JVS SoCal

Financial Statements
and Single Audit Reports and Schedules

December 31, 2025
(With Comparative Totals for 2024)

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TABLE OF CONTENTS

	Page No.
Independent Auditor's Report	1 - 3
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 22
Single Audit Reports and Schedules	
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*	24 - 25
Independent Auditor's Report On Compliance For Each Major Program And On Internal Control Over Compliance Required By The Uniform Guidance	26 - 28
Schedule of Expenditures of Federal Awards	29 - 31
Notes to Schedule of Expenditures of Federal Awards	32 - 33
Schedule of Findings and Questioned Costs	34 - 37
Summary Schedule of Prior Audit Findings	38

INDEPENDENT AUDITOR'S REPORT

Board of Directors
JVS SoCal

Opinion

We have audited the accompanying financial statements of JVS SoCal ("JVS"), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of JVS SoCal as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of JVS SoCal and to meet our other ethical responsibilities in accordance with the 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 audit opinion.

Responsibilities of Management 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, 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 JVS SoCal's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of JVS SoCal'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 JVS SoCal'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 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, 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*, is presented for purposes of additional analysis 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 September 30, 2026, on our consideration of JVS'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 the effectiveness of JVS'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 JVS's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited JVS SoCal's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 27, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Los Angeles, California

September 30, 2026

JVS SoCal
Statement of Financial Position
December 31, 2025
(With Comparative Totals for 2024)

	2025	2024
ASSETS		
Cash and cash equivalents	$ 3,948,798	$ 3,563,397
Investments	16,337,832	21,332,808
Due from government agencies, net	5,695,951	3,363,716
Pledges receivable, net	1,058,126	1,637,486
Other assets	566,180	427,831
Right-of-use assets	5,031,231	6,012,858
Property and equipment, net	19,789	33,780
Total assets	$ 32,657,907	$ 36,371,876
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	$ 2,546,998	$ 3,351,144
Deferred revenue	-	196,492
Operating lease right-of-use liabilities	5,273,165	6,202,014
Finance lease right-of-use liabilities	37,382	81,693
Total liabilities	7,857,545	9,831,343
Net assets		
Without donor restrictions		
General	11,719,605	10,917,770
Board designated	989,109	989,109
Total without donor restrictions	12,708,714	11,906,879
With donor restrictions	12,091,648	14,633,654
Total net assets	24,800,362	26,540,533
Total liabilities and net assets	$ 32,657,907	$ 36,371,876

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

JVS SoCal
Statement of Activities
For the Year Ended December 31, 2025
(With Comparative Totals for 2024)

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
Revenues, gains and other support				
Government agency contracts	$ 31,162,703	$ -	$ 31,162,703	$ 28,315,996
Contributions	-	1,935,113	1,935,113	6,224,063
Contributions - In-kind	252,228	-	252,228	374,743
Private grants and contracts	-	1,463,381	1,463,381	3,257,761
Special events, net	1,983,179	146,150	2,129,329	1,167,635
Program fees	58,500	-	58,500	179,554
Jewish Federation Council Allocation	275,000	-	275,000	275,000
Net assets released from restriction	7,002,647	(7,002,647)	-	-
Total revenues, gains and other support	40,734,257	(3,458,003)	37,276,254	39,794,752
Functional expenses				
Program services				
Career Services	566,383	-	566,383	450,864
Disability and Assessment	132,550	-	132,550	88,989
Workforce Development	18,216,564	-	18,216,564	16,005,771
Welfare to Work	6,938,235	-	6,938,235	6,464,691
Immigrant and Refugee	2,448,857	-	2,448,857	2,622,155
JVS Works	3,540,444	-	3,540,444	2,700,525
Scholarship	1,182,814	-	1,182,814	1,215,664
Total program services	33,025,847	-	33,025,847	29,548,659
Support services				
Management and general	5,907,594	-	5,907,594	7,234,014
Fundraising	2,008,947	-	2,008,947	1,105,408
Total support services	7,916,541	-	7,916,541	8,339,422
Total functional expenses	40,942,388	-	40,942,388	37,888,081
Change in net assets from operations	(208,131)	(3,458,003)	(3,666,134)	1,906,671
Other changes				
Investment income, net of fees	1,009,966	915,997	1,925,963	1,600,690
Total other changes	1,009,966	915,997	1,925,963	1,600,690
Change in net assets	801,835	(2,542,006)	(1,740,171)	3,507,361
Net assets, beginning of year	11,906,879	14,633,654	26,540,533	23,033,172
Net assets, end of year	$ 12,708,714	$ 12,091,648	$ 24,800,362	$ 26,540,533

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

JVS SoCal
Statement of Functional Expenses
For the Year Ended December 31, 2025
(With Comparative Totals for 2024)

