Siena Francis House and Subsidiaries

Consolidated Financial Statements
and Supplementary Information
December 31, 2021 and 2020

Together with Independent Auditor's Report

Siena Francis House and Subsidiaries

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SEIM JOHNSON
SOLUTIONS WITH VISION

Independent Auditor's Report

To the Board of Directors of
Siena Francis House
Omaha, Nebraska:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Siena Francis House and Subsidiaries (the Organization), which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2021 and 2020, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States *(Government Auditing Standards)*. 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 the Organization 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued (or within one year after the date that the financial statements are available to be issued when applicable).

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 opinions. 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 GAAS 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 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.

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In performing an audit in accordance with GAAS 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's 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 consolidating and other supplementary information in Exhibits 1 through 4 and the 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* are presented for purposes of additional analysis rather than to present the financial position, changes in net assets, and cash flows of the individual companies and are 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 consolidating and other supplementary 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 June 17, 2022 on our consideration of the Organization's 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 the Organization's 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 the Organization's internal control over financial reporting and compliance.

Seim Johnson, LLP

Omaha, Nebraska,
June 17, 2022.

Siena Francis House and Subsidiaries

Consolidated Statements of Financial Position
December 31, 2021 and 2020

		2021	2020
ASSETS			
Cash and cash equivalents	$	6,392,984	6,092,967
Restricted cash		981,054	979,698
Tenant receivables		9,904	3,358
Grants receivable		462,823	415,639
Investments		537,529	517,113
Prepaid expenses and other		103,989	50,979
Property and equipment, net		31,085,074	31,428,845
Other assets, net		1,566	3,445
Beneficial interest in assets held by others		2,285,518	3,236,187
Total assets	$	41,860,441	42,728,231
LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts payable and accrued expenses	$	939,785	487,180
Affordable Housing Program note payable		400,000	400,000
Paycheck Protection Program loan		--	490,000
Tenant security deposits		4,336	4,836
Total liabilities		1,344,121	1,382,016
Net assets:			
Without donor restrictions:			
Undesignated		32,074,632	31,812,822
Designated by board		2,750,000	2,750,000
Non-controlling interest in L.P.		3,022,447	3,177,872
Total net assets without donor restrictions		37,847,079	37,740,694
With donor restrictions		2,669,241	3,605,521
Total net assets		40,516,320	41,346,215
Total liabilities and net assets	$	41,860,441	42,728,231

See notes to consolidated financial statements

Siena Francis House and Subsidiaries

Consolidated Statement of Activities
For the Year Ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS AND OTHER SUPPORT:			
Contributions and other grants	$ 4,866,827	983,718	5,850,545
Government grants	2,043,547	20,645	2,064,192
Non-cash donations	3,369,853	--	3,369,853
Special events	56,554	--	56,554
Rental income, net	213,339	--	213,339
Net investment income	57,121	50,095	107,216
Gain on disposal of property and equipment	1,322	--	1,322
Other revenue	18,840	--	18,840
Net assets released from restrictions	1,990,738	(1,990,738)	--
Total revenue, gains and other support	12,618,141	(936,280)	11,681,861
EXPENSES:			
Program services	10,339,650	--	10,339,650
Management and general	806,502	--	806,502
Fundraising	1,365,604	--	1,365,604
Total expenses	12,511,756	--	12,511,756
CHANGE IN NET ASSETS	106,385	(936,280)	(829,895)
NET ASSETS, Beginning of year	37,740,694	3,605,521	41,346,215
NET ASSETS, End of year	$ 37,847,079	2,669,241	40,516,320

See notes to consolidated financial statements

Siena Francis House and Subsidiaries

Consolidated Statement of Activities
For the Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS (LOSSES) AND OTHER SUPPORT:			
Contributions and other grants	$ 6,221,110	2,356,460	8,577,570
Government grants	646,361	539,352	1,185,713
Non-cash donations	3,215,798	--	3,215,798
Special events	48,425	--	48,425
Rental income, net	167,821	--	167,821
Net investment income	69,206	65,564	134,770
Loss on disposal of property and equipment	(2,404)	--	(2,404)
Loss on uncollectible promises to give	(21,480)	--	(21,480)
Other revenue	67,316	--	67,316
Net assets released from restrictions	11,760,644	(11,760,644)	--
Total revenue, gains (losses) and other support, net	22,172,797	(8,799,268)	13,373,529
EXPENSES:			
Program services	9,843,280	--	9,843,280
Management and general	745,681	--	745,681
Fundraising	714,414	--	714,414
Total expenses	11,303,375	--	11,303,375
CHANGE IN NET ASSETS	10,869,422	(8,799,268)	2,070,154
NET ASSETS, Beginning of year	26,871,272	12,404,789	39,276,061
NET ASSETS, End of year	$ 37,740,694	3,605,521	41,346,215

See notes to consolidated financial statements

Siena Francis House and Subsidiaries

Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2021

	Program Services	Management and General	Fundraising	Total
Salaries and wages	$ 3,030,892	394,307	552,029	3,977,228
Assistance to guests	2,798,824	--	--	2,798,824
Auto repair and gas	28,635	--	--	28,635
Depreciation and amortization	1,516,307	174,068	243,695	1,934,070
Employee benefits	403,260	53,061	74,285	530,606
Food	682,732	--	--	682,732
Special events	--	--	13,473	13,473
Administration	--	6,212	--	6,212
Insurance	217,326	24,228	33,919	275,473
Miscellaneous	51,033	23,420	8,645	83,098
Office supplies	33,004	3,821	5,349	42,174
Security	179,714	23,647	33,105	236,466
COVID-19 related expenses	295,740	--	--	295,740
Program supplies	142,865	--	--	142,865
Shelter Trust reimbursable expenses	2,873	--	--	2,873
Information systems	75,723	9,964	13,949	99,636
Payroll taxes	225,364	29,653	41,514	296,531
Professional fees	84,835	26,265	15,627	126,727
Management fees	--	5,500	--	5,500
Fundraising/Omaha Shelter Trust	--	--	303,094	303,094
Compliance fees	--	12,522	--	12,522
Repairs and maintenance	255,784	7,246	9,661	272,691
Stipends	37,363	--	--	37,363
Telephone	59,175	7,127	9,978	76,280
Utilities	218,201	5,461	7,281	230,943
Total expenses	$ 10,339,650	806,502	1,365,604	12,511,756

