HAMBURGER HOME, INC.
(dba AVIVA CENTER AND AVIVA FAMILY AND CHILDREN'S SERVICES)

SINGLE AUDIT REPORTS

AND FINANCIAL STATEMENTS

FOR THE SIX MONTH ENDING JUNE 30, 2019

VASIN, HEYN & COMPANY

ABOVE THE BRIGHT LINE

AN ACCOUNTANCY CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS | AUDITORS AND ADVISERS

HAMBURGER HOME, INC.
(dba Aviva Center and Aviva Family and Children's Services)
(A California Non-Profit Corporation)
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Hamburger Home, Inc.
(dba Aviva Center and Aviva Family and Children's Services)
(A California Non-Profit Corporation)
Los Angeles, California

Report on the Financial Statements

We have audited the accompanying financial statements of Hamburger Home, Inc. (dba Aviva Center and Aviva Family and Children's Services) (A California Non-Profit Corporation), which comprise the statement of financial position for the six months ending June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the six months then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITORS' REPORT (Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hamburger Home, Inc. (dba Aviva Center and Aviva Family and Children's Services) as of June 30, 2019, and the changes in its net assets and its cash flows for the six months then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal and Local Awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2019, on our consideration of Hamburger Home, Inc.'s (dba Aviva Center and Aviva Family and Children's Services) internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Hamburger Home, Inc.'s (dba Aviva Center and Aviva Family and Children's Services) internal control over financial reporting and compliance.

Vasquez, Hayes + Co.

Calabasas, California
October 30, 2019

HAMBURGER HOME, INC.
(dba Aviva Center and Aviva Family and Children's Services)
(A California Non-Profit Corporation)
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2019

		2019
ASSETS		
Cash and cash equivalents	$	437,371
Contracts receivable		4,082,447
Deposits and prepaid expenses		512,176
Investments		5,092,408
Property and equipment, net		4,841,720
Total assets	$	14,966,122
LIABILITIES		
Accounts payable and accrued expenses	$	349,448
Accrued payroll and related liabilities		699,291
Contract advances		2,050,246
Line of credit		2,373,859
Mortgage payable		3,881,513
Capital lease payable		557,019
Total liabilities		9,911,376
COMMITMENTS AND CONTINGENCIES		
NET ASSETS		
Without donor restrictions		4,819,771
With donor restrictions		234,975
Total net assets		5,054,746
Total liabilities and net assets	$	14,966,122

See accompanying auditors' reports and notes to financial statements.

HAMBURGER HOME, INC.
(dba Aviva Center and Aviva Family and Children's Services)
(A California Non-Profit Corporation)
STATEMENT OF ACTIVITIES
FOR THE SIX MONTHS ENDING JUNE 30, 2019

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Government service contracts	$ 6,758,969	$ -	$ 6,758,969
Program service fees	1,268,534	-	1,268,534
Contributions and grants	58,335	281,000	339,335
In-kind contributions	108,132	-	108,132
Interest income and dividend income	66,054	-	66,054
Realized gain (loss) on investments	1,756	-	1,756
Unrealized gain (loss) on investments	569,884	-	569,884
Other income	3,589	-	3,589
	8,835,253	281,000	9,116,253
Net assets released from restrictions	108,419	(108,419)	-
Total revenue, support and restrictions released	8,943,672	172,581	9,116,253
EXPENSES			
Program services	6,586,814	-	6,586,814
Support services	1,624,952	-	1,624,952
Fundraising expenses	225,235	-	225,235
Total expenses	8,437,001	-	8,437,001
CHANGE IN NET ASSETS	506,671	172,581	679,252
NET ASSETS - beginning of year	4,313,100	62,394	4,375,494
NET ASSETS - end of year	$ 4,819,771	$ 234,975	$ 5,054,746

See accompanying auditors' reports and notes to financial statements.

