

COMMUNITY REBUILDERS

Grand Rapids, Michigan

Additional Reports Require by the Uniform Guidance

For the year ended
December 31, 2024

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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

June 30, 2025

To the 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 consolidated financial statements of Community Rebuilders (a nonprofit organization) and subsidiary, which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated 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 June 30, 2025.

Report on 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) 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 Community Rebuilders' internal control. Accordingly, we do not express an opinion on the effectiveness of Community Rebuilders' 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Rebuilders and subsidiary's 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Hungerford". The script is cursive and fluid.

Certified Public Accountants
Grand Rapids, Michigan

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

June 30, 2025

To the Board of Directors
Community Rebuilders
Grand Rapids, Michigan

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Community Rebuilders' 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 Community Rebuilders' major federal programs for the year ended December 31, 2024. Community Rebuilders' 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, 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 its major federal programs for the year ended December 31, 2024.

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 Community Rebuilders 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 Community Rebuilders' 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 Community Rebuilders' 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 Community Rebuilders' 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 Community Rebuilders' 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 Community Rebuilders' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Community Rebuilders' 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 Community Rebuilders' 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.

Report On Schedule Of Expenditures Of Federal Awards Required By The Uniform Guidance

We have audited the consolidated financial statements of Community Rebuilders as of and for the year ended December 31, 2024 and have issued our report thereon dated June 30, 2025, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal 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.



Certified Public Accountants
Grand Rapids, Michigan

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

COMMUNITY REBUILDERS

For the year ended December 31, 2024

Federal Grantor Pass Through Grantor Program Title Grant Number	Federal Assistance Listing Number	Current Year Expenditures	Passed Through to Sub-recipients
U.S. Department of Housing and Urban Development			
Direct Awards:			
Continuum of Care Program:			
LOFT Supportive Services:	14.267		
MI0315L5F062212		\$ 23,571	\$ -
MI0315L5F062313		435,682	-
Total LOFT Supportive Services		459,253	-
HEROES Supportive Services:	14.267		
MI0345L5F062211		40,922	-
MI0345L5F062312		142,986	-
Total HEROES Supportive Services		183,908	-
Housing Solutions:	14.267		
MI0412L5F062209		483,277	-
MI0412L5F062310		100,500	-
Total Housing Solutions		583,777	-
Keys First:	14.267		
MI0415L5F062209		810,400	196,824
MI0415L5F062310		147,419	32,364
Total Keys First		957,819	229,188
Partners Achieving Change Together (PACT):	14.267		
MI0650D5F062203		1,200,094	408,430
MI0650D5F062304		219,726	70,879
Total PACT		1,419,820	479,309
Shelter Plus Care Program - TRA:	14.267		
MI0173L5F062215		913,850	-
MI0173L5F062316		1,123,597	-
Total Shelter Plus Care Program - TRA		2,037,447	-
Total Continuum of Care Program		5,642,024	708,497

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

COMMUNITY REBUILDERS

For the year ended December 31, 2024

Federal Grantor Pass Through Grantor Program Title Grant Number	Federal Assistance Listing Number	Current Year Expenditures	Passed Through to Sub-recipients
Passed through Kent County:			
Home Investment Partnerships Program: Kent Together	14.239	\$ 17,454	\$ -
Passed through City of Grand Rapids:			
Home Investment Partnerships Program: Tenant Based Rental Assistance:	14.239		
92520-A		231,595	-
93574-D		202,098	-
Total Tenant Based Rental Assistance		433,693	-
Total Home Investment Partnerships Program		451,147	-
Passed through Michigan Department of Health and Human Services (MDHHS):			
Housing Opportunities for Persons with Aids:	14.241		
20244150-00		425,017	-
20251767-001		126,230	-
Total Housing Opportunities for Persons with Aids		551,247	-
Total U.S. Department of Housing and Urban Development		6,644,418	708,497
U.S Department of Labor			
Direct Awards:			
Homeless Veterans' Reintegration Program: 24560HV000091-01-00	17.805	62,248	-
Total U.S. Department of Labor		62,248	-
U.S Department of Treasury			
Passed through the City of Grand Rapids:			
Coronavirus Relief Fund:	21.019		
Geotargeted Housing Outreach Program: 92667-A		331,899	-
Total U.S. Department of Treasury		331,899	-

