RTFH
SAN DIEGO'S
REGIONAL LEADER
ON HOMELESSNESS

**FINANCIAL STATEMENTS**

**JUNE 30, 2025 AND 2024**

Leaf & Cole, LLP
*Certified Public Accountants*

**REGIONAL TASK FORCE ON THE HOMELESS, INC.**
**FINANCIAL STATEMENTS**
**JUNE 30, 2025 AND 2024**

## TABLE OF CONTENTS

Leaf & Cole, LLP
*Certified Public Accountants*
*A Partnership of Professional Corporations*

## Independent Auditor's Report

To the Board of Directors
Regional Task Force on the Homeless, Inc.
dba Regional Task Force on Homelessness

### Report on the Audit of the Financial Statements

***Opinion***

We have audited the accompanying financial statements of Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.


2810 Camino Del Rio South, Suite 200, San Diego, California 92108-3820
619.294.7200, 619.294.7077 fax, www.leaf-cole.com, leafcole@leaf-cole.com

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' 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 Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' ability to continue as a going concern for a reasonable period of time.

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

***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 March 30, 2026, on our consideration of Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' 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 Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' internal control over financial reporting and compliance.

Leaf & Cole LLP

San Diego, California
March 30, 2026

**REGIONAL TASK FORCE ON THE HOMELESS, INC.**
**DBA REGIONAL TASK FORCE ON HOMELESSNESS**
**STATEMENTS OF FINANCIAL POSITION**
**JUNE 30, 2025 AND 2024**

## ASSETS

| | 2025 | 2024 |
|---|---|---|
| **Assets**: (Notes 2, 4, 5, 6, 7 and 9) | | |
| Cash and cash equivalents: | | |
| Unrestricted | $ 10,172,089 | $ 4,680,711 |
| Restricted | 10,767,626 | 2,805,193 |
| Investments - restricted | 17,240,178 | 20,331,456 |
| Accounts receivable, net | 1,934,478 | 2,843,621 |
| Contributions receivable | - | 25,000 |
| Prepaid expenses and other assets | 280,020 | 241,945 |
| Property and equipment, net | 39,754 | 43,291 |
| Right of use asset - operating lease | 87,618 | 22,631 |
| **TOTAL ASSETS** | $ 40,521,763 | $ 30,993,848 |

## LIABILITIES AND NET ASSETS

| | 2025 | 2024 |
|---|---|---|
| **Liabilities**: (Notes 2 and 9) | | |
| Accounts payable and accrued expenses | $ 4,832,841 | $ 1,836,593 |
| Accrued payroll and related liabilities | 332,932 | 287,457 |
| Deferred revenue | 22,540,555 | 17,394,850 |
| Operating lease liability | 87,752 | 18,281 |
| Total Liabilities | 27,794,080 | 19,537,181 |
| **Commitments** (Note 9) | | |
| **Net Assets:** (Notes 2 and 8) | | |
| Without donor restrictions | 7,260,434 | 5,714,868 |
| With donor restrictions | 5,467,249 | 5,741,799 |
| Total Net Assets | 12,727,683 | 11,456,667 |
| **TOTAL LIABILITIES AND NET ASSETS** | $ 40,521,763 | $ 30,993,848 |

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

**REGIONAL TASK FORCE ON THE HOMELESS, INC.**
**DBA REGIONAL TASK FORCE ON HOMELESSNESS**
**STATEMENTS OF ACTIVITIES**
**JUNE 30, 2025 AND 2024**

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total |
| **Revenue and Support:** | | | | | | |
| Contracts | $ 22,220,540 | $ - | $ 22,220,540 | $ 16,944,410 | $ - | $ 16,944,410 |
| HMIS Clarity support fees | 691,767 | - | 691,767 | 610,320 | - | 610,320 |
| Investment income | 469,671 | 215,386 | 685,057 | 429,487 | 217,403 | 646,890 |
| Conference | 244,476 | - | 244,476 | 224,090 | - | 224,090 |
| Contributions | 21,526 | 63,274 | 84,800 | 16,086 | 733,700 | 749,786 |
| In-kind contributions | 47,698 | - | 47,698 | - | - | - |
| Miscellaneous | 5,747 | - | 5,747 | 122,099 | - | 122,099 |
| Membership fees | 4,750 | - | 4,750 | 3,043 | - | 3,043 |
| Loss on disposal of property and equipment | - | - | - | (1,412) | - | (1,412) |
| Net assets released from restrictions | 553,210 | (553,210) | - | 256,138 | (256,138) | - |
| Total Revenue and Support | 24,259,385 | (274,550) | 23,984,835 | 18,604,261 | 694,965 | 19,299,226 |
| **Expenses:** | | | | | | |
| Program Services | 21,370,168 | - | 21,370,168 | 15,617,866 | - | 15,617,866 |
| Management and general | 1,343,651 | - | 1,343,651 | 1,388,167 | - | 1,388,167 |
| Total Expenses | 22,713,819 | - | 22,713,819 | 17,006,033 | - | 17,006,033 |
| Change in Net Assets | 1,545,566 | (274,550) | 1,271,016 | 1,598,228 | 694,965 | 2,293,193 |
| Net Assets at Beginning of Year | 5,714,868 | 5,741,799 | 11,456,667 | 4,116,640 | 5,046,834 | 9,163,474 |
| **NET ASSETS AT END OF YEAR** | $ 7,260,434 | $ 5,467,249 | $ 12,727,683 | $ 5,714,868 | $ 5,741,799 | $ 11,456,667 |