See notes to consolidated financial statements

Siena Francis House and Subsidiaries

Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2020

		Program Services	Management and General	Fundraising	Total
Salaries and wages	$	3,163,115	377,346	264,142	3,804,603
Assistance to guests		2,468,272	--	--	2,468,272
Auto repair and gas		21,081	--	--	21,081
Depreciation and amortization		1,361,653	24,994	24,994	1,411,641
Employee benefits		381,813	46,002	32,201	460,016
Food		806,215	--	--	806,215
Direct mail appeal		--	--	328,603	328,603
Special events		--	--	6,543	6,543
Administration		--	8,226	--	8,226
Insurance		189,369	12,475	6,717	208,561
Miscellaneous		29,886	3,700	2,435	36,021
Office supplies		47,662	5,223	3,656	56,541
Security		133,575	16,093	11,265	160,933
COVID-19 related expenses		364,109	--	--	364,109
Program supplies		78,232	--	--	78,232
Shelter Trust reimbursable expenses		12,511	--	--	12,511
Information systems		83,039	9,426	6,598	99,063
Real estate taxes		--	16,948	--	16,948
Payroll taxes		199,306	24,013	16,809	240,128
Professional fees		--	170,938	--	170,938
Management fees		--	5,500	--	5,500
Compliance fees		--	12,528	--	12,528
Repairs and maintenance		180,440	3,200	3,200	186,840
Stipends		66,680	--	--	66,680
Telephone		59,744	6,061	4,243	70,048
Utilities		196,578	3,008	3,008	202,594
Total expenses	$	9,843,280	745,681	714,414	11,303,375

See notes to consolidated financial statements

Siena Francis House and Subsidiaries

Consolidated Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020

		2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:			
Change in net assets	$	(829,895)	2,070,154
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Depreciation and amortization		1,934,070	1,411,641
Gain on forgiveness of Paycheck Protection Program loan		(490,000)	--
(Gain) loss on disposal of property and equipment		(1,322)	2,404
Stock donations		(102,786)	(21,839)
Proceeds from sale of stock donations		106,544	18,016
Beneficial interest in Omaha Shelter for the Homeless Trust		(63,167)	(2,023,420)
Beneficial interest in Omaha Community Foundation		(50,095)	(65,564)
Net realized and unrealized gain on investments		(2,521)	(17,097)
Expenses paid by Omaha Shelter for the Homeless Trust		12,530	46,710
Increase in assets:			
Tenant receivables		(6,546)	(3,358)
Grants receivable		(47,184)	(54,770)
Prepaid expenses and other		(53,010)	(11,369)
Increase (decrease) in liabilities:			
Accounts payable and accrued expenses		452,605	(40,986)
Tenant security deposits		(500)	(246)
Net cash provided by operating activities		858,723	1,310,276
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of property and equipment		3,500	--
Purchases of property and equipment		(539,197)	(117,869)
Purchases of investments		(130,926)	(20,753)
Proceeds from sale of investments		109,273	2,000
Net cash used in investing activities		(557,350)	(136,622)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from Paycheck Protection Program loan		--	490,000
NET INCREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH		301,373	1,663,654
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - Beginning of year		7,072,665	5,409,011
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - End of year	$	7,374,038	7,072,665
SUPPLEMENTAL DISCLOSURE OF NONCASH TRANSACTIONS:			
Activity with beneficial interest in Omaha Shelter for the Homeless Trust:			
Pledges, net of discount and allowance	$	--	2,023,420
Property capitalized		1,051,401	10,164,130
Expenses paid on behalf of Siena		12,530	46,710
Forgiveness of Paycheck Protection Program loan		490,000	--
RECONCILIATION OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH TO STATEMENTS OF FINANCIAL POSITION:			
Cash and cash equivalents	$	6,392,984	6,092,967
Restricted cash		981,054	979,698
Total cash, cash equivalents, and restricted cash	$	7,374,038	7,072,665

See notes to consolidated financial statements

(1) Description of Organization and Principles of Consolidation

The Siena Francis House (Siena), located in Omaha, Nebraska, welcomes, shelters, and empowers individuals experiencing homelessness to navigate their own path to safe and appropriate housing.

Siena Francis House Permanent Supportive Housing, Limited Partnership (the L.P.) consists of forty-eight apartment units which house homeless men and women who have a disabling condition, and a community services facility which contains offices for Siena employees and employees of partnering agencies, classrooms, meeting rooms and nursing stations, both located in Omaha, Nebraska.

The consolidated financial statements include the accounts of Siena, Siena Francis General Partner, LLC, and the L.P. (collectively, the Organization). Siena is the general partner of the L.P. It has been determined that the limited partner of the L.P. does not have substantive participating or protective rights. As such, Siena is presumed to control the L.P. and has consolidated the L.P.'s financial statements with its own financial statements. All significant inter-entity transactions are eliminated from the consolidated financial statements.

(2) Summary of Significant Accounting Policies

The following is a summary of significant accounting policies of the Organization. These policies are in accordance with accounting principles generally accepted in the United States of America (GAAP).