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

COMMUNITY REBUILDERS

For the year ended December 31, 2024

Federal Grantor Pass Through Grantor Program Title Grant Number	Federal Assistance Listing Number	Current Year Expenditures	Passed Through to Sub-recipients
U.S. Department of Veteran Affairs			
Direct Awards:			
VA Homeless Providers Grant and Per Diem Program:	64.024		
CREB108-4178-515-TP-24		\$ 383,905	\$ -
CREB108-4176-515-PD-24		408,063	-
CREB108-4178-515-TP-24		117,545	-
CREB108-4176-515-PD-24		132,010	-
		1,041,523	-
Total VA Homeless Providers Grant and Per Diem Program			
		1,041,523	-
Supportive Services for Veteran's Families:	64.033		
14-MI-223SS		88,293	-
14-MI-223 2023		50,000	-
14-MI-223 2024		979,337	-
14-MI-223 2025		59,806	-
14-MI-223LT		60,252	-
		1,237,688	-
Total Supportive Services for Veteran's Families			
		1,237,688	-
Total U.S. Department of Veteran Affairs			
		2,279,211	-
U.S Department of Health and Human Services			
Passed through The Salvation Army:			
Temporary Assistance for Needy Families:	93.558		
Emergency Shelter Program:			
E20244598-00		30,156	-
E20254648-00		18,136	-
		48,292	-
Total Temporary Assistance for Needy Families			
		48,292	-
Total U.S. Department of Health and Human Services			
		48,292	-
Total Federal Financial Assistance			
		\$ 9,366,068	\$ 708,497

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

COMMUNITY REBUILDERS

For the year ended December 31, 2024

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Community Rebuilders under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with 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). 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 B – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following 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), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note C – Indirect Cost Rate

Community Rebuilders has elected not to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

COMMUNITY REBUILDERS

For the year ended December 31, 2024

Note D – Federal Income Reconciliation

	Grant Expenditures Per Schedule of Federal Financial Assistance	Federal Revenue Per Financial Statements	Difference
Continuum of Care Program	\$ 5,642,024	\$ 5,642,024	\$ -
Home Investment Partnerships Program	451,147	451,147	-
Housing Opportunities for Persons with Aids	551,247	551,247	-
Homeless Veterans' Reintegration Program	62,248	62,248	-
Coronavirus Relief Fund	331,899	331,899	-
VA Homeless Providers Grant and Per Diem Program	1,041,523	1,041,523	-
Supportive Services for Veteran's Families	1,237,688	1,237,688	-
Temporary Assistance for Needy Families	48,292	48,292	-
Veteran Residential Services (VRS)	-	430,234	(430,234) *
	<u>\$ 9,366,068</u>	<u>\$ 9,796,302</u>	<u>\$ (430,234)</u>

*Program is not included on the schedule of expenditures of federal awards due to the Organization having a contractor, not subrecipient, relationship with the grantor agency.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

COMMUNITY REBUILDERS
For the year ended December 31, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None reported

Type of auditor's report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200? _____ Yes X No

Identification of major programs audited:

Assistance Listing Number	Name of Federal Program or Cluster
14.267	Continuum of Care Program
64.024	VA Homeless Providers Grant and Per Diem Program

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as a low-risk auditee? X Yes _____ No

Section II - Financial Statements Audit Findings

There were no findings that are required to be reported under *Government Auditing Standards*.

Section III - Major Federal Award Programs Findings and Questioned Costs

There were no findings that are required to be reported under *Government Auditing Standards*.