fiscal year. For the year ended June 30, 2022, the Organization has a service claim deficiency balance of $1,671,653.

During FY2022, Prestamos CDFI received a $4.7 million Small Business Resilience Program contract. As a part of the program, Prestamos received funds from Maricopa County to buy down interest rates for qualified small business loans. As of June 30, 2022, $609,840 interest buy down feed were received, $43,035 was recognized as revenue and $566,805 was recorded as deferred revenue.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Revenue

Prestamos CDFI, LLC participated in Paycheck Protection Program (PPP) lending, which is based on the Coronavirus Aid Relief and Economic Security Act (the CARES Act) in the last quarter of fiscal year 2020, and the third quarter of fiscal year 2021. For each approved PPP loan, the Small Business Administration (SBA) provided a percentage of the loan principal balance as a loan processing fee to the Organization. The fee is amortized through the term of each PPP loan. As of June 30, 2022, the Organization received $314,584,446 from SBA, $243,392,825 was recognized as loan fee revenue and $37,046,079 was recorded as deferred revenue. As of June 30, 2021, the Organization received $314,260,827 from SBA, $5,086,196 was recognized as loan fee revenue and $309,174,631 was recorded as deferred revenue.

Fee for Service – Patient Services

Patient service revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government payors), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Organization bills the patients and third-party after the services are performed. Revenue is recognized as the performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Organization believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation.

Generally, performance obligations satisfied over time relate to patients receiving services in our behavioral health and medical/therapy programs, which includes a majority of the Organization's charges for services revenue.

The Organization determines the transaction price based on standard charges for services provided, reduced by contractual adjustments provided to third-party payors or the established rates of the government entities. The Organization determines its estimates of contractual adjustments and discounts based on contractual agreements, and historical experience. The Organization determines its estimate of implicit price concessions based on its historical collection experience with patients.

Agreements with third-party payors provide for payments that may differ from established rates. A summary of the payment arrangements with major third-party payors follows:

Medicaid: Reimbursements for Medicaid services are generally paid at prospectively determined rates, per occasion of service, or per covered member.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fee for Service – Patient Services (Continued)

Other: Payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations provide for payment using prospectively determined rates and discounts from established charges.

Laws and regulations concerning government programs, including Medicaid, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various health care companies have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in companies entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge the Organization's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the Organization. In addition, the contracts the Organization has with commercial payors also provide for retroactive audit and review of claims.

Settlements with third-party payors for retroactive revenue adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient services. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Organization's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved.

Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations.

Generally patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Organization estimates the transaction price for patients with deductibles and coinsurance based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of the change. Additional revenue recognized due to changes in its estimates of implicit price concessions, discounts, and contractual adjustments were not considered material for the year ended June 30, 2022. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as bad debt expense.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fee for Service – Patient Services (Continued)

The Organization has determined that the nature, amount, timing and uncertainty of revenue and cash flows are affected by the following factors:

- Payors (for example, Medicaid, managed care or other insurance, patient) have different reimbursement/payment methodologies
- Length of the patient's service of care
- Method of reimbursement (fee for service or capitation)
- Organization's line of business that provided the service

Management Fee Revenue

Management fee revenue consists primarily of New Market Tax Credit Community Development Entity (CDE) Sponsor Fees and CDE Asset Management Fees earned from the Sub-CDEs. In July 2020, Prestamos CDFI, LLC was awarded an additional $55,000,000 New Market Tax Credit allocation from the United States Department of Treasury. CDE Sponsor Fees are recognized when an investor makes a qualified equity investment in a Sub-CDE or is otherwise earned in accordance with the terms of the individual CDE Fee Agreement. CDE Asset Management Fees are recognized as services are performed and collectibility is reasonably assured. The Organization recognized $3,775,636 in CDE Asset Management Fees for the year ended June 30, 2022.

Rental Income Revenue Recognition

Rental income revenue consists primarily of rental receipts from tenants and Section 8 housing subsidy payments and/or mortgage guarantees under CPLC's contracts with the U.S. Department of Housing and Urban Development (HUD). Revenue is recognized monthly in accordance with the lease agreement or contract. As of June 30, 2022, amounts due from tenants and/or HUD are included within grants and contracts receivables.

These receivables are evaluated by management on an annual basis accordingly, an allowance for doubtful accounts was setup. As of June 30, 2022, the allowance for doubtful accounts balance was $73,628.

Donated Materials and Services

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the consolidated financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by U.S. GAAP. Contributed goods are recorded at fair value at the date of donation. The Organization received $216,083 in supplies to support its health and human services program. The Organization records donated professional services at the respective fair values of the services received. The Organization received airtime and production costs valued at $1,052,524 for the year ended June 30, 2022. The revenues and expenses for these contributions are recorded in management and general in the consolidated statement of functional revenue and expenses. The Organization estimates the fair value of donated materials and services on the basis of estimates of the purchasing of similar assets and services in the Organization's market.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising and Marketing Costs

Advertising and marketing costs are charged to operations when incurred. Advertising and marketing costs charged to operations were $5,004,561 for the year ended June 30, 2022.

Benefits

The Organization has a partially self-insured health benefit program covering medical and prescription claims. The plan includes a stop-loss provision that ensures claims exceeding $175,000. The Plan offers health benefits to regular, full-time employees working 30 or more hours per week and their beneficiaries and covered dependents once a 90-day waiting period is met. The cost of health care services is recognized as a deduction in the period in which it is provided to participants. Liabilities for health claims incurred but not reported are estimated based on historical claims and industry trends.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statement of activities. The consolidating statement of functional revenues and expenses presents the natural classification detail of revenues and expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The allocation methods used are subject to a degree of estimation by management. Directly identifiable expenses are charged to program and supporting services. Salary and related expenses related to more than one function are charged to program and supporting services on the basis of direct time and effort reporting. Management and general expenses include those expenses that are not directly identifiable to any other specific function but provide for the overall support and direction of the Organization.

Use of Estimates in the Preparation of Consolidated Financial Statements

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make a number of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

CPLC, SC, CCD, PSH, PSH II, CPLC SW, CM, CPLC New Mexico, CCS, CPLC Nevada, CPLC Health Inc. CPLC Texas Inc. and CPLC Action Fund, CPLC California, Inc. and CPLC Action Fund PAC are organized as nonprofit corporations and have been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) as organizations described in Section 501(c)(3) and Section 501(c)(4) and have been determined not to be private foundations. Accordingly, contributions to them qualify for the charitable contribution deduction under Section 170(b)(1)(A). Each entity is annually required to file a Return of Organization Exempt from Income Tax with the IRS.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

GV, CPLC Nevada, PC, SM, CL, GA, HA, COP, DP, Chicanos por la Causa Land Bank, LLC; CPLC Holding and Asset Management Company, LLC; CPLC Land Bank Manager, LLC; CPLC Housing & Health, LLC; CPLC Villas, LLC, San Marina Apartments, LLC; 59TH Avenue and Roosevelt, LLC; Nuevas Vistas on Main, LLC (Mesa Royal); CPLC 1551 W. Van Buren, LLC; Vista Village on Van Buren, LLC; CPLC Southwest Charter Schools, LLC, CPLC Broadway Revitalization, LLC and CPLC Mesa 5th Place, LLC, CPLC 1401 S. Central LLC, CPLC Property Holdings LLC, CPLC 1202 Central LLC and Mesa Royale West, LLC are organized as Limited Liability companies whose sole member is CPLC. CPLC Estancia and CPLC Fountain Villas are organized as a Limited Liability whose sole member is CPLC Housing & Health, LLC. Futuro Equity Fund is organized as an LLC whose sole member is PC. For income tax purposes, they are disregarded entities and are treated as departments of CPLC. Bella Vista Properties I LP is organized as a limited partnership whose sole partner is CS. For income tax purposes, it is a disregarded entity and treated as a department of CS. Villa Las Vegas, NM; Bella Vista Management, LLC; Ladera Village, LLC, and CS are organized as Limited Liability Companies whose sole member is CPLC New Mexico, Inc. CPLC Nevada Property Holdings LLC, CPLC Freemont Apartments, LLC and 2728 CPLC Apartments, LLC, are organized as Limited Liability companies whose sole member is CPLC Nevada, Inc. CPLC Resource Navigation, LLC, CPLC Texas Affordable Housing LLC, CPLC Oak Park, LLC, CPLC Hummingbird, LLC and CPLC Magnolia, LLC are organized as Limited Liability companies whose sole member is CPLC Texas, Inc. Accordingly, the disregarded LLCs are exempt from income taxes under the applicable sections of the IRC and the Arizona Revised Statutes. In addition, the entities are generally subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. CPLC and affiliates have determined it does not have any taxable unrelated business income and they have not filed Exempt Organization Business Income Tax Returns.

FIC, a for-profit company, files a consolidated income tax return with its subsidiaries, Tiempo, Futuro Camion Servicios, LLC; LCC; LCD; LCD Nevada; LCR; LCR NV; Liberty-Irvington, LLC; Central and Grant Plaza, LLC; CPLC Main and Country Club, LLC; Main and Country Club, LLC Mesa Royale East Motel, LLC, are organized as Limited Liability Companies whose sole member is FIC. For income tax purposes, they are disregarded entities and are treated as departments of FIC. Friendship Community Mental Health Center, Inc.; and CPLC Prestamos are each separately taxable corporations and are responsible for filing their own income tax returns.

The Organizations have sustained operating losses in previous and current years from its for-profit subsidiaries and have loss carryforwards aggregating approximately $1.7 million dollars. Net operating losses ($1.7 million) expire in years through 2040. The loss carryforwards generate a deferred tax asset that may be realized in future years. It is the opinion of management that it is more likely than not that some portion or all of the deferred tax asset will not be realized. The Organization has elected to record a valuation allowance to reduce any deferred tax assets to zero as of June 30, 2022.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

The Organization believes that it has appropriate support for any income tax positions taken and, as such, does not have any uncertain tax positions that are material to the consolidated financial statements. The entities would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Change in Accounting Principle

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This standard requires that contributed nonfinancial assets are reported on a separate line item in the statements of activities, apart from contributions of cash and other financial assets. It also requires disclosure of disaggregated amounts of contributed nonfinancial assets by category that depicts the type of contributed nonfinancial assets along with additional qualitative information about the monetization of such assets, donor restrictions and valuation techniques. The adoption of this standard did not have a significant impact on the accompanying consolidated financial statements or disclosures.

