



SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2022



HACIENDA COMMUNITY DEVELOPMENT CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Hacienda Community Development Corporation
Portland, Oregon

Report on the Audit of the Schedule of Expenditures of Federal Awards

Opinion

We have audited the accompanying schedule of expenditures of federal awards of Hacienda Community Development Corporation (a nonprofit organization), for the year ended June 30, 2022, and the related notes (the schedule).

In our opinion, the accompanying schedule of expenditures of federal awards presents fairly, in all material respects, the expenditures of federal awards of Hacienda Community Development Corporation for the year ended June 30, 2022, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report.

We are required to be independent of Hacienda Community Development Corporation 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 Schedule

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

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance 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 schedule.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the schedule, 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 schedule.
- 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 Hacienda Community Development Corporation's 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 schedule.

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.



Jones & Roth, P.C.
Hillsboro, Oregon
June 30, 2023

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

To the Board of Directors
Hacienda Community Development Corporation
Portland, Oregon

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Hacienda Community Development Corporation's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Hacienda Community Development Corporation's major federal programs for the year ended June 30, 2022. Hacienda Community Development Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Hacienda Community Development Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Hacienda Community Development Corporation 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 Hacienda Community Development Corporation's 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 Hacienda Community Development Corporation's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Hacienda Community Development Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Hacienda Community Development Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding ABC Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of ABC Organization's 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 ABC Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

A handwritten signature in cursive script that reads "Jones & Roth, P.C.".

Jones & Roth, P.C.
Hillsboro, Oregon
June 30, 2023

HACIENDA COMMUNITY DEVELOPMENT CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

Federal Grantor/Pass-through Grantor/ Program Title	Contract Number	AL Number	Federal Expenditures
U.S. Department of Agriculture			
Farm Labor Housing Loans and Grants	None	10.405	\$ 649,373 (1)
<i>Pass-through program from:</i>			
Prosper Portland:			
Regional Food Systems Partnerships	771-22-01	10.177	<u>3,334</u>
Total U.S. Department of Agriculture			<u>652,707</u>
U.S. Department of Treasury			
<i>Pass-through program from:</i>			
Prosper Portland:			
COVID-19 Coronavirus Relief Fund	DCA-SVCSGEN -13422-2022	21.019	570,000
Oregon Deptment of Administrative Services:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	8120	21.027	600,000
Multnomah County:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	DCA-SVCSGEN -13145-2021	21.027	18,966
Latino Network:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	DCHS-SVCSGEN -13145-2021	21.027	<u>11,700</u>
Total U.S. Department of Treasury			<u>1,200,666</u>
U.S. Department of Health and Human Services			
<i>Pass-through program from:</i>			
Oregon Health Authority:			
Epidemiology and Laboratory Capacity for Infectious Diseases	168221	93.323	<u>54,337</u>
U.S. Department of Homeland Security			
<i>Pass-through program from:</i>			
Oregon health Authority:			
Disaster Grants - Public Assistance	173846	97.036	<u>29,694</u>

HACIENDA COMMUNITY DEVELOPMENT CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
For the Year Ended June 30, 2022

Federal Grantor/Pass-through Grantor/ Program Title	Contract Number	AL Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
CDBG - Entitlement Grants Cluster:			
<i>Pass-through program from:</i>			
Prosper Portland:			
Community Development Block Grants	771-21	14.218	60,000
Portland Housing Bureau:			
Community Development Block Grants	32002453	14.218	145,979
Community Development Block Grants	106762-10	14.218	454,743 (1)
Community Development Block Grants	106763-10	14.218	692,330 (1)
Community Development Block Grants	3110002	14.218	1,032,791 (1)
Community Development Block Grants	3110004	14.218	<u>2,237,121 (1)</u>
Total CDBG - Entitlement Grants Cluster			<u>4,622,964</u>
<i>Pass-through program from:</i>			
Unidos US:			
Housing Counseling Assistance Program	HC210011026	14.169	33,000
Portland Housing Bureau:			
Home Investment Partnerships Program	32000331	14.239	1,125,000 (1)
Home Investment Partnerships Program	38542-08	14.239	348,433 (1)
Home Investment Partnerships Program	3110003	14.239	1,332,996 (1)
Home Investment Partnerships Program	38241-03	14.239	231,258 (1)
Home Investment Partnerships Program	38240-02	14.239	15,591 (1)
Home Investment Partnerships Program	107095-11	14.239	277,449 (1)
Home Investment Partnerships Program	38268-02	14.239	263,679 (1)
Home Investment Partnerships Program	38343-04	14.239	425,344 (1)
Home Investment Partnerships Program	38344-04	14.239	264,326 (1)
Home Investment Partnerships Program	38430-05	14.239	1,135,491 (1)
Home Investment Partnerships Program	None	14.239	46,607
Clackamas County:			
Home Investment Partnerships Program	None	14.239	<u>400,000 (1)</u>
Total U.S. Department of Housing and Urban Development			<u>10,522,138</u>
Total federal awards			<u><u>\$ 12,459,542</u></u>

⁽¹⁾ Loans

HACIENDA COMMUNITY DEVELOPMENT CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Hacienda Community Development Corporation under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Hacienda Community Development Corporation, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Hacienda Community Development Corporation.