HAMBURGER HOME, INC.
(dba Aviva Center and Aviva Family and Children's Services)
(A California Non-Profit Corporation)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE SIX MONTHS ENDING JUNE 30, 2019

	Program Services	Support Services	Fund-raising	2019 Total Expenses
Salaries and related expenses				
Salaries	$ 3,457,205	$ 773,910	$ 114,212	$ 4,345,327
Payroll taxes	270,973	55,174	8,254	334,401
Employee benefits	715,529	219,350	13,207	948,086
	4,443,707	1,048,434	135,673	5,627,814
Other expenses				
Advertising and recruiting	8,777	6,949	184	15,910
Bank charges	-	2,029	1,065	3,094
Client related costs	73,973	1,111	2,299	77,383
Computer expenses	73,676	50,043	1,809	125,528
Conferences and training	40,952	18,325	597	59,874
Dues and subscriptions	10,327	29,479	5,088	44,894
Equipment rental and maintenance	21,516	9,357	629	31,502
Food costs	46	181	-	227
Foster parent expenses	431,159	-	-	431,159
In-kind, supplies	8,316	59,856	39,960	108,132
Insurance	40,869	82,218	2,706	125,793
Interest expense	44,407	70,316	3,111	117,834
Licenses and permits	2,205	128	-	2,333
Office expenses	18,607	21,792	3,845	44,244
Outside services	224,569	16,885	-	241,454
Postage and delivery	724	351	-	1,075
Printing	631	228	5,308	6,167
Professional fees	10,557	67,758	2,252	80,567
Public relations	409	-	6,505	6,914
Rent	416,692	34,147	-	450,839
Repairs and maintenance	42,347	15,989	854	59,190
Small equipment	4,575	6,524	422	11,521
Special events, event specialist	-	-	737	737
Supplies	19,237	21,248	3,583	44,068
Taxes and licenses	10,451	7,714	128	18,293
Telephone	69,717	12,702	1,191	83,610
Transportation and travel	104,221	15,898	70	120,189
Utilities	22,748	17,388	1,154	41,290
	6,145,415	1,617,050	219,170	7,981,635
Depreciation	441,399	7,902	6,065	455,366
Total expenses	$ 6,586,814	$ 1,624,952	$ 225,235	$ 8,437,001

See accompanying auditors' reports and notes to financial statements.

HAMBURGER HOME, INC.
(dba Aviva Center and Aviva Family and Children's Services)
(A California Non-Profit Corporation)
STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDING JUNE 30, 2019

	2019
CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	$ 679,252
Adjustments to reconcile net increase (decrease) in net assets to net cash provided (used) by operating activities	
Depreciation	455,366
(Gain) loss on investment, net	(571,640)
(Increase) decrease in:	
Contracts receivable	521,097
Deposits and prepaid expenses	(79,773)
Increase (decrease) in:	
Accounts payable and accrued expenses	235,285
Accrued payroll and related liabilities	(68,241)
Contract advances	(1,714,290)
Total adjustments	(1,222,196)
Net cash provided (used) by operating activities	(542,944)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of investments	(861,075)
Proceeds from the sale of investments	776,383
Payments related to the construction of capital asset	(1,108,940)
Purchase of property and equipment	(18,114)
Net cash provided (used) by investing activities	(1,211,746)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds of borrowings from line of credit	4,050,000
Principal payments related to line of credit	(2,091,141)
Principal payments on mortgage and loan payable	(47,867)
Payments related to the construction of capital asset with donor funds	(65,000)
Payments on capital lease payable	(142,531)
Net cash provided (used) by financing activities	1,703,461
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(51,229)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	488,600
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 437,371
Non-cash activities:	
In-kind contributions	$ 108,132
Supplemental disclosure:	
Interest paid	$ 117,834

See accompanying auditors' reports and notes to financial statements.

HAMBURGER HOME, INC.
(dba Aviva Center and Aviva Family and Children's Services)
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDING JUNE 30, 2019

1. ORGANIZATION

Hamburger Home, Inc. (dba Aviva Center and Aviva Family and Children's Services), a California Non-Profit Corporation ("Aviva") is comprised of a foster family/adoption agency and an outpatient mental health clinic, which provide children ages one to eighteen with care, clinical intervention, education and job training. The goal of Aviva's foster care programs is to assist clients to improve their social functioning to a level whereby they can prepare for independent living or a return to their family or a substitute family. Aviva's community mental health service programs provide a full range of professional treatment on an outpatient basis to low-income families and their children.

