



Financial Statements  
June 30, 2016 and 2015  
**Jannus, Inc.**

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## Independent Auditor's Report

The Board of Directors  
Jannus, Inc.  
Boise, Idaho

### Report on the Financial Statements

We have audited the accompanying financial statements of Jannus, Inc., a nonprofit organization, which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities and cash flows for the years then ended, the statement of functional expenses for the year ended June 30, 2016, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Jannus, Inc., as of June 30, 2016 and 2015, 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.

**Other Matters**

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 Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 7, 2016 on our consideration of Jannus, Inc.'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 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 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 Jannus, Inc.'s internal control over financial reporting and compliance.



Boise, Idaho  
October 7, 2016

Jannus, Inc.  
Statements of Financial Position  
June 30, 2016 and 2015

	2016	2015
Assets		
Current Assets		
Cash	\$ 2,407,347	\$ 1,940,827
Cash held for fiduciaries	27,594	62,077
Grants and contracts receivable	1,330,863	1,344,374
Accounts receivable other	8,834	11,918
Microenterprise loans receivable, net	55,936	78,484
Prepaid expenses	39,505	48,881
Total current assets	3,870,079	3,486,561
Property and Equipment		
Land	221,433	221,433
Buildings and improvements	1,754,890	1,740,526
Furniture, fixtures, and equipment	125,932	139,502
Less accumulated depreciation	(978,427)	(917,081)
Total property and equipment	1,123,828	1,184,380
Long-Term Assets		
Microenterprise loans receivable, net	50,287	69,235
	\$ 5,044,194	\$ 4,740,176

Jannus, Inc.  
Statements of Financial Position  
June 30, 2016 and 2015

	2016	2015
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 752,308	\$ 656,024
Accrued wages and benefits	472,109	454,244
Deferred revenue	598,810	903,585
Due to fiduciaries	27,594	62,077
Current portion of mortgage payable	21,599	20,638
Total current liabilities	1,872,420	2,096,568
Long-Term Liabilities		
Mortgage payable, less current portion	527,971	549,570
Total liabilities	2,400,391	2,646,138
Net Assets		
Unrestricted	1,611,847	1,728,242
Temporarily restricted	1,031,956	365,796
Total net assets	2,643,803	2,094,038
	\$ 5,044,194	\$ 4,740,176

Jannus, Inc.  
Statement of Activities  
Year Ended June 30, 2016

	Unrestricted	Temporarily Restricted	Total
<b>Support and Revenues</b>			
Grants and contracts	\$ 12,771,531	\$ -	\$ 12,771,531
Fees for service and reimbursements	1,409,679	-	1,409,679
Contributions and donations	-	820,676	820,676
Gross special events revenue	-	119,206	119,206
Less cost of direct benefit to donors	-	(11,396)	(11,396)
Net special events revenue	-	107,810	107,810
In-kind and match contributions	564,034	-	564,034
Dividends and interest	11,413	-	11,413
Net assets released from restrictions for contributions spent in accordance with donor conditions	251,904	(251,904)	-
Net assets released from restrictions for depreciation on building owned with federal interest	10,422	(10,422)	-
<b>Total support and revenues</b>	<b>15,018,983</b>	<b>666,160</b>	<b>15,685,143</b>
<b>Expenditures</b>			
Salaries	4,670,040	-	4,670,040
Benefits	1,167,766	-	1,167,766
<b>Total salaries and benefits</b>	<b>5,837,806</b>	<b>-</b>	<b>5,837,806</b>
Contracts and consulting	2,610,925	-	2,610,925
Food program provider payments	2,380,568	-	2,380,568
Stipends, assistance, and participant support	1,622,614	-	1,622,614
Indirect and administrative fees	973,217	-	973,217
Office rental and maintenance	407,269	-	407,269
Travel	240,884	-	240,884
Supplies	214,377	-	214,377
Telephone and utilities	124,528	-	124,528
Meetings and conferences	114,606	-	114,606
Printing	99,763	-	99,763
Legal and accounting	96,566	-	96,566
Staff and volunteer training	75,596	-	75,596
Depreciation	74,915	-	74,915
Computer supplies	70,271	-	70,271
Insurance	64,966	-	64,966
Marketing and outreach	46,137	-	46,137
Interest	23,948	-	23,948
Postage	21,292	-	21,292
Property taxes	21,049	-	21,049
Fundraising	13,118	-	13,118
Bad debt expense	963	-	963
<b>Total expenditures</b>	<b>15,135,378</b>	<b>-</b>	<b>15,135,378</b>
Change in Net Assets	(116,395)	666,160	549,765
Net Assets, Beginning of Year	1,728,242	365,796	2,094,038
Net Assets, End of Year	<b>\$ 1,611,847</b>	<b>\$ 1,031,956</b>	<b>\$ 2,643,803</b>