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date, comprise the following:

Cash and Cash Equivalents	$ 193,109,158
Receivables	37,138,161
Investments in Debt and Equity Securities	52,487,355
Less: Net Assets With Donor Restrictions, Net of Restricted Cash	(6,016,626)
Total	$ 276,718,048

In addition to cash on hand, the Organization has a $6.0 million operating line of credit with Wells Fargo bank which is available for general operating expenditures. As of June 30, 2022, the line of credit had an outstanding balance of $-0-.

As part of the Organization's liquidity management plan, the Organization invests cash in excess of daily requirements in short-term investments, CDs, and money market funds.

NOTE 3 FAIR VALUE MEASUREMENTS AND DISCLOSURES

Fair value measurement applies to reported balances that are required or permitted to be measured at fair value under an existing accounting standard. The Organization emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy.
The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities may include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability.

The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk or liquidity profile of the asset or liability.

NOTE 3 FAIR VALUE MEASUREMENTS AND DISCLOSURES (CONTINUED)

The following table summarizes the valuation of CPLC's assets and liabilities subject to measurements at fair value on a recurring basis as of June 30, 2022:

	Level 1	Level 2	Level 3	Total
Fixed Income Securities	$ 114,712	$ -	$ -	$ 114,712
Government and Agency Securities	8,459,930	-	-	8,459,930
Corporate Bonds	-	5,325,005	-	5,325,005
Equities - Common Stock	31,006,123	-	-	31,006,123
Mutual Funds	6,785,199	-	-	6,785,199
Assets Held in Trust	-	-	778,641	778,641
Arizona Community Foundation	-	-	17,745	17,745
Total Investments at Fair Value	$ 46,365,964	$ 5,325,005	$ 796,386	$ 52,487,355

The following table presents the fair value hierarchy for the balances of financial assets measured at fair value on a nonrecurring basis as of June 30, 2022:

	Level 1	Level 2	Level 3	Total
Real Estate Held for Sale	$ -	$ -	$ 511,900	$ 511,900
Impaired Loans	-	-	132,285	132,285
Total Assets at Fair Value	$ -	$ -	$ 644,185	$ 644,185

The fair value of impaired loans is estimated based on either the loan's obtainable market price of the fair value of the collateral if the loan is collateral dependent or the discounted cash flows of future payments. Each method contains significant unobservable inputs and thus is classified as Level 3 fair value measurement.

A portion of the real estate held for sale is based on what the local markets are currently offering for assets with similar characteristics, less costs to sell, which CPLC classifies as Level 3 fair value measurement. The most common approach is through appraisals which are evaluated for various factors including age of the appraisal, age of comparables included in the appraisal, and known changes in the market and in the collateral.

Purchases, sales, transfers in and transfers out of Level 3 assets consist of the following for the years ended June 30, 2022:

	Arizona Community Foundation	Assets Held in Trust
Purchases	$ -	$ -
Sales	-	-
Transfers In	-	-

NOTE 4 RELATED PARTY ACCOUNTS RECEIVABLE

Related party receivables consist of amounts due from low-income housing real estate projects that CPLC has invested in or nonprofit organizations which CPLC holds membership in. These receivables primarily result from development fees earned at the inception of these projects and funds advanced to the projects. Related party receivables are stated at the amount management expects to collect and management provides an allowance for uncollectible accounts. The allowance for uncollectible related party receivables was $79,081 as of June 30, 2022.

Amounts due from related parties consist of the following:

Casa de Encanto	$	15,894
Casa de Flores		8,433
Rosa Linda/Gene Rice		687,557
Guadalupe Huerta		9,105
Mountain Pointe Phase II		433,315
Courtyard at Encanto		8,674
Highland at Vista LIHTC LLC		150,228
Dayton GMC LIHTC LLC		120,836
Total Related Party Accounts Receivable		1,434,042
Less: Allowance		(79,081)
Related Party Accounts Receivable, Net	$	1,354,961

The above accounts receivable are unsecured and have no repayment terms.

NOTE 5 REAL ESTATE PROPERTIES

Santa Cruz Apartments, organized by SC, has 132 units and is not a HUD property. Vue Nineteen 01 Apartments (289 units) and Grandes Cortez Apartments (151 units), organized under Gran Victoria LLC, are market rate properties. Casa de Primavera (COP) and Casa Del Pueblo II (CDP II), projects of CPLC, operate apartment complexes of 162 and 38 units, respectively, under Section 202 of The National Housing Act of 1959. Casa Del Pueblo, organized by PSH, has 58 units and is operated under Section 811 of National Housing Act as amended. Guadalupe Barrio Nuevo Apartments, organized by CCD, has 60 units and is operated under Section 207 of the National Housing Act of 1959 and are HUD properties. Casa Mia Senior Apartments has 64 units and is operated under Section 202 of the National Affordable Housing Act, as amended.

The projects are regulated by HUD as to rent charges and operating methods and require maintaining various deposits and reserves in restricted cash accounts. These items are included in deposits and funded reserves in the accompanying consolidated statement of financial position. COP, CDP II, CCD, PSH and Casa Mia have executed rental assistance contracts with HUD whereby HUD provides financial assistance to enable certain private housing to be available to individuals who are elderly, handicapped or low income.

NOTE 5 REAL ESTATE PROPERTIES (CONTINUED)

During fiscal year 2015, the limited partner of one low-income tax credit apartments transferred 99.99% ownership to CPLC New Mexico, Inc. upon completion of the 15-year compliance period. The apartments are Bella Vista Apartments (40 units) located in Taos, New Mexico.

During 2016, CPLC obtained low interest rate financing from United Health Care to purchase two additional multifamily properties, CPLC Estancia Apartments and CPLC Fountain Villas Apartments. Both apartments are located in the Phoenix Maryvale area and are part of the CPLC community service center program to restore and stabilize the economic environment for the local area.

During fiscal year 2017, the limited partners of two low-income tax credit apartments transferred 99.99% ownership to CPLC and CPLC New Mexico, Inc. upon completion of the 15-year compliance period. The two apartments are Mountain Pointe Apartments (108 units located in Nogales, Arizona) and Villa Las Vegas Apartments (60 units located in Las Vegas, New Mexico).

During fiscal year 2020, the limited partners of Ladera Village Apartments transfer 99.99% ownership to CPLC New Mexico, Inc. upon completion of the 15-year compliance period of low-income tax credit. The property has 60 units and is located in Farmington, New Mexico.

During 2021, CPLC obtained low interest rate financing from United Health Care to purchase one multifamily property, CPLC Freemont Apartments. The apartments are located in the Las Vegas, Nevada and is a part of the CPLC community service center program to restore and stabilize the economic environment for the local area.

During 2022. CPLC obtained low interest rate financing from United Health Care to purchase three multifamily properties, 2728 CPLC Apartments (112 units located in Las Vegas, Nevada), CPLC Texas Affordable Housing Apartments (171 units located in Harlingen TX) and CPLC Oak Park Apartments (269 units located in Dallas TX).

The Organization owns different commercial buildings purchased through grants, private mortgages or a combination of both. The buildings are leased to internal programs or to third parties. The Organization also owns single-family rental homes that are leased to unrelated third-party residents.

NOTE 5 REAL ESTATE PROPERTIES (CONTINUED)

Real estate properties consisted of the following as of June 30, 2022:

Cost and Donated Value:	
Land	$ 30,191,855
Buildings and Improvements	256,878,674
Furniture, Fixtures and Equipment	7,555,560
Construction in Progress	6,141,428
Total Cost and Donated Value	300,767,517
Less: Accumulated Depreciation	(67,486,037)
Real Estate Properties, Net	$ 233,281,480

Depreciation expense on real estate properties charged to operations was $6,251,440 for the year ended June 30, 2022.

As of June 30, 2022, construction in progress consists of renovations of current facilities and development of new facilities. The Organization capitalized $94,323 of interest incurred on construction in progress during the year ended June 30, 2022.

NOTE 6 PROPERTY AND EQUIPMENT

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

Cost and Donated Value:	
Land	$ 3,109,163
Buildings and Improvements	28,430,198
Furniture, Fixtures and Equipment	7,067,064
Vehicles	6,068,217
Construction in Progress	18,108,849
Total Cost and Donated Value	62,783,491
Less: Accumulated Depreciation	(17,781,274)
Property and Equipment, Net	$ 45,002,217

Depreciation expense on property and equipment charged to operations was $2,448,564 for the year ended June 30, 2022.

As of June 30, 2022, construction in progress consisted of renovations of current facilities and development of new facilities. The Organization capitalized $133,578 of interest incurred on construction in progress during the year ended June 30, 2022.

NOTE 7 NOTES RECEIVABLE

Prestamos CDFI, LLC (PC) notes receivable are summarized as follows as of June 30, 2022:

Micro Loans	$ 4,272,136
Business Loans	44,951,879
Paycheck Protection Program (PPP)	1,819,339,589
Residential Mortgage	70,367
Citizenship Loans (Pilot Program)	2,537
Total Loans	1,868,636,508
Intercompany Loans (Eliminated in Consolidation)	(2,557,509)
Discount on Loan Purchase	(917,316)
Allowance for Loan Losses	(2,567,607)
Loans, Net Intercompany and Allowance	$ 1,862,594,076
Current Portion of Loans	$ 5,412,282

The following table presents the activity in the allowance for loan losses by portfolio segment for PC for the year ended June 30, 2022 and the balance in the allowance for loan losses and the recorded investment in loans by portfolio segment based on impairment method for PC as of June 30, 2022:

	Micro Loans	Business Loans	Residential Mortgage	Citizenship Loan (Pilot Program)	PPP	Total
Allowance for Credit Losses:						
Balance at Beginning of Year	$ 1,373,219	$ 958,115	$ 1,407	$ -	$ -	$ 2,332,741
Charge-Offs	-	(133,679)	-	-	-	(133,679)
Forgiven	(596,761)	-	-	-	-	(596,761)
Recoveries	17,862	6,289	-	-	-	24,151
Provisions	466,540	474,615	-	-	-	941,155
Balance at End of Year	$ 1,260,860	$ 1,305,340	$ 1,407	$ -	$ -	$ 2,567,607
Individually Evaluated for Impairment	$ 22,235	$ 61,771	$ -	$ -	$ -	$ 84,006
Collectively Evaluated for Impairment	1,238,625	1,243,569	1,407	-	-	2,483,601
Balance at End of Year	$ 1,260,860	$ 1,305,340	$ 1,407	$ -	$ -	$ 2,567,607
Loans and Financing Receivables:						
Individually Evaluated for Impairment	$ 22,235	$ 1,139,968	$ -	$ -	$ -	$ 1,162,203
Collectively Evaluated for Impairment	4,249,902	43,811,910	70,367	2,537	1,819,339,589	1,867,474,305
Balance at End of Year	$ 4,272,137	$ 44,951,878	$ 70,367	$ 2,537	$ 1,819,339,589	$ 1,868,636,508

Credit Quality Indicators

PC categorizes loans into risk categories based on relevant information about the ability of borrowers to service their debt such as: current financial information, historical payment experience, collateral adequacy, credit documentation, public information, and current economic trends, among other factors. PC analyzes loans individually by classifying the loans as to credit risk. This analysis typically includes micro, business, and residential loans. This analysis is performed on an ongoing basis as new information is obtained. PC uses the following definitions for risk ratings:

NOTE 7 NOTES RECEIVABLE (CONTINUED)

Credit Quality Indicators (Continued)

Pass – Loans classified as pass represent loans that are evaluated and are performing under the stated terms. Pass rated assets are analyzed by the paying capacity, the current net worth, and the value of the loan collateral of the obligor.