Aviva has adopted a change in its fiscal year (accounting period) from its year ending at December 31st, to its year ending at June 30th. This change is effective January 1, 2019 and these financial statements present the short six month period ending June 30, 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Statement Presentation

The financial statements are presented based on Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*. ASC Topic 958, Sections 210 and 225 requires classification of Aviva's net assets, revenues as well as expenses based on the existence or absence of donor-imposed restrictions. The statement requires presentation of the amounts for each of the two classes of net assets – with donor restrictions, and without donor restrictions - in the statement of financial position and the amounts of change in each of those classes of net assets in the statement of activities.

Net Assets

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

- *Without donor restrictions.* Without donor restrictions are resources available to support operations. The only limits on the use of without donor restrictions are the broad limits resulting for the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Net Assets - Continued

- *With donor restrictions.* With donor restricted net assets are resources that are restricted by a donor for use for a particular purpose or in a particular future period or are limited by donor-imposed restrictions that neither expire by being used in accordance with a donor's restriction nor by the passage of time. The organization's unspent contributions are classified in this class if the donor limited their use, as are the unspent appreciation of its donor-restricted endowment funds. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from with donor restrictions to without donor restrictions. Net assets restricted for acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as donor restricted until the specified asset is placed in service by the organization, unless the donor provides more specific directions about the period of its use.

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

Cash and Cash Equivalents

Cash and cash equivalents are short term, interest bearing, highly liquid investments with original maturities of three months or less, unless the investments are held for meeting restrictions of a capital or endowment nature.

Contracts Receivable

Contracts receivable are stated at the amount management expects to collect from outstanding balances. Contract receivables are primarily unsecured amounts due on cost reimbursement or performance contracts. Any amount that is denied for reimbursement is written off when management receives notification from the grantor agency. Management provides for probable uncollectible amounts through a provision for an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that remain outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Balances that remain outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of June 30, 2019, no allowance was established.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Deposits and Prepaid Expenses

Prepaid deposits, insurance, contracts and other costs are expensed ratably over their respective terms of agreement.

Investments

Investments in marketable securities with readily redeemable fair values and all investments in debt securities are carried at their fair market values in the statement of financial position.

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

Property and Equipment, net

Land, buildings, property, and equipment are reported in the statement of financial position at cost, if purchased, and at fair value at the date of donation, if donated. Buildings, leasehold improvements, furniture and equipment are capitalized if their costs exceed $5,000. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred.

Assets purchased with government grant or contract funds are subject to certain restrictions including a proprietary interest in such assets and are charged at the time of acquisition to direct costs (expense) in accordance with grantor guidelines and simultaneously recorded as assets and contributions.

Assets purchased with governmental grants or contracts are capitalized and depreciated by Aviva in accordance with accounting standards generally accepted in the United States of America. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Buildings	20 - 40 years
Capital leases	4 – 5 years
Furniture and Equipment	5 -10 years
Improvements	2.5 - 15 years
Land	N/A
Proprietary software	5 years
Vehicles	5 years

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Construction in Progress

Construction in progress includes renovation costs related to the TAY Wallis house of $1,308,390 incurred during the six month ending June 30, 2019.

Vacation Policy

Vacation benefits are accrued on a biweekly basis. Full-time employees accrue vacation time based upon years of service to Aviva as follows:

	Non-Exempt	Exempt
Years Employed	Maximum Accrual Per Year	
0 - 2 years	15 days	18 days
3 years	16.5 days	19.5 days
4 - 9 years	21 days	22.5 days
10 + years	25.5 days	27 days

Unused vacation leave will be paid at the time of termination. Total accrued vacation at June 30, 2019, was $483,609.

Contract Advances

Contract advances consists of board and care overpayments pending refund on request to Los Angeles County Department of Children and Family Services and reserves for pending contract settlements with Los Angeles County Department of Mental Health.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Accounting for Contributions

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

Contributed Goods and Services

Contributions of goods received that are measurable are recorded as revenue and expense in equal amounts at their estimated fair value when received. Contributions of services are recognized if the services received meet any of these criteria: (1) if they create or enhance nonfinancial assets and (2) if they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. No amounts have been included in the accompanying financial statements for donated services. In-kind revenues in the financial statements consist of supplies recorded and valued at $108,132 for the six months ending June 30, 2019.

Revenue Recognition

Revenues from government agencies, program service fees, and other third-party payers for services provided under such contracts are recognized when earned by Aviva. All gifts, bequests, and other public support are included in unrestricted net assets unless specifically restricted by the donor or the terms of the gift or grant instrument. Amounts received in excess of balances earned are recognized as liabilities in Contract Advances.