2. Expenditures

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Hacienda Community Development Corporation has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Loans	\$ 10,885,925
Expenditures of federal awards	<u>1,573,617</u>
Total loans and expenditures of federal awards	<u>\$ 12,459,542</u>
Expenditures of federal awards	\$ 1,573,617
Non-federal expenditures	<u>9,402,797</u>
Total expenditures per consolidated financial statements	<u>\$ 10,976,414</u>

3. Loans and Loan Guarantee Programs

For loan and loan guarantee programs for which there are continuing federal compliance requirements, the amount of expenditures reported on the Schedule is the sum of the loan balance at the beginning of the year, the value of new loans made during the year, and cash or administrative cost allowance received during the year.

Hacienda Community Development Corporation has loans due to federal agencies for which there are continuing compliance requirements. As of June 30, 2022, the outstanding loan balances on such loans were as follows:

<u>Federal Agency</u>	<u>Program Title</u>	<u>AL Number</u>	<u>Outstanding Balance</u>
U.S. Department of Housing and Urban Development	Community Development Block Grants	14.218	\$ 417,720
U.S. Department of Housing and Urban Development	Community Development Block Grants	14.218	666,952

HACIENDA COMMUNITY DEVELOPMENT CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

3. Loans and Loan Guarantee Programs, continued

<u>Federal Agency</u>	<u>Program Title</u>	<u>AL Number</u>	<u>Outstanding Balance</u>
U.S. Department of Housing and Urban Development	Community Development Block Grants	14.218	998,357
U.S. Department of Housing and Urban Development	Community Development Block Grants	14.218	2,203,838
U.S. Department of Housing and Urban Development	Home Investment Partnership Program	14.239	1,125,000
U.S. Department of Housing and Urban Development	Home Investment Partnership Program	14.239	348,433
U.S. Department of Housing and Urban Development	Home Investment Partnership Program	14.239	1,332,996
U.S. Department of Housing and Urban Development	Home Investment Partnership Program	14.239	231,258
U.S. Department of Housing and Urban Development	Home Investment Partnership Program	14.239	14,585
U.S. Department of Housing and Urban Development	Home Investment Partnership Program	14.239	400,000
U.S. Department of Housing and Urban Development	Home Investment Partnership Program	14.239	260,253
U.S. Department of Housing and Urban Development	Home Investment Partnership Program	14.239	263,678
U.S. Department of Housing and Urban Development	Home Investment Partnership Program	14.239	401,014
U.S. Department of Housing and Urban Development	Home Investment Partnership Program	14.239	264,326
U.S. Department of Housing and Urban Development	Home Investment Partnership Program	14.239	1,135,491
U.S. Department of Agriculture	Farm Labor Housing Loans and Grants	10.405	<u>617,097</u>
			<u>\$10,680,898</u>

The proceeds of loans that were received and expended in prior years are not considered federal awards expended when the laws, regulations, and the provisions of contracts or grant agreements pertaining to such loans impose no continuing compliance requirements other than to repay the loans and have been excluded from the Schedule and the notes to the Schedule.

4. Subrecipients

No award payments were passed through to subrecipients for the year ended June 30, 2022.

HACIENDA COMMUNITY DEVELOPMENT CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2022

Summary of Auditor's Results

- 1) The independent auditor's report expresses an unmodified opinion on the consolidated financial statements of Hacienda Community Development Corporation.
- 2) No significant deficiencies and no material weaknesses in internal control were disclosed by the audit of the consolidated financial statements.
- 3) No instances of noncompliance material to the consolidated financial statements of Hacienda Community Development Corporation, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- 4) No significant deficiencies and no material weaknesses in internal control over major federal award programs were disclosed by the audit of the major federal award programs.
- 5) The independent auditor's report on compliance for the major federal award programs for Hacienda Community Development Corporation expresses an unmodified opinion.
- 6) There are no audit findings or questioned costs that are required to be reported in this schedule in accordance with the Uniform Guidance.

- 7) Identification of major programs:

Assistance Listing Number Name of Federal Program or Cluster

14.239 Home Investment Partnerships Program

21.027 Coronavirus State and Local Fiscal Recovery Funds

- 8) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- 9) Hacienda Community Development Corporation was determined to be a low-risk auditee.

Findings – Financial Statement Audit

None.

Findings and Questioned Costs – Major Federal Award Programs Audit

None.

Prior Year Findings – Financial Statement Audit

None.

Prior Year Findings and Questioned Costs – Major Federal Award Programs Audit

None.