Non-Pass – Loans classified as Non-Pass possess weaknesses that require management attention, such as being inadequately protected by the current net worth, paying capacity of the obligor, or by the collateral pledged. Non pass loans must have a well-defined weakness or weaknesses that jeopardize the repayment of the debt as originally contracted. They are characterized by the distinct possibility that PC may sustain a loss if the deficiencies are not correct. Loans in this category are allocated a specific reserve based on the estimated discounted cash flows from the loan (or collateral value less cost to sell for collateral dependent loans) or are charged off if deemed uncollectible.

Credit Risk Profile by Internally Assigned Grade – Micro Loans, Business Loans, and Residential Mortgage

A loan is considered impaired when, based on current information and events, it is probable that Prestamos will be unable to collect all the scheduled payments of principal or interest when due according to the contractual terms of the loan agreement. Factors considered by management in determining impairment include payment status, collateral value, and the probability of collecting scheduled principal and interest payments when they are due. Loans that experience insignificant payment delays and payments shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payments shortfalls on case by case basis, taking into consideration all of the circumstance surrounding the loan and the borrower, including the length of the delay, the reason for the delay, the borrower's prior payments record, and the amount if the shortfall in relation to the principal and interest owed.

Under certain circumstances, Prestamos will provide borrowers relief through loan restructuring. A restructuring of debts constitutes a troubled debt restructuring (TDR) if Prestamos for economic or legal reasons related to the borrower's financial difficulties grants concessions to the borrower that would not otherwise consider. TDR concession can include reduction of interest rates, extension of maturity dates, or payment reduction. Prestamos considers all aspects of the restructuring to determine whether it has granted a concession to the borrower. An insignificant delay in payment resulting from a restructuring is not deemed to be a concession and would not be considered TDR.

On March 22, 2020, Interagency statement of Loan Modifications and Reporting for Financial Institutions Working with Customers Affected by the Coronavirus (interagency release) was issued and later revised on April 7, 2020. The Interagency Release seeks to provide relief when structuring loan modification with the borrowers impacted by COVID-19. In order to qualify the modification must be related to COVID-19, the loan was current at the time the modification was implemented, and the modification period must be six months or less. Under the interagency release, these loan modifications are not considered to be TDRs.

NOTE 7 NOTES RECEIVABLE (CONTINUED)

Credit Risk Profile by Internally Assigned Grade – Micro Loans, Business Loans, and Residential Mortgage (Continued)

Based on the most recent analysis performed, the risk category of loans by class of loans for PC as of June 30, 2022 was as follows:

	Pass	Non Pass
Micro Loans	$ 2,829,428	$ 1,442,708
Business Loans	42,291,241	2,660,638
Paycheck Protection Program (PPP)	1,819,339,589	-
Residential Mortgage	70,367	-
Citizenship Loans (Pilot Program)	2,537	-
Total	$ 1,864,533,162	$ 4,103,346

The following table summarizes the aging of the past due loans by loan class within the portfolio segments as of June 30, 2022:

	Still Accruing		
	30 to 89 Days Past Due	Over 90 Days Past Due	Nonaccrual Balance
Micro Loans	$ 39,313	$ 1,805	$ 90,497
Business Loans	350,985	3,080	1,032,094
Residential Mortgage	-	-	-
Total	$ 390,298	$ 4,885	$ 1,122,591

The following table summarizes individually impaired loans by class of loans as of June 30, 2022:

	Recorded Investments	Unpaid Principal Balance (1)	Average Recorded Investment	Interest Income Recognized
Micro Loans	$ 32,368	$ 32,368	$ 32,368	$ -
Business Loans	1,139,968	1,139,968	1,139,968	-
Total	$ 1,172,336	$ 1,172,336	$ 1,172,336	$ -

(1) Represents the borrower's loan obligation, gross of any previously charge-off amounts.

Impaired loans also include loans modified in a TDR where concessions have been granted to borrowers experiencing financial difficulties. These concessions could include a reduction in interest rate on the loan, payment extensions, forgiveness of principal, forbearance or other actions intended to maximize collections.

There were no TDRs during the year ended June 30, 2022.

NOTE 7 NOTES RECEIVABLE (CONTINUED)

CPLC Consolidated Portfolio

Other notes receivable consisted of the following at June 30, 2022:

25th and Bell, LLC (Related Party)	$ 1,925,822
Tierra Del Sol	67,268
Victoria Foundation	767,949
BDF Property Acquisitions of NM, LLC	1,587,946
Dayton GMC LIHTC LLC	1,323,187
Other	287,498
Total Other Notes Receivable	5,959,670
Less: Allowance	(767,949)
Other Notes Receivable, Net	$ 5,191,721
Current Portion of Other Notes Receivable	$ 67,268

There was no change in the allowance account on the above business loans during the year ended June 30, 2022.

CPLC Consolidated Portfolio (Continued)

CPLC consolidated portfolio consists of the following:

Micro Loans	$ 4,272,136
Business Loans	44,951,879
Paycheck Protection Program (PPP)	1,819,339,589
Residential Mortgage	70,367
Citizenship Loans (Pilot Program)	2,537
Total Loans	1,868,636,508
Intercompany Loans (Eliminated in Consolidation)	(2,557,509)
Discount on Loan Purchase	(917,316)
Allowance for Loan Losses	(2,567,607)
Loans, Net Intercompany and Allowance	$ 1,862,594,076
Current Portion of Loans	$ 5,412,282

NOTE 8 INVESTMENTS IN DEBT AND EQUITY SECURITIES

Investments consisted of the following at June 30, 2022:

Fixed Income Securities	$ 114,712
Government and Agency Securities	8,459,930
Corporate Bonds	5,325,005
Equities - Common Stock	31,006,123
Mutual Funds	6,785,199
Assets Held in Trust	778,641
Arizona Community Foundation	17,745
Total Investments	$ 52,487,355

NOTE 9 INVESTMENTS IN AFFILIATED ENTITIES

The Organization owns interests in low-income housing real estate projects and other limited liability companies and accounts for these interests using the equity method of accounting.

Summarized below is financial information for equity method investments as of and for the year ended June 30, 2022:

Assured Engineering	$ 402,209
Mi Escuelita	40,328
NALCAB Network Investors, LLC	471,260
Aeneas Venture Partners 4, LLC	1,745,833
Americano	1,750,000
Verde-LPE,LLC	4,888,985
Amavida Marana, LLC	6,217,027
Other	15,301
Total	$ 15,530,943

NOTE 9 INVESTMENTS IN AFFILIATED ENTITIES (CONTINUED)

Nonmarketable investments in which the Organization has less than a 20% interest and in which it does not have the ability to exercise significant influence over the investee are initially recorded at cost, and periodically reviewed for impairment.

Summarized below is financial information for nonmarketable investments as of and for the year ended June 30, 2022:

Casa de Encanto	$	222,448
Casa de Flores		60,977
Gene Rice		275,922
Guadalupe Huerta		241,190
Kraynos Capital LP-41322-Kra01		250,000
126 Park LLC - Gardiner Hotel-41222-Gar125		3,750,000
Invision Fund LLC		540,000
Taos Mountain Engergy Foods LLC		139,994
Old Wood LLC		191,224
Housing Partnership Equity Trust, LLC		61,227
Courtyard at Encanto, LLC		658,990
NALCAB Network Investors, LLC-Acceso Loan fund		829,700
LeVecke		7,000,000
Gainey		1,050,000
Other		259,575
	$	15,531,247

NOTE 10 LINES OF CREDIT

The Organization has $3,500,000 line of credit with Wells Fargo, unsecured. Borrowings under the line bear interest equal to prime rate. Interest is payable monthly, and the line of credit matured in December 2020. In May 2021, the Organization replaced the line of credit with a $6,000,000 line of credit with Wells Fargo, unsecured, borrowing at prime rate (4.75% at June 30 ,2022) and matures in May 2023. As of June 30, 2022, the outstanding balance was $-0-.

The Organization obtained a Paycheck Protection Program Liquidity Facility (PPPLF) advance agreement with the Federal Reserve Bank in May 2020. The PPPLF was established by the Federal Reserve to extend credit to eligible financial institutions that originate PPP loans, taking the loans as collateral at face value. The advance is used to fund PPP lending based on the CARES Act.

NOTE 10 LINES OF CREDIT (CONTINUED)

The advance is secured by PPP loans guaranteed by the SBA and bears interest at 0.35%. The maturity of an advance will equate to the maturity date of the PPP loan pledged to secure the advance. The maturity can be accelerated if the underlying PPP loan goes into default and the Organization sells the PPP loan to the SBA to realize on the SBA guarantee or if PPP loan is forgiven by SBA and the Organization receives reimbursement from SBA. No advance may be made after July 31, 2021. As of June 30, 2022, the outstanding advance balance was $1,837,478,841.