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

**REGIONAL TASK FORCE ON THE HOMELESS, INC.**
**DBA REGIONAL TASK FORCE ON HOMELESSNESS**
**STATEMENTS OF FUNCTIONAL EXPENSES**
**JUNE 30, 2025 AND 2024**

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| | Program Services | Management and General | Total | Program Services | Management and General | Total |
| **Salaries and Related Expenses:** | | | | | | |
| Salaries and wages | $ 2,349,894 | $ 452,316 | $ 2,802,210 | $ 2,123,714 | $ 427,623 | $ 2,551,337 |
| Employee benefits | 229,327 | 26,064 | 255,391 | 207,689 | 37,471 | 245,160 |
| Payroll taxes | 178,683 | 34,112 | 212,795 | 163,252 | 33,009 | 196,261 |
| Total Salaries and Related Expenses | 2,757,904 | 512,492 | 3,270,396 | 2,494,655 | 498,103 | 2,992,758 |
| **Nonsalary Related Expenses:** | | | | | | |
| Bad debt | - | 5,554 | 5,554 | - | - | - |
| Board development and meetings | 9,776 | 53,653 | 63,429 | 4,487 | 85,763 | 90,250 |
| Conference costs | 255,726 | 167,079 | 422,805 | 224,190 | 92,744 | 316,934 |
| Contracted services | 176,810 | 145,143 | 321,953 | 95,130 | 139,457 | 234,587 |
| Depreciation | - | 38,315 | 38,315 | - | 52,820 | 52,820 |
| Information technology | 29,458 | 92,201 | 121,659 | 42,433 | 109,906 | 152,339 |
| Insurance | - | 29,088 | 29,088 | - | 19,678 | 19,678 |
| Miscellaneous | 370 | 17,797 | 18,167 | - | 14,587 | 14,587 |
| Program expenses | 1,408,418 | 131,781 | 1,540,199 | 742,597 | 240,319 | 982,916 |
| Program expenses - HMIS | 669,544 | 13,000 | 682,544 | 626,791 | - | 626,791 |
| Rent | - | 43,223 | 43,223 | - | 47,429 | 47,429 |
| Subrecipient expense | 16,028,423 | - | 16,028,423 | 11,355,812 | - | 11,355,812 |
| Supplies | 165 | 12,945 | 13,110 | 1,891 | 10,179 | 12,070 |
| Travel and transportation | 33,574 | 81,380 | 114,954 | 29,880 | 77,182 | 107,062 |
| Total Nonsalary Related Expenses | 18,612,264 | 831,159 | 19,443,423 | 13,123,211 | 890,064 | 14,013,275 |
| **Total Expenses** | $ 21,370,168 | $ 1,343,651 | $ 22,713,819 | $ 15,617,866 | $ 1,388,167 | $ 17,006,033 |

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

**REGIONAL TASK FORCE ON THE HOMELESS, INC.**
**DBA REGIONAL TASK FORCE ON HOMELESSNESS**
**STATEMENTS OF CASH FLOWS**
**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