	Program Services								Support Services			
	Career Services	Disability and Assessment	Workforce Development	Welfare to Work	Immigrant and Refugee	JVS Works	Scholarship	Total Program Services	Management and General	Fundraising	2025 Total	2024 Total
Personnel expenses												
Salaries	$ 304,863	$ 72,499	$ 5,933,278	$ 5,597,964	$ 1,666,688	$ 1,355,021	$ 164,483	$ 15,094,796	$ 2,772,885	$ 1,113,774	$ 18,981,455	$ 17,360,929
Taxes and benefits	199,111	17,077	1,225,765	1,240,999	389,885	271,698	51,924	3,396,459	913,169	197,487	4,507,115	4,139,173
Total personnel expenses	503,974	89,576	7,159,043	6,838,963	2,056,573	1,626,719	216,407	18,491,255	3,686,054	1,311,261	23,488,570	21,500,102
Other operating expenses												
Equipment and facility maintenance	4,037	5,441	202,497	935	60,151	14,229	2,689	289,979	411,937	22,254	724,170	653,447
Fundraising	-	-	-	-	-	-	-	-	-	9,027	9,027	8,130
Marketing and public relations	115	-	113,350	-	-	4,863	5,000	123,328	10,988	48,504	182,820	131,872
Occupancy	8,563	23,193	1,137,292	-	210,464	244,174	(1,551)	1,622,135	326,684	29,179	1,977,998	1,921,574
Office supplies and postage	479	649	130,210	30,425	30,506	13,388	393	206,050	30,205	9,028	245,283	363,014
Legal and professional fees	4,155	4,514	358,681	38,724	26,693	1,175,009	2,608	1,610,384	1,008,806	475,272	3,094,462	2,859,438
Other program expenses	37,793	7,446	3,743,865	876	23,431	421,567	-	4,234,978	157,091	49,396	4,441,465	4,351,051
Work experience	120	-	3,302,976	-	-	575	1,360	3,305,031	255	24,835	3,330,121	2,752,148
Tuition	-	-	1,590,784	-	-	2,594	-	1,593,378	-	-	1,593,378	1,502,541
Utilities	5,564	1,722	308,750	15,274	37,568	17,825	890	387,593	66,999	8,583	463,175	473,098
Training, parking and conferences	1,583	9	168,200	8,812	3,433	19,337	1,018	202,392	149,055	17,671	369,118	332,588
Miscellaneous costs	-	-	-	4,226	19	164	-	4,409	45,548	3,937	53,894	114,446
Depreciation and amortization	-	-	-	-	19	-	-	19	13,972	-	13,991	9,732
Scholarship awards	-	-	916	-	-	-	954,000	954,916	-	-	954,916	914,900
Direct benefit costs	64,298	-	-	863	-	-	28,531	93,692	-	140,368	234,060	234,645
Total other operating expenses	126,707	42,974	11,057,521	100,135	392,284	1,913,725	994,938	14,628,284	2,221,540	838,054	17,687,878	16,622,624
Total expenses	630,681	132,550	18,216,564	6,939,098	2,448,857	3,540,444	1,211,345	33,119,539	5,907,594	2,149,315	41,176,448	38,122,726
Less: expenses included with revenues on the statement of activities												
Direct benefit costs	(64,298)	-	-	(863)	-	-	(28,531)	(93,692)	-	(140,368)	(234,060)	(234,645)
	$ 566,383	$ 132,550	$ 18,216,564	$ 6,938,235	$ 2,448,857	$ 3,540,444	$ 1,182,814	$ 33,025,847	$ 5,907,594	$ 2,008,947	$ 40,942,388	$ 37,888,081

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

JVS SoCal
Statement of Cash Flows
For the Year Ended December 31, 2025
(With Comparative Totals for 2024)

	2025	2024
Cash flows from operating activities		
Change in net assets	$ (1,740,171)	$ 3,507,361
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation and amortization	13,991	9,732
Provision for loss from uncollectible pledges receivable	-	(60,965)
Discount on pledges receivable	-	26,180
Donated investments	(21,246)	(4,425,640)
Net realized and unrealized gains on investments	(1,925,963)	(999,271)
Reduction in carrying amount of right-of-use assets	1,560,137	698,794
Changes in operating assets and liabilities		
Due from government agencies	(2,332,235)	1,539,759
Pledges receivable, net	579,360	(1,139,641)
Other assets	(138,349)	266,470
Accounts payable and accrued expenses	(804,146)	123,021
Deferred revenue	(196,492)	(388,630)
Operating lease liabilities	(1,507,359)	(595,565)
Net cash used in operating activities	(6,512,473)	(1,438,395)
Cash flows from investing activities		
Purchases of property and equipment	-	(3,309)
Purchases of investments	(8,225,635)	-
Proceeds from sales of investments	15,167,820	2,717,636
Net cash provided by investing activities	6,942,185	2,714,327
Cash flows from financing activities		
Finance lease liabilities	(44,311)	(43,722)
Net cash used in financing activities	(44,311)	(43,722)
Net increase in cash and cash equivalents	385,401	1,232,210
Cash and cash equivalents, beginning of year	3,563,397	2,331,187
Cash and cash equivalents, end of year	$ 3,948,798	$ 3,563,397

Supplemental schedule of noncash investing and financing activities

Acquisition of operating right-of-use asset through operating lease liability	$ 578,510	$ 130,183

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

1. NATURE OF OPERATIONS

JVS SoCal ("JVS"), a California nonprofit nonsectarian corporation formally known as Jewish Vocational Service, provides vocational assessment, counseling and training; career mentoring and management; industry-specific job training programs; disability and assessment services and programs for individuals transitioning from welfare to work as well as donor-directed scholarship awards program. In addition to job training, JVS offers job preparation and placement support. These programs serve individuals throughout the Greater Los Angeles region, representing nearly 30,000 client visits annually.

- Career Services offers assistance to clients in developing their job search skills, job readiness workshops, and career counseling to individuals and specific segments of the Los Angeles Community. JVS also operates a career mentoring program designed specifically for women facing a career transition or working to advance their career
- The Disability and Assessment programs serve clients with barriers to employment, including physical, emotional and developmental disabilities. JVS offers state of the art assistive technology for job seekers with vision or hearing impairment with the most comprehensive resources in the Southern California area. These programs, which operate out of several sites, assist with assessment and identification of employment, education opportunities and job placement.
- WorkForce Development Centers operates federally-funded America's Job Centers of California (AJCC), which are part of the American Job Centers Network, serving both job seekers and local employers, offering job fairs, candidate recruitment and screening. Programs for job seekers include: job readiness workshops and counseling in the areas of comprehensive job search and employment services to assist individuals with appropriate job training for career paths and employment. JVS AJCC Centers provide services for all job seekers, including adults and youth with special needs (at-risk, foster and probation youth). JVS also operates JVS Veteran Services that includes the Veterans First program that assists veterans transitioning to the civilian workforce; Veterans Peer Access Network that connects veterans to community resources; Support Services for Veteran Families that assists veterans experiencing housing instability; among other veteran services. JVS contracts with the City of West Hollywood, City of Santa Monica, County of Los Angeles, City of Los Angeles, the State of California EDD and City of Hawthorne and collaborates with the State Department of Rehabilitation, the Employment Development Department Offices, and Department of Military and Veteran Affairs.
- Welfare to Work programs provide assistance to thousands of clients transitioning from welfare to work through the Los Angeles County GAIN programs. The programs offer full-service case management under the supervision of the County. Offices are located in Chatsworth, Palmdale, Santa Clarita, and Glendale.