NOTE 11 MORTGAGES PAYABLE AND OTHER DEBT

Mortgages payable and other debt consisted of the following at June 30, 2022:

Description	
Casa Mia Senior Apartments, Inc., Federal Housing and Urban Development (HUD) Capital Advance Program Mortgage Note, collateralized by real property. So long as Casa Mia meets the requirements outlined in the agreement, the note bears no interest and no monthly payments are required. The note is due April 1, 2046. Should Casa Mia default, the entire amount of the note could become due with interest accruing at 5.25%.	$ 5,601,900
Casa Mia Senior Apartments, Inc., mortgage agreement with the City of Phoenix, collateralized by real property. The note bears no interest and Casa Mia receives a 5.00% principal credit annually, until fully amortized in 2026, provided it complies with the note agreement. Should Casa Mia default, the entire amount of the note could become due with no interest accruing.	101,418
Casa de Primavera Apartments, LLC (COP) mortgage agreement with Greystone, collateralized by substantially all the assets of COP, payable in monthly installments of $17,410 including interest of 2.58% maturing in November 2048.	3,998,598
Causa Community Development (Guadalupe Barrio Nuevo) entered into an insured mortgage loan under Section 207 pursuant to Section 223(f) of the National Housing Act, as amended. The mortgage is currently serviced by Bellwether Enterprise Real Estate Capital, LLC, payable in monthly interest and principal payments of $15,295, bearing 3.92% interest rate and maturing in June 2053.	3,290,337

NOTE 11 MORTGAGES PAYABLE AND OTHER DEBT (CONTINUED)

Description	
Santa Cruz note payable to Hunt Mortgage Capital, LLC, secured by the security instrument and other loan documents, payable in monthly principal and interest payments of $10,828 beginning May 2017, including interest of 4.65%, with a balloon payment of $1,710,472 in April 2027.	$ 1,919,523
Causa Community Development (CCD) second mortgage agreement with HUD, collateralized by substantially all assets of CCD, payable in annual installments in the amount of 75% of surplus cash, as defined, including annually accrued interest at 4.00%, maturing in February 2034.	618,925
Note payable to Arizona Department of Housing for the Corazon Building, secured by certain real property, noninterest bearing. If certain use restrictions associated with the real property are followed, the principal balance will be forgiven in January 2028.	550,000
Note payable to City of Phoenix Housing Department, secured by the Corazon Building, noninterest bearing. If certain use restrictions associated with the real property are followed, the principal balance will be forgiven in May 2050.	550,000
Note payable to U.S. Small Business Administration (SBA) for Prestamos from the Microloan Revolving Trust Fund (MRTF) for SBA VIII, secured by cash held for loan programs and select notes receivable, payable in monthly installments of principal and interest at 0.125% commencing in November 2013, maturing in November 2023. The loan agreement requires Prestamos to act as a financial intermediary by using the proceeds of the loan for lending to existing small businesses.	158,097
Note payable to National Bank of Arizona for Prestamos, unsecured, quarterly interest payments of 3.00%, automatically renews annually until its maturity in December 2023.	200,000
Note payable to National Bank of Arizona for Prestamos, unsecured, interest at 2.00% paid quarterly, automatically renews annually until its maturity in December 2023.	150,000
Causa Community Development third mortgage agreement with HUD, collateralized by substantially all the assets of CCD (Guadalupe Barrio Nuevo), payable in full at the option of HUD including annually accrued interest at 4.00%, maturing in February 2034.	75,761

NOTE 11 MORTGAGES PAYABLE AND OTHER DEBT (CONTINUED)

Description	
Note payable to Northern Trust Bank for the Corazon Building, secured by deeds of trust of real property, interest free and due in full on February 2024.	$ 325,000
Note payable to Copperpoint Insurance, secured by loans originated from the funds and guaranteed by CPLC. Up to $10 million can be drawn down on loan. Interest only payments due quarterly at interest rates of 3.00%. Note matures in August 2024.	9,996,000
Note payable to Kansas State Bank, secured by deeds of trust of real property, payable in monthly installments of interest only at a rate of 4.29% from July 2013 through November 2013. Principal and interest payments began December 2013. Variable interest rate at weekly average yield (one year) plus 3.5% with Initial rate of 3.61% starting in June 2020. Loan matures in November 2033. This note is for the Maryvale property.	1,581,008
Note payable to City of Phoenix Housing Department, secured by the De Colores Building, noninterest bearing. If certain use restrictions associated with the real property are followed, the principal balance of the loan is being forgiven in equal amounts annually through December 2022.	29,165
Mortgage note payable to The United Presbyterian Church. The note has no maturity date, bears no interest and no monthly payments are required, as long as CPLC New Mexico maintains the requirements outlined in the note agreement. The mortgage note would become payable in the event of a sale of the building or the building is not used for its intended purpose. Should CPLC New Mexico default, the entire amount of the note could become due with interest accruing at 8.00%.	250,000
Note payable to First Bank, secured by deeds of trust of real property, payable in monthly installments of interest only until February 2016, at which time monthly principal and interest payments of $3,648 commenced with principal due at maturity at a rate of 4.10%, maturing in February 2025. This note is for the Hazelwood multi-family housing property.	417,345
Bella Vista note payable to Pacific Life Insurance, secured by certain real property and equipment, payable in monthly installments of $5,056 including interest at 8.97% through May 2031.	371,474

NOTE 11 MORTGAGES PAYABLE AND OTHER DEBT (CONTINUED)

Description	
Note payable to First Bank, secured by Casa Loma Apartments, payable in monthly installments of principal and interest of $5,563, at an interest rate of 4.10%, with a balloon payment due April 2026.	$ 863,364
Note payable to United Health Care, secured by all assets and income of CPLC Fountain Villas, LLC, interest bearing at 1-3.00% during the term of this note. Interest accruing monthly with principal and interest balance due upon maturity in April 2023.	6,451,659
Note payable to United Health Care, secured by all assets and income of CPLC Estancia, LLC, interest bearing at 1-3.00% during the term of this note. Interest accruing monthly with principal and interest balance due upon maturity in November 2022.	14,303,219
Note payable to Western Alliance Bank for Prestamos, unsecured, interest at 3.00% paid quarterly, maturing in September 1, 2020 and on September 1st of each year thereafter maturity date shall automatically be extended for one year unless the lender cancel such automatic maturity extension.	2,000,000
Note payable to U.S. Small Business Administration (SBA) for Prestamos from the Microloan Revolving Trust Fund (MRTF) for SBA X, secured by cash held for loan programs and select notes receivable, payable in monthly installments of principal and interest at 0.375% commencing in November 2016, maturing in October 2025. The loan agreement requires Prestamos to act as a financial intermediary by using the proceeds of the loan for lending to existing small businesses.	479,407
Gran Victoria note payable to Berkeley Point Capital, LLC, secured by the security instrument and other loan documents, payable in monthly principal and interest payments of $101,257 beginning in July 2017, including interest of 4.63%, with a balloon payment due in June 2027.	18,049,013
Equity Equivalent (EQ2) unsecured loan to Dignity Health to finance real estate activities associated with the acquisition and rehabilitation of affordable multi-family housing for CPLC's Neighborhood Stabilization Program and real estate operations. Interest bearing 1.0% to 2.0% during the term of this note, with maturity in August 2024.	3,000,000

NOTE 11 MORTGAGES PAYABLE AND OTHER DEBT (CONTINUED)

Description	
Equity Equivalent (EQ2) unsecured loan to Wells Fargo to operate and manage activities in support of low to moderate-income households and financially underserved. Quarterly interest payments accruing at 2.00% per annum. Quarterly principal payments of $250,000 become effective the fifth anniversary with equal payments due until maturity in January 2024.	$ 1,000,000
Equity Equivalent (EQ2) unsecured loan to BBVA Compass to operate and manage activities in support of low to moderate-income households and financially underserved. Quarterly interest payments accruing at 2.25% per annum, until maturity in April 2028.	2,500,000
Seller Carry-back loan related to the purchase of real property in Mesa, AZ payable in annual installments of $105,063 accruing interest at 4.00% maturing in April 2030.	718,278
Prestamos CDFI, LLC note payable to Wells Fargo, secured by collateral assignment of loan documents, interest at 1.07% paid quarterly commencing March 5, 2018 and maturing December 2024.	4,060,800
Prestamos CDFI, LLC note payable to Wells Fargo, secured by collateral assignment of loan documents, interest at 1.07% paid quarterly commencing March 5, 2018 and maturing December 2047.	1,939,200
Prestamos CDFI, LLC EQ2 unsecured loan to Wells Fargo Community Investment Holdings, with quarterly interest payments at 2.00% per annum until January 2028. then additional quarterly principal payments (8) of $187,500 commence until liability is paid in full (January 2030).	1,500,000
Mountain Pointe Apartments, LP entered into an insured loan under Section 207 pursuant to Section 223(f) of the National Housing Act, as amended. The loan is serviced by Bellwether Enterprise Real Estate Capital, LLC, payable in monthly installments of $14,719 including interest of 3.92% per annum, maturing June 1, 2053.	3,166,525
Note payable to Arizona Bank and Trust related to Nevada real estate project, payable in monthly installments of interest at 3.75% with principal balance due February 2022.	1,249,705
Note payable to Dignity Health, unsecured, payable quarterly at 1.00% from October 2020 until October 2022, at 2.00% thereafter with principal balance due at maturity in October 2025.	1,000,000

NOTE 11 MORTGAGES PAYABLE AND OTHER DEBT (CONTINUED)

Description	
Note payable to City of Phoenix from federal HOME program with $2 million maximum loan amount, collateralized by deed of trust on real property, with 0% interest rate. $50,000 principal payment will start on the 1st day of September 2020 and continuing on the 1st day of September each year thereafter if surplus cash is available. The entire outstanding principal balance is due January 1, 2059.	$ 1,229,644
Note payable to US Bancorp Community Development Corporation for Prestamos, unsecured, with quarterly interest only payments at 3.0% and principal balance due at maturity in July 2021. The maturity date will automatically be extended for one year as long as Prestamos performs its obligation under the loan agreement.	1,000,000
Note payable to the New World Foundation, unsecured, 0% interest loan, with principal payments in four equal quarterly installments commencing September 2028. This loan is eligible for loan forgiveness after meeting certain defined benchmarks over the term of the loan.	3,000,000
Note payable to Foothills Bank, unsecured, interest at 3.50% payable in one lump sum of principal and accrued interest on March 20, 2024.	250,000
Note payable to Arizona Bank and Trust Corporation, secured by deed of trust and tangible asset of a Motel purchased in Mesa, AZ, with monthly interest and principal payments at 4.25% until January 2022, and the remaining balance due in February 2022.	2,968,766
Notes payable to City of Mesa from federal HOME program with $1,443,339 maximum loan amount, collateralized by deed of trust on real property, with 0% interest rate. The loan shall be repaid either from the sales proceeds received from the sales of the units to qualified income eligible homebuyers, or at the end of the term of 20 years from each residential unit.	783,606
Note payable to Western Alliance Bank for Prestamos with $3,000,000 maximum loan amount, unsecured, quarterly interest only payment at 3.0% and all outstanding principal plus all accrued unpaid interest in November 2024 with right for additional 60 months extension under certain conditions.	2,977,000