| | 2025 | 2024 |
|---|---|---|
| **Cash Flows From Operating Activities:** | | |
| Change in net assets | $ 1,271,016 | $ 2,293,193 |
| **Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:** | | |
| Depreciation | 38,315 | 52,820 |
| Amortization of right of use asset | 39,092 | 44,983 |
| Realized and unrealized gains on investments | (31,037) | (57,333) |
| Loss on disposal of property and equipment | - | 1,412 |
| **(Increase) Decrease in:** | | |
| Accounts receivable, net | 909,143 | (1,480,417) |
| Contributions receivable | 25,000 | (25,000) |
| Prepaid expenses and other assets | (38,075) | (13,037) |
| **Increase (Decrease) in:** | | |
| Accounts payable and accrued expenses | 2,996,248 | 679,067 |
| Accrued payroll and related liabilities | 45,475 | 25,369 |
| Deferred revenue | 5,145,705 | (1,767,730) |
| Operating lease liability | (34,608) | (35,777) |
| Net Cash Provided by (Used in) Operating Activities | 10,366,274 | (282,450) |
| **Cash Flows From Investing Activities:** | | |
| Sale (Purchase) of investments, net | 3,122,315 | (3,688,977) |
| Purchases of property and equipment | (34,778) | (12,767) |
| Net Cash Provided by (Used in) Investing Activities | 3,087,537 | (3,701,744) |
| Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash | 13,453,811 | (3,984,194) |
| Cash, Cash Equivalents and Restricted Cash at Beginning of Year | 7,485,904 | 11,470,098 |
| **CASH, CASH EQUIVALENTS AND RESTRICTED CASH AT END OF YEAR** | $ 20,939,715 | $ 7,485,904 |
| **Supplemental Disclosure of Cash Flow Information:** | | |
| Cash paid for amounts included in the measurement of lease liabilities: | | |
| Operating cash outflows from operating leases | $ 36,642 | $ 36,136 |
| Noncash operating lease transaction at lease commencement | | |
| Right of use asset - operating lease | 104,079 | - |
| Operating lease liability | (104,079) | - |
| Noncash operating lease transaction at lease commencement, net | $ - | $ - |

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

## Note 1 - Organization:

Incorporated on June 17, 2004, as a nonprofit public benefit corporation, the Regional Task Force on the Homeless, Inc. began doing business as the Regional Task Force on Homelessness (RTFH) in July 2022. Today, RTFH serves as San Diego County's lead agency for homelessness response and coordination.

### Mission & Vision

RTFH exists to reduce and end homelessness in San Diego, ensuring that if this situation does happen for anyone, it remains a rare, brief and non-recurring instance; not an outcome.

RTFH is the homeless policy expert and lead coordinator for the introduction of new models in the San Diego region and implementation of best practices. Collaboration in the region and utilizing data are key ways to end homelessness, and we continue to expand the network of those who are touched by homelessness improve lives.

### Continuum of Care (CoC) Leadership

RTFH serves as the HUD-designated Continuum of Care (CoC) lead agency for San Diego County. The CoC promotes a coordinated, community-based approach to addressing homelessness, bringing together service providers, individuals with lived experience, and local leaders to develop and implement strategies that meet the varying needs of individuals and families experiencing homelessness.

The CoC Board oversees planning, funding coordination, and system-level performance to ensure resources are used effectively and efficiently. This includes managing the annual competitive process to apply for HUD funding through the Continuum of Care Program, which primarily supports housing and services for people experiencing homelessness—especially those with the highest needs.

### Key Programs and Initiatives

- **Homeless Management Information System (HMIS):** RTFH manages the HMIS for the San Diego region and Imperial County, providing essential data and insights on homelessness to inform policy and drive system performance.
- **Coordinated Entry System (CES):** RTFH operates the CES, a critical tool for assessing and prioritizing individuals and families experiencing homelessness for housing and services.
- **WeAllCount (PIT Count):** RTFH conducts the annual Point-in-Time Count, known as WeAllCount, to gather data on the number and characteristics of people experiencing homelessness in the region.
- **Diversion Programs:** RTFH implements diversion strategies to address immediate housing crises and help individuals avoid entering the shelter system by identifying alternative housing solutions.
- **Flexible Housing Pool (FHP):** In collaboration with partners like Brilliant Corners, RTFH administers the FHP to secure housing for people experiencing homelessness, including veterans, youth, and families, by leveraging various funding sources and landlord partnerships.
- **Annual Conference:** Since 2022, RTFH has hosted a high-impact conference that gathers local, state, and national experts, elected officials, service providers, and individuals with lived experience to collaborate; serving as vital platforms for sharing best practices, fostering partnerships, and energizing the community's collective efforts to combat homelessness.

## Note 1 - Organization: (Continued)

### Governance Structure

RTFH operates under a dual-governance model to fulfill both nonprofit and federal Continuum of Care responsibilities:

- RTFH Board of Directors:
  A 16-member board focused on organizational oversight, strategic direction, and nonprofit governance. This structure was formalized in October 2020 to enhance RTFH's capacity to fulfill the requirements of a 501(c)(3) nonprofit organization.
- Continuum of Care Advisory Board:
  A 33-member body representing a broad spectrum of stakeholders including government entities, health systems, philanthropic partners, faith-based organizations, service providers, law enforcement, and those with lived experience tasked with CoC planning and oversight.

### Regional Vision

Reduce and end homelessness in San Diego, ensuring that if this situation does happen for anyone, it remains a rare, brief and non-recurring instance; not an outcome.

## Note 2 - Significant Accounting Policies:

### Accounting Method

The financial statements of RTFH have been prepared on the accrual basis of accounting which is in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and, accordingly, reflect all significant receivables, payables, and other liabilities.