Jannus, Inc.  
Statement of Activities  
Year Ended June 30, 2015

	Unrestricted	Temporarily Restricted	Total
Support and Revenues			
Grants and contracts	\$ 12,371,783	\$ -	\$ 12,371,783
Fees for service and reimbursements	1,568,608	-	1,568,608
Contributions and donations	333,212	-	333,212
In-kind and match contributions	471,750	-	471,750
Dividends and interest	13,826	-	13,826
Net assets released from restrictions for depreciation on building owned with federal interest	10,422	(10,422)	-
Total support and revenues	<u>14,769,601</u>	<u>(10,422)</u>	<u>14,759,179</u>
Expenditures			
Salaries	4,655,452	-	4,655,452
Benefits	1,098,724	-	1,098,724
Total salaries and benefits	5,754,176	-	5,754,176
Contracts and consulting	2,371,382	-	2,371,382
Food program provider payments	2,216,482	-	2,216,482
Stipends, assistance, and participant support	1,677,905	-	1,677,905
Indirect and administrative fees	924,921	-	924,921
Office rental and maintenance	418,149	-	418,149
Travel	226,988	-	226,988
Supplies	186,051	-	186,051
Staff and volunteer training	122,372	-	122,372
Telephone and utilities	113,327	-	113,327
Printing	102,126	-	102,126
Meetings and conferences	84,366	-	84,366
Computer supplies	74,969	-	74,969
Depreciation	73,188	-	73,188
Legal and accounting	65,169	-	65,169
Marketing and outreach	57,057	-	57,057
Insurance	51,904	-	51,904
Interest	24,743	-	24,743
Property taxes	20,217	-	20,217
Postage	19,987	-	19,987
Fundraising	17,988	-	17,988
Bad debt expense	12,818	-	12,818
Loss on disposal of assets	1,250	-	1,250
Total expenditures	<u>14,617,535</u>	<u>-</u>	<u>14,617,535</u>
Change in Net Assets	152,066	(10,422)	141,644
Net Assets, Beginning of Year	<u>1,576,176</u>	<u>376,218</u>	<u>1,952,394</u>
Net Assets, End of Year	<u>\$ 1,728,242</u>	<u>\$ 365,796</u>	<u>\$ 2,094,038</u>

Jannus, Inc.  
Statements of Cash Flows  
Years Ended June 30, 2016 and 2015

	2016	2015
Operating Activities		
Changes in net assets	\$ 549,765	\$ 141,644
Adjustments to reconcile changes in net assets to net cash from operating activities		
Depreciation	74,915	73,188
Loss on disposal of assets	-	1,250
Changes in assets and liabilities		
Grants and contracts receivable	13,511	(38,802)
Accounts receivable other	3,084	2,706
Prepaid expenses	9,376	(2,906)
Accounts payable	96,284	(8,238)
Accrued wages and benefits	17,865	15,415
Deferred revenue	(304,775)	(40,851)
Due to fiduciaries	(34,483)	(16,194)
Net Cash from Operating Activities	425,542	127,212
Investing Activities		
Purchase of buildings and improvements	(14,363)	(31,086)
Purchase of furniture, fixtures, and equipment	-	(6,440)
Microenterprise lending	(85,029)	(173,567)
Microenterprise cash collection	126,525	165,719
Net Cash from (used for) Investing Activities	27,133	(45,374)
Financing Activities		
Mortgage payments	(20,638)	(19,842)
Net Cash used for Financing Activities	(20,638)	(19,842)
Net Change in Cash	432,037	61,996
Cash, Beginning of Year	2,002,904	1,940,908
Cash, End of Year	\$ 2,434,941	\$ 2,002,904
Supplemental Disclosures of Cash Flow Information		
Cash paid for interest	\$ 23,948	\$ 24,743

Jannus, Inc.  
Statement of Functional Expenses  
Year Ended June 30, 2016

	Community Health	Economic Opportunity	Public Policy	Total Program Services	Administration	Building & Equipment	Total Expenditures
Expenditures							
Salaries	\$ 2,340,243	\$ 1,348,611	\$ 370,311	\$ 4,059,165	\$ 610,875	\$ -	\$ 4,670,040
Benefits	615,235	326,360	82,867	1,024,462	143,304	-	1,167,766
Total salaries and benefits	2,955,478	1,674,971	453,178	5,083,627	754,179	-	5,837,806
Contracts and consulting	541,299	1,960,362	93,065	2,594,726	16,199	-	2,610,925
Food program provider payments	2,380,568	-	-	2,380,568	-	-	2,380,568
Stipends, assistance, and participant support	268,160	1,349,843	4,611	1,622,614	-	-	1,622,614
Indirect and administrative fees	526,183	395,768	51,266	973,217	-	-	973,217
Office rental and maintenance	195,689	129,001	16,184	340,874	30,561	35,834	407,269
Travel	152,015	40,086	39,674	231,775	9,109	-	240,884
Supplies	116,521	62,983	6,498	186,002	28,375	-	214,377
Telephone and utilities	77,687	20,724	2,466	100,877	4,103	19,548	124,528
Meetings and conferences	36,269	54,488	22,772	113,529	1,077	-	114,606
Printing	35,972	21,712	11,028	68,712	31,051	-	99,763
Legal and accounting	22,075	5,519	5,196	32,790	63,776	-	96,566
Staff and volunteer training	67,850	2,504	200	70,554	5,042	-	75,596
Depreciation	-	-	-	-	1,288	73,627	74,915
Computer supplies	47,639	7,962	1,615	57,216	13,055	-	70,271
Insurance	5,345	9,253	368	14,966	50,000	-	64,966
Marketing and outreach	27,615	6,959	11,397	45,971	166	-	46,137
Interest	-	-	-	-	-	23,948	23,948
Postage	9,677	3,913	3,188	16,778	4,514	-	21,292
Property taxes	248	-	-	248	126	20,675	21,049
Fundraising	3,767	7,963	1,388	13,118	-	-	13,118
Bad debt expense	-	963	-	963	-	-	963
Total expenditures	<u>\$ 7,470,057</u>	<u>\$ 5,754,974</u>	<u>\$ 724,094</u>	<u>\$ 13,949,125</u>	<u>\$ 1,012,621</u>	<u>\$ 173,632</u>	<u>\$ 15,135,378</u>

## Note 1 - Organization and Program Services

### Organization

Jannus, Inc. is a 501(c)(3) nonprofit corporation, incorporated under the laws of the State of Idaho for the purpose of improving the delivery, accessibility, and quality of health care and social services. Offices are located in Boise, Coeur d'Alene, Nampa, Rathdrum, and Sandpoint, Idaho.

### Mission

Jannus, Inc. (Jannus) brings people together to change lives with programs in community health, public policy, and economic opportunity.

