COMMUNITY REBUILDERS
(A Non-Profit Organization)

SINGLE AUDIT REPORT

FOR THE YEAR ENDED DECEMBER 31, 2017
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Board of Directors
Community Rebuilders
Grand Rapids, Michigan

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 Community Rebuilders (a nonprofit organization), which are comprised of the statement of financial position as of December 31, 2017 and 2016, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated June 22, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Community Rebuilders' 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 our opinion on the effectiveness of Community Rebuilders' internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

Our consideration of the 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 Community Rebuilders’ 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.

Respectfully submitted,

DOLINKA, VANNOORD & COMPANY, PLLP

Certified Public Accountants
Grand Rapids, Michigan

June 22, 2018
Board of Directors
Community Rebuilders
Grand Rapids, Michigan

Report on Compliance for Each Major Federal Program

We have audited Community Rebuilders’ compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Community Rebuilders’ major federal programs for the year ended December 31, 2017. Community Rebuilders’ 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 Community Rebuilders’ 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; 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 Community Rebuilders’ 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 Community Rebuilders’ compliance.
Opinion on Each Major Federal Program

In our opinion, Community Rebuilders 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 identified for the year ended December 31, 2017.

Report on Internal Control Over Compliance

Management of Community Rebuilders 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 Community Rebuilders' 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 in accordance with 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 Community Rebuilders' 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.

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

We have audited the financial statements of Community Rebuilders as of and for the years ended December 31, 2017 and 2016 and have issued our report thereon dated June 22, 2018, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures,
including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

June 22, 2018

Respectfully submitted,

DOLINKA, VANNOORD & COMPANY, PLLP

Certified Public Accountants
Grand Rapids, Michigan
<table>
<thead>
<tr>
<th>Federal and Pass Through Grantor / Program Title/Project Number</th>
<th>CFDA Number</th>
<th>Approved Awards Amount</th>
<th>Passed Through to Subrecipients</th>
<th>Expenditures</th>
</tr>
</thead>
</table>

**U.S. Department of Housing and Urban Development**

**Continuum of Care**

**LOFT Supportive Services:**
- MI-0315LSF-061404 14.267 $ 118,824 $ 8,438
- MI-0315LSF-061505 14.267 $ 123,748 108,167

Total LOFT Supportive Services $ 116,605

**HEROS Supportive Services:**
- MI-0345LSF-061403 14.267 $ 125,180 $ 19,058
- MI-0345LSF-061504 14.267 $ 130,265 90,714

Total HEROS Supportive Services $ 109,772

**Housing Solutions:**
- MI-0412LSF-061502 14.267 $ 528,547 $ 437,002
- MI-0412LSF-061603 14.267 $ 528,547 78,107

Total Housing Solutions $ 515,109

**Keys First:**
- MI-0415LSF-061502 14.267 $ 840,930 $ 248,014 $ 709,808
- MI-0415LSF-061603 14.267 $ 840,930 - 150,738

Total Keys First $ 248,014 $ 860,546

**Youth RRH Collaborative:**
- MI-0505LSF-061500 14.267 $ 782,976 $ 188,227 $ 775,252
- MI-0505LSF-061601 14.267 $ 782,976 - 145,657

Total Youth RRH Collaborative $ 188,227 $ 920,909

**Passed - Through Kent County**

**Shelter Plus Care Program - TRA:**
- MI-0173LSF-061508 14.267 $ 872,114 $ 462,381
- MI-0173LSF-061609 14.267 $ 872,114 401,523

Total Shelter Plus Care Program - TRA $ 863,904

**Shelter Plus Care Program - SRA:**
- MI-0174LSF-061508 14.267 $ 419,309 $ 190,023
- MI-0174LSF-061609 14.267 $ 419,309 210,663

Total Shelter Plus Care Program - SRA $ 400,686

Total Continuum of Care $ 436,241 $ 3,787,531
### U.S. Department of Housing and Urban Development (continued)

<table>
<thead>
<tr>
<th>Program Title/Project Number</th>
<th>Federal and Pass Through Grantor</th>
<th>CFDA Number</th>
<th>Approved Awards Amount</th>
<th>Passed Through to Subrecipients Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passed - Through Kent County</td>
<td>Home Investment Partnerships Program</td>
<td>CDBG - Community Development</td>
<td>Block Grant 14.239 $ 900,000</td>
<td>$ 80,855</td>
</tr>
<tr>
<td><strong>Total U.S. Department of Housing and Urban Development</strong></td>
<td></td>
<td></td>
<td><strong>$ 436,241</strong></td>
<td><strong>$ 3,868,386</strong></td>
</tr>
</tbody>
</table>