NOTE 11 MORTGAGES PAYABLE AND OTHER DEBT (CONTINUED)

Description	
Note payable to U.S. Small Business Administration (SBA) for Prestamos from the Microloan Revolving Trust Fund (MRTF) for SBA XI in the maximum amount of $1,250,000, secured by cash held for loan programs and select notes receivable, no payment and 0% interest rate for the first 12 months, then monthly installment of principal and interest at 0.5% thereafter, maturing in November 2027. The loan agreement requires Prestamos to act as a financial intermediary by using the proceeds of the loan for lending to existing small business.	$ 1,036,140
Notes payable to New Mexico Mortgage Finance Authority with monthly installment of $10,943 at 6.29% and due in November 2044. It is for Laderal Village Apartments located in New Mexico. The United State Department of Housing and Urban Development (HUD) will endorse the loan under section 542(e) of the Housing and Community Development Act of 1992 and the regulations set forth at 24 CFR part 266, in effect on the date of endorsement (90% loan guarantee).	1,578,844
Notes payable to New Mexico Mortgage Finance Authority in the original amount of $500,000 with a 5.09% Interest compounded monthly on unpaid principal and interest balances. Interest only payment should be made in the amount of $416 per month at an interest rate of 1% until maturity. Maturity of the loan occurs at the sale, refinance, or transfer of the property or on September 2034. It is for Laderal Village Apartment located in New Mexico.	500,000
Note payable to Kansas State Bank, secured by deed of trust and tangible asset of an office building in Las Vegas, NV with monthly interest and principal payments at 3.79% from April 2021 to March 2026, then one year weekly average yield on US Treasury Securities plus 4.25% from April 2026 to March 2046 (initial 4.32%) with maturity in March 2048.	1,997,236
Note payable to United Health Care, secured by all assets and income of CPLC Freemont Apartments LLC, a multifamily apartments, interest bearing at 1-2.5% during the term of this note, monthly Interest and principal payment and a balloon payment due upon maturity in May 2028.	6,667,004
Note payable to First Fidelity Bank, secured by all assets and income of several commercial buildings, interest bearing at 3.85% with monthly principal and interest payments. A balloon payment due upon maturity in December 2027.	11,875,084

NOTE 11 MORTGAGES PAYABLE AND OTHER DEBT (CONTINUED)

Description	
Bonds payable to the Industrial Development Authority of the City of Phoenix. Interest bearing 2.97% during the term of the bond with monthly principal and interest payments. Loan matures October 2046.	$ 29,999,671
Bonds payable to the Industrial Development Authority of the City of Phoenix. Interest bearing 3.74% during the term of the bond with monthly principal and interest payments. Loan matures October 2046.	11,337,651
In Oct 2020, in order to provide funds to finance the cost of acquiring and improving a charter school real estate project, the Industrial Development Authority of the City of Phoenix, Arizona issued one or more series of Lease Revenue Bonds, Tax Exempt series 2020 in an aggregate principal amount not to exceed $4,335,000 at a 2.76% interest rate. The final funding date is expected in 2022. The bond will mature the earlier of (1) September 30, 2027 (2) the 60th payment date to occur following the Final Funding Date, commencing with the Amortization Date, and (3) the date that all of the principal of the Bonds is paid to the bondholders.	4,335,000
Note payable to National Bank of Arizona. This note is the unforgiven portion of the Payroll Protection Loan. This note is not secured by property or other assets. Interest on this note is 1.0%. Note matures February 2026.	200,655
Note payable to Optum Bank, secured by a Deed of trust and tangible asset of a multi-family apartment building with monthly principal and interest payments. Interest rate on this note is 1.0% for the first year; 1.5% for the second year; 2.0% for the third year; 2.25% for the fourth and fifth years; and 2.5% for earch period thereafter. A balloon payment due upon maturity in February 2029.	15,023,446
Note payable to Optum Bank, secured by a Deed of trust and tangible asset of a multi-family apartment building with monthly principal and interest payments. Interest rate on this note is 1.0% for the first year; 1.5% for the second year; 2.0% for the third year; 2.25% for the fourth and fifth years; and 2.5% for earch period thereafter. A balloon payment due upon maturity in November 2028.	12,366,314

NOTE 11 MORTGAGES PAYABLE AND OTHER DEBT (CONTINUED)

Description	
Note payable to Optum Bank, secured by a Deed of trust and tangible asset of a multi-family apartment building with monthly principal and interest payments. Interest rate on this note is 1.0% for the first year; 1.5% for the second year; 2.0% for the third year; 2.25% for the fourth and fifth years; and 2.5% for earch period thereafter. A balloon payment due upon maturity in May 2029.	$ 28,861,608
Total Mortgages and Other Debt	230,453,390
Less: Unamortized Debt Issuance Costs	(1,160,761)
Less: Current Maturities	(26,922,039)
Total	$ 202,370,590

Future maturities of mortgages payable and other debt are as follows:

Year Ending June 30,	Amount
2023	$ 26,922,039
2024	12,863,818
2025	12,488,502
2026	18,300,904
2027	22,041,761
Thereafter	130,553,229
Forgivable Loans	7,283,137
Total Future Maturities	$ 230,453,390

The Organization is required to maintain certain net asset, liquidity, and indebtedness ratios, and must comply with other general covenants of the loan agreements.

The Organization entered into a loan agreement with the United States Department of Agriculture (USDA) in December 2016 for $15,000,000. The loan is secured by select notes receivable. Principal and interest at 2.38% to be paid monthly. The note matures in December 2056. No amounts were advanced or due on the note, and the note had an outstanding balance of $-0- at June 30, 2022.

NOTE 12 RETIREMENT PLAN

CPLC sponsors a 401(k) plan, covering employees who meet specified age and service requirements. Contributions to the plan are participant directed. Employer contributions are made annually at the discretion of the board of directors. During the year ended June 30, 2022, CPLC paid contributions totaling $708,088 to the plan.

NOTE 13 OPERATING LEASES

CPLC leases various buildings and office equipment under several operating lease agreements expiring through 2028. Minimum future rental payments under noncancelable operating leases having remaining terms in excess of one year at June 30, 2022 are:

Year Ending June 30,	Amount
2023	$ 1,111,040
2024	603,598
2025	407,673
2026	297,885
2027	270,441
Thereafter	490,349
Total	$ 3,180,986

In the normal course of business, operating leases are generally renewed or replaced by other leases. Total rental expense for operating leases with terms in excess of one month was approximately $937,076 for the year ended June 30, 2022.

CPLC leases office space to various third parties under operating leases that expire through 2056. Future minimum lease receipts to be received under these agreements as of June 30, 2022 are as follows:

Year Ending June 30,	Amount
2023	$ 1,706,206
2024	1,424,248
2025	733,091
2026	654,002
2027	584,252
Thereafter	5,005,559
Total	$ 10,107,358

NOTE 14 COMMITMENTS AND CONTINGENCIES

Five of the HUD properties have a housing assistance payments contract (HAP). The HAP contract is a rent assistance program for low-income families (or persons) as provided by the Section 8 Program of the National Housing Act of 1959. Eligible low-income tenants pay 30% of their income as rent, while HUD pays the difference between this rental amount and "contract rents" (as defined). CPLC can request from HUD an amount equal to 80% of contract rent during periods that the unit is vacant if certain conditions are met, but not to exceed 60 days. If a unit continues to be vacant after the 60-day period, CPLC may submit a claim and receive additional housing assistance payments on a semi-annual basis if certain conditions are met as outlined in the HAP contract.

NOTE 14 COMMITMENTS AND CONTINGENCIES (CONTINUED)

The HAP contracts expire beginning in 2023 through 2024 as follows:

Casa de Primavera Apartments	March 31, 2033
Casa Del Pueblo	March 31, 2023
Casa Del Pueblo II	January 31, 2023
Guadalupe Barrio Nuevo	January 31, 2024
Casa Mia Senior Apartments	April 30, 2023

Management intends to renew the HAP contracts as they expire. The rental income from these contracts represents approximately 17% of total rental income from real estate for the year ended June 30, 2022. It is uncertain whether the contracts will be extended. HUD is contemplating several changes, which may have a significant financial impact on the properties. Management cannot reasonably estimate the ramifications, if any, of these uncertainties.

CPLC guarantees the debt of a nonconsolidated real estate venture. The debtor holds the deed of trust on the underlying real property. Payments on the debt are due in monthly installments and the debt matures in 2034. CPLC would be obligated to perform under this guarantee if the real estate venture failed to pay principal and interest payments to the lender as due. CPLC's guarantee on the performance of the debt was approximately $452,447 as of June 30, 2022. As of June 30, 2022, the real estate venture was current with their debt payments.

CPLC participates in a number of federal and state-assisted grant and contract programs which are subject to financial and compliance audits. The audits of these programs for, or including, the year ended June 30, 2022 remain subject to review. Accordingly, CPLC's compliance with applicable grant or contract requirements may be established at some future date. The amount, if any, of expenditures or fees for units of service which may be disallowed by the granting or contracting agencies cannot be determined at this time, although the CPLC's management expects such amounts, if any, to be immaterial.

CPLC is guarantor of a line of credit for a nonprofit organization, Help-New Mexico. At June 30, 2022, the borrowing limit was $1,000,000, and the outstanding balance was $-0-.

In the normal course of business, CPLC is subject to various lawsuits. It is the opinion of management that the resolution of such lawsuits will not have a material adverse effect on the consolidated financial statements taken as a whole. Accordingly, no provision has been made in the accompanying consolidated financial statements for losses, if any, that might result from the ultimate outcome of these matters.

NOTE 15 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods.

Real Estate Development	$ 2,508,021
Small Business Lending	1,493,778
Supportive Housing	29,473
Prop 301 Plan	128,755
Workforce Development	274,164
Housing Counseling	336,192
Esparanza	434,723
Substance Abuse Treatment	351,581
Senior Program	161,202
Other	427,492
Total	$ 6,145,381

NOTE 16 DONATED PROFESSIONAL SERVICES AND MATERIALS

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the consolidated financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by U.S. GAAP. Contributed goods are recorded at fair value at the date of donation. The Organization received $216,083 in supplies to support its health and human services program. The Organization records donated professional services at the respective fair values of the services received. The Organization received airtime and production costs valued at $1,052,524 for the year ended June 30, 2022. The revenues and expenses for these contributions are recorded in management and general in the consolidated statement of functional revenue and expenses. The Organization estimates the fair value of donated materials and services on the basis of estimates of the purchasing of similar assets and services in the Organization's market.