### Public Policy

- Idaho HIV Community Planning Coordination – Funded through IDH&W to coordinate the Idaho Advisory Council on HIV and AIDS (IACHA). The program assists with planning Idaho's HIV/AIDS care and prevention services which includes convening a statewide planning group, compiling applicable information for decision making, and preparing Idaho's plans for HIV/AIDS care and prevention services to assist the state in securing federal funding. This information forms the framework that IDH&W can use to create targeted prevention and care programs in communities throughout the state. This contract ended December 31, 2014.
- Idaho Center for Fiscal Policy (ICFP) – Funded through the Northwest Area Foundation and the Annie E. Casey Foundation to conduct research and provide information about Idaho tax and budget issues, with particular emphasis on how Idaho pays for vital government services including education, public health and safety, and transportation. By offering data, reports, and commentary, ICFP is a source for understanding Idaho's state budget and tax policies.
- Idaho Voices for Children (IVC) – Funded through a variety of corporate, private foundation, and individual donors, Idaho Voices for Children develops and promotes a children's policy agenda that targets health, education, and child well-being. IVC educates policymakers and the public, conducts research and analysis, and convenes partnerships to ensure that the needs of Idaho children are met. Through funding by the Annie E. Casey Foundation, IVC encompasses the Idaho KIDS COUNT initiative to compile data and research that informs policy change to improve the lives of vulnerable children and their families. IVC also encompasses the policy initiatives of the Idaho Asset Building Network which is funded by the Northwest Area Foundation through a contract with Partners for Prosperity.
- Idaho After School Network (IAN) – Funded through the Charles Stewart Mott Foundation and a variety of community partners, the Idaho After School Network ensures that Idaho youth have access to quality out-of-school programs. The IAN works to build statewide awareness about the importance of out-of-school programs, expand funding, and create a statewide mapping to help families find after school activities in their local communities.

- Idaho Area Health Education Center (AHEC) – Enhances Idaho’s healthcare workforce and community health in rural and under-served areas by partnering with educational institutions and state, regional, and national primary care proponents. Major activities include health careers promotion and recruitment, community-based student education, and professional education and support. AHEC is affiliated with the University of Washington School of Medicine WWAMI Program, a five state collaboration for medical education which takes its name from the first letter of each of the states who partner together: Washington, Wyoming, Alaska, Montana, and Idaho.

### Community Health

- Mountain States Early Head Start (MSEHS) – Provides comprehensive health, social, and educational services for infants, toddlers, pregnant women, and their families through family-centered and community-based efforts in Kootenai and Bonner Counties in northern Idaho through grants from the U.S. Department of Health and Human Services (USDHHS) and TANF, passed through from the Idaho Head Start Association. Services include home visits, parent/child educational playgroups, and classes such as Circle of Security, Attachment Bio-Behavioral Catchup coaching, CPR, money management, cooking, and child discipline among many others. During the year, MSEHS served 159 children. MSEHS also provides assistance in linking families to needed community resources in areas of preventative health care, dental exams, immunizations, nutrition education, and developmental screenings. Some highlights of successes are measured with parents completing GED courses, enrolling in college, gaining employment, accomplishing family goals, and becoming a first time home buyer. Successes for infants and toddlers focus on helping them prepare to succeed in school through developing strong attachments and a secure foundation.
- Maternal, Infant, and Early Childhood Home Visiting Program (MIECHV) – Funded through USDHHS and passed through IDH&W, MIECHV is designed to identify and provide comprehensive services to improve outcomes for families who reside in at-risk communities and improve coordination of services for at-risk communities. Using the Early Head Start Home-Based model, MIECHV is funded to serve 15 participants in Shoshone and Kootenai Counties in northern Idaho. Through the MIECHV program, enrolled infants, toddlers, pregnant women, and their families receive the same Early Head Start services as provided through the USDHHS and TANF grants.
- Nutrition Works – Jannus is a sponsoring organization for the Child and Adult Care Food Program in Idaho. The program’s goal is to help child care providers (family child care and centers) serve nutritious meals and snacks to children in their care by providing food reimbursement money and nutrition training to sponsored providers. This federal program, funded through the U.S. Department of Agriculture and passed through the Idaho Department of Education, has been a part of Jannus since 1996. The program supports child care facilities with education and stipends to feed over 6,000 children well-balanced, healthy meals and snacks each month, playing an important role in helping to combat rising obesity rates.
- Covering Idaho Kids – Funded through USDHHS’s Center for Medicare & Medicaid Services (CMS) to enroll underserved Idaho children and teens in Medicaid and the Children’s Health Insurance Program (CHIP). Covering Idaho Kids relies on a team of community outreach workers to provide public education to families around the Treasure Valley. The program partners with community health centers, employers, schools, and libraries to train organizations and agencies that serve families to be better equipped to explore health insurance options with their clients. This grant ended July 14, 2015.