A. Basis of Accounting and Presentation

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. The Organization follows the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958-205, *Not-for-Profit: Presentation of Financial Statements*. Under FASB ASC Topic 958-205, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restrictions are those net assets not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. Net assets without donor restrictions include undesignated net assets and net assets subject to designation by the Board. The Board has designated, from net assets without donor restriction, net assets for an operating reserve.

Net assets with donor restrictions are net assets subject to restrictions imposed by donors or grantor agencies. 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. Gifts of long-lived assets and gifts of cash restricted for acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor imposed restrictions are reported in the consolidated statements of activities as net assets released from restriction 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.

B. Cash, Cash Equivalents, and Restricted Cash

Cash and cash equivalents are defined as all highly liquid investments with an original maturity of three months or less at the date of purchase that are not restricted. See Note 3 for a detail of restricted cash.

C. *Grants Receivable*

Grants receivable consists primarily of amounts due from local state and federal grantor agencies for amounts expended or earned under grant agreements not yet received. Siena considers grants receivable to be fully collectible. Accordingly, no allowance is deemed necessary.

D. *Investments*

Investments in marketable equity securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the consolidated statements of financial position. Realized and unrealized gains and losses are included in the consolidated statements of activities. Donated securities are recognized as contributions equal to the fair market value of the securities at the date of gift.

E. *Property and Equipment*

Property and equipment are stated at cost, if purchased, and at fair market value at the date of contribution, if donated, less accumulated depreciation. Depreciation is computed using the straight-line method. It is the Organization's policy to capitalize property and equipment over $1,000. Property and equipment are depreciated over the following estimated useful lives:

Buildings	3 to 40 years
Equipment	5 to 7 years
Vehicles	5 years
Land Improvements	15 years

The cost for maintenance and repairs is expensed as incurred. Major renewals and betterments are capitalized. When property and equipment is retired or sold, its costs and related accumulated depreciation is written off and the resulting gain or loss is included in the consolidated statements of activities.

F. *Revenue Recognition*

Contributions
In accordance with FASB ASC Topic 958, contributions received are being recognized as with donor restrictions and without donor restrictions depending on the existence and/or nature of any donor restrictions. From time to time, Siena receives contributions of marketable securities which are subsequently converted to cash. However, during the holding period, gains and losses are recognized and are not considered restricted unless otherwise specified by the donor.

Promises to Give
Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Unconditional promises to give that are expected to be collected or paid in more than one year are recognized at the present value of estimated future cash flows. Management estimated uncollectible amounts of the unconditional promises to give. The estimate of the uncollectible amounts will be assessed throughout the periods of scheduled receipts and adjusted accordingly. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Government and Other Grants
Certain contracts and grants are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the consolidated statements of financial position. There were no significant refundable advances as of December 31, 2021 and 2020.

Non-Cash Donations
Non-cash donations are recognized as contributions at their estimated fair value at the date of donation. Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would have otherwise been purchased by the Organization. A substantial number of volunteers contribute significant amounts of time to the activities of Siena, but these services do not meet the criteria for recognition.

Rental Income, Net
Rent revenue reflects the gross rent potential based on the approved contract rent amount. The approved contract rent amount is based on the applicable area median income in accordance with the Land Use Restriction Agreement with the Nebraska Investment Finance Authority. Tenants sign an initial one-year lease agreement which converts to a month to month lease thereafter. Tenant rent payments based on tenant income levels are due on the first of the month for that month. Tenant assistance payments are received for each applicable month for up to 30 units under an agreement with Siena which provides assistance to designated tenants to ensure monthly rental payments do not exceed 30% of their monthly income. In addition, certain tenants have agreements with Douglas County General Assistance to provide an additional rental subsidy. Apartment vacancies are recognized for rent revenue lost through vacancy of an apartment unit.

G. Advertising Costs

The Organization expenses all advertising costs as incurred. The Organization had $152,527 and $131,698 in advertising expenses during the years ended December 31, 2021 and 2020, respectively.

H. Income Taxes

Siena is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As such, income earned in the performance of their exempt purpose is not subject to income tax. Any income earned through activities not related to their exempt purpose is subject to income tax at normal corporate rates.

The L.P. is not a tax paying entity for federal income tax purposes, and thus no income tax expense has been recognized in the consolidated financial statements. Income from the L.P. is taxed to the partners in their appropriate tax returns.

For the years ended December 31, 2021 and 2020, the Organization had no tax liability on unrelated business activity. The Organization 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 consolidated financial statements.

The Organization's federal Returns of Organization Exempt from Income Tax (Form 990) for the years ended December 31, 2021, 2020, and 2019 are subject to examination by the IRS, generally for three years after they were filed.

I. Allocation of Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation, and amortization, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and other, which are allocated on the basis of estimates of time and effort.

J. *Estimates*

The presentation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts and disclosures reported in the consolidated financial statements. Actual results could differ from those estimates.

K. *Recent Accounting Pronouncements*

In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the consolidated statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the consolidated statements of activities. In June 2020, the FASB issued ASU 2020-05 which grants an extension of the effective date of this guidance. The standard is now effective for fiscal years beginning after December 15, 2021. The Organization is currently evaluating the impact of the pending adoption of the new standard on consolidated the financial statements.

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*, which requires not-for-profit organizations to present gifts-in-kind as a separate line item in the consolidated statements of activities and would require additional disclosures related to the nature of the gifts. The new standard is effective for fiscal years beginning after June 15, 2021. Early application is permitted. The Organization is currently evaluating the effect that the updated standard will have on the consolidated financial statements.

L. *Reclassification*

Certain amounts in the 2020 consolidated financial statements have been reclassified to conform to the 2021 reporting format.

M. *Subsequent Events*

The Organization considered events occurring through June 17, 2022 for recognition or disclosure in the consolidated financial statements as subsequent events. That date is the date the consolidated financial statements were available to be issued.