NOTE 17 ACQUISITION OF FLORENCE CRITTENTON

On October 1, 2021, the board of both Florence Crittenton Services of Arizona, Inc. (Flo Cri) and Chicanos Por La Causa, Inc. (CPLC) approved the Amended and Restated articles of Incorporation of Florence Crittenton Services of Arizona, Inc. As of October 1, 2021, Flo Cri, was officially acquired by CPLC. Flo Cri is a nonprofit corporation in Arizona providing residential housing to girls between the ages of 12 and 21, community-based services to adolescents and young adults, permanent supportive housing to females transitioning out of foster care or on their way to becoming homeless, and education through its charter school.

NOTE 17 ACQUISITION OF FLORENCE CRITTENTON (CONTINUED)

In connection with this purchase, the Organization recorded its investment in the Flo Cri at October 1, 2021 as follows:

Cash and Cash Equivalents	$	968,796
Accounts Receivable		337,721
Other Assets		61,442
Investments		2,738,854
Property and Equipment, Net		11,110,517
Total Assets		15,217,330
Accounts Payable		55,360
Accrued Payroll and Employee Benefits		108,446
Other Liabilities		26,430
Deferred Revenue		100,907
Notes Payable		508,990
Total Liabilities		800,133
Excess of Assets Acquired Over Liabilities Assumed of Florence Crittenton	$	14,417,197

NOTE 18 SUBSEQUENT EVENTS

Subsequent to year-end, the Organization entered into the following agreements:

In November 2022, CPLC Texas, Inc. was awarded a 1 year grant from Department of Health and Human Services, Office of Refugee & Resettlement in the amount of $2,779,331 for October 1, 2022 – March 31, 2023. Total approved budget for FY 2023 is $5,558,661 subject to availability of federal funds. It expands Residential Services for Unaccompanied Children.

In October 2022, Chicanos Por La Causa, Inc. was awarded a 2-year grant from United States Department of Agriculture, Agricultural Marketing Services, in the amount of $10,000,000 for October 4, 2022 – October 4, 2024. The total approved budget for FY 23 is $10,000,000: it is not subject to the availability of federal funds. It provides relief payments to frontline farmworkers who incurred expenses preparing for, preventing exposure to, and responding to the COVID-19 pandemic.

In November 2022, CPLC entered into a purchase agreement for approximately +/- 86.08 Acres of Land in Yuma County, Arizona for $7,075,142.04. The land would be used for future industrial development.

From July 1, 2022 to November 30, 2022, $479,050,065 of PPP loans funded through Prestamos CDFI, LLC have been forgiven by Small Business Administration and Prestamos CDFI, LLC recognized $23,031,678 in PPP loan fees from deferred revenue.

NOTE 18 SUBSEQUENT EVENTS (CONTINUED)

Management evaluated subsequent events through January 19, 2023, the date the consolidated financial statements were available to be issued. Events or transactions occurring after June 30, 2022, but prior to January 19, 2023, that provided additional evidence about conditions that existed at June 30, 2022, have been recognized in the consolidated financial statements for the year ended June 30, 2022. Events or transactions that provided evidence about conditions that did not exist at June 30, 2022, but arose before the consolidated financial statements were available to be issued have not been recognized in the consolidated financial statements for the year ended June 30, 2022.

NOTE 19 NEW ACCOUNTING STANDARDS

In February 2016, the FASB issued ASU 2016-02, *Leases*, to improve financial reporting about leasing transactions (Topic 842). The ASU affects all lease transactions. Lessors will classify leases as either a sales-type, direct financing, or operating lease. In a sales-type lease, the lessor transfers control of the underlying asset to the lessee. At lease commencement, the lessor should derecognize the leased asset and record its net investment in the lease. The net investment in the lease consists of a lease receivable and the unguaranteed residual asset. In a direct financing lease, the lessor should derecognize the leased asset underlying the lease and record a net investment in the lease at lease commencement. The net investment in the lease should be measured in the same manner as a sales-type lease adjusted for selling profit and initial direct costs. An operating lease is neither a sale nor financing of an asset. The lessor should keep the asset underlying the lease on its balance sheet and continue to depreciate the asset based on its useful life. Rental revenue should be recognized on a straight-line basis. CPLC has several leasing transactions. The amendments in this update are effective for years beginning after December 15, 2021. The Organization is currently evaluating the impact of adopting ASU 2016-02 and has not determined the effect to the consolidated financial statements. The standard requires a modified retrospective approach to implementation.

In June 2016, the FASB approved ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments.* The main objective of the ASU is to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. To achieve this objective, the amendments in the ASU replace the incurred loss impairment methodology in U.S. GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. This ASU is effective for the fiscal year beginning after December 15, 2022. The Organization will evaluate the impact of ASU 2016-13 on its consolidated financial statements.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES

SINGLE AUDIT REPORTS

YEAR ENDED JUNE 30, 2022

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CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates
Phoenix, Arizona

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 consolidated financial statements of Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates, which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, functional revenues and expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated January 19, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' internal control. Accordingly, we do not express an opinion on the effectiveness of Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' 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 consolidated 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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' consolidated 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 consolidated financial statement. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Phoenix, Arizona
March 7, 2023

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates
Phoenix, Arizona

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' major federal programs for the year ended June 30, 2022. Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates 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 Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' 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 Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' 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 GAAS, *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 Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' 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 Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' 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 Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates' internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

Purpose of This Report

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.

Board of Directors
Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the consolidated financial statements of Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates as of and for the year ended June 30, 2022, and have issued our report thereon dated January 19, 2023, which contained an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Phoenix, Arizona
March 7, 2023

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Award Expenditures	
Department of Agriculture					
Pass-Through Farmers Home Administration:					
Rural Self-Help Housing Technical Assistance	10.420	02-015-0860227210	$ -	$ 218,408	
Pass-Through Arizona Department of Education:					
National School Lunch Program	10.555	ED09-0001	-	153,358	
Subtotal Child Nutrition Cluster			-	153,358	
Child and Adult Care Food Program	10.558	KR02-1170-ALS	-	404,150	*
Child and Adult Care Food Program	10.558	06982	-	219,324	*
Child and Adult Care Food Program	10.558	216NM329N1199	-	52,732	*
Pass-Through State of New Mexico Children, Youth and Families Department:					
Child and Adult Care Food Program	10.558	201919N109946	-	3,306,533	*
Subtotal Child and Adult Care Food Program (10.558)			-	3,982,739	*
Pass-Through Arizona Department of Economic Security:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	CTR040032	-	30,427	
State Administrative Matching Grants for SNAP	10.561	CTR040032	-	47,303	
Subtotal SNAP Cluster			-	77,730	
Subtotal Department of Agriculture			-	4,432,235	
Department of Commerce					
Science, Technology, Engineering, and Mathematics (STEM) Talent Challenge	11.023	ED22HDQ0230078	-	69,116	
Pass-Through Economic Development Administration:					
Investments for Public Works and Economic Development Facilities	11.300	07 01 07152	-	3,222	
Subtotal Economic Development Cluster			-	3,222	
Pass-Through Minority Business Development Agency:					
Minority Business Resource Development	11.805	MB21OBD8050199	-	211,070	
Subtotal Department of Commerce			-	283,408	
Department of Housing and Urban Development					
Pass-Through National Council of La Raza - Arizona:					
Housing Counseling Assistance Program	14.169	HC210011026	-	38,000	
Pass-Through National Council of La Raza - Nevada:					
Housing Counseling Assistance Program	14.169	HC210011026	-	45,525	
Subtotal Housing Counseling Assistance Program (14.169)			-	83,525	
Pass-Through City of North Las Vegas:					
Community Development Block Grant/Entitlement Grants	14.218	N/A	-	459,509	
Community Development Block Grant/Entitlement Grants	14.218	N/A	-	4,442	
Community Development Block Grant/Entitlement Grants	14.218	N/A	-	68,397	
Community Development Block Grant/Entitlement Grants	14.218	N/A	-	142,086	
Pass-Through Pima County:					
Community Development Block Grant/Entitlement Grants	14.218	CT-CR-22*154	-	9,393	
Community Development Block Grant/Entitlement Grants	14.218	CT-CR-21*294	-	3,202	
Pass-Through Clark County:					
Community Development Block Grant/Entitlement Grants	14.218	N/A	-	134,550	
Pass-Through City of Yuma:					
Community Development Block Grant/Entitlement Grants	14.218	B-20-MC040508	-	14,474	

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Award Expenditures
Department of Housing and Urban Development (Continued)				
Pass-Through City of Glendale:				
Community Development Block Grant/Entitlement Grants	14.218	C21-1175	$ -	$ 37,770
Pass-Through City of Phoenix:				
Community Development Block Grant/Entitlement Grants	14.218	155255	-	4,327
Pass-Through City of Scottsdale:				
Community Development Block Grant/Entitlement Grants	14.218	2021-067-COS	-	6,792
Community Development Block Grant/Entitlement Grants	14.218	2021-067-COS-A1	-	23,850
Community Development Block Grant/Entitlement Grants	14.218	2020-093-COS	-	6,792
Community Development Block Grant/Entitlement Grants	14.218	2021-070-COS	-	18,365
Community Development Block Grant/Entitlement Grants	14.218	15JOVW-21-GG-00634-CY	-	17,373
Community Development Block Grant/Entitlement Grants	14.218	N/A	-	49,902
Subtotal Community Development Block Grant/Entitlement Grants Cluster			-	1,001,224
Emergency Crisis Shelter for Families	14.231	147432	-	175,401
Pass-Through Clark County:				
Emergency Solutions Grant	14.231	N/A	-	74,404
Pass-Through Arizona Department of Economic Security:				
Emergency Solutions Grant	14.231	DES-HMLS-2A23	-	188,155
Emergency Solutions Grant - COVID	14.231	DES-HMLS-2B07	-	137,913
Subtotal Emergency Solutions Grant (14.231)			-	575,873
Pass-Through City of Mesa:				
Home Investment Partnerships Program	14.239	N/A	-	783,606
Pass-Through City of North Las Vegas				
Home Investment Partnerships Program	14.239	N/A	-	175,011
Subtotal Home Investment Partnerships Program (14.239)			-	958,617
Pass-Through City of Las Vegas:				
Housing Opportunities for Persons with Aids	14.241	NA	-	523,295
Housing Opportunities for Persons with Aids-COVID	14.241	NA	-	121,527
Subtotal Housing Opportunities for Persons with Aids (14.241)			-	644,822
Pass-Through Tierra del Sol Housing Corporation:				
Self-Help Homeownership Opportunity Program	14.247	SH16-023	-	13,022
Pass-Through Local Initiative Support Corporation:				
Section 4 Capacity Building for Community Development and Affordable Housing	14.252	40909-0045	-	26,383
Pass-Through Office of Community Planning and Development:				
Neighborhood Stabilization Program	14.256	B-09-CN-AZ-0001	69,237	2,503,251
Housing and Urban Development Continuum of Care Program	14.267	AZ0203L9T021901	-	248,351
Housing and Urban Development Continuum of Care Program	14.267	AZ0203L9T022002	-	209,331
Subtotal Housing Continuum of Care Program (14.267)			-	457,682
Subtotal Department of Housing and Urban Development			69,237	6,264,399