- Idaho Office of Consumer and Family Affairs (OCAFA) – Funded through IDH&W, OCAFA encourages individuals experiencing mental illness and their families to have a voice in how Idaho’s mental health services are provided. OCAFA provides statewide support to consumers of behavioral health services and family members by disseminating behavioral health information, increasing public awareness, representing the consumer voice at the state level, and serving as a resource for those touched by matters of behavioral health.
- Idaho Peer Support Specialist Training (PSST) – Funded through IDH&W, PSST trains individuals who have personal experience with mental illness and recovery to support the recovery of others. During the fiscal year, PSST provided peer support specialist training for 165 individuals and delivered agency readiness training for agencies starting and/or sustaining their peer support programs.
- Idaho Certified Peer Specialist Endorsement Curriculum Development and Training – Funded through IDH&W to work with Idaho peers and professionals to build and deliver endorsement trainings that enable Idaho Peer Support Specialists to serve select populations. Curriculum development and training is provided for Behavioral Health Crisis Center Endorsement, Co-Occurring Endorsement, and Criminal Justice Endorsement. This contract ended June 30, 2016.
- Projects for Assistance to Transition from Homelessness (PATH) – Funded through IDH&W to provide 18 Certified Peer Specialists across Idaho to offer outreach, guidance, and support to individuals who are homeless or at risk of homelessness and who also have mental health or substance abuse issues.
- Idaho Suicide Prevention Hotline (ISPH) – Funded through IDH&W, Idaho Division of Veterans Services, United Way, Albertson Foundation, and a variety of corporate, private foundation, and individual donors, ISPH is committed to the prevention of suicide in Idaho. ISPH provides emotional support, risk assessment, crisis intervention, linkages to local services, and follow up for persons with potential suicide risk factors, empowering callers to look at options and make their own decisions. Calls to the Hotline number are answered 24 hours per day, 7 days per week.
- Foster Grandparents of Treasure Valley (FGP) – A federally funded intergenerational mentorship program through the Corporation for National and Community Service (CNCS), with a minimum of 10 percent direct community support. FGP is funded for up to 61 limited income seniors who are placed into positions at non-profit educational centers for children who need extra attention, nurturing, or help with academics. During this fiscal year, FGP provided 63,693 hours of service to children in the schools, libraries, head start/early head start centers, boys and girls clubs, and other educational nonprofit locations.
- Retired and Senior Volunteer Program (RSVP) – Serves ten counties in southwestern Idaho providing persons 55 years and older opportunities to address critical community needs and enhance their lives through volunteer service. Primarily supported with federal funds through CNCS, RSVP obtains approximately 30 percent of its funding from a variety of community sources. During this fiscal year, RSVP volunteers provided 86,444 volunteer hours to their service communities.

- Legacy Corps / Friends in Action (FIA) – Funded through a mix of grants, contracts, donations, and fundraising, FIA is a volunteer-based program serving family caregivers and those they care for. FIA’s highly trained volunteers lead nationally-recognized self-care education programs, assist in planning the annual southwest Idaho Family Caregiver Conference, and provide in-home caregiver respite and support through an AmeriCorps program called Legacy Corps. Funded through CNCS and passed through the University of Maryland, Legacy Corps is a national service project aimed at growing volunteer-powered caregiver support for veterans and military families.
- Honoring Choices Idaho (HCI) – Funded primarily through the St. Luke’s and Saint Alphonsus Health Systems to promote advance care planning by providing opportunities for conversations in the context of one’s values, empowering individuals to make and document decisions, and helping to ensure health care choices are honored.

### **Economic Opportunity**

- Idaho Office for Refugees (IOR) – Responsible for administration of the State of Idaho’s refugee resettlement program, overseeing the resettlement of 1,160 new refugees in Idaho during the fiscal year from 16 different countries, primarily from Democratic Republic of the Congo, Iraq, Bhutan, Syria, and Afghanistan. IOR receives USDHHS funds from the Federal Office of Refugee Resettlement (ORR). IOR supports interim financial assistance, English language training, employment services, case management, and social adjustment services to assist refugees to become self-supporting and integrate into the United States.
  - Services to Elderly Refugees – Funded through ORR, this program links refugees 60 years and older to mainstream senior services and promotes development of capacity within local aging networks to meet the cultural and linguistic needs of older refugees. Direct services include specialized English language classes and assistance with naturalization for those who have been in the United States for five years or longer.
  - Refugee Savings Program – Funded through ORR, this Individual Development Account (IDA) Savings program encourages self-sufficiency through education, training, and saving and provides a match of participant savings on a one to one basis. Participants work toward meeting savings goals for home purchase, small business startups, post-secondary education and training, or vehicles when needed for employment.
  - Global Gardens – Funded through USDA’s Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers Program, and the USDA National Institute of Food and Agriculture’s Community Food Projects Program, Global Gardens seeks opportunities to utilize urban spaces for agriculture to train and support farmers and gardeners. Goals of the program are to increase agricultural opportunities for low income refugee families in southwest Idaho by locating land for gardens to practice commercial growing, assist beginning farmers to locate land for purchase or lease for small farm operations, provide classroom and field based training, and sponsor refugee farmer participation in education courses. Global Gardens also has a small program on the Duck Valley Reservation to offer training and technical assistance to beginning Native American farmers and gardeners.

- Global Talent Idaho (GTI) – Funded primarily through the Idaho Department of Labor, Global Talent Idaho is a workforce development initiative to enable skilled new Americans to successfully integrate into professional roles in Idaho. GTI coordinates training and case management support to help refugees and other foreign-trained immigrants reclaim professional careers.
- Agency for New Americans (ANA) – Provided initial reception and placement services to 154 refugees in the Boise area during the fiscal year from nine countries, primarily Democratic Republic of Congo, Syria, Afghanistan, Somalia, Bhutan and Burma. ANA provides case management, employment, tutoring, immigration, orientation classes, senior refugee services, and volunteer services to new arrivals and more established refugee clients. ANA has diversified funding through the U.S. Department of State, Bureau for Population, Refugees and Migration, through a Cooperative Agreement with Episcopal Migration Ministries (EMM), State of Idaho, direct grant awards from ORR, as a subrecipient from IOR, and through community donations and support. ANA maintains a Board of Immigration Appeals accreditation for its Immigration Program. ANA also offers assistance to refugees enrolling in Your Health Idaho, the Idaho Health Insurance Exchange.
- English Language Center (ELC) – Primarily funded as a subrecipient from IOR, ELC provides English language instruction for adult refugees to enhance their employability and promote economic self-sufficiency. The ELC also provides cultural orientation classes and employment readiness classes through the WorkStyles program.
- Economic Opportunity (EO) – Through a variety of programs and funding sources, EO specializes in the support needed to launch and grow local businesses through microloan funds, one-on-one consulting, and business plan training courses.
  - Microenterprise Development Program – Funded by ORR, the Microenterprise Development Program assists refugees in becoming economically self-sufficient, helps refugee communities in developing capital resources, and assists refugees in developing credit history and/or repairing their credit scores. This program provides technical assistance and capital to eligible refugee entrepreneurs to establish small businesses that will help them become economically self-sufficient.
  - Women’s Business Center (WBC) – Funded by the U.S. Small Business Administration to provide in-depth start-up feasibility assistance, business planning, consulting, and loan packaging services to socially and economically disadvantaged entrepreneurs with either emerging or established businesses. This grant ended June 30, 2016.
  - Refugee Childcare Business Development Program – Funded by ORR, the refugee child care business development project provides funding for home-based child care mentoring programs primarily for refugee women interested in providing child care services in their homes. This project provides business development training, one-on-one consulting, professional referrals and resources needed for refugees to own and operate home-based child care businesses.