Government Revenue

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Income Taxes

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

Aviva has adopted Financial Accounting Standards Board Accounting Standards Codification (ASC) Section 740-10, which clarifies the accounting for uncertainty in income taxes. ASC Section 740-10 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC Section 740-10 requires that an organization recognize in the financial statements the impact of the tax position if that position will more likely than not be sustained on audit, based on the technical merits of the position. As of and for the six months ending June 30, 2019, Aviva had no material unrecognized tax benefits, tax penalties or interest.

Aviva's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending December 31, 2018, 2017, and 2016, are subject to examination by the IRS, generally for 3 years after they were filed.

Expense Recognition and Allocation

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

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

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. Aviva generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgements contain requests for contributions, joint costs have been allocated between fundraising and management and general expenses in accordance with standards for accounting for costs of activities that include fundraising. Additionally, advertising costs are expensed as incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Use of Estimates

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

Fair Value Measurements

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

- *Level 1* - Quoted prices for identical assets or liabilities in active markets to which Aviva has access at the measurement date.

- *Level 2* - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:
  - quoted prices for similar assets or liabilities in active markets;
  - quoted prices for identical or similar assets in markets that are not active;
  - observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
  - inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

- *Level 3* - Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The carrying amounts of cash and cash equivalents and accounts receivable approximate fair value because of the terms and relatively short maturity of these financial instruments. The individual equity holdings, individual fixed-income holdings and hedge-fund holdings are value at quoted market prices, which represent the net asset value of shares held by Aviva at year end.

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

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

3. INVESTMENTS

Aviva measures fair value in accordance with FASB ASC 820-10. FASB ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels; Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs, other than the quoted prices in active markets, are observable either directly or indirectly, and Level 3 unobservable inputs in which there is little or no market data, which requires Aviva to develop its own assumptions. Aviva uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, Aviva measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. All investments reported at fair value at June 30, 2019 are Level 1 inputs.

Investments consist of the following at June 30, 2019:

	Total	Level 1
Individual equity holdings	$ 3,585,648	$ 3,585,648
Individual fixed-income holdings	1,242,472	1,242,472
Hedge-fund holdings	264,288	264,288
Total investments	$ 5,092,408	$ 5,092,408

At June 30, 2019, Aviva did not have any investments measured using Level 2 and Level 3 inputs.

Interest income and dividend income on investments	$ 66,054
Realized gain (loss) on investments	1,756
Unrealized gain (loss) on investments	569,884
Total investment return	$ 637,694

4. PROPERTY AND EQUIPMENT, NET

Property and equipment at June 30, 2019 consist of the following:

	Government Funded	Aviva Owned	Total
Buildings and improvements	$ 66,876	$ 7,790,626	$ 7,857,502
Capital leases	1,232,813	-	1,232,813
Computer equipment	159,589	267,844	427,433
Construction in progress	-	1,308,390	1,308,390
Furniture and fixtures	-	615,769	615,769
Land	-	1,090,084	1,090,084
Proprietary software	1,282,901	-	1,282,901
Vehicles	212,100	197,725	409,825
Video	-	20,915	20,915
	2,954,279	11,291,353	14,245,632
Accumulated depreciation	(1,574,339)	(7,829,573)	(9,403,912)
Property and Equipment, net	$ 1,379,940	$ 3,461,780	$ 4,841,720

Certain equipment has been purchased with federal, State and other granting agencies' funds. These agencies retain a proprietary interest in such property. Property acquired with these funds is considered to be owned by Aviva while used in the program(s) for which it was purchased or in other future authorized programs. Its disposition as well as the ownership of any proceeds therefrom is subject to federal, state, or local regulations.

Total depreciation expense for the six months ending June 30, 2019 was $455,366.