(3) Restricted Cash

The Organization's restricted cash balance is comprised of the following at December 31, 2021 and 2020:

		2021	2020
Collateral security funds	$	507,402	507,357
Tenant security deposits held in trust		5,533	5,354
Replacement reserve		19,301	18,189
Operating reserve		98,786	98,801
Supplemental operating reserve		350,032	349,997
	$	981,054	979,698

Collateral Security Funds
In accordance with the L.P. limited partnership agreement, Siena is required to maintain a pledge account of at least $500,000 as collateral security for its obligations under the agreement. This account is for the benefit of the Limited Partner, and disbursements from and termination of the account requires the approval of the Limited Partner.

Replacement Reserve
The L.P. is required to maintain a reserve to fund repairs, capital expenditures and other costs approved by the Limited Partner. The replacement reserve is to be funded in the original amount of $250 per apartment unit per year and shall increase by ten percent on each fifth anniversary. The per unit amount increased to $275 on April 1, 2018. At December 31, 2021 and 2020, all such required contributions have been made.

Operating Reserve
The L.P. is required to fund an operating reserve of at least $98,333. Withdrawals must be approved by the Limited Partner. As of December 31, 2021 and 2020, the operating reserve has been fully funded.

Supplemental Operating Reserve
The L.P. is required to fund a supplemental operating reserve account of at least $346,047. Withdrawals must be approved by the Limited Partner and can only be used to supplement lost annual rental subsidy. As of December 31, 2021 and 2020, the supplemental operating reserve has been fully funded.

(4) Liquidity and Availability of Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statements of financial position dates, comprise the following:

		2021	2020
Cash and cash equivalents	$	6,392,984	6,092,967
Restricted cash		981,054	979,698
Tenant receivables		9,904	3,358
Grants receivable		462,823	415,639
Investments		537,529	517,113
Total financial assets		8,384,294	8,008,775
Less: those unavailable for general expenditures within one year due to:			
Restricted cash		(981,054)	(979,698)
Donor restrictions subject to expenditure for specific purpose		(256,223)	(290,834)
Total financial assets available within one year	$	7,147,017	6,738,243

As of December 31, 2021 and 2020, respectively, $2,750,000 was designated as an operating reserve by the Board of Directors. This balance is included above as it could be accessed with board approval if needed.

The organization receives significant contributions and promises to give restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

(5) Grants Receivable

The Organization receives grants from various entities. The detail of the grants receivable and the respective granting agencies at December 31, 2021 and 2020 is listed below.

		2021	2020
Department of Housing and Urban Development	$	202,465	--
United Way		127,500	78,500
Nebraska Homeless Assistance Program		44,611	46,257
Department of Veterans' Affairs		36,956	8,875
Nebraska Department of Health and Human Services		--	261,921
Other		51,291	20,086
	$	462,823	415,639

The Organization expects to collect all grants within the next year.

(6) Fair Value Measurements

FASB ASC Topic 820 establishes a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (level 3 measurements). The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are as follows:

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2 Inputs to the valuation methodology include:

Quoted prices for similar assets or liabilities in active markets;
Quoted prices for identical or similar assets or liabilities in inactive markets;
Inputs other than quoted prices that are observable for the asset or liability;
Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs are unobservable for the asset or liability.

For the years ended December 31, 2021 and 2020, the application of valuation techniques applied to similar assets and liabilities has been consistent. The following methods and assumptions were used to estimate the fair value for each class of financial instrument measured at fair value:

Mutual funds: Value determined by the closing price in the actively traded market.

Beneficial interest in assets held by others: Valued at the fair value of the Organization's share of the Omaha Community Foundation's investment pool, which is unobservable to market participants, as of the measurement date.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth the balances of assets and liabilities measured at fair value on a recurring basis as of December 31, 2021 and 2020:

		2021			
		Fair Value	Level 1	Level 2	Level 3
Mutual funds	$	537,529	537,529	--	--
Beneficial interest in assets held by others		960,051	--	--	960,051
	$	1,497,580	537,529	--	960,051

		2020			
		Fair Value	Level 1	Level 2	Level 3
Mutual funds	$	517,113	517,113	--	--
Beneficial interest in assets held by others		909,956	--	--	909,956
	$	1,427,069	517,113	--	909,956

There were no transfers between the levels during the years ended December 31, 2021 and 2020.

The following table summarizes the Organization's Level 3 beneficial interests in assets held by others during the year ended December 31, 2021:

		2021	2020
Balance at beginning of year	$	909,956	844,392
Withdrawals		(40,949)	(34,561)
Share of appreciation of funds		91,044	100,125
Balance at end of year	$	960,051	909,956

(7) Property and Equipment, Net

Property and equipment at December 31, 2021 and 2020 consists of the following:

		2021	2020
Land	$	1,577,449	1,577,449
Land improvements		500,561	149,811
Buildings		33,654,073	32,901,857
Equipment		2,456,674	2,081,405
Vehicles		208,586	295,182
Construction in progress		38,574	--
		38,435,917	37,005,704
Less accumulated depreciation		(7,350,843)	(5,576,859)
	$	31,085,074	31,428,845

The consolidated financial statements include depreciation expense of $1,932,191 and $1,409,763 and amortization expense of $1,879 and $1,878 for the years ended December 31, 2021 and 2020, respectively.

(8) Grant and Loan Agreements

Siena and the L.P. are parties to agreements with the U.S. Department of Housing and Urban Development (HUD) and the Federal Home Loan Bank of Topeka (the FHLB) related to the funding of the permanent supportive housing facilities.