1. NATURE OF OPERATIONS (continued)

- Immigrant and Refugee programs serve refugees on welfare by offering English as a Second Language workshops, job search skills, job placement and workshop training at sites across Los Angeles County. The goal is to foster acculturation and move clients quickly into education, training and employment.
- JVS Works include employment skills programs that foster growth and job readiness in individuals who are seeking new skills or new career opportunities. Programs prepare clients with customized job training, job placement assistance and ongoing coaching for careers in the health care, apartment maintenance, and financial services sectors.
- The JVS Scholarship Fund grants scholarships to low-income Jewish students who require financial assistance to pursue post-secondary education. JVS also provides scholarships for JVS clients who require financial assistance to pursue education goals. Scholarship awards are funded by contributions received by JVS, as well as income earned on endowments held by both JVS and the Jewish Community Foundation (the "JCF"). These financial statements exclude funds held by the JCF for which JVS has no rights to the principal.

JVS is affiliated with the Jewish Federation Council ("JFC"). The accompanying financial statements exclude the accounts of JFC and any other organization affiliated with JFC, as the organizations operate independently. JFC provides certain services to JVS, including administration of the pension and obtaining insurance. JVS reimburses JFC for the cost of these services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Income tax status

JVS is a qualified entity exempt from federal income under the provision of Section 501(c)(3) of the Internal Revenue Code and is exempt from state income taxes under the corresponding sections of the California Revenue and Taxation Code.

Financial statement presentation

JVS reports information regarding its financial position and activities based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial statement presentation (continued)

- *Net assets without donor restrictions* - Net assets that are not subject to donor-imposed stipulations. The Board has designated proceeds from the annual Women's Conference to support the WoMentoring program. There may be other limits arising from contractual arrangements with outside parties.
- *Net assets with donor restrictions* - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource had been fulfilled, or both.

Use of estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from these estimates.

Cash and cash equivalents

JVS considers cash on deposit, temporary investments and all highly-liquid financial instruments with original maturities of three months or less to be cash equivalents. There were $1,085,291 of cash equivalents at December 31, 2025.

JVS invests excess cash in highly-liquid money market funds with a national financial institution.

Concentrations

JVS's bank balances occasionally exceed the FDIC-insured limits. JVS has not experienced and does not anticipate any losses relating to cash held in these accounts.

JVS receives a majority of its funding through various government contracts as a subcontractor for local governments. The funding sources for these contracts include both Federal and state funds. Ongoing funding at historical levels is dependent upon both current government priorities and funding capacity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Concentrations (continued)

JVS's largest single revenue source is its subcontract for the GAIN program. The Los Angeles County Department of Public Social Services ("DPSS") originally awarded this contract to Maximus, with whom JVS subcontracts, in December 2005. This contract has been extended or renewed multiple times. The most recent contract was adopted November 16, 2021 and extends the contract term through December 31, 2024. The formal subcontractor agreement between Maximus and JVS was adopted on December 29, 2021 and extends the subcontractor agreement term through December 31, 2026. Funding for JVS under the contract is approximately $43 million over a 60-month period.

In April 2026, DPSS notified JVS of its intent to transition the GAIN program in-house effective January 1, 2027. As a result, the contract is expected to terminate on December 31, 2026. The gross value of contract for 2026 is approximately $9.85 million. The reduction in revenue will be accompanied by a related reduction in the related program direct expenses and other other overhead expenses.

See Note 13 for information on a concentration related to a major donor.

Investments

Investments are carried at fair value (see Note 3). Interest and dividend income, and gains and losses on investments are reported in the statement of activities as either increases or decreases in net assets without donor restrictions, unless the use is restricted by donor stipulations or law.

Endowments

An endowment is an established fund of cash, securities, or other assets to provide income for the maintenance of a nonprofit organization. The use of the assets of the fund may be donor-restricted for a specified purpose or time, donor-restricted into perpetuity, or without donor-restrictions. Endowment funds generally are established by donor-restricted gifts and bequests to provide a permanent source of income, or a term endowment to provide income for a specified period. The portion of an endowment required by the donor to be maintained into perpetuity (not used, expended, or otherwise exhausted) is classified as donor-restricted endowment funds. Earnings from the donor-restricted endowment funds are classified as earnings on donor-restricted endowments not yet appropriated for spending. See Note 6 for additional details.

Property and equipment

Property and equipment consists of furniture and equipment and leasehold improvements, and are capitalized if their costs exceed $5,000. Depreciation is computed using the straight-line method over the estimated useful lives (3 - 10 years) of the depreciable assets or asset groups. Leasehold improvements are amortized over 10 years.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment (continued)

JVS includes in net assets with donor restrictions property and equipment purchased in accordance with donor stipulations and uses the placed-in-service approach for reporting expirations of these restrictions.

Normal repairs and maintenance are expensed to operations when incurred, whereas significant charges that materially increase the value or extend useful lives are capitalized and depreciated over the estimated useful lives of the related assets. Upon sale or disposal of equipment, the cost and accumulated depreciation and amortization are removed from the respective accounts, and any gain or loss is included in operations. Government-funded programs may purchase and expense property and equipment in the year that grant dollars are received.

Depreciation and amortization of property and equipment is computed using the straight-line method over the following estimated useful lives:

Leasehold improvements	10 years
Furniture and equipment	3 - 5 years

Impairment of long-lived assets

Management reviews each asset or asset group for impairment whenever events or circumstances indicate that the carrying value of an asset or asset group may not be recoverable, but at least annually. No impairment provisions were recorded by JVS during the year ended December 31, 2025.