- Financial Capability Project – Funded by the Northwest Area Foundation, the Financial Capability Project builds financial capabilities through education, coaching, counseling, training, and credit-building by increasing outreach services and building relationships that lead to increased micro-entrepreneurship opportunities in Native American, immigrant, and Latino communities.

## Note 2 - Summary of Significant Accounting Policies

### Use of Estimates

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

### Cash

Cash includes all monies in banks. Cash reconciled with the statements of cash flows as of June 30 is as follows:

	2016	2015
Cash	\$ 2,407,347	\$ 1,940,827
Cash held for fiduciaries (see due to fiduciaries below)	27,594	62,077
Cash per statements of cash flows	\$ 2,434,941	\$ 2,002,904

### Property and Equipment

Acquisitions of property, equipment, and building improvements in excess of \$5,000 are capitalized. Property and equipment are recorded at cost, or if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of 5 years for equipment, 30 years for buildings, and 5 to 10 years for building improvements. Routine building and equipment maintenance is expensed as incurred. When property or equipment is retired or otherwise disposed of, the net book value is removed and the net gain or loss is included in determination of the change in net assets. Funding services may have a reversionary interest in certain equipment as well as the determination of use of any proceeds from sale of these assets (see Note 7).

Jannus reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended June 30, 2016 and 2015.

Depreciation expense was \$74,915 and \$73,188 for the years ended June 30, 2016 and 2015, respectively.

### **Due to Fiduciaries**

Jannus acts as a fiduciary or trustee holding cash in separate bank accounts on behalf of clients. Jannus is the administrator for parallel savings accounts for the federally-funded Refugee Savings Program, which provides for a one to one match of federal dollars for participating refugees.

### **Grants, Contracts, Revenues and Receivables**

Support received under grants and contracts is treated as an exchange transaction. Exchange transactions are reciprocal transfers in which each party receives and sacrifices something of approximately equal value. For grants and contracts, revenue is recognized to the extent of related costs incurred. Grants and contracts receivable are all due in less than one year.

Jannus provides credit in the normal course of business to its customers and performs ongoing credit evaluations of those customers. Jannus considers the need for allowances for doubtful accounts based on factors surrounding the credit risk of specific customers, historical trends, and other information. Except for the loan losses and allowance specific to the microenterprise loans, described below, Jannus has experienced no credit losses on grants and contracts during 2016 and 2015 and the allowance for doubtful accounts for grants and contracts receivable is zero as of June 30, 2016 and 2015.

### **Microenterprise Lending Transactions**

Under grants from ORR, the Northwest Area Foundation, and a variety of financial institutions, EO issues microenterprise loans to generally underserved populations interested in starting or expanding a small business. These populations, generally due to lack of, or poor, credit history, have difficulty obtaining traditional financing. EO bridges the gap for these individuals to start or expand businesses, develop a credit history, and, for refugees, continue to learn about business practices in the United States. Individual loans range from \$500 to a maximum of \$15,000 for terms ranging from six months to three years. Jannus has the intent and ability to hold and administer these loans for the foreseeable future. Loans are stated at the unpaid principal balances.

Interest on loans, generally charged at 4 percent over the prime rate, is recognized as interest income over the term of the loan, calculated using the simple-interest method on principal amounts outstanding. Upon maturity or default, all sums due bear interest at 18% per annum until paid in full or as long as the default continues. Defaults are determined on a case-by-case basis considering excessive missed payments or failure to meet other loan obligations, as defined in each borrower's loan agreements. Loans are written-off when accounts become past due 90 days. A small program participant loan fee is collected and recognized as fee income in the period received.

Management determines the need for collateral on a case-by-case basis, depending on the loan amount, borrower's business history, and personal references. Approximately 93 and 94 percent of the microenterprise loans receivable balance, at June 30, 2016 and 2015, respectively, is collateralized by borrowers' business related vehicles and equipment. To determine the collateralized balance, Jannus uses the lower of the ending loan receivable balance at June 30 or the fair value of the collateral. Fair value of collateral is based on Kelly Blue Book for vehicles or purchase price of applicable business assets. Jannus files a lien on the vehicle's title and holds the title until the loan is paid in full or files a UCC1 lien with the State of Idaho for business equipment.

The need for an allowance for loan loss is evaluated on a regular basis by management considering the collectability of loans in light of historical collection experience, estimated value of underlying collateral, circumstances of payment delays or shortfalls, and any adverse situations that may affect the borrowers' ability to repay. Based on these factors, management concluded a 5 and 4.5 percent allowance at June 30, 2016 and 2015, respectively, was the best estimate of outstanding loans potentially unrecoverable, based on considerations including the portion of loan balances not fully covered by collateral, the loans in default status at June 30<sup>th</sup>, and the payment histories of existing borrowers. Any subsequent recovery will offset the allowance.

At June 30, 2016 and 2015, there were no loan receivable balances that were past due 90 days or more.