### Financial Statement Presentation

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 thereon 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.
- 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 2 - Significant Accounting Policies: (Continued)

### Estimates

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

### Fair Value Measurements

Fair value accounting standards define fair value, establish a framework for measuring fair value, outline a fair value hierarchy based on inputs used to measure fair value, and enhance disclosure requirements for fair value measurements. The fair value hierarchy distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Level 1 or 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

- Level 1 inputs are quoted prices in active markets for identical investments that the investment manager has the ability to access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the investment, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the investment.

RTFH's statements of financial position includes the following financial instruments that are required to be measured at fair value on a recurring basis:

- Investments in U.S. Treasury bonds are considered Level 1 assets, and are reported at fair value based on quoted prices in active markets for identical assets at the measurement date.

### Allowance for Credit Losses

RTFH recognizes an allowance for credit losses on accounts receivable to present the net amount expected to be collected as of the statement of financial position date. Such allowance is based on the credit losses expected to arise over the life of the asset which is based on the expectation as of the statement of financial position date, aging reports and historical information. Accounts receivable are written off when RTFH determines such receivables are deemed uncollectible. Write-offs are recognized as a deduction from the allowance for credit losses. The allowance for credit losses totaled $10,000 and $5,000 at June 30, 2025 and 2024, respectively.

### Allowance for Uncollectible Contributions Receivable

Bad debts are recognized on the allowance method, based on historical experience and management's evaluation of contributions receivable. Management believes that all contributions receivable were fully collectible; therefore, no allowance for uncollectible contributions receivable was recorded at June 30, 2025 and 2024.

**Note 2 - Significant Accounting Policies: (Continued)**

**Capitalization and Depreciation**

RTFH capitalizes all expenditures in excess of $1,000 for property and equipment at cost, while donations of property and equipment are recorded at their estimated fair values. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment, are reported as support with donor restrictions. Absent donor stipulations regarding how those donated assets must be maintained, RTFH reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. RTFH reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment is depreciated using the straight-line method over the estimated useful asset lives.

| | |
|---|---|
| Computer equipment and other equipment | 3 years |
| Furniture and fixtures | 7 years |
| Leasehold improvements | 5 years |

Depreciation totaled $38,315 and $52,820 for the years ended June 30, 2025 and 2024, respectively.

Maintenance and repairs are charged to operations as incurred. Upon sale or disposition of property and equipment, the asset account is reduced by the cost and the accumulated depreciation account is reduced by the depreciation taken prior to the sale. Any resultant gain or loss is then recorded as income or expense.

**Leases**

RTFH leases office facilities under a non-cancelable operating lease that expired December 31, 2024. A new lease agreement was entered into from January 2025 through December 31, 2027. Pursuant to the guidance for accounting for leases, RTFH accounts for the operating leases as noted below.

RTFH determines if an arrangement is a lease at inception. An arrangement is a lease if the arrangement conveys a right to direct the use of, and obtain substantially all of the economic benefits from, the use of an asset for a period of time in exchange for consideration.

Operating lease right-of-use assets and liabilities are recognized at the commencement date based on the present value of the lease payments over the lease term. RTFH uses the risk-free rate in determining the present value of the lease payments.

The operating lease right-of-use asset also includes any lease payments made and excludes lease incentives. The lease term may include options to extend or terminate the lease when it is reasonably certain that RTFH will exercise that option. The lease does not contain any material residual value guarantee or material restrictive covenants. Lease expense for lease payments is recognized on the straight-line basis over the lease term.

**Compensated Absences**

Accumulated unpaid vacation totaling $183,080 and $152,175 at June 30, 2025 and 2024, respectively, is accrued when incurred and included in accrued payroll and related liabilities.

## Note 2 - Significant Accounting Policies: (Continued)

### Revenue Recognition

#### Contracts

Contract revenue is recognized in the period in which the related work is performed in accordance with the terms of the contract. Accounts receivable are recorded when revenue earned under a contract exceeds the cash received. Accounts receivables totaled $1,433,869 and $2,202,271 at June 30, 2025 and 2024, respectively. Deferred revenue is recorded when cash received under a contract exceeds the revenue earned. Deferred revenue from contracts totaled $22,540,555 and $17,394,850 at June 30, 2025 and 2024, respectively.

RTFH receives its grant support through direct and subgrantee awards from federal contracts. RTFH receives advances or is reimbursed for direct costs incurred in the conduct of its research and receives reimbursement for indirect costs on its research grants based on a fixed rate applied to direct costs. Direct and indirect costs incurred by RTFH and reimbursed by agencies of the United States Government are subject to audit by such agencies. Management believes the results of such audits will not have a material adverse effect on the financial position or results of operations of RTFH.