Supportive Housing Program (SHP) Grant and Loan Agreements

The SHP grant and loan agreement indicates that Siena is the lender and the L.P. is the borrower. The interest rate is 3.45% per annum. Annual payments are based on available cash flow (as defined in the agreement), with all unpaid principal and interest due on October 31, 2057. This note has been eliminated upon consolidation.

The loan amount of $640,117 was funded by two grants awarded in 2011 to Siena from HUD. Additional grants for operating expenses are also available under annual renewals of the SHP grant with HUD. The L.P. received $50,000 of grant proceeds in 2021 and 2020, for operating expenses. Starting in 2020, these funds were granted to the L.P. by Siena (and eliminated upon consolidation). Siena has provided HUD a deed restriction to secure HUD's repayment of the grants if a default of the grant agreements should occur. The L.P. has provided Siena a second deed of trust on the property.

Affordable Housing Program (AHP) Loan Agreement

The agreements with FHLB consist of: (1) an AHP Loan Agreement; (2) two separate promissory notes between Siena and the L.P. totaling $400,000; and (3) two separate promissory notes between Siena and American National Bank (ANB) totaling $400,000. The loan agreement indicates that ANB is the member bank for the FHLB, the L.P. is the owner and Siena is the sponsor. Siena loaned an additional $400,000 to the L.P. under the same terms after expected AHP funding changed.

The promissory notes between Siena and the L.P. are non-interest bearing. The notes are due upon the date which the property is sold or refinanced; or, December 31, 2058. These notes have been eliminated upon consolidation.

The notes are secured by a deed of trust on the related property.

The promissory notes between Siena and ANB state that Siena promises to pay ANB the principal sum without interest, except upon an event of default. If no default occurs, the notes shall be forgiven if the FHLB's AHP requirements are met upon the 15-year anniversary (October 24, 2027). The notes are secured by a deed of trust on the related property. The balance of the notes are $400,000 at December 31, 2021 and 2020.

The carrying value of the buildings funded by these loans was $4.1 million and $4.3 million at December 31, 2021 and 2020, respectively.

(9) Paycheck Protection Program Loan

During the year ended December 31, 2020, the Organization applied for and was granted a $490,000 loan under the Paycheck Protection Program (PPP) administered by a Small Business Association approved partner. The loan was uncollateralized and was fully guaranteed by the Federal government. The loan accrued interest, but payments were not required to begin for six months to one year after the funding of the loan. The Organization was eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. In 2021, the Organization received forgiveness of the loan; the forgiveness of these funds are included in government grants on the consolidated statement of activities for the year ended December 31, 2021.

(10) Net Assets

Without Donor Restrictions
The Board of Directors has designated funds for an operating reserve with the annual income available for current operations. The amount of designated net assets at December 31, 2021 and 2020 was $2,750,000, respectively.

With Donor Restrictions
Donor-imposed restrictions on net assets are considered temporary restrictions with the exception of the beneficial interest in assets held by others. Such net assets are available at December 31, 2021 and 2020, with the following restrictions:

		2021	2020
Purpose restrictions	$	1,581,690	2,617,065
Time restrictions		127,500	78,500
Beneficial interest restricted in perpetuity		960,051	909,956
	$	2,669,241	3,605,521

Releases From Restrictions

During the years ended December 31, 2021 and 2020, net assets with donor restrictions were released for the following purposes:

		2021	2020
Purpose restrictions:			
Omaha Shelter for Homeless Trust	$	1,063,931	11,090,986
Rehousing and reintegration		131,000	78,500
CARES Act		282,566	277,431
Other		438,241	192,947
		1,915,738	11,639,864
Time restrictions		75,000	120,780
	$	1,990,738	11,760,644

(11) Change in Net Assets

Per FASB ASC Topic 958-810-50-4 and 50-5, consolidated financial statements are required to provide a schedule of changes in consolidated net assets reconciling beginning and ending balances attributable to the parent and to the non-controlling interest.

The detail of the changes in net assets at December 31, 2021 for Siena and the non-controlling interest in the L.P. are as follows:

		Siena	Non-Controlling Interest in L.P.	Total
Net assets without donor restrictions at December 31, 2020	$	34,562,822	3,177,872	37,740,694
Increase (decrease) in net assets		261,810	(155,425)	106,385
Net assets without donor restrictions at December 31, 2021		34,824,632	3,022,447	37,847,079
Net assets with donor restrictions at December 31, 2020		3,605,521	--	3,605,521
Increase (decrease) in net assets		(936,280)	--	(936,280)
Net assets with donor restrictions at December 31, 2021		2,669,241	--	2,669,241
Total net assets at December 31, 2021	$	37,493,873	3,022,447	40,516,320

The detail of the changes in net assets at December 31, 2020 for Siena and the non-controlling interest in the L.P. are as follows:

		Siena	Non-Controlling Interest in L.P.	Total
Net assets without donor restrictions at December 31, 2019	$	23,486,987	3,384,285	26,871,272
Increase (decrease) in net assets		11,075,835	(206,413)	10,869,422
Net assets without donor restrictions at December 31, 2020		34,562,822	3,177,872	37,740,694
Net assets with donor restrictions at December 31, 2019		12,404,789	--	12,404,789
Increase (decrease) in net assets		(8,799,268)	--	(8,799,268)
Net assets with donor restrictions at December 31, 2020		3,605,521	--	3,605,521
Total net assets at December 31, 2020	$	38,168,343	3,177,872	41,346,215

(12) Retirement Plan

Siena sponsors a SIMPLE IRA plan for all employees who meet plan criteria. Siena is required to make matching contributions up to 3% of employee compensation for eligible participants. Siena's contributions were $40,594 and $53,035 for the years ended December 31, 2021 and 2020, respectively. These amounts are included in employee benefits expense on the consolidated statements of functional expenses.