The microenterprise loans receivable balance for the years ending June 30, are as follows:

	<u>2016</u>	<u>2015</u>
Microenterprise loans receivable, current	\$ 61,527	\$ 85,445
Less allowance for doubtful accounts	<u>(5,591)</u>	<u>(6,961)</u>
Net microenterprise loans receivable, current	55,936	78,484
Microenterprise loans receivable, long-term	<u>50,287</u>	<u>69,235</u>
Total microenterprise loans receivable	<u>\$ 106,223</u>	<u>\$ 147,719</u>

### Advertising

Advertising costs, including client outreach, are expensed as incurred and amounted to \$46,137 and \$57,057 for the years ended June 30, 2016 and 2015, respectively.

### Functional Allocation of Expenses

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

### Income Taxes

Jannus is organized as an Idaho nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), qualifies for the charitable contributions deduction under Section 170(b)(1)(A)(vi), and has been determined not to be a private foundation under Section 509(a)(1). Jannus is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, Jannus is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. Jannus has determined that it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Jannus has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. Jannus would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

### **Financial Instruments and Credit Risk**

Jannus manages deposit concentration risk by placing cash with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits. To date, Jannus has not experienced losses in any of these accounts.

### **Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Unrestricted Net Assets* – Net assets available for use in general operations. Unrestricted net assets consist of grants and contracts, unrestricted contributions, and other inflows of assets whose use by Jannus is not limited by donor-imposed restrictions.

*Temporarily Restricted Net Assets* – Net assets subject to donor restrictions that may or will be met by expenditures or the organization's actions and/or the passage of time.

Jannus reports contributions as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

*Permanently Restricted Net Assets* – Net assets whose use is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by the organization's actions. Jannus does not have any net assets that are considered permanently restricted.

### **Revenue and Revenue Recognition**

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash is received. Contributions related to special events are recognized in the period that the event occurs.

### **Donated Services and In-Kind Contributions**

Volunteers contribute significant amounts of time to Jannus's program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. Jannus records donated professional services at the respective fair values of the services received.

### Subsequent Events

Jannus has evaluated subsequent events through October 7, 2016, the date which the financial statements were available to be issued.

### Recent Accounting Guidance

The Financial Accounting Standards Board (FASB) issued ASU 2016-14 (the ASU) Presentation of Financial Statements for Not-for-Profit Entities during August 2016. The ASU is the first in a two-phase FASB project that will change the way not-for-profit (NFP) entities present their financial statements and related disclosures. It seeks to improve NFP financial reporting by simplifying net asset classifications and enhancing presentation and disclosure requirements regarding liquidity, financial performance, and cash flows. The ASU is effective for fiscal years beginning after December 15, 2017.

### Note 3 - In-Kind Contributions and Contributed Services

Jannus received donated professional services and materials during the years ended June 30, as follows:

	<u>2016</u>	<u>2015</u>
Idaho Suicide Prevention Hotline - supplies, rent, services	\$ 287,662	\$ 229,134
Economic Opportunity - supplies, rent, services, auction items	95,570	58,290
Mountain States Early Head Start - supplies, rent, services, travel	68,043	38,207
Foster Grandparents - supplies, services, physicals, recognition	38,469	29,909
Retired Senior Volunteer Program - rent, recognition	22,396	25,021
Idaho After School Network - services	18,067	13,797
Honoring Choices Idaho - services	11,465	-
AHEC - supplies, services, travel	9,826	11,600
Global Gardens - supplies, rent, services	6,568	24,433
English Language Center - services	4,150	5,630
PATH - rent	600	3,600
Friends in Action - rent, services	547	2,115
Administration - rent, services	400	17,180
Agency for New Americans - auction items	271	6,797
Global Talent Idaho - services	-	3,500
CHIPRA - services	-	1,677
Idaho Voices for Children - supplies, services	-	860
	<u>                    </u>	<u>                    </u>
Total in-kind contributions	<u>\$ 564,034</u>	<u>\$ 471,750</u>

Jannus receives donated services from a variety of unpaid volunteers assisting programs or providing volunteer services in the community. No amounts have been recognized in the financial statements for these services because the criteria for recognition under generally accepted accounting principles has not been satisfied. The estimated fair value of services provided for the years ended June 30, by unpaid volunteers for Jannus programs are as follows:

	2016	2015
Retired Senior Volunteer Program	\$ 1,802,623	\$ 1,512,112
Mountain States Early Head Start	489,557	421,974
Global Gardens	67,133	62,879
English Language Center	37,759	41,593
Friends in Action	34,387	122,064
Agency for New Americans	25,258	32,005
Idaho Suicide Prevention Hotline	2,817	34,106
Economic Opportunity	687	8,306
AHEC	-	215
	\$ 2,460,221	\$ 2,235,254

#### Note 4 - Mortgage Payable

Jannus has a mortgage secured by a deed of trust on the property located at 1607 W. Jefferson St. in Boise, Idaho. This property, with related building improvements, has a carrying value of \$542,691 at June 30, 2016. Principal and interest are payable in monthly installments by the 10<sup>th</sup> of each month. The interest rate is fixed at 4.2 percent and the monthly installment is \$3,715. Payment in full is due on the maturity date of May 10, 2019. Maturities are as follows:

2017	\$ 21,599
2018	22,537
2019	505,434
Total	\$ 549,570

#### Note 5 - Line of Credit

Jannus has a \$300,000 revolving line of credit with US Bank secured by the property located at 1607 W. Jefferson St. in Boise, Idaho. The facility bears interest at an annual rate of prime plus 0.25 percent, but no less than 4 percent. At June 30, 2016, the interest rate was 4 percent. The facility requires a current ratio of 1 to 1 and a fixed charge coverage ratio of at least 1.15 to 1. At June 30, 2016, Jannus was in compliance with the covenants. Interest is payable monthly, with the final interest payment due and payable on January 15, 2017. The line of credit balance is zero at both June 30, 2016 and 2015.