#### Contributions

Contributions are recognized when the donor makes a promise to give to RTFH that is in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions to be received in future periods are discounted at an appropriate discount rate. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

#### HMIS Clarity Support Fees

Revenue from HMIS Clarity support fees is recognized as revenue based on actual activity, and are billed quarterly in arrears.

#### Conference Revenue

Revenue received for conferences is recognized as revenue when the event occurs.

#### Membership Fees and Miscellaneous Revenue

Membership fees and miscellaneous revenue are recognized as revenue when payment is received.

### Donated Services and Support

RTFH utilizes the services of many volunteers throughout the year. This contribution of services by the volunteers is not recognized in the financial statements unless the services received (a) create or enhance nonfinancial assets, or (b) require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The donated services for the years ended June 30, 2025 and 2024 did not meet the requirements above; therefore, no amounts were recognized in the financial statements.

## Note 2 - Significant Accounting Policies: (Continued)

### Donated Services and Support (Continued)

RTFH also received contributions of donated professional services totaling $32,500 and $-0-, donated keynote speaker books totaling $2,198 and $-0- and donated application functionality services totaling $13,000 and $-0- for the years ended June 30, 2025 and 2024, respectively, and the amount has been included in in-kind contributions in the accompanying financial statements. In valuing professional services, keynote speaker books and application functionality, RTFH estimated the fair value at the estimated fair value based on current rates for similar services and products. The donated services and products were used in program services.

### Functional Allocation of Expenses

The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. A portion of expenses that benefit multiple functional areas have been allocated between programs and supporting services based on internal records and estimates made by RTFH's management.

### Income Taxes

RTFH is a public charity, and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. RTFH believes that it has appropriate support for any tax positions taken, and, as such, does not have any uncertain tax positions that are material to the financial statements. RTFH is not a private foundation.

RTFH's Return of Organization Exempt from Income Tax for the years ended June 30, 2025, 2024, 2023 and 2022 are subject to examination by the Internal Revenue Service and State taxing authorities, generally three-to-four years after the returns were filed.

### Concentrations

#### Credit Risk

RTFH maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. RTFH has not experienced any losses in such accounts. RTFH believes it is not exposed to any significant credit risk on cash and cash equivalents.

#### Accounts Receivable and Revenue

RTFH receives a substantial portion of its funding from federal and state government agencies through direct and subgrantee grants. Contract revenue related to federal and state government grants through direct and subgrantee funding represented 96% and 79% of total revenue and support for the years ended June 30, 2025 and 2024, respectively. Accounts receivable from those contracts represented 67% and 52% of the total accounts receivable at June 30, 2025 and 2024, respectively.

## Note 2 - Significant Accounting Policies: (Continued)

### Cash, Cash Equivalents and Restricted Cash

For purposes of the statements of cash flows, RTFH considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Money market mutual funds are considered cash and cash equivalents. Amounts generally described as restricted cash and restricted cash equivalents have been included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statements of cash flows.

### Cash, Cash Equivalents and Restricted Cash (Continued)

The following is a reconciliation of cash and restricted cash reported within the balance sheets that sum to the total in the statements of cash flows at June 30:

| | 2025 | 2024 |
|---|---|---|
| Unrestricted cash and cash equivalents | $ 10,172,089 | $ 4,680,711 |
| Restricted cash and cash equivalents: | | |
| Restricted by donor restrictions | 10,767,626 | 2,805,193 |
| Total Restricted Cash and Cash Equivalents | 10,767,626 | 2,805,193 |
| Total Cash, Cash Equivalents and Restricted Cash | $ 20,939,715 | $ 7,485,904 |

### Subsequent Events

In preparing these financial statements, RTFH has evaluated events and transactions for potential recognition or disclosure through March 30, 2026, the date the financial statements were available to be issued, and concluded that there were no events or transactions that needed to be disclosed except as disclosed in Note 10.

## Note 3 - Liquidity and Availability:

RTFH regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. RTFH considers investment income without donor restrictions, contributions without donor restrictions, and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations, to be available to meet cash needs for general expenditures. For purposes of analyzing resources available to meet general expenditures over a 12-month period, RTFH considers all expenditures related to its ongoing activities, as well as the conduct of services undertaken to support those activities, to be general expenditures.

Financial assets available for general expenditure within one year, are comprised of the following at June 30:

| | 2025 | 2024 |
|---|---|---|
| Financial assets at year-end: | | |
| Cash and cash equivalents - unrestricted | $ 10,172,089 | $ 4,680,711 |
| Accounts receivable | 1,934,478 | 2,843,621 |
| Contributions receivable | - | 25,000 |
| Financial assets available for general expenditures within one year | $ 12,106,567 | $ 10,329,525 |

In addition to financial assets available to meet general expenditures over the next 12 months, RTFH operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures.