(13) Risks and Uncertainties

The Organization maintains cash in demand deposit and money market accounts with federally insured banks. At times, the balances in these accounts may be in excess of federally insured limits. The Organization also maintains cash in money market funds at a brokerage firm that is a member of the SIPC (Securities Investor Protection Corporation). These accounts are insured subject to applicable limits which include "excess SIPC" insurance, however at times, the balances in these accounts may be in excess of federally insured and SIPC limits. Management believes the risk relating to these deposits are minimal.

Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

On March 11, 2020, the World Health Organization declared the coronavirus outbreak as a global pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the operations of the Organization. The Organization has experienced disruptions in services and operations and limitations on fundraising activities due to the pandemic. The Organization was awarded funding through the Paycheck Protection Program loan (Note 9) and other assistance from the State of Nebraska to assist with responding to and recovering from the pandemic. The situation surrounding COVID-19 remains fluid, and if additional disruptions do arise, it could continue to impact the Organization.

(14) Contingencies

Siena participates in federal grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditures of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of Siena.

The L.P. has received an allocation from the Nebraska Investment Finance Authority (NIFA) anticipated to generate $6,262,300 of low-income housing tax credits. Generally, these tax credits become available for use by its partners, pro-rata, over a ten-year period that began in 2013. Because these tax credits are subject to complying with federal and state regulatory requirements, there can be no assurance that the aggregate amount of the tax credits will be realized. Failure to meet all requirements may result in generating a lesser amount of tax credits than the expected amount. Also, failure to maintain compliance with occupant eligibility conditions, unit gross rent conditions, or corrections to noncompliance could result in recapture of previously taken tax credits plus interest. In addition, such potential non-compliance may require an adjustment to the capital contributed by the limited partner. Repayment of the tax credits is not considered probable therefore no liability has been reflected in the consolidated statements of financial position.

A Declaration of Restrictive Covenants between the United States Department of Housing and Urban Development (HUD) and Siena binds Siena to use the project for supportive housing for low-income persons for 20 years. If the project fails to comply within 10 years, Siena is obligated to repay HUD up to the $753,246 of assistance it received from the Supportive Housing Grants. After the initial ten-year period, HUD shall reduce the percentage required to be repaid by 10 percentage points for each year Siena is in compliance.

The Organization is subject to lawsuits and claims arising in the normal course of business. In the opinion of management and legal counsel, the ultimate disposition of any claims currently pending will not have a material adverse effect on the consolidated financial position or results from operations of the Organization.

(15) Beneficial Interests

Beneficial interest in assets held by others at December 31, 2021 and 2020 consist of the following:

		2021	2020
Omaha Shelter for Homeless Trust	$	1,325,467	2,326,231
Omaha Community Foundation		960,051	909,956
	$	2,285,518	3,236,187

Omaha Shelter for Homeless Trust

During 2018, Siena signed a development agreement (the agreement) with the Omaha Shelter for Homeless Trust (the Trust), a 501(c)(3) organization, whereby the Trust will assist Siena in the development of new shelters on Siena's campus (the Project). The agreement between the parties indicates the Project is owned by Siena and calls for the Trust to raise funds, manage construction and perform other duties required to complete the shelters.

The donor pledges shown as beneficial interest to Siena represent the amounts pledged that will inure to the benefit of Siena. These pledges are commitments that have been obtained by the Trust. The beneficial interests that were transferred to Siena were $1,325,467 and $2,326,231 as of December 31, 2021 and 2020, respectively, and are reported at an amount that reflects adjustments for the present value of the total amounts pledged.

Phase I of the Project (the main shelter) was completed in 2019. Phase II of the Project was started in 2019 and completed in 2020. The costs incurred have been transferred from the original amount of the beneficial interest and included in property and equipment, net in the consolidated statements of financial position.

The Trust incurred other expenses of $12,530 and $46,710 during the years ended December 31, 2021 and 2020. These costs have been transferred from the original amount of the beneficial interest and recognized as expenses by Siena.

The beneficial interest recognized by Siena, in excess of the cost of the shelter currently under construction and the fundraising expenses, will be used for additional enhancements to Siena's campus.

The beneficial interests, net of the transfer to construction in progress and the fundraising expenses, are scheduled to be received in the following periods:

Year Ending December 31,		
2022		75,467
2023		1,250,000
		1,325,467
Less: net present value discount		(30,364)
	$	1,295,103

Omaha Community Foundation
Siena established the Siena Francis House Endowment Fund (the Fund) under an Agency Endowment Agreement (Agreement) at the Omaha Community Foundation (OCF) to support the charitable purpose of Siena. At the time of the transfer, Siena granted variance power to OCF. That power gives OCF the right to distribute the assets of the Fund and investment income to another not-for-profit entity of its choice if Siena ceases to exist or if the governing board of OCF votes that support for Siena (a) is no longer necessary or (b) is inconsistent with the needs of the Foundation. Under the terms of the Agreement, Siena may request distributions from the Fund in an amount not to exceed the current OCF endowment annual fund net asset spending percentage. The annual spending percentage is set from time to time by the Board of Directors of OCF. The current annual spending percentage is 4.5%. At December 31, 2021 and 2020 the Fund had a value of $960,051 and $909,956, respectively, which is reported in the consolidated statements of financial position as beneficial interest in assets held by others.

(16) Subsequent Events

On March 1, 2022, Siena became sole member of 1528 N. 16th Managing Member, LLC, an organization formed for the purpose of becoming the managing member of 1528 N. 16th LLC. 1528 N. 16th LLC was formed for the purpose of acquiring land north of the Siena campus for the Cottages project. The Cottages project is a micro community of single occupant homes providing opportunity and housing for persons who have experienced homelessness.