**Note 6 - Operating Lease Arrangements**

Jannus leases, under operating leases, buildings and office equipment located in Boise, Coeur d’Alene, Rathdrum, and Sandpoint, Idaho.

The building lease terms for the MSEHS center in Coeur d’Alene is \$1 per year for 25 years ending February 10, 2023. This lease automatically renews for another 25 years as long as Jannus receives MSEHS funding.

The building lease for the MSEHS center in Sandpoint is \$4,086 per month for 10 years ending June 30, 2023. This lease payment will adjust on July 1, 2018 based on the Consumer Price Index.

The building lease for the English Language Center in Boise is \$3,328 per month for 2 years ending February 28, 2017.

The building lease for the Idaho Suicide Prevention Hotline in Boise is \$100 per month for 12 months ending October 31, 2016. This lease is negotiated and renewed annually.

Equipment under operating leases includes five copy machines and a postage meter in Boise, and copy machines and postage meters in Coeur d’Alene, Rathdrum, and Sandpoint.

Minimum lease payments under operating leases for buildings and equipment are as follows:

<u>Year ending June 30,</u>	<u>Operating Lease</u>
2017	\$ 103,023
2018	73,509
2019	59,851
2020	58,038
2021	49,030
Thereafter	<u>98,060</u>
Total minimum lease payments	<u>\$ 441,511</u>

Rent expense for buildings, equipment, and the allocation of rent expense to programs for the Jannus-owned building for the years ended June 30, 2016 and 2015 was \$283,643 and \$289,003, respectively.

**Note 7 - Temporarily Restricted Net Assets**

In prior years, MSEHS used an ARRA expansion grant to purchase land and construct a building in Rathdrum, Idaho resulting in temporarily restricted net assets of \$355,374 and \$365,796 as of June 30, 2016 and 2015, respectively. According to federal regulation 45 CFR 1309.21, the federal government maintains an interest in all real property acquired with grant funds; therefore the cost of the land and building is reflected as temporarily restricted net assets. The building is being depreciated in accordance with Jannus policy and temporarily restricted net assets are released accordingly.

Temporarily restricted net assets also consist of contributions restricted by donors to support program services of Jannus. Net assets are released from donor restrictions by incurring expenses satisfying the restricted purpose. The amount of contributions with donor stipulations included in temporarily restricted net assets at June 30, 2016 was \$676,582.

**Note 8 - Retirement Plans**

Jannus's defined contribution 403(b) plan covers substantially all employees after one year of employment. Jannus matches employee contributions two-to-one up to 5 percent of salary deferral for eligible employees. Employer contributions to the plan during the years ended June 30, 2016 and 2015 were \$319,788 and \$274,557, respectively. Employees are immediately vested in employer contributions.

**Note 9 - Concentration of Revenue**

Jannus had concentrations of revenue from certain agencies, including direct and pass-through grants and contracts and fee-for-services, for the years ended June 30, as follows:

<u>Source</u>	<u>2016</u> (in millions)	<u>2015</u> (in millions)
U.S. Department of Health and Human Services	\$ 7.17	\$ 7.41
U.S. Department of Agriculture	\$ 2.99	\$ 2.74

**Note 10 - Claims and Litigation**

Jannus has been named in a number of pending complaints from individuals and outside organizations. Management believes it has meritorious defense and intends to vigorously contest such claims. While the final outcomes cannot be determined at this time, management is of the opinion that the ultimate liability, if any, from the final resolution of these matters will not have a material adverse effect on Jannus's financial position.

**Note 11 - Contingencies**

A portion of Jannus revenue is from government grants and contracts, which are subject to audit by the federal government. The ultimate determination of amounts received under these programs generally is based upon allowable costs reported to and audited by the government. Until such audits have been completed and final settlement reached, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.



Single Audit Section  
June 30, 2016

**Jannus, Inc.**



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

To the Board of Directors  
Jannus, Inc.  
Boise, Idaho

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Jannus, Inc. (Jannus), a nonprofit organization, which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 7, 2016.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Jannus's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jannus's internal control. Accordingly, we do not express an opinion on the effectiveness of Jannus's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Jannus'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 Jannus's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Boise, Idaho  
October 7, 2016



**Independent Auditor’s Report on Compliance for the Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

To the Board of Directors  
Jannus, Inc.  
Boise, Idaho

**Report on Compliance for the Major Federal Program**

We have audited Jannus, Inc.’s (Jannus) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Jannus’s major federal program for the year ended June 30, 2016. Jannus’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

**Management’s Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the compliance for Jannus’s major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Jannus’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Jannus’s compliance.

**Opinion on the Major Federal Program**

In our opinion, Jannus complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2016.

## Report on Internal Control over Compliance

Management of Jannus is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered Jannus's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Jannus's 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 compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Boise, Idaho  
October 7, 2016