### U.S. Department of Veterans Affairs

<table>
<thead>
<tr>
<th>Program Title/Project Number</th>
<th>Federal and Pass Through Grantor</th>
<th>CFDA Number</th>
<th>Approved Awards Amount</th>
<th>Passed Through to Subrecipients Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Veteran Heights - Per Diem Supportive Services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>07-46-MI</td>
<td>Veteran Heights - Per Diem Supportive Services:</td>
<td>64.024</td>
<td>$ 501,401</td>
<td>$ 303,820</td>
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<tr>
<td>07-46-MI</td>
<td>Veteran Heights - Per Diem Supportive Services:</td>
<td>64.024</td>
<td>$ 501,401</td>
<td>111,223</td>
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<tr>
<td><strong>Total Veteran Heights - Per Diem Supportive Services</strong></td>
<td></td>
<td></td>
<td><strong>$ 415,043</strong></td>
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<tr>
<td>Supportive Services for Veteran's Families:</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14-MI-223</td>
<td>Supportive Services for Veteran's Families:</td>
<td>64.033</td>
<td>$ 383,750</td>
<td>$ 290,683</td>
</tr>
<tr>
<td>14-MI-223</td>
<td>Supportive Services for Veteran's Families:</td>
<td>64.033</td>
<td>$ 379,950</td>
<td>92,994</td>
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<tr>
<td><strong>Total Supportive Services for Veteran's Families</strong></td>
<td></td>
<td></td>
<td><strong>$ 383,677</strong></td>
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</tr>
</tbody>
</table>

**Total U.S. Department of Veterans Affairs**

<table>
<thead>
<tr>
<th>Program Title/Project Number</th>
<th>Federal and Pass Through Grantor</th>
<th>CFDA Number</th>
<th>Approved Awards Amount</th>
<th>Passed Through to Subrecipients Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passed - Through Michigan Department of Community Health</td>
<td>Housing Opportunities for Persons with Aids</td>
<td>20170325</td>
<td>14.241 $ 153,256</td>
<td>$ 103,469</td>
</tr>
<tr>
<td>20180158</td>
<td>Housing Opportunities for Persons with Aids</td>
<td>14.241</td>
<td>$ 155,000</td>
<td>33,465</td>
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<tr>
<td><strong>Total Housing Opportunities for Persons with Aids</strong></td>
<td></td>
<td></td>
<td><strong>$ 136,934</strong></td>
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</table>

**Total Expenditures of Federal Awards**

<table>
<thead>
<tr>
<th>Program Title/Project Number</th>
<th>Federal and Pass Through Grantor</th>
<th>CFDA Number</th>
<th>Approved Awards Amount</th>
<th>Passed Through to Subrecipients Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Total Expenditures of Federal Awards</strong></td>
<td></td>
<td><strong>$ 436,241</strong></td>
<td><strong>$ 4,804,040</strong></td>
</tr>
</tbody>
</table>
NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Community Rebuilders under programs of the federal government for the year ended December 31, 2017. 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 Community Rebuilders, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Community Rebuilders.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) 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.

(2) Community Rebuilders has elected to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.
# COMMUNITY REBUILDERS
## SCHEDULE OF FINDINGS AND QUESTIONED COSTS
### FOR THE YEAR ENDED DECEMBER 31, 2017

## SECTION I - SUMMARY OF AUDITORS' RESULTS

### Financial Statements

<table>
<thead>
<tr>
<th>Type of Auditors' Report Issued</th>
<th>Unmodified</th>
</tr>
</thead>
</table>

**Internal controls over financial reporting:**

<table>
<thead>
<tr>
<th>Material weakness(es) identified?</th>
<th>_______ yes</th>
<th>X no</th>
</tr>
</thead>
<tbody>
<tr>
<td>Significant deficiencies identified not considered to be material weaknesses?</td>
<td>_______ yes</td>
<td>X none reported</td>
</tr>
</tbody>
</table>

**Noncompliance material to financial statements noted?**

| _______ yes | X no |

### Federal Awards

**Internal Control over major programs:**

<table>
<thead>
<tr>
<th>Material weakness(es) identified?</th>
<th>_______ yes</th>
<th>X no</th>
</tr>
</thead>
<tbody>
<tr>
<td>Significant deficiencies identified not considered to be material weaknesses?</td>
<td>_______ yes</td>
<td>X none reported</td>
</tr>
</tbody>
</table>

**Type of auditors' report issued on compliance for major programs:**

| Unmodified |

**Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?**

| _______ yes | X no |

### Identification of Major Programs

<table>
<thead>
<tr>
<th>CFDA Number</th>
<th>Name of Federal Program or Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.267</td>
<td>Continuum of Care</td>
</tr>
</tbody>
</table>

**Dollar threshold used to distinguish between Type A and Type B programs:**

| $ 750,000 |

**Auditee qualified as low-risk auditee?**

| X yes | _______ no |

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COMMUNITY REBUILDERS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2017

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

None