5. ACCRUED PAYROLL, RELATED LIABILITIES AND CONTRACT ADVANCES

Accrued payroll and related liabilities at June 30, 2019 consist of the following:

Accrued payroll	$ 176,770
Accrued vacation	483,609
Other related liabilities	38,912
Total accrued payroll and related liabilities	$ 699,291

Contract advances at June 30, 2019 consist of the following:

Board and care overpayments – due to County	$ 409,246
Mental health contract reserve	1,641,000
Total contract advances	$ 2,050,246

6. BORROWING ARRANGEMENTS

Line of Credit

Aviva has a line of credit with Bank of America. The line allows for borrowings up to $3,000,000, with no fixed maturity date and full repayment due on demand. The loan is collateralized by assets held in an investment account at U.S. Trust. Interest accrues at the current index rate, as defined, generally 3.297% per annum (4.014 % at June 30, 2019). Balance due to the bank was $1,671,000 at June 30, 2019. The line of credit agreement contains certain covenants which were in compliance during the six months ending June 30, 2019.

Aviva has a line of credit with First Citizens Bank. The line allows for borrowings up to $1,000,000, with no fixed maturity date and full repayment due on demand. The loan is collateralized by assets held in an investment account at U.S. Trust. Interest accrues at the current index rate, as defined, generally 4.75% per annum (5.75% at June 30, 2019). Balance due to the bank was $702,859 at June 30, 2019. The line of credit agreement contains certain covenants which were in compliance during the six months ending June 30, 2019.

Interest expense incurred for the six months ending June 30, 2019 was $35,014.

Mortgage Payable

Aviva has a mortgage payable in monthly installments with First Citizens Bank maturing March 2025. The mortgage is secured by real property. The loan agreement includes covenants which were in compliance at June 30, 2019. The mortgage is payable in monthly installments of $21,584 with interest payable monthly at 4.15% per annum. The balance owed at June 30, 2019 was $3,881,513. The original mortgage with Wells Fargo was refinanced in March 2018 with First Citizens Bank.

Interest expense incurred for the six months ending June 30, 2019 was $81,635.

Future minimum payments on the mortgage payable are as follows:

For the year ending June 30,	Amount
2019	$ 95,410
2020	99,048
2021	103,752
2022	108,203
2023	112,844
2024 and thereafter	3,362,256
Total	$ 3,881,513

6. BORROWING ARRANGEMENTS – Continued

Capital Lease Obligations

Between July 2016 and November 2017, Aviva entered into a total of six (6) Lease Agreements with Insight Investments, LLC, for the purposes of financing furnishings and technology. Monthly installment payments are due on each lease, allocated between principal and interest at an annual rate of 4.75%. Interest expense incurred for the capital lease obligations for the six months ending June 30, 2019 was $1,185.

	Monthly Payment	Payments for the six months ended June 30, 2019	Lease Balance 6/30/19
Computers and networking equipment (3 leases)	$ 15,108	$ 90,648	$ 286,271
Video conferencing equipment (1 lease)	3,771	22,625	100,261
Furnishings (2 leases)	5,653	33,917	170,487
Total	$ 24,532	$ 147,190	$ 557,019

Future minimum lease payments on the lease obligations are as follows:

For the year ending June 30,	Amount
2019	$ 142,827
2020	283,969
2021	120,937
2022	9,286
Total	$ 557,019

7. CONTINGENCIES

Contracts

Aviva's grants and contracts are subject to inspection and audit by the appropriate governmental funding agency. The purpose is to determine whether program funds were used in accordance with their respective guidelines and regulations. The potential exists for disallowance of previously funded program costs. The ultimate liability, if any, which may result from these governmental audits often cannot be reasonably estimated.

Included in contract advances is a reserve of $1,641,000 for the Mental Health contract. This amount reflects the Los Angeles County Department of Mental Health's proposed Bundled Interim Settlement for contract fiscal years 2004-05 through 2013-14. The amount and terms of the settlement are under continuing negotiation, and the reserve amount is subject to change as a result.

Litigation

Aviva is involved in certain litigation, arising from operations, the ultimate outcome of which is not susceptible to reasonable estimation. Management believes that any potential settlements will be compensated from existing insurance coverage.

8. SOURCES OF REVENUE AND SUPPORT

The balances at the six months ending June 30, 2019 consist of the following:

Program revenue	
Foster care	$ 1,721,100
Mental health	5,613,280
Various other	693,123
Support	
Fund development	447,467
Investment and activity income (loss), net	637,694
Other income	3,589
Total sources of revenue and support	$ 9,116,253

9. COMMITMENTS AND TOTAL RENT EXPENSES

Obligations Under Lease

Aviva leases space at several locations. Future minimum payments under these leases, with an initial or remaining term of one year or more, are as follows:

For the year ending June 30,	Amount
2020	$ 440,500
2021	375,212
2022	346,040
2023	356,421
2024 and thereafter	367,113
Total	$ 1,885,286

Total rent expense for the six months ending June 30, 2019 was $450,839.