**Note 4 - Fair Value Measurements:**

The following table summarizes assets measured at fair value by classification within the fair value hierarchy at June 30:

| | 2025 | | | |
|---|---|---|---|---|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Balance at June 30, 2025 |
| U.S. treasury bonds | $ 17,240,178 | $ - | $ - | $ 17,240,178 |

| | 2024 | | | |
|---|---|---|---|---|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Balance at June 30, 2024 |
| U.S. treasury bonds | $ 20,331,456 | $ - | $ - | $ 20,331,456 |

**Note 5 - Investments:**

Investments consist of the following at June 30:

| | 2025 | 2024 |
|---|---|---|
| U.S. Treasury bonds | $ 17,240,178 | $ 20,331,456 |
| Total Investments | $ 17,240,178 | $ 20,331,456 |

The following schedule summarizes the investment income and its classification in the statements of activities for the years ended June 30:

| | 2025 | | |
|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total |
| Interest and dividend income | $ 475,979 | $ 215,848 | $ 691,827 |
| Net realized and unrealized gain | 20,872 | 10,165 | 31,037 |
| Investment expenses | (27,180) | (10,627) | (37,807) |
| Total Investment Income | $ 469,671 | $ 215,386 | $ 685,057 |

## Note 5 - Investments: (Continued)

| | 2024 | | |
|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total |
| Interest and dividend income | $ 395,095 | $ 237,000 | $ 632,095 |
| Net realized and unrealized gain (loss) | 61,257 | (3,924) | 57,333 |
| Investment expenses | (26,865) | (15,673) | (42,538) |
| Total Investment Income | $ 429,487 | $ 217,403 | $ 646,890 |

## Note 6 - Contributions Receivable:

Contributions receivable are due in less than one year, and total $-0- and $25,000 at June 30, 2025 and 2024, respectively.

## Note 7 - Property and Equipment:

Property and equipment consist of the following at June 30:

| | 2025 | 2024 |
|---|---|---|
| Computer equipment | $ 185,889 | $ 152,564 |
| Other equipment | 4,669 | 3,216 |
| Furniture and fixtures | 22,523 | 22,523 |
| Leasehold improvements | 97,638 | 97,638 |
| Subtotal | 310,719 | 275,941 |
| Less: Accumulated depreciation | (270,965) | (232,650) |
| Property and Equipment, Net | $ 39,754 | $ 43,291 |

## Note 8 - Net Assets With Donor Restrictions:

Net assets with donor restrictions represent contributions received or receivable by RTFH, which are limited in their use by time or donor-imposed restrictions. Net assets with donor restrictions are available for the following purpose at June 30:

| | 2025 | 2024 |
|---|---|---|
| **Subject to Expenditure for Specified Purpose:** | | |
| Solutions to family homelessness | $ 5,403,975 | $ 5,264,238 |
| Virtual access | 63,274 | - |
| Diversion | - | 467,561 |
| Support for underserved communities | - | 10,000 |
| Total Net Assets with Donor Restrictions | $ 5,467,249 | $ 5,741,799 |

**Note 8 - Net Assets With Donor Restrictions: (Continued)**

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose, or by the occurrence of the passage of time or other events specified by the donors, are as follows for the years ended June 30:

| | 2025 | 2024 |
|---|---|---|
| **Purpose Restrictions Accomplished:** | | |
| Diversion | $ 467,561 | $ 256,138 |
| Solutions to family homelessness | 75,649 | - |
| Support for underserved communities | 10,000 | - |
| Total Net Assets Released from Restrictions | $ 553,210 | $ 256,138 |

**Note 9 - Commitments:**

**Retirement Plan**

RTFH has a retirement benefit plan (the "Plan") for eligible employees. The Plan allows for employee contributions up to the maximum amount allowed by the Internal Revenue Code. RTFH makes an annual contribution to the Plan up to 3% of eligible participant contributions. RTFH's contribution to the Plan totaled $54,483 and $48,115 for the years ended June 30, 2025 and 2024, respectively, and are included in employee benefits.

**Office Lease**

RTFH entered into an operating lease agreement for facilities through December 31, 2024. A new lease agreement was entered into from January 2025 through December 31, 2027. Rent expense totaled $41,127 and $45,341 for the years ended June 30, 2025 and 2024, respectively, and is included in rent.