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Award Expenditures
Department of Justice				
Pass-Through Arizona Department of Public Safety:				
Law Enforcement Assistance Narcotics and Dangerous Drugs Training	16.004	2017-CY-AX-007	$ -	$ 9,121
Pass-Through State of Arizona Governor's Office of Youth, Faith and Family:				
Arizona Sexual Assault Services Program	16.017	SASP-WSG-21-080121	-	50,609
Pass-Through Arizona Department of Public Safety:				
Sexual Assault Services Culturally Specific Program	16.023	2020-UW-AX-0016	-	152,671
Sexual Assault Services Culturally Specific Program	16.023	15JOVW-21-GG-00762-SASP	-	38,113
Pass-Through Office of Violence Against Women:				
Sexual Assault Services Culturally Specific Program	16.023	2018KSAX0005	-	120,692
Subtotal Sexual Assault Services Culturally Specific Program (16.023)				311,476
Pass-Through Arizona Department of Public Safety:				
Coronavirus Emergency Supplemental Funding Program - COVID	16.034	ACESF-21-008	-	41,875
Services for Trafficking Victims	16.320	2020-VT-BX-0066	-	190,623
Services for Trafficking Victims	16.320	2020-VT-BX-0101	-	124,585
Subtotal for Services of Trafficking Victims(16.230)			-	315,208
Pass-Through Arizona Department of Public Safety:				
Crime Victim Assistance	16.575	2018-V2-GX-0012	-	380,903
Pass-Through Arizona Department of Public Safety:				
Residential Substance Abuse Treatment For State Prisoners	16.593	RSAT-20-003	-	39,602
Pass-Through Office of Juvenile Justice and Delinquency Prevention:				
Juvenile Mentoring Program	16.726	N/A	-	50,441
Pass-Through Office of Violence Against Women:				
Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault	16.736	2016-WH-AX-0005	-	158,933
Subtotal Department of Justice			-	1,358,168
Department of Labor				
Pass-Through Northeastern Arizona Local Workforce Development Board (LWDB):				
Workforce Innovation and Opportunity Act (WIOA) Adult Program	17.258	N/A	-	66,534
Pass-Through Pinal County:				
Workforce Innovation and Opportunity Act Adult Program	17.258	182424A2	-	35,006
Subtotal Workforce Innovation and Opportunity Act Adult Program (17.258)			-	101,540
Pass-Through Northeastern Arizona Local Workforce Development Board (LWDB):				
Workforce Innovation and Opportunity Act Youth Program	17.529	N/A	-	21,595
Pass-Through City of Phoenix:				
Workforce Innovation and Opportunity Act Youth Program	17.259	154077-0	-	1,102,826
Passed-Through Maricopa County:				
Workforce Innovation and Opportunity Act Youth Program	17.259	16026-RFP	-	67,069
Pass-Through Pinal County:				
Workforce Innovation and Opportunity Act Youth Program	17.259	182424RFP	-	55,605
Subtotal Workforce Innovation and Opportunity Act Youth Program (17.259)			-	1,247,095

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Award Expenditures	
Department of Labor (Continued)					
Pass-Through Northeastern Arizona Local Workforce Development Board (LWDB):					
WIOA Dislocated Worker Formula Grants	17.278	N/A	$ -	$ 48,565	
WIOA Dislocated Worker Formula Grants	17.278	N/A	-	27,536	
Pass-Through Pinal County:					
WIOA Dislocated Worker Formula Grants	17.278	182424RFP	-	20,599	
Subtotal WIOA Dislocated Worker Formula Grants (17.278)			-	96,700	
Subtotal Workforce Innovation and Opportunity Act Cluster			-	1,445,335	
Pass-Through Pima Community College					
H-1B Job Training Grants	17.268	HG-33037-19-60-A-4	-	43,206	
YouthBuild	17.274	YB-36442-21-60-A-32	-	430,391	
YouthBuild	17.274	N/A	-	4,990	
Subtotal Youthbuild (17.274)			-	435,381	
Subtotal Department of Labor			-	1,923,922	
Department of Treasury					
Pass-Through NeighborWorks America:					
NeighborWorks - Network Supplemental	21.000	G-NISUPEXT-2021-64189	-	50,000	
NeighborWorks - Network Supplemental	21.000	G-SUPINT-2021-66101	-	5,000	
NeighborWorks - Network Supplemental	21.000	G-SUPINT-2022-67067	-	6,000	
Housing Stability Counseling Program Application	21.000	G-HSCP-2021-64188	-	2,550	
Expendable and Capital Grant Award	21.000	G-NEC-2022-66216	-	540,000	
NeighborWorks - Network Supplemental	21.000	R-SUPEXT-2022-67441	-	15,000	
Subtotal NeighborWorks (21.000)			-	618,550	
Capital Magnet Fund	21.011	171CM022170	-	218,502	
Capital Magnet Fund	21.011	N/A	-	382,122	
Subtotal Capital Magnet Fund (21.011)			-	600,624	
Pass-Through Community Investment Corporation:					
Coronavirus Relief Fund	21.019	N/A	-	105,068	
Subtotal Coronavirus Relief Fund (21.019)			-	105,068	
Pass-Through City of Phoenix:					
Emergency Rental Assistance	21.023	N/A	-	2,529,736	*
Pass-Through Community Development Financial Institutions:					
Community Development Financial Institutions Rapid Response Program (CFDI RRP)	21.024	21RRP056349	-	857,487	
Pass-Through State of Nevada:					
Nevada Affordable Housing Assistance Corporation, Homeowner Assistance Fund	21.026	N/A	-	2,194	
Pass-Through Town of Guadalupe:					
Coronavirus State and Local Fiscal Recovery Funds	21.027	C2022-01	-	41,770	*
Pass-Through Arizona Department of Housing:					
Coronavirus State and Local Fiscal Recovery Funds	21.027	413-22	-	61,328	*
Pass-Through Maricopa County:					
Coronavirus State and Local Fiscal Recovery Funds	21.027	220148-RFP	-	37,857	*
Coronavirus State and Local Fiscal Recovery Funds	21.027	220009-RFP	-	968,744	*
Coronavirus State and Local Fiscal Recovery Funds	21.027	220151-RFP	-	43,595	*
Coronavirus State and Local Fiscal Recovery Funds	21.027	220148-RFP	-	200,000	*
Coronavirus State and Local Fiscal Recovery Funds	21.027	220156-RFP	-	16,989	*

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Award Expenditures
Department of Treasury (Continued)				
Pass-Through Arizona Coalition to End Sexual and Domestic Violence:				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	$ -	$ 46,242
Subtotal Coronavirus State and Local Fiscal Recovery Funds (21.027)			-	1,416,525
Subtotal Department of Treasury			-	6,130,184
Small Business Administration				
Women's Business Ownership Assistance	59.043	SBAHQ21W0002-0001	-	150,000
Women's Business Ownership Assistance	59.043	SBAHQ21W0002	-	52,942
Subtotal Women's Business Ownership Assistance (59.043)				202,942
Pass-Through Microloan Demonstration Program:				
Microloan Technical Assistance	59.046	SBAOCAML200091-01-00	-	391,972
SBA 7 Loan	59.046	4617795003	-	4,950
SBA 8 Loan	59.046	6447545004	-	269,578
SBA 10 Loan	59.046	7818285003	-	622,071
SBA 11 Loan	59.046	9761145004	-	1,223,504
Subtotal Microloan Program (59.046)			-	2,512,075
Prime Technical Assistance	59.050	SBAOCAPR210054-01-00	-	78,534
Prime Technical Assistance	59.050	SBAOCAPR210054-01-00	-	99,593
Subtotal Prime Technical Assistance (59.050)			-	178,127
Subtotal Small Business Administration			-	2,893,144
Department of Education				
Title I Grants to Local Educational Agencies	84.010	22DT1TTI-110454-01A	-	35,083
Title I Grants to Local Educational Agencies	84.010	22FTTTI-110134-01A	-	19,285
Title I Grants to Local Educational Agencies	84.010	22FT1TTI-210188-01A	-	43,441
Title I Grants to Local Educational Agencies	84.010	22FECSIM-110454-01A	-	152,559
Title I Grants to Local Educational Agencies	84.010	22FECSIM-110134-01A	-	177,755
Title I Grants to Local Educational Agencies	84.010	22FECSIM-210188-01A	-	39,504
Subtotal Grants to Local Educational Agencies (84.010)			-	467,627
Special Education Grants to States (IDEA, Part B)	84.027	22FESCBG-110454-09A	-	26,264
Special Education Grants to States (IDEA, Part B)	84.027	22FESCBG-210188-09A	-	21,086
Special Education Grants to States (IDEA, Part B)	84.027	22F1TII110134-03A	-	18,333
Subtotal Special Education Cluster (IDEA)			-	65,683
Supporting Effective Instruction State Grant	84.367	22DT1TTII-110454-01A	-	398
Supporting Effective Instruction State Grant	84.367	22FT1TII-210188-03A	-	3,395
Subtotal Supporting Effective Instruction State Grant (84.367)			-	3,793
Education Stabilization Fund	84.425	22FCAAAG-210188-01	-	58,147
Education Stabilization Fund	84.425	20ESSER-010454-01A	-	3,028
Education Stabilization Fund	84.425	20FESSER-010134-01A	-	3,295
Education Stabilization Fund	84.425	21FESSER-110188-01A	-	1,233
Education Stabilization Fund	84.425	21FESSII-10454-01A	-	135,176
Education Stabilization Fund	84.425	21FESSII-110134-01A	-	103,281
Education Stabilization Fund	84.425	21FESSII-110188-01A	-	148,978
Education Stabilization Fund	84.425	21FESIII-110188-01A	-	92,305
Subtotal Grants to Local Educational Agencies (84.010)			-	545,443
Subtotal Department of Education			-	1,082,546
Department of Health and Human Services				
Pass-Through Administration on Aging:				
Special Programs for the Aging, Title III Part C, Nutrition Services	93.045	2019-13-CPL	-	45,197
Nutritional Services Incentive Program	93.053	2019-13-CPL	-	2,469
Subtotal Aging Cluster			-	47,666