The project costs are estimated at $8,500,000 and construction began in April 2022 and is expected to be completed by March 2023. 1528 N 16th LLC applied for and was approved for low income housing tax credits amounting to approximately $7,000,000. The remaining costs of the project are to be funded by future contributions. Interim financing was obtained on March 18, 2022 by 1528 N 16th LLC in the amount of $6,377,000, at 3.950%, maturing in May 2024.

Consolidating Statements of Financial Position
December 31, 2021

	Siena Francis House	Siena Francis House Permanent Supportive Housing L.P.	Eliminations	Totals
ASSETS				
Cash and cash equivalents	$ 6,362,322	30,662	--	6,392,984
Restricted cash	507,402	473,652	--	981,054
Tenant receivables	--	9,904	--	9,904
Grants receivable	462,823	--	--	462,823
Due from Siena Francis House Permanent Supportive Housing L.P.	1,694,104	--	(1,694,104)	--
Due from Siena Francis House	--	83,605	(83,605)	--
Investments	537,529	--	--	537,529
Investments in limited partnership	296	--	(296)	--
Prepaid expenses and other	103,989	--	--	103,989
Property and equipment, net	27,217,098	4,181,374	(313,398)	31,085,074
Accounts receivable, master lease	--	29,656	(29,656)	--
Other assets, net	--	1,566	--	1,566
Beneficial interest in assets held by others	2,285,518	--	--	2,285,518
Total assets	$ 39,171,081	4,810,419	(2,121,059)	41,860,441
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable and accrued expenses	$ 880,205	89,236	(29,656)	939,785
Due to Siena Francis House Permanent Supportive Housing L.P.	83,605	--	(83,605)	--
Due to Siena Francis House	--	1,694,104	(1,694,104)	--
Affordable Housing Program note payable	400,000	--	--	400,000
Tenant security deposits	--	4,336	--	4,336
Total liabilities	1,363,810	1,787,676	(1,807,365)	1,344,121
Net assets:				
Without donor restrictions:				
Undesignated	32,388,030	--	(313,398)	32,074,632
Designated by board	2,750,000	--	--	2,750,000
Non-controlling interest in L.P.	--	3,022,743	(296)	3,022,447
Total net assets without donor restrictions	35,138,030	3,022,743	(313,694)	37,847,079
With donor restrictions	2,669,241	--	--	2,669,241
Total net assets	37,807,271	3,022,743	(313,694)	40,516,320
Total liabilities and net assets	$ 39,171,081	4,810,419	(2,121,059)	41,860,441

See accompanying independent auditor's report

Consolidating Statements of Activities
For the Year Ended December 31, 2021

	Siena Francis House	Siena Francis House Permanent Supportive Housing L.P.	Eliminations	Totals
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:				
REVENUE, GAINS (LOSSES), AND OTHER SUPPORT-				
Contributions and other grants	$ 4,866,827	--	--	4,866,827
Government grants	2,043,547	50,000	(50,000)	2,043,547
Non-cash donations	3,369,853	--	--	3,369,853
Special events	56,554	--	--	56,554
Rental income, net	--	217,605	(4,266)	213,339
Net investment income	57,075	46	--	57,121
Loss from L.P.	(16)	--	16	--
Gain on disposal of property and equipment	1,322	--	--	1,322
Other revenue	48,441	38,929	(68,530)	18,840
Net assets released from restrictions	1,990,738	--	--	1,990,738
Total revenue, gains (losses) and other support, net	12,434,341	306,580	(122,780)	12,618,141
EXPENSES:				
Program services	10,063,171	381,759	(105,280)	10,339,650
Management and general	756,458	80,262	(30,218)	806,502
Fundraising	1,365,604	--	--	1,365,604
Total expenses	12,185,233	462,021	(135,498)	12,511,756
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	249,108	(155,441)	12,718	106,385
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS:				
REVENUE, GAINS, AND OTHER SUPPORT-				
Contributions and other grants	983,718	--	--	983,718
Government grants	20,645	--	--	20,645
Net investment income	50,095	--	--	50,095
Net assets released from restrictions	(1,990,738)	--	--	(1,990,738)
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	(936,280)	--	--	(936,280)
CHANGE IN NET ASSETS	(687,172)	(155,441)	12,718	(829,895)
NET ASSETS, Beginning of year	38,494,443	3,178,184	(326,412)	41,346,215
NET ASSETS, End of year	$ 37,807,271	3,022,743	(313,694)	40,516,320

See accompanying independent auditor's report

Consolidating Statements of Financial Position
December 31, 2020

	Siena Francis House	Siena Francis House Permanent Supportive Housing L.P.	Eliminations	Totals
ASSETS				
Cash and cash equivalents	$ 6,085,180	7,787	--	6,092,967
Restricted cash	507,357	472,341	--	979,698
Tenant receivables	--	3,358	--	3,358
Grants receivable	415,639	--	--	415,639
Due from Siena Francis House Permanent Supportive Housing L.P.	1,663,886	--	(1,663,886)	--
Due from Siena Francis House	--	24,448	(24,448)	--
Investments	517,113	--	--	517,113
Investments in limited partnership	312	--	(312)	--
Prepaid expenses and other	50,979	--	--	50,979
Property and equipment, net	27,375,191	4,379,754	(326,100)	31,428,845
Accounts receivable, master lease	--	29,656	(29,656)	--
Other assets, net	--	3,445	--	3,445
Beneficial interest in assets held by others	3,236,187	--	--	3,236,187
Total assets	$ 39,851,844	4,920,789	(2,044,402)	42,728,231
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable and accrued expenses	$ 442,953	73,883	(29,656)	487,180
Due to Siena Francis House Permanent Supportive Housing L.P.	24,448	--	(24,448)	--
Due to Siena Francis House	--	1,663,886	(1,663,886)	--
Affordable Housing Program note payable	400,000	--	--	400,000
Paycheck Protection Program loan	490,000	--	--	490,000
Tenant security deposits	--	4,836	--	4,836
Total liabilities	1,357,401	1,742,605	(1,717,990)	1,382,016
Net assets:				
Without donor restrictions:				
Undesignated	32,138,922	--	(326,100)	31,812,822
Designated by board	2,750,000	--	--	2,750,000
Non-controlling interest in L.P.	--	3,178,184	(312)	3,177,872
Total net assets without donor restrictions	34,888,922	3,178,184	(326,412)	37,740,694
With donor restrictions	3,605,521	--	--	3,605,521
Total net assets	38,494,443	3,178,184	(326,412)	41,346,215
Total liabilities and net assets	$ 39,851,844	4,920,789	(2,044,402)	42,728,231