The following summarizes the line items on the statement of financial position for the operating lease included in the measurement of lease liabilities at June 30:

| | 2025 | 2024 |
|---|---|---|
| Right-of-use asset – operating lease | $ 87,618 | $ 22,631 |
| Operating lease liability - current portion | $ 33,657 | $ 18,281 |
| Operating lease liability - noncurrent portion | 54,095 | - |
| Total Operating Lease Liabilities | $ 87,752 | $ 18,281 |

The following summarizes the weighted average remaining lease term and discount rate at June 30:

| | 2025 | 2024 |
|---|---|---|
| Weighted average remaining lease term - Operating | 30 months | 6 months |
| Weighted average discount rate | 4.29% | 1.02% |

**Note 9 - Commitments: (Continued)**

**Office Lease (Continued)**

The following summarizes the line items in the statements of activities which include the components of lease expense for the years ended June 30:

| | 2025 | 2024 |
|---|---|---|
| Operating lease expense | $ 41,127 | $ 45,341 |
| Total Lease Cost | $ 41,127 | $ 45,341 |

The following summarizes cash flow information related to leases for the years ended June 30:

| | 2025 | 2024 |
|---|---|---|
| Operating cash flows from operating leases | $ 36,642 | $ 36,136 |

The following is a schedule of future minimum lease payments under the lease:

| Years Ended June 30 | |
|---|---|
| 2026 | $ 36,642 |
| 2027 | 37,047 |
| 2028 | 18,726 |
| Total Lease Payments | 92,414 |
| Less: Discount | (4,662) |
| Present Value of Lease Liabilities | $ 87,752 |

**Note 10 - Subsequent Event:**

Subsequent to year end in July 2025, RTFH received an additional $5,600,935 in HHAP funds.

# REGIONAL TASK FORCE ON THE HOMELESS, INC.
# DBA REGIONAL TASK FORCE ON HOMELESSNESS
# SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
# FOR THE YEAR ENDED JUNE 30, 2025

| Federal Grants/Pass -Through Grantor/Program or Cluster Title | Assistance Listing Number | Agency or Pass-Through Number | Term | Pass Through to Subrecipient | Federal Expenditures | Total Federal Expenditures |
|---|---|---|---|---|---|---|
| **U.S. Department of Housing and Urban Development:** | | | | | | |
| **Direct Programs:** | | | | | | |
| Continuum of Care Program | 14.267 | CA0702L9D012316 | 11/1/24-10/31/25 | $ - | $ 472,549 | $ 472,549 |
| | | CA0702L9D012215 | 11/1/23-10/31/24 | - | 248,570 | 248,570 |
| | | CA1511L9D012308 | 11/1/24-10/31/25 | - | 454,694 | 454,694 |
| | | CA1511L9D012207 | 11/1/23-10/31/24 | - | 234,694 | 234,694 |
| | | CA1880D9D012304 | 11/1/24-10/31/25 | - | 235,299 | 235,299 |
| | | CA1880D9D012203 | 11/1/23-10/31/24 | - | 126,392 | 126,392 |
| | | CA2167L9D012200 | 9/1/23-8/31/24 | - | 145,747 | 145,747 |
| | | CA2284L9D012300 | 9/1/24-8/31/25 | - | 1,229,368 | 1,229,368 |
| | | CA2032Y9D012302 | 12/1/24-11/30/25 | 121,494 | 4,467 | 125,961 |
| | | CA2034Y9D012302 | 12/1/24-11/30/25 | 1,336,449 | 55,655 | 1,392,104 |
| | | CA2033Y9D012302 | 12/1/24-11/30/25 | 652,711 | 32,649 | 685,360 |
| | | CA2029Y9D012302 | 12/1/24-11/30/25 | 69,440 | 4,274 | 73,714 |
| | | CA2032Y9D012201 | 12/1/23-11/30/24 | 105,412 | 3,414 | 108,826 |
| | | CA2030Y9D012201 | 12/1/23-11/30/24 | 342,450 | 18,329 | 360,779 |
| | | CA2034Y9D012201 | 12/1/23-11/30/24 | 1,060,721 | 44,362 | 1,105,083 |
| | | CA2033Y9D012201 | 12/1/23-11/30/24 | 393,270 | 16,690 | 409,960 |
| | | CA2029Y9D012201 | 12/1/23-11/30/24 | 80,543 | 6,556 | 87,099 |
| | | CA1819Y9D012304 | 12/1/24-11/30/25 | - | 42,346 | 42,346 |
| | | CA1819Y9D012203 | 12/1/23-11/30/24 | - | 34,322 | 34,322 |
| | | CA1820Y9D012304 | 12/1/24-11/30/25 | - | 92,828 | 92,828 |
| | | CA1820Y9D012203 | 12/1/23-11/30/24 | - | 67,859 | 67,859 |
| Total Continuum of Care Program | | | | 4,162,490 | 3,571,064 | 7,733,554 |
| Youth Homelessness Demonstration Program | 14.276 | CA2323Y9D012300 | 1/1/25-12/31/25 | - | 105,175 | 105,175 |
| Total Direct Programs | | | | 4,162,490 | 3,676,239 | 7,838,729 |
| **Pass-Through Programs From:** | | | | | | |
| **CDBG - Entitlement Grants Cluster:** | | | | | | |
| Community Development Block Grant | 14.218 | | | | | |
| County of San Diego | | B-24-UC-06-0501 | 11/1/24-10/31/25 | - | 113,767 | 113,767 |
| County of San Diego | | B-23-UC-06-0501 | 11/1/23-10/31/24 | - | 60,760 | 60,760 |
| Total Community Block Grant | | | | - | 174,527 | 174,527 |
| Total CDBG - Entitlement Grants Cluster | | | | - | 174,527 | 174,527 |
| Total Pass-Through Programs | | | | - | 174,527 | 174,527 |
| Total U.S. Department of Housing and Urban Development | | | | 4,162,490 | 3,850,766 | 8,013,256 |
| **Total Expenditures of Federal Awards** | | | | $ 4,162,490 | $ 3,850,766 | $ 8,013,256 |

