



Financial Statements  
June 30, 2022 and 2021

# Home Partnership Foundation, Inc.

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## Independent Auditor's Report

To the Board of Directors  
Home Partnership Foundation, Inc.  
Boise, Idaho

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of The Home Partnership Foundation, Inc. (the Foundation), a blended component unit of Idaho Housing and Finance Association (IHFA), as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2022 and 2021, and the changes in its financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (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 the Foundation, 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.

#### *Emphasis of Matter*

As discussed in Note 2, the financial statements present only the Foundation, and do not purport to, and do not, present fairly the financial position of the IHFA as of June 30, 2022 and 2021, the changes in its financial position, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation'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.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the identify required supplementary information, such as management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Foundation. The Schedule of Separate Funds of the Foundation is presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Separate Funds of the Foundation is fairly stated, in all material respects, in relation to the basic 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 28, 2022 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.



Boise, Idaho  
September 28, 2022

The Home Partnership Foundation, Inc. (the Foundation) helps people build a strong foundation for their lives through stable, safe, and affordable housing by making available financial resources they would not be able to obtain elsewhere. The Foundation supports shelters and shelter services for Idaho's homeless and most disadvantaged, helps clients avoid eviction and prevent homelessness, encourages asset building to help clients achieve economic independence, and facilitates tax-advantaged property donations for affordable housing purposes. The Foundation is Idaho's leading charitable housing foundation. The Foundation's Management Discussion and Analysis presents readers of the Foundation's financial statements a narrative overview and analysis of the financial activities of the Foundation for the years ended June 30, 2022 and 2021.

### **Organizational Overview**

Established in 2005, the Foundation is a nonprofit corporation exempt from taxation under Section 501(c)3 of the Internal Revenue Code of 1986. The Foundation is composed of nine distinct funds, seven of which are restricted in purpose and use. These funds include the Property Banking Fund, the Home Equity Partnership Fund, the Homelessness Initiatives Fund, the Homelessness Prevention Fund, the Homeownership Fund, the Avenues for Hope Fund and the Community Initiatives Fund; and two unrestricted funds, the General Operating account and the Unrestricted Donations Fund. The Foundation's Board of Directors, consisting of Idaho Housing and Finance Association (IHFA) Commissioners, meets formally at least once each calendar year.

The Foundation is considered a component unit of IHFA. Accordingly, the Foundation is included in IHFA's financial statements as a blended component unit. Transactions with IHFA consist of grants from IHFA's Affordable Housing Investment Trust (AHIT) to support and enhance the Foundation's mission and programs and use of IHFA's general ledger and accounts payable processing systems for receipting and making payments.

### **Financial Highlights**

The financial highlights of the Foundation as of June 30, 2022, compared to June 30, 2021 are as follows:

- Total assets increased \$562 thousand or 34.23%