See accompanying independent auditor's report

Consolidating Statements of Activities
For the Year Ended December 31, 2020

	Siena Francis House	Siena Francis House Permanent Supportive Housing L.P.	Eliminations	Totals
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:				
REVENUE, GAINS (LOSSES) AND OTHER SUPPORT-				
Contributions and other grants	$ 6,221,110	--	--	6,221,110
Government grants	646,361	50,000	(50,000)	646,361
Non-cash donations	3,215,798	--	--	3,215,798
Special events	48,425	--	--	48,425
Rental income, net	--	178,107	(10,286)	167,821
Net investment income	68,962	244	--	69,206
Loss from L.P.	(26)	--	26	--
Loss on disposal of property and equipment	(2,404)	--	--	(2,404)
Loss on uncollectible pormise to give	(21,480)	--	--	(21,480)
Other revenue	101,828	39,115	(73,627)	67,316
Net assets released from restrictions	11,760,644	--	--	11,760,644
Total revenue, gains (losses) and other support, net	22,039,218	267,466	(133,887)	22,172,797
EXPENSES:				
Program services	9,569,292	385,963	(111,975)	9,843,280
Management and general	692,380	87,942	(34,641)	745,681
Fundraising	714,414	--	--	714,414
Total expenses	10,976,086	473,905	(146,616)	11,303,375
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	11,063,132	(206,439)	12,729	10,869,422
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS:				
REVENUE, GAINS, AND OTHER SUPPORT-				
Contributions and other grants	2,356,460	--	--	2,356,460
Government grants	539,352	--	--	539,352
Net investment income	65,564	--	--	65,564
Net assets released from restrictions	(11,760,644)	--	--	(11,760,644)
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	(8,799,268)	--	--	(8,799,268)
CHANGE IN NET ASSETS	2,263,864	(206,439)	12,729	2,070,154
NET ASSETS, Beginning of year	36,230,579	3,384,623	(339,141)	39,276,061
NET ASSETS, End of year	$ 38,494,443	3,178,184	(326,412)	41,346,215

See accompanying independent auditor's report

Schedule of Expenditures of Federal Awards and Notes to the Schedule
For the Year Ended December 31, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
US Department of Housing and Urban Development				
Passed through the City of Omaha				
COVID-19 Emergency Solutions Grants Program	14.231	ESG-CV1	$	$ 287,702
		ESG-CV2		720,423
Continuum of Care Program	14.267	NE0034L7D011907		65,587
	14.267	NE0034L7D012008		11,529
				77,116
Passed through the Omaha Housing Authority				
Section 8 Housing Choice Vouchers	14.871	N/A		100,679
Total Department of Housing and Urban Development			--	1,185,920
US Department of Veterans Affairs				
Direct Award				
VA Homeless Providers Grant and Per Diem Program	64.024			152,318
Total Expenditures of Federal Awards			$ --	$ 1,338,238

The accompanying notes are an integral part of this schedule.

Notes to the Schedule

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Organization under programs of the federal government for the year ended December 31, 2021. 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 the Organization, it is not intended to and does not present the financial position, changes in net position or cash flows of the Organization.

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 Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate

The Organization has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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

To the Board of Directors of
Siena Francis House
Omaha, Nebraska:

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 Siena Francis House and Subsidiaries (the Organization), which comprise the consolidated statement of financial position as of December 31, 2021, and the related consolidated statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, which collectively comprise the Organization's basic consolidated financial statements, and have issued our report thereon dated June 17, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's 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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's consolidated 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 the Organization's consolidated financial statements are free of 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 consolidated 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.*

SEIM JOHNSON, LLP
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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 result 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.

Seim Johnson, LLP

Omaha, Nebraska,
June 17, 2022.

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

To the Board of Directors of
Siena Francis House
Omaha, Nebraska:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Siena Francis House and Subsidiaries' (the Organization's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2021. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 the Organization 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 the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *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 the Organization's compliance with the requirements of each major federal program as a whole.
In performing an audit in accordance with GAAS, *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 the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or 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 out 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.

Seim Johnson, LLP

Omaha, Nebraska,
June 17, 2022.

Part I. Summary of the Independent Auditor's Results

Consolidated Financial Statements

Type of report the auditor issued on whether the consolidated financial statements audited were prepared in accordance with GAAP:		Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?	____ Yes	X No
• Significant deficiency(ies) identified?	____ Yes	X None Reported
Noncompliance material to consolidated financial statements noted?	____ Yes	X No

Federal Awards

Internal control over major federal programs:

• Material weakness(es) identified?	____ Yes	X No
• Significant deficiency(ies) identified?	____ Yes	X None Reported
Type of auditor's report issued on compliance for major federal programs:		Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ Yes	X No

Identification of major federal programs:

Assistance Listing Number(s)	Names of Federal Program or Cluster
14.231	Emergency Solutions Grant

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

Part II: Financial Statement Findings

No matters were reported.

Part III: Federal Award Findings and Questioned Costs

No findings were reported