Aviva has obligations for furnishings and equipment under operating leases. Future minimum payments under these leases, with an initial or remaining term of one year or more, are as follows:

For the year ending June 30,	Amount
2020	$ 28,816
2021	13,699
2022	11,190
2023	4,274
Total	$ 57,979

Total furnishings and equipment expense, including maintenance, for the six months ending June 30, 2019 was $31,502.

10. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at June 30, 2019, consist of amounts restricted by donor-imposed stipulations, and are available for the following purposes:

	Balance at December 2018	Income	Expenditures	Balance at June 2019
Transition Living Program renovations	$ 50,000	$ -	$ (50,000)	$ -
Support for programs	-	5,000	(4,282)	718
Support for Transition Living Program	12,394	276,000	(54,137)	234,257
Total net assets with donor restrictions	$ 62,394	$281,000	$ (108,419)	$ 234,975

Amounts released from net assets with donor restrictions during the six months ending June 30, 2019, were as follows:

Grant	Expenditures	Amount
Transitional Living program renovations	Grant was expended for its purpose	$ 50,000
Support for transitional living program	Grant was expended for its purpose	54,137
Support for Programs	Grant was expended for its purpose	4,282
Total		$ 108,419

11. CONTRIBUTORY RETIREMENT PLANS

Aviva maintains two retirement plans:

Multi-Employer Defined Benefit Plan

A multi-employer defined benefit plan sponsored by the Jewish Federation Counsel of Los Angeles (JFC) applies to employees hired prior to January 1, 2006. Under a procedure effective January 1, 2016, JFC's actuaries review the plan annually to calculate the funding obligation, which is then assessed to each member employer according to their participation. The assessment is billed to each member employer in January and payable to JFC in bi-monthly installments.

403(b) Plan

Aviva offers a qualified 403(b) to all employees who were hired after January 1, 2006. This plan has an auto-enrollment feature requiring employees to opt out if they do not wish to make salary deferral contributions to a traditional or Roth retirement account to the extent allowed by law. Employees who have completed one year of service, are age twenty-one or older, and are not included in the JFC Defined Benefit Plan may have up to 5% of their contributions matched by Aviva. Employer contributions are made each payroll period.

During the six months ending June 30, 2019 Aviva made combined contributions to these retirement plans in the amount of $307,237.

12. LIQUIDITY AND AVAILABILITY

	June 30, 2019
Total financial assets:	$ 9,612,226
Donor-imposed restrictions:	(234,975)
Net financial assets after donor-imposed restrictions	9,377,251
Financial assets available to meet cash needs for general expenditures within one year	$ 9,377,251

Aviva's goal is generally to maintain financial assets to meet 30 days of operating expenses approximately $1,000,000. As part of its liquidity plan, Aviva bills government-funded contracts in accordance with funding terms and conditions or receives periodic advances from funders, generally monthly. Amounts available for expenditure over the period of the next twelve are dependent on governmental funder's payment cycles which vary from 45 to 50 days. Excess cash, if any, is invested in short-term investments, including money market accounts. Aviva has two line of credit accounts totaling $4,000,000 available to meet cash flow needs.

13. CONCENTRATION RISK

Amounts held in financial institutions occasionally are in excess of the Federal Deposit Insurance. However, Aviva performs ongoing evaluations of the commercial bank to limit its concentration of credit risk and has not suffered any losses. Corporation and Securities Investor Protection Corporation limits. Aviva deposits its cash with high quality financial institutions, and management believes the organization is not exposed to significant credit risk on those amounts.

Concentration of credit risk with respect to trade receivables is limited, as the majority of Aviva receivables consist of earned fees from contract programs granted by governmental agencies. The majority of Aviva's contributions and grants are received from corporations, foundations, and individuals and from California and local governmental entities. As such, Aviva's ability to generate resources via contributions and grants is dependent upon the economic health of that area and of the state of California. An economic downturn could cause a decrease in contributions and grants that coincides with an increase in demand for Aviva's services.