**REGIONAL TASK FORCE ON THE HOMELESS, INC.**
**DBA REGIONAL TASK FORCE ON HOMELESSNESS**
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**
**FOR THE YEAR ENDED JUNE 30, 2025**

**Note 1 - Basis of Presentation:**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of RTFH under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of RTFH, it is not intended to and does not present the financial position, changes in net assets, or cash flows of RTFH.

**Note 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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

RTFH has elected not to use the de minimis indirect cost rate as allowed under Uniform Guidance.

Leaf & Cole, LLP
*Certified Public Accountants*
*A Partnership of Professional Corporations*

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

To the Board of Directors
Regional Task Force on the Homeless, Inc.
dba Regional Task Force on Homelessness

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 Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated March 30, 2026.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' 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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' internal control. Accordingly, we do not express an opinion on the effectiveness of Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' 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 or significant deficiencies may exist that were not identified.


2810 Camino Del Rio South, Suite 200, San Diego, California 92108-3820
619.294.7200, 619.294.7077 fax, www.leaf-cole.com, leafcole@leaf-cole.com

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

Leaf & Cole LLP

San Diego, California
March 30, 2026

Leaf & Cole, LLP
*Certified Public Accountants*
*A Partnership of Professional Corporations*

**Independent Auditor's Report on Compliance**
**for the Major Program and on Internal Control Over**
**Compliance Required by the Uniform Guidance**

To the Board of Directors
Regional Task Force on the Homeless, Inc.
dba Regional Task Force on Homelessness

## Report on Compliance for the Major Federal Program

### *Opinion on the Major Federal Program*

We have audited Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' 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 Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' major federal program for the year ended June 30, 2025. Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2025.

### *Basis for Opinion on the 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 Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness, 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 the major federal program. Our audit does not provide a legal determination of Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' 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 Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' federal program.

***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 Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' 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 Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' compliance with the requirements of the 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 Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' 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 Regional Task Force on the Homeless, Inc., dba Regional Task Force on Homelessness' 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.

Leaf & Cole LLP

San Diego, California
March 30, 2026

**REGIONAL TASK FORCE ON THE HOMELESS, INC.**
**DBA REGIONAL TASK FORCE ON HOMELESSNESS**
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**
**FOR THE YEAR ENDED JUNE 30, 2025**

**Section I - Summary of Auditor's Results:**

**Financial Statements**

| | | | | |
|---|---|---|---|---|
| Type of auditor's report issued on whether the financial statements audited were prepared in accordance to U.S. GAAP: | Unmodified | | | |
| Internal control over financial reporting: | | | | |
| Material weaknesses identified? | | Yes | X | No |
| Significant deficiencies identified not considered to be material weaknesses? | | Yes | X | No |
| Noncompliance material to financial statements noted? | | Yes | X | No |

**Federal Awards**

| | | | | |
|---|---|---|---|---|
| Type of auditor's report issued on compliance for the major program: | Unmodified | | | |
| Internal control over the major program: | | | | |
| Material weaknesses identified? | | Yes | X | No |
| Significant deficiencies identified? | | Yes | X | No |
| Any audit findings disclosed that are required to be reported in accordance with 2CFR Section 200.516(a) | | Yes | X | No |

Identification of the major program:

| Assistance Listing Number | Name of Federal Program or Cluster |
|---|---|
| 14.267 | Continuum of Care Program |

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

**Section II - Financial Statement Findings:**

None

**Section III - Federal Award Findings and Questioned Costs:**

None

**REGIONAL TASK FORCE ON THE HOMELESS, INC.**
**DBA REGIONAL TASK FORCE ON HOMELESSNESS**
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**
**FOR THE YEAR ENDED JUNE 30, 2025**

There were no findings or questioned costs for the year ended June 30, 2024.