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Award Expenditures
Department of Health and Human Services (Continued)				
Pass-Through Bureau of Women and Children's Health:				
Injury Prevention and Control Research and State and Community Based Programs	93.136	N/A	$ -	$ 98,088
Health Center Program	93.224	N/A	-	486,644
Health Center Program	93.224	RWI85034	-	839,497
Subtotal Health Center Program Cluster			-	1,326,141
Pass-Through Bureau of Women and Children's Health:				
Title V Abstinence Education	93.235	RFGA 2021-01-07	-	93,790
Title V Abstinence Education	93.235	RFGA 2021-01	-	34,413
Subtotal Title V Abstinence Education (93.235)			-	128,203
Pass-Through State of Arizona Governor's Office of Youth, Faith and Family:				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SP082199-01	-	115,582
Pass-Through Mercy Maricopa Integrated Care:				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SM084443-01	-	28,598
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SP082199-01	-	91,978
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	6H79SM080713-03M001	-	186,662
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	6H79SM080713-04M001	-	368,441
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79SP082628-01	-	273,413
Subtotal Substance Abuse and Mental Health Services Projects of Regional and National Significance (93.243)			-	1,064,674
Demonstration Grants for Domestic Victims of Human Trafficking	93.327	90TV0032-01-01	-	270,856
Pass-Through YouthBuild USA:				
Cooperative Agreement to Support Navigators in Federally Facilitated Exchanges	93.332	NAVCA190356-02-01	-	227,155
Provider Relief Funds	93.498	N/A	-	668,969
Pass-Through Arizona Department of Economic Security:				
Temporary Assistance for Needy Families (TANF)	93.558	ADES17-178657	-	573,427
Social Services Block Grant Program (SSBG)	93.558	ADES17-178657	-	62,442
Pass-Through Pima County:				
Temporary Assistance for Needy Families	93.558	CT-CR-20-472	-	75,516
Subtotal TANF Cluster			-	711,385
Pass-Through Arizona Department of Economic Security:				
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	CTR044929	-	174,117

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Award Expenditures	
Department of Health and Human Services (Continued)					
Pass-Through Pima County:					
Low-Income Home Energy Assistance	93.568	CT-CR-20-472	$ -	$ 12,575	
Pass-Through Pima County:					
Community Services Block Grant	93.569	CT-CR-20-472	-	27,582	
Pass-Through Office of Community Services:					
Community Services Block Grant Discretionary Awards	93.570	90EE1249-01	-	346,081	
Community Services Block Grant Discretionary Awards	93.570	90EE1249-01	-	128,470	
Community Services Block Grant Discretionary Awards	93.570	90EE1249-02	-	53,919	
Community Services Block Grant Discretionary Awards	93.570	90EE1271-01	-	144,850	
Community Services Block Grant Discretionary Awards	93.570	90EE1218-01-00	-	623,908	
Subtotal Community Services Block Grant Discretionary Awards (93.570)			-	1,297,228	
Pass-Through Administration for Children and Families:					
Head Start	93.600	90CM009850-01	-	2,591,391	*
Head Start	93.600	90CM009850-02	-	13,065,154	*
Head Start	93.600	90HM000017-02	-	399,737	*
Head Start	93.600	90HM000017-03	-	1,760,413	*
Head Start	93.600	90CM009857-01	-	2,362,788	*
Head Start	93.600	90CM009857-02	-	11,821,226	*
Head Start	93.600	09CH011020-03	-	1,864,198	*
Head Start	93.600	90HN00000201C3/C5/C6	-	1,418,614	*
Head Start	93.600	90HE000281001C5/C6	-	83,949	*
Subtotal Head Start Cluster			-	35,367,470	*
Pass-Through Dignity Health dba St. Joseph's Hospital & Medical Center					
Accountable Health Communities	93.620	1P1CMS331609-05-00	-	316,211	
Pass-Through State of Arizona Governor's Office of Youth, Faith and Family:					
Social Services Block Grant	93.667	2018-12-CPL	-	5,632	
Pass-Through Bureau of Women and Children's Health:					
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	ADHS17-185597	-	77,946	
National Council on Aging	93.710	N/A	-	69,959	
Pass-Through Bureau of Women and Children's Health:					
Arizona Association of Community Health Centers - CK2C	93.767	CMS-1Y1-19-002 CK2C-01	-	40,869	
Opioid State Response Grant Program	93.788	YH22-0033-002	-	80,422	
Pass-Through State of Arizona Governor's Office of Youth, Faith and Family:					
Opioid State Response Grant Program	93.788	SOR-DSG-19-080119-02	-	100,556	
Opioid State Response Grant Program	93.788	GR-JJ-21-1001-03	-	63,302	
Subtotal Opioid State Response Grant Program (93.788)			-	244,280	
Section 223 Demonstration Programs to Improve Community Mental Mental Health Services	93.829	1H79SM083080-01	-	1,137,975	

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Award Expenditures
Department of Health and Human Services (Continued)				
Maternal, Infant, Early Childhood Home Visiting Program	93.870	RFGA FY22 0923	$ -	$ 135,830
Pass-Through Health Resources and Services Administration:				
HIV - Related Training and Technical Assistance	93.914	12097	-	15,639
HIV - Related Training and Technical Assistance	93.914	M19PSSCPLC/A19PSSCPL/ A20PSSCPL/M20PSSCPL	-	87,842
HIV - Related Training and Technical Assistance	93.914	12097	-	83,401
HIV - Related Training and Technical Assistance	93.914	A21MCMCPL	-	245,531
HIV - Related Training and Technical Assistance	93.914	A19MCMCPL/M19MCMCPL/ A20MCMCPL/M20MCMCPL	-	17
HIV - Related Training and Technical Assistance	93.914	A21NMCCPL	-	184,111
HIV - Related Training and Technical Assistance	93.914	210173	-	96,338
Subtotal HIV - Related Training and Technical Assistance (93.914)			-	712,879
HIV Care Formula Grants	93.917	CTR045482	-	64,773
Pass-Through Arizona Department of Health Services:				
HIV Prevention Activities Health Department Based	93.940	CTR057880	-	139,224
HIV Prevention Activities Health Department Based	93.940	ADHS19-209344	-	24,282
HIV Prevention Activities Health Department Based	93.940	CTR045482	-	165,181
HIV Prevention Activities Health Department Based	93.940	CTR050826	-	65,145
HIV Prevention Activities Health Department Based - COVID	93.940	CTR050826	-	591,508
Subtotal HIV Prevention Activities Health Department Based (93.940)			-	985,340
Pass-Through City of Las Vegas:				
Block Grants for Community Mental Health Services	93.958	SG 25400	-	659,648
Pass-Through Mercy Maricopa Integrated Care:				
Block Grants for Community Mental Health Services	93.958	N/A	-	142,572
Block Grants for Community Mental Health Services	93.958	N/A	-	50,571
Pass-Through State of Nevada Department of Health and Human Services				
Block Grants for Community Mental Health Services	93.958	B09SM083986	-	20,434
Subtotal Block Grants for Community Health Services (93.958)			-	873,225
Pass-Through State of Arizona Governor's Office of Youth, Faith and Family:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	YH21-0003-003	-	133,652
Pass-Through Mercy Maricopa Integrated Care:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	-	185,328
Subtotal Block Grants for Prevention and Treatment of Substance Abuse (93.959)			-	318,980
Preventive Health and Health Services Block Grant	93.991	RFGA2020-02-04	-	24,694
Subtotal Department of Health and Human Services			-	46,430,702
Corporation for National and Community Service				
Pass-Through YouthBuild USA:				
Americorps	94.006	2019-20	-	44,896
Americorps	94.006	2020-21	-	8,078
Subtotal Corporation for National and Community Service			-	52,974
Total Expenditures of Federal Awards			$ 69,237	$ 70,851,682

** Indicates a major program for the fiscal year ended June 30, 2022.*

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and other governmental awards includes the federal grant activity of Chicanos Por La Causa, Inc. and Subsidiaries and Affiliates (CPLC), and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. CPLC received federal awards both directly from federal agencies and indirectly through pass-through entities. Federal financial assistance provided to a subrecipient is treated as an expenditure when it is pad to the subrecipient. Because the Schedule presents only a selected portion of the operations of CPLC, it is not intended to and does not present the financial position, changes in net assets, or cash flows of CPLC.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Expenditures are recognized following the cost principles contained in Subpart E – Cost Principles of the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. CPLC's summary of significant accounting policies is presented in Note 1 in the basic consolidated financial statements.

CPLC has elected to use a negotiated indirect cost rate for the year ended June 30, 2022.

NOTE 3 CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2022 Catalog of Federal Domestic Assistance.

NOTE 4 LOAN PROGRAMS

Expenditures reported in this schedule consist of the beginning of the year outstanding loan balance plus advances made on the loan during the year. The outstanding balance at June 30, 2022 for the Small Business Administration loans, Federal Assistance Listing #59.046, was $1,673,644.

CHICANOS POR LA CAUSA, INC. AND SUBSIDIARIES AND AFFILIATES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

Section I – Summary of Auditors' Results

Financial Statements

1. Type auditors' report issued: Unmodified

2. Internal control over financial reporting:

   - Material weakness(es) identified? ______ yes __x__ no

   - Significant deficiency(ies) identified that are not considered to be material weakness(es)? ______ yes __x__ none reported

3. Noncompliance material to financial statements noted? ______ yes __x__ no

Federal Awards

1. Internal control over major federal programs:

   - Material weakness(es) identified? ______ yes __x__ no

   - Significant deficiency(ies) identified that are not considered to be material weakness(es)? ______ yes __x__ none reported

2. Type of auditor's report issued on compliance for major federal programs: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ______ yes __x__ no

Identification of Major Federal Programs

Federal Assistance Listing Numbers	Name of Federal Program or Cluster
93.600	Head Start
10.558	Child and Adult Care Food Program
21.023	City of Phoenix Emergency Rental Assistance
21.027	Coronavirus State and Local Fiscal Recovery Fund

Dollar threshold used to distinguish between Type A and Type B programs: $ 2,125,550

Auditee qualified as low-risk auditee? __x__ yes ______ no

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards.*

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Section IV – Findings and Questioned Costs – Schedule of Prior Year Findings

There were no findings in the prior year.