Aviva received 88.1% or $8,027,503 of its revenue and support from government contracts and awards. Foster care revenue represents 30.1% and mental health revenue represents 69.9% of that total.

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

14. SUBSEQUENT EVENTS

Aviva has evaluated events subsequent to June 30, 2019, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through October 30, 2019, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required. Based upon this evaluation, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.

INFORMATION REQUIRED BY GOVERNMENT AUDITING STANDARDS AND THE UNIFORM GUIDANCE

VASIN, HEYN & COMPANY
ABOVE THE BRIGHT LINE

AN ACCOUNTANCY CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS | AUDITORS AND ADVISERS

INDEPENDENT AUDITORS' REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Hamburger Home, Inc.
(dba Aviva Center and Aviva Family and Children's Services)
(A California Non-Profit Corporation)
Los Angeles, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Hamburger Home, Inc. (dba Aviva Center and Aviva Family and Children's Services) (A California Non-Profit Corporation), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses and cash flows for the six months then ended, and the related notes to the financial statements, and have issued our report thereon dated October 30, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Hamburger Home, Inc.'s (dba Aviva Center and Aviva Family and Children's Services) internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Hamburger Home, Inc.'s (dba Aviva Center and Aviva Family and Children's Services) internal control. Accordingly, we do not express an opinion on the effectiveness of Hamburger Home, Inc.'s (dba Aviva Center and Aviva Family and Children's Services) internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Vasin, Heyn + Co.

Calabasas, California
October 30, 2019

VASIN, HEYN & COMPANY
ABOVE THE BRIGHT LINE
AN ACCOUNTANCY CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS | AUDITORS AND ADVISERS

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

To the Board of Directors of
Hamburger Home, Inc.
(dba Aviva Center and Aviva Family and Children's Services)
(A California Non-Profit Corporation)
Los Angeles, California

Report on Compliance for Each Major Federal Program

We have audited Hamburger Home, Inc.'s (dba Aviva Center and Aviva Family and Children's Services) (A California Non-Profit Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Hamburger Home, Inc.'s (dba Aviva Center and Aviva Family and Children's Services) major federal programs for the six months ending June 30, 2019. Hamburger Home, Inc.'s (dba Aviva Center and Aviva Family and Children's Services) major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Hamburger Home, Inc.'s (dba Aviva Center and Aviva Family and Children's Services) major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Hamburger Home, Inc.'s (dba Aviva Center and Aviva Family and Children's Services)'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Hamburger Home, Inc.'s (dba Aviva Center and Aviva Family and Children's Services) compliance.

Opinion on Each Major Federal Program

In our opinion, Hamburger Home, Inc. (dba Aviva Center and Aviva Family and Children's Services) 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 six months ending June 30, 2019.

Report on Internal Control Over Compliance

Management of Hamburger Home, Inc. (dba Aviva Center and Aviva Family and Children's Services) is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Hamburger Home, Inc.'s (dba Aviva Center and Aviva Family and Children's Services) internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance required by the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Hamburger Home, Inc.'s (dba Aviva Center and Aviva Family and Children's Services) internal control over compliance.

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

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

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

Vasin, Heyn + Co.

Calabasas, California
October 30, 2019

HAMBURGER HOME, INC.
(dba Aviva Center and Aviva Family and Children's Services)
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AND LOCAL AWARDS
FOR THE SIX MONTHS ENDING JUNE 30, 2019
(FEIN 95-1693616)