Jannus, Inc.  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2016

Federal Grantor / Pass-Through Grantor Program Title	Federal CFDA Number	Grant/Award or Pass-Through Agency Number	Federal Expenditures	Amounts Passed- Through to Subrecipients
U.S. Department of Health and Human Services				
Direct Programs				
Wilson Fish Cooperative Agreement	93.583	90RW0035/05, 90RW0052/01	\$ 2,054,571	\$ 520,180
Early Head Start	93.600	10CH0190/03	1,970,706	-
Refugee Social Services	93.566	1401IDRSOC, 1501IDRSOC, 1601IDRSOC	646,195	313,018
Refugee Targeted Assistance	93.584	14A1IDRTAG, 15A1IDRTAG	411,895	282,291
Refugee Microenterprise Development	93.576	* 90RG0141/02, 90RG0141/03	209,714	-
Refugee Individual Development Account Savings Program	93.576	* 90ZI0098/02, 90ZI0098/03	188,141	-
Refugee Home-Based Childcare	93.576	* 90RG0132/02, 90RG0165/01	180,382	-
Refugee School Impact	93.576	* 90ZE0191/01, 90ZE0191/02	161,084	150,495
Refugee Targeted Assistance - Discretionary	93.576	* 90RT0172/02, 90RT0172/03	149,179	130,156
Services to Older Refugees	93.576	* 90RL0147/03	35,044	15,303
Children's Health Insurance Program Reauthorization Act Outreach and Enrollment Phase III	93.767	1ZOCMS331200	11,892	-
Total U.S. Department of Health and Human Services Direct Programs			6,018,803	1,411,443
Pass Through Programs Through				
State of Idaho - Refugee TANF Case Management	93.558	** WC066300, WC080500	267,085	113,368
State of Idaho - Projects for Assistance to Transition from Homelessness	93.150	BC015600	239,219	-
State of Idaho - Maternal, Infant and Early Childhood Home Visiting Program	93.505	HC751000	181,771	-
State of Idaho - Idaho Suicide Prevention Hotline	93.958	BC015200	150,000	-
Episcopal Migration Ministries (EMM) - Match Grant	93.567	90RV0065/01, 90RV0065/02	135,439	-
University of Washington - Idaho Area Health Education Ctr	93.107	755325, UWSC6106	80,546	-
Idaho Head Start Association - TANF	93.558	** 17-201612	65,237	-

Jannus, Inc.  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2016

Federal Grantor / Pass-Through Grantor Program Title	Federal CFDA Number	Grant/Award or Pass-Through Agency Number	Federal Expenditures	Amounts Passed- Through to Subrecipients
Your Health Idaho - Individual Person Assister	93.519	10032015, JAN2016EE	15,132	-
EMM - Mental Health Preferred Communities	93.576	* 90RP0091/03	13,035	-
State of Idaho - Orientation to Health Careers	93.913	N/A	4,988	-
Total U.S. Department of Health and Human Services Pass through Programs			<u>1,152,452</u>	<u>113,368</u>
Total U.S. Department of Health and Human Services			<u>7,171,255</u>	<u>1,524,811</u>
U.S. Department of Agriculture				
Direct Programs				
Outreach and Assistance	10.443	59-2501-14-032, 59-2501-15-023	92,973	-
Community Food Projects	10.225	2013-33800-21418	86,293	-
Total U.S. Department of Agriculture Direct Programs			<u>179,266</u>	<u>-</u>
Pass Through Programs Through				
Idaho Dept of Education - Child and Adult Care Food Program	10.558	4864	2,811,089	-
Washington State University - Ag Risk Management Education Program	10.500	108815_G003537	955	-
Total U.S. Department of Agriculture Pass through Programs			<u>2,812,044</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>2,991,310</u>	<u>-</u>
Corporation for National Service				
Direct Programs				
Foster Grandparents	94.011	15SFPID001	292,336	-
Retired Senior Volunteer Program	94.002	15SRPID002	125,743	-
Total Corporation for National Service Direct Programs			<u>418,079</u>	<u>-</u>

Jannus, Inc.  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2016

Federal Grantor / Pass-Through Grantor Program Title	Federal CFDA Number	Grant/Award or Pass-Through Agency Number	Federal Expenditures	Amounts Passed- Through to Subrecipients
Pass Through Programs Through University of Maryland - Legacy Corps Total Corporation for National Service	94.006	Z905214, 29076-Z9091110	46,711 <u>464,790</u>	- <u>-</u>
U.S. Department of State Pass Through Programs Through EMM - Cooperative Agreement (R&P)	19.510	SPRMC015CA1008, SPRMC016CA1008,	<u>379,619</u>	<u>-</u>
U.S. Small Business Administration Direct Programs Women's Business Center Microloan Intermediary Technical Assistance Total U.S. Small Business Administration	59.043 59.046	SBAHQ-11-W-0114 SBAHQ-16-Y-0029	137,854 5,486 <u>143,340</u>	- - <u>-</u>
U.S. Department of Labor Pass Through Programs Through Idaho Department of Labor - Workforce Innovation and Opportunity  Total Federal Assistance	17.277	IREF-17N-320	181,516 <u>\$ 11,331,830</u>	- <u>\$ 1,524,811</u>

\* Total for CFDA 93.576 is \$856,328

\*\* Total for CFDA 93.558 is \$332,322

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Jannus, Inc. (Jannus), and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Jannus received federal awards both directly from federal agencies and indirectly through pass-through entities. Federal financial assistance provided to a subrecipient is treated as an expenditure when it is paid to the subrecipient.

**Note 2 - Significant Accounting Policies**

Expenditures reported on the schedule of expenditures of federal awards are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Subpart E – Cost Principles of the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Jannus’s summary of significant accounting policies is presented in Note 2 in Jannus’s basic financial statements.

Jannus has not elected to use the 10% de minimis cost rate.

**Note 3 - Major Programs**

The following program has been identified as a major program for the year ended June 30, 2016:

Child and Adult Care Food Program  
CFDA Number: 10.558

**Note 4 - Loan Program**

The loan program listed below is administered directly by Jannus and balances and transactions relating to this program are included in Jannus’s basic financial statements. Repayments to Jannus are considered program revenues (income) and loans made during the year to eligible recipients are considered expenditures. The amount of loan funds disbursed to program participants for the year was \$80,251 and is presented in this schedule. The amount of principal and interest received in the loan repayments for the year was \$83,781. The balance of loans outstanding at June 30, 2016 consists of:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Outstanding Balance at June 30, 2016</u>
93.576	Refugee Microenterprise Development	\$98,158

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

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified	No
Significant deficiencies identified not considered to be material weaknesses	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	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 Uniform Guidance 2 CFR 200.516:	No

Identification of major programs:

<u>Name of Federal Program</u>	<u>CFDA Number</u>
Child and Adult Care Food Program	10.558
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

**Section II - Financial Statement Findings**

None reported

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

None reported