Support and revenue recognition

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of temporary restrictions on net assets are reported as releases between net assets with and without donor restrictions.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Accordingly, JVS recognizes government grant funds as support and revenue when eligible costs are incurred or when eligible services have been rendered. A receivable is recognized to the extent contract support earned exceeds cash advances. Conversely, a liability (deferred revenue) is recorded when contract cash advances exceed support earned. No liabilities exist as of the statement of financial position date for contract cash advances. JVS has received approximately $11,904,000 of cost-reimbursable grants that have not been recognized at December 31, 2025 because qualifying expenses have not yet been incurred. JVS reports conditional contributions that are also restricted by donors as increases in net assets without donor restrictions if the restrictions and conditions expire simultaneously.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Support and revenue recognition (continued)

Contributions, which may include unconditional promises-to-give, are recognized as revenue in the period unconditionally pledged or when conditions are met.

Donated services and use of facilities

A substantial number of volunteers have donated significant amounts of time and services to JVS; however, no amounts have been reflected in the accompanying financial statements for donated services since the services contributed do not meet the criteria for recognition under generally accepted accounting principles.

JVS entered into a lease agreement with the City of Los Angeles in May 2017 for office space that requires monthly rental payments of $0. The term of this lease is 10-years and includes three 5-year renewal options. The lease contains language which requires JVS to meet certain performance requirements, including providing a specific program at this location, and therefore the lease is accounted for as a conditional pledge. During the year ended December 31, 2025, JVS recognized $235,560 in donated use of facilities for this office space, which has been included within contribution revenue and occupancy expenses in the accompanying statement of activities and statement of functional expenses, respectively. The value of the lease revenue is based upon the market value determined by the City of Los Angeles at the inception of the lease in 2017. The remaining value of the lease, assuming JVS exercises all renewal options, has been discounted at 4% and totals approximately $2,785,000.

Allocation of functional expenses

JVS presents expenses by functional classification. The basis for the allocation of all shared costs is the number of full-time equivalent employees working in each program, since the benefit received by the program is most closely related to the time spent by the employees. Allocated shared costs included certain occupancy expenses, insurance, certain employee compensation costs, and supplies.

Summarized comparative financial statements

The accompanying financial statements include certain prior-year summarized comparative information as of and for the year ended December 31, 2024. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's audited financial statements for the year ended December 31, 2024, from which the summarized information was derived.

Subsequent events

As discussed in the concentrations disclosure, the County has indicated it will not renew the GAIN contract after December 31, 2026.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Subsequent events (continued)

JVS has evaluated events subsequent to December 31, 2025, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through September 30, 2026, the date the financial statements were available to be issued.

3. INVESTMENTS

JVS manages its endowment and operating investments as one portfolio and reports its investments at fair value among three categories of price inputs available. These categories of inputs are quoted prices in active markets for identical assets (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3).

The following table sets forth by level, within the fair value hierarchy, JVS's investments at fair value as of December 31, 2025:

	Level 1	Level 2	Level 3	Fair Value
Equities	$ 10,448,946	$ -	$ -	$ 10,448,946
Mutual funds	4,977,880	-	-	4,977,880
Exchange-traded funds	911,006	-	-	911,006
	$ 16,337,832	$ -	$ -	$ 16,337,832

Activity in the investments during the year was as follows:

Balance, beginning of year	$ 21,332,808
Purchases of investments	8,225,635
Donated investments	21,246
Proceeds from sales of investments	(15,167,820)
Net realized and unrealized gains on investments	1,925,963
Balance, end of year	$ 16,337,832

4. PLEDGES RECEIVABLE

Pledges receivable by year at December 31, 2025 are as follows:

Amounts due in one year	$ 1,163,600
Amounts due in two to five years	59,731
	1,223,331
Allowance for uncollectible pledges	(80,381)
Discount to net present value	(84,824)
	$ 1,058,126

JVS uses 4% as its present value discount factor.

5. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2025 consisted of the following:

Furniture and equipment	$ 1,227,070
Leasehold improvements	146,612
	1,373,682
Accumulated depreciation and amortization	(1,353,893)
	$ 19,789

6. ENDOWMENT

JVS has interpreted California's Uniform Prudent Management of Institutional Funds Act of 2008 ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, JVS classifies as donor-restricted net assets (a) the original value of gifts donated to the donor-restricted endowment, (b) the original value of subsequent gifts to the donor-restricted endowment, and (c) accumulations to the donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as donor-restricted net assets is classified as donor-restricted for a specified purpose until those amounts are appropriated for expenditure by JVS in a manner consistent with the standard of prudence prescribed by UPMIFA.

6. ENDOWMENT (continued)

JVS has adopted an investment policy, approved by its Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of these endowment assets over the long-term. The investment policy establishes an achievable return objective through diversification of asset classes. The current long-term objective is to have a balanced portfolio with returns, net of investment fees, in each asset classification benchmarked against appropriate benchmarks. Actual returns in any given year may vary. To satisfy its long-term rate-of-return objectives, JVS relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). JVS targets a diversified asset allocation that places an emphasis on fixed income securities, including U.S. Treasury securities, and equity-based investments to achieve its long-term rate-of-return objectives within prudent risk parameters.

Endowment composition

The Board has adopted a formal spending policy where JVS is permitted to spend up to 4% of the average balance over a three-year period of the Endowment Fund.

Endowment net asset composition by type of fund as of December 31, 2025 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	$ -	$ 5,594,603	$ 5,594,603
Accumulated investment gains	-	3,138,064	3,138,064
	$ -	$ 8,732,667	$ 8,732,667

6. ENDOWMENT (continued)

Endowment composition (continued)

Changes in endowment net assets for the year ended December 31, 2025 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance, December 31, 2024	$ -	$ 7,748,895	$ 7,748,895
Contributions	-	278,045	278,045
Investment income, net	-	345,097	345,097
Net realized and unrealized gains on investments	-	570,900	570,900
Appropriation of endowment assets for expenditure	-	(210,270)	(210,270)
Balance, December 31, 2025	$ -	$ 8,732,667	$ 8,732,667

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following:

Subject to expenditure for specified purpose	
Scholarship program - contributions	$ 868,734
JVS Works programs	1,715,518
Veterans programs	110,000
WLN and Women's Empowerment	369,721
Other	19,475
	3,083,448
Time-restricted	275,533
Endowment funds restricted in perpetuity	
Scholarship	3,687,868
General	1,906,735
	5,594,603
Endowment earnings not yet appropriated	
Scholarship	2,217,652
General	920,412
	3,138,064
	$ 12,091,648

7. NET ASSETS WITH DONOR RESTRICTIONS (continued)

In addition to the $275,533 shown above, there are an additional $1,539,030 of time-restricted net assets that are also purpose restricted. The total of these amounts, net of a present value discount, $1,058,126, is shown as pledges receivable in the accompanying statement of financial position.

Net assets released during 2025 consisted of the following:

Scholarship	$ 1,378,237
Endowment earnings appropriated	210,270
Veterans programs	1,194,926
Training programs (Works)	3,560,011
WLN and Women's Empowerment	186,249
Financial literacy	29,998
Other	239,025
Time-restricted	203,931
	$ 7,002,647

8. MULTI-EMPLOYER PLAN

JVS participates in the Basic Pension Plan for Employees of Jewish Federation Council of Greater Los Angeles (the "Basic Plan"), identified as Plan 001 and Employer Identification Number 95-1643388. The Basic Plan is a multi-employer pension plan for certain employees of the Jewish Federation Council of Greater Los Angeles and participating affiliate agencies. Substantially all employees hired prior to 2006 are participants in the Basic Plan. The risks of participating in a multi-employer plan are different from single-employer plans in the following aspects:

- Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If JVS chooses to stop participating in some of its multi-employer plans, it may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

JVS is required to make minimum contributions according to actuarial requirements pursuant to a collective bargaining agreement which was renewed during 2023 and expires June 30, 2027.

For the plan year beginning January 1, 2024, the Basic Plan was certified to be in neither endangered nor critical status ("Green Zone") because the Basic Plan's funded percentage was greater than 80%. The Basic Plan has been Green Zone certified since January 1, 2014. During 2025, JVS contributed $335,468 to the Basic Plan which exceeded 5% of the total plan contributions.

8. MULTI-EMPLOYER PLAN (continued)

The Basic Plan's audited financial statements and Form 5500 for 2024 are available to the public on the Department of Labor website.

9. RETIREMENT BENEFITS

Effective January 1, 2018, JVS established the JVS SoCal Defined Contribution Plan (the "DC Plan") for all eligible employees. The DC Plan is a profit sharing plan to which JVS will annually contribute 5% of eligible compensation paid to the DC Plan participants. During 2025, JVS contributed $241,534 to the DC Plan.

Retirement benefits for other eligible employees are provided by a 401(k) plan, under which JVS matches 50% of employee contributions up to 6% of eligible wages. JVS contributed $95,775 to this plan during the year.

10. LEASES

JVS is committed under various noncancelable operating and financing leases for its office facilities and certain equipment. The leases carry separate terms and expire at various dates through June 2032. The qualifying operating and financing leases have been recognized as right-of-use lease assets and lease liabilities in the accompanying balance sheet at December 31, 2025.

Right-of-use lease assets are as follows:

Right-of-use lease assets - operating	$ 4,994,831
Right-of-use lease assets - financing	36,400
	$ 5,031,231

Lease liability is detailed as follows:

Operating lease liability	$ 5,273,165
Financing lease liability	37,382
	$ 5,310,547

The weighted-average remaining lease terms and discount rates are as follows:

Weighted-average remaining lease term - operating lease	2.62 years
Weighted-average discount rate - operating lease	3.31%
Weighted-average remaining lease term - financing lease	0.81 years
Weighted-average discount rate - financing lease	1.34%

10. LEASES (continued)

JVS has commitments under noncancelable operating leases related to office space and equipment expiring at various dates through June 2032:

Year ending December 31,	Operating	Financing	Total
2026	$ 1,771,571	$ 37,570	$ 1,809,141
2027	1,361,983	-	1,361,983
2028	1,108,339	-	1,108,339
2029	686,314	-	686,314
2030	162,599	-	162,599
Thereafter	446,591	-	446,591
	5,537,397	37,570	5,574,967
Less: present value discount	(264,232)	(188)	(264,420)
	$ 5,273,165	$ 37,382	$ 5,310,547

Lease costs for the year consisted of the following:

Operating lease costs	
Monthly scheduled rent	$ 1,802,602
	1,802,602
Finance lease costs	
Monthly scheduled rent	43,680
	43,680
	$ 1,846,282

The following summarizes the line items on the cash flow related to leases for the years ended December 31:

	2025
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flow from operating leases	$ 2,010,627
Operating cash flows from finance leases	773
Financing cash flows from finance leases	44,311

10. LEASES (continued)

Sublease income

JVS leases a portion of a two separate program facilities for approximately $37,000 per month through February 2028 and July 2029, respectively.

Future expected collections of sublease income are as follows:

Year ending December 31,	
2026	$ 452,353
2027	454,270
2028	294,869
2029	153,373
	$ 1,354,865

11. LITIGATION

JVS is involved in legal proceedings arising in the ordinary course of operations, including a wage and hour claim filed by a former temporary employee. In accordance with FASB ASC 450, Contingencies, JVS establishes accruals for legal matters when potential losses associated with the actions become probable and the amount of loss can be reasonably estimated. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition or results of operations of JVS.

12. LIQUIDITY AND AVAILABILITY

JVS is significantly supported by contributions with donor restrictions. JVS maintains sufficient resources to meet its responsibilities to its donors. JVS's liquidity management policy is designed to provide that its remaining financial assets are available for operations as its general expenditures, liabilities, and other obligations come due.

The following reflects JVS's financial assets reported on the statement of financial position, reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions.

12. LIQUIDITY AND AVAILABILITY (continued)

Liquidity of financial assets as of December 31, 2025 is as follows:

Cash and cash equivalents	$ 3,948,798
Investments	16,337,832
Due from government agencies, net	5,695,951
Pledges receivable, net	1,058,126
	27,040,707
Board designated net assets	(989,109)
Donor-restricted endowment funds (see Notes 6 and 7)	(8,732,667)
Net assets subject to expenditure for specified purpose (see Note 7)	(3,083,448)
Pledges receivable due past one year, net of present value discount and allowance for uncollectible pledges (see Note 4)	(59,731)
	$ 14,175,752

Board designated net assets represents funds raised by JVS's auxiliary the Women's Leadership Network (the "WLN") for programmatic support. These funds do not meet the criteria to be classified as with donor restriction, therefore the Board designates a similar amount each year to reflect the efforts of the WLN.

13. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2024, JVS received approximately 11% of its total revenue from a single donor restricted contribution of approximately $4.4 million, of which $3.3 million remained in restricted net assets as of December 31, 2024. An additional $2.6 million was released from restriction during 2025. The contribution was restricted to fund medical diagnostic imaging training programs managed, operated, and governed with complete administrative and educational independence by JVS. In addition, JVS paid the company approximately $371,000 for 2025 and $374,000 for 2024 for consultation services rendered by certain employees. Student recruitment was open to the public. Approximately 75% of program graduates voluntarily accepted employment with a company where the single donor serves as President and CEO. Graduates of the program were under no contractual obligation to seek employment with the company, nor was the company obligated to extend employment to program participants. Subsequent to year-end, the same donor contributed an additional $2.5 million to JVS. This contribution is restricted to funding the continuation, operational scaling, and expansion of the training programs throughout 2026.

SINGLE AUDIT REPORTS AND SCHEDULES

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*

Board of Directors
JVS SoCal

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of JVS SoCal ("JVS"), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated September 30, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered JVS'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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of JVS's internal control. Accordingly, we do not express an opinion on the effectiveness of JVS'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 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 JVS's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



Los Angeles, California

September 30, 2026

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

Board of Directors
JVS SoCal

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited JVS SoCal ("JVS")'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of JVS's major federal programs for the year ended December 31, 2025. JVS'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, JVS complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of JVS 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 JVS'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 JVS'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 JVS'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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about JVS's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding JVS'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 JVS'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 JVS'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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on JVS's response to the noncompliance findings identified in our audit described in the accompanying schedules of findings and questioned costs. JVS's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002 to be significant deficiencies.

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 weakness or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on JVS's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. JVS's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Armanino LLP

Los Angeles, California

September 30, 2026

JVS SoCal
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2025

Federal Grantor/Pass-ThroughGrantor/Program or Cluster Title	Grant Period	Pass-Through Entity Identifying Number	Assistance Listing Number	Federal Expenditures
U.S. Department of Labor				
WIOA Cluster				
Pass-Through State of California Employment Development Department				
AJCC WLA - Equity & Target Population	4/1/23-3/31/25	AA-35818-22-55-A-6	17.258	$ 145,473
Pass-Through County of Los Angeles Workforce Development, Aging, and Community Services				
AJCC Veterans - Adult	10/01/24-06/30/25	24-25AJCCVT	17.258	943,306
AJCC Veterans - Adult	7/01/25-06/30/26	25-26AJCCVT	17.258	417,906
AJCC Veterans - Measure H	10/01/24-06/30/25	24-25AJCCVT	17.258	33,411
AJCC WLA - Out of School Youth	10/01/24-06/30/25	24-25AJCCWC	17.259	214,019
AJCC WLA - Out of School Youth	7/01/25-06/30/26	25-26AJCCWC	17.259	268,413
AJCC WLA - Measure H	10/01/24-06/30/25	24-25AJCCWC	17.278	28,140
AJCC WLA - Youth@WORK	10/01/24-06/30/25	24-25AJCCWC	17.259	280,573
AJCC WLA - Youth@WORK	7/01/25-06/30/26	25-26AJCCWC	17.259	296,135
AJCC WLA - Calworks	10/01/24-06/30/25	24-25AJCCWC	17.259	25,400
AJCC WLA - Calworks	7/01/25-06/30/26	25-26AJCCWC	17.259	9,721
AJCC WLA - Probation	10/01/24-06/30/25	24-25AJCCWC	17.259	6,526
AJCC WLA - Probation	7/01/25-06/30/26	25-26AJCCWC	17.259	3,493
AJCC WLA - Adult	10/01/24-06/30/25	24-25AJCCWC	17.258	260,154
AJCC WLA - Adult	7/01/25-06/30/26	25-26AJCCWC	17.258	196,670
AJCC WLA - Dislocated Worker	10/01/24-06/30/25	24-25AJCCWC	17.258	68,284
AJCC WLA - Dislocated Worker	7/01/25-06/30/26	25-26AJCCWC	17.258	56,386
AJCC Antelope Valley - GROW	10/01/24-06/30/25	24-25 AJCCAV	17.259	54,009
AJCC Antelope Valley - Adult	10/01/24-06/30/25	24-25 AJCCAV	17.258	741,410
AJCC Antelope Valley - Adult	7/1/25-06/30/26	25-26 AJCCAV	17.258	698,843
AJCC Antelope Valley - DW	10/01/24-06/30/25	24-25AJCCAV	17.278	205,904
AJCC Antelope Valley - DW	07/01/24-09/30/26	25-26 AJCCAV	17.278	125,465
AJCC Antelope Valley - Out of School Youth	10/01/24-06/30/25	24-25AJCCAV	17.259	652,443
AJCC Antelope Valley - Out of School Youth	07/01/25-09/30/26	25-26AJCCAV	17.259	663,232
AJCC Antelope Valley - Calworks	10/01/24-06/30/25	24-25AJCCAV	17.259	131,657
AJCC Antelope Valley - Calworks	07/01/25-09/30/26	25-26AJCCAV	17.259	216,648
AJCC Antelope Valley - Youth@WORK	10/01/24-06/30/25	24-25AJCCAV	17.259	878,505
AJCC Antelope Valley - Youth@WORK	07/01/25-09/30/26	25-26AJCCAV	17.259	1,034,468
AJCC Antelope Valley - Probation	10/01/24-06/30/25	24-25AJCCAV	17.259	22,027
AJCC Antelope Valley - Probation	07/01/25-09/30/26	25-26AJCCAV	17.259	23,509
AJCC Antelope Valley - Rapid Response	10/01/24-06/30/25	24-25AJCCAV	17.278	159,354
AJCC Antelope Valley - Rapid Response	07/01/25-09/30/26	25-26AJCCAV	17.278	130,379
AJCC Antelope Valley - Measure H	10/01/24-09/30/25	24-25AJCCAV	17.278	81,338
				8,927,728

The accompanying notes to the Schedule of Expenditures of Federal Awards
are an integral part of this schedule

JVS SoCal
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2025

Federal Grantor/Pass-ThroughGrantor/Program or Cluster Title	Grant Period	Pass-Through Entity Identifying Number	Assistance Listing Number	Federal Expenditures
Pass-Through City of Los Angeles Economic and Workforce Development				
City of LA - WIOA Adult	07/01/24 - 06/30/25	C014751	17.258	340,012
City of LA - WIOA Adult	07/01/25 - 06/30/26	C202146	17.258	221,948
City of LA - WIOA Dislocated Worker	07/01/24 - 06/30/25	C014751	17.278	166,962
City of LA - WIOA Dislocated Worker	07/01/25 - 06/30/26	C202146	17.278	141,969
				870,891
Pass-Through County of Los Angeles Workforce Development, Aging, and Community Services				
AJCC Antelope Valley - Invest	07/01/25-09/30/26	25-26AJCCAV	17.802	138,920
AJCC Antelope Valley - Invest	10/01/24-06/30/25	24-25AJCCAV	17.802	124,108
				263,028
Direct Award				
Homeless Veterans Reintegration Prog	7/01/23-06/30/26	23560HV000031-01-02	17.805	589,120
Total U.S. Department of Labor				10,796,240
U.S. Department of Health and Human Services				
Pass-Through from LA County Office of Education				
Pass-Through County of Los Angeles Department of Public Social Services				
Refugee Employment Program - REAS DPSS	11/01/24 - 10/31/25	REAS 24-003	93.566	1,066,332
Refugee Employment Program - REAS DPSS	11/01/25 - 10/31/26	REAS 24-003	93.566	1,048,582
				2,114,914
Family Stabilization (FS) Program Services - REAS DPSS	11/01/24 - 10/31/25	REAS 24-003	93.558	63,960
Family Stabilization (FS) Program Services - REAS DPSS	11/01/25 - 10/31/26	REAS 24-003	93.558	63,960
Calworks SB 1232 Participants - REAS DPSS	11/01/24 - 10/31/25	REAS 24-003	93.558	200,316
Calworks SB 1232 Participants - REAS DPSS	11/01/25 - 10/31/26	REAS 24-003	93.558	200,316
SOR	11/01/24 - 10/31/25	REAS 24-003	93.558	16,456
SOR	11/01/25 - 10/31/26	REAS 24-003	93.558	17,908
				562,916
Pass-Through City of Hawthorne Job Training and Development Board				
Pass-Through South Bay Workforce Investment Board on behalf of City of Inglewood :				
Transitional Subsidized Employment: Temporary Assistance for Needy Families (TANF)	07/01/24 - 06/30/25	13-W157	93.558	210,400
Transitional Subsidized Employment: Temporary Assistance for Needy Families (TANF)	07/01/25 - 06/30/26	13-W157	93.558	70,600
				281,000
Pass-Through Maximus, Inc.:				
Greater Avenues for Independence: Temporary Assistance for Needy Families (TANF)	01/01/25 - 12/31/25	79191	93.558	9,881,927
Total U.S. Department of Health and Human Services				12,840,757
U.S. Department of Treasury				
Pass-Through from the County of Los Angeles Community and Senior Services				
Coronavirus State and Local Fiscal Recovery Fund (ARPA) - Youth Elevate	07/15/22 - 12/31/26	ARP-EL-01	21.027	202,167
Total U.S. Department of Treasury				202,167

The accompanying notes to the Schedule of Expenditures of Federal Awards
are an integral part of this schedule

JVS SoCal
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2025

Federal Grantor/Pass-ThroughGrantor/Program or Cluster Title	Grant Period	Pass-Through Entity Identifying Number	Assistance Listing Number	Federal Expenditures
U.S. Department of Veterans Affairs				
Direct Award				
VA Supportive Services for Veteran Families Program (SSVF)	10/01/24-09/30/25	23-CA-458	64.033	3,526,353
VA Supportive Services for Veteran Families Program (SSVF)	10/01/25-09/30/26	23-CA-458	64.033	965,304
				4,491,657
VSTAGP - Veteran and Spouse Transitional Assistance Grant Program	09/01/24-08/31/25	VATAGP24CA0011	64.058	258,496
VSTAGP - Veteran and Spouse Transitional Assistance Grant Program	09/01/25-02/01/26	VATAGP24CA0011	64.058	78,264
				336,760
Total U.S. Department of Veteran Affairs				4,828,417
			Total Expenditures of Federal Awards	$ 28,667,581

The accompanying notes to the Schedule of Expenditures of Federal Awards
are an integral part of this schedule

JVS SoCal
Notes to Schedule of Expenditures of Federal Awards
December 31, 2025

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of JVS SoCal ("JVS") under programs of the federal government for the year ended December 31, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*, *Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the JVS, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the JVS.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursement. Pass-through entity identifying numbers are presented where available and applicable.

3. INDIRECT COSTS

JVS has elected to use the de minimis cost rate.

JVS SoCal
Notes to Schedule of Expenditures of Federal Awards
December 31, 2025

4. AWARDS LISTED BY ASSISTANCE LISTING NUMBER

Federal financial assistance is reported in the financial statements of JVS for the year ended December 31, 2025, as follows:

Program Title	Assistance Listing Number	Expenditures of Federal Awards
Department of Labor ("DOL")		
WIOA Cluster		
WIOA Adult Program	17.258	$ 4,123,803
WIOA Youth Activities	17.259	4,780,778
WIOA Dislocated Worker Formula Grants	17.278	1,039,511
		9,944,092
Veterans' Employment Program	17.802	263,028
Homeless Veterans' Reintegration Program	17.805	589,120
Total Department of Labor ("DOL")		10,796,240
Department of Health and Human Services ("HHS")		
Temporary Assistance for Needy Families	93.558	10,725,843
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	2,114,914
Total Department of Health and Human Services ("HHS")		12,840,757
Department of the Treasury ("TREAS")		
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	202,167
Total Department of the Treasury ("TREAS")		202,167
Department of Veterans Affairs		
VA Supportive Services for Veteran Families Program	64.033	4,491,657
Veteran and Spouse Transitional Assistance Grant Program	64.058	336,760
Total Department of Veterans Affairs		4,828,417
Total Expenditures of Federal Awards		$ 28,667,581

JVS SoCal
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2025

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	Yes
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes
Identification of major programs:	

Name of Federal Program or Cluster	Assistance Listing Number
WIOA Cluster	17.258, 17.259, 17.278
VA Supportive Services for Veteran Families Program	64.033

Dollar threshold used to distinguish between Type A and Type B programs	$1,000,000
Auditee qualified as low-risk auditee?	No

JVS SoCal
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2025

SECTION II - SUMMARY OF FINANCIAL STATEMENT FINDINGS

There are no financial statement findings to be reported.

JVS SoCal
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2025

SECTION III - SUMMARY OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding number:	**2025-001**
Finding type:	Compliance and significant deficiency in internal control over compliance
AL number and title:	WIOA Cluster - 17.258, 17.259 and 17.278; VA Supportive Services for Veteran Families Program - 64.033
Name of federal agency:	U.S. Department of Labor, U.S. Department of Veterans Affairs
Name of pass-through entity:	State of California Employment Development Department; County of Los Angeles Workforce Development, Aging, and Community Services Department; City of Los Angeles Economic and Workforce Development Department;
Repeat finding:	Yes - 2023-005
Criteria:	Under the Uniform Guidance, specifically 2 CFR 200.430, organizations are permitted to use budgeted amounts to allocate time to Federal programs, as long as there is a process in place to true-up the costs on a regular basis.
Condition:	In general, JVS personnel prepare manual timesheets to record the actual time worked on the organization's various programs. No process is currently in place to compare or revise the time if the budgeted time differs from the actual time.
Cause:	The organization lacked sufficient accounting resources to prepare these updates.
Effect or potential effect:	Hours charged to certain programs did not agree to the timesheets completed by employees and reviewed by their supervisors.
Context	We tested a total of 40 timesheets over the two major programs and noted 10 instances in which time allocated was not properly supported by a timecard and/or time-and-effort supporting documentation. Nine of these instances were employees within the WIOA program, and eight of the occurrences were in the first half of the year, before implementation of additional procedures. One of the instances related to the VA program.
Questioned cost:	We tested a total of 40 timesheets over the two major programs and noted 10 instances in which time allocated was not properly supported by a timecard and/or time-and-effort supporting documentation. Nine of these instances were employees within the WIOA program, and eight of the occurrences were in the first half of the year, before implementation of additional procedures. One of the instances related to the VA program.
Recommendation:	Management should establish procedures to ensure payroll costs charged to federal awards are supported by records that accurately reflect the work performed. This should include reviewing available project-level labor data, reconciling payroll allocations to supporting time and effort records, and updating allocations as necessary each pay period to ensure costs are charged to the appropriate programs and funding sources based on actual activity.

SECTION III - SUMMARY OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS **(continued)**

Views of Responsible Official:	We agree with the finding. During 2025, JVS implemented enhancements within Paylocity that allow employees to electronically review and update their labor allocations, strengthening internal controls over payroll cost allocation. Management has also enhanced its review and monitoring procedures surrounding labor allocation changes. While these improvements have significantly reduced the risk of misallocations, remediation efforts remain ongoing, including implementing a new payroll software in September 2026. JVS continues to refine its processes to ensure labor costs are accurately recorded and that any necessary allocation corrections are identified and addressed through timely review and adjustment procedures.
Finding number:	**2025-002**
Finding type:	Compliance and significant deficiency in internal control over compliance
CFDA number:	64.033
CFDA title:	VA Supportive Services for Veteran Families Program
Federal award identification number and year:	23-CA-458
Name of federal agency:	U.S. Department of Veterans Affairs
Name of pass-through entity:	N/A
Repeat finding:	No
Criteria:	The program requires that quarterly reports be filed within 30 days of the end of each quarter and that the annual report be filed within 90 days of September 30.
Condition:	Management could not substantiate that certain of the required reports were filed timely.
Cause:	Management did not retain documentation of reports submitted and no longer has access to the web-based portal into which the files were submitted.
Context	We were unable to obtain documentation of submission for our selections. Information on the VA's review was available, but those dates to not provide evidence of the submission date.
Effect or Possible effect:	Late reporting can result in deobligation of grant funds.
Questioned cost:	None
Recommendation:	Management should ensure copies of reports for all funders are retained.
Views of responsible officials:	Management concurs with the finding and recommendation. Going forward, staff will download and save a pdf of quarterly reports to include date submitted to SharePoint folder. This will be tracked and reported in the grants tracking log.

JVS SoCal
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2025

SECTION IV - STATUS OF PRIOR AUDIT FINDINGS

Finding number:	**2023-005**
Condition:	No process was in place to compare or revise the recorded time allocations when the budgeted time differs from the actual time.
Recommendation:	Management should institute a reconciliation and update process for the manual timecards. In addition, management should determine whether its electronic timekeeping systems can be reconfigured to allow employees to update their allocations as needed each pay period.
Current Status:	Repeat finding in 2025. (See 2025-001.)

Finding number:	**2023-006**
Condition:	JVS could not locate three of the 25 eligibility selections made for its WIOA program cluster. All other programs with eligibility requirements were able to locate all necessary documentation.
Recommendation:	Management should revise its transaction documentation system to allow for centralized and accessible storage of support for programmatic costs by all appropriate personnel who interact with external auditors, including local funding sources. Management should retain journal entry documentation for all types of journal entries impacting Federal contracts.
Current status:	Corrective action has been taken.