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor Number	(D)irect (P)assed	Governmental Revenue Federal	Governmental Revenue Nonfederal	Program Expenditures From Governmental Revenue
U.S. Department of Health and Human Services						
Passed Through the Los Angeles County Department of Children and Family Services (DCFS),						
Foster Care_Title IV-E	**93.658**	07-23-034	**p**	**$ 721,629**	**$ 471,905**	**$ 1,193,534**
Passed Through the Los Angeles County Department of Mental Health (DMH)						
Medi-Cal Assistance Program	**93.778**	MH121361/ MH121998	**P**	**2,487,902**	**3,126,604**	**$ 5,614,506**
Total U.S. Department of Health and Human Services				**$ 3,209,531**	**$ 3,598,509**	**$ 6,808,040**
TOTAL FEDERAL EXPENDITURES				**$ 3,209,531**	**$ 3,598,509**	**$ 6,808,040**
LOCAL FUNDING:						
Los Angeles County, Department of Child and Family Services						
CAPIT (Child Abuse Prevention, Intervention & Treatment)		2015-01-29 2015-01-52	**P**	**$ -**	**$ 34,200**	**$ 34,200**
Los Angeles County, Department of Child and Family Services						
Wraparound Approach Services		12-1522	**P**	**-**	**691,955**	**$ 691,955**
Los Angeles County, Department of Child and Family Services						
Adoption		No Contract # Assigned	**P**	**-**	**75,000**	**$ 75,000**
RHAS SPA 2		15-001-04	**P**	**-**	**175,485**	**$ 175,485**
RHAS SPA 4		15-001-07	**P**	**-**	**60,864**	**$ 60,864**
RSS SPA 6		15-001-30	**P**	**-**	**185,441**	**$ 185,441**
TOTAL LOCAL EXPENDITURES				**$ -**	**$ 1,222,945**	**$ 1,222,945**
TOTAL FEDERAL AND LOCAL EXPENDITURES				**$ 3,209,531**	**$ 4,821,454**	**$ 8,030,985**

HAMBURGER HOME, INC.
(dba Aviva Center and Aviva Family and Children's Services)
(A California Non-Profit Corporation)
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND LOCAL AWARDS
FOR THE SIX MONTHS ENDING JUNE 30, 2019

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal and Local Awards (the "Schedule") includes the federal grant activity of Hamburger Home, Inc. (dba Aviva Center and Aviva Family and Children's Services) under programs of the federal government for the six months ending June 30, 2019. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Because the schedule presents only a selected portion of the operations of Hamburger Home, Inc. (dba Aviva Center and Aviva Family and Children's Services), it is not intended to and does not present the financial position, changes in net assets or cash flows of Hamburger Home, Inc. (dba Aviva Center and Aviva Family and Children's Services).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3. DE MINIMIS INDIRECT COST RATE

Hamburger Home, Inc. (dba Aviva Center and Aviva Family and Children's Services) did not elect to use the 10% de minimis indirect cost rate for the six months ending June 30, 2019.

4. LOAN AND LOAN GUARANTEE

Hamburger Home, Inc. (dba Aviva Center and Aviva Family and Children's Services) did not have any balances of loan and loan guarantee programs outstanding at June 30, 2019 for loans described in 2 CFR section 200.50(b).

HAMBURGER HOME, INC.
(dba Aviva Center and Aviva Family and Children's Services)
(A California Non-Profit Corporation)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE SIX MONTHS ENDING JUNE 30, 2019

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified	
Internal control over financial reporting:		
• Material weakness(es) identified?	______ Yes	X No
• Significant deficiency(ies) identified?	______ Yes	X None Reported
Noncompliance material to financial statements noted?	______ Yes	X No

Federal Awards

Internal control over major federal programs:		
• Material weakness(es) identified?	______ Yes	X No
• Significant deficiency(ies) identified?	______ Yes	X None Reported
Type of auditors' report issued on compliance for major federal programs:	Unmodified	
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:

CFDA Number(s)	Name of Federal Program or Cluster
93.658	Foster Care_Title IV-E

Dollar threshold used to distinguish between type A and type B programs:	$750,000	
Auditee qualified as low-risk auditee?	X Yes	______ No

Section II - Financial Statement Findings

No matters were reported.

Section III - Federal Award Findings and Questioned Costs

No matters were reported.

HAMBURGER HOME, INC.
(dba Aviva Center and Aviva Family and Children's Services)
(A California Non-Profit Corporation)
SCHEDULE OF CURRENT AND PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE SIX MONTHS ENDING JUNE 30, 2019

CURRENT YEAR FINDINGS:

2019 Findings:

There were no 2019 findings noted.

2019 Questioned Costs:

There were no 2019 questioned costs noted.

PRIOR YEARS FINDINGS AND QUESTIONED COSTS:

2018 Findings:

There were no 2018 findings noted.

2018 Questioned Costs:

There were no 2018 questioned costs noted.

2017 Findings:

There were no 2017 findings noted.

2017 Questioned Costs:

There were no 2017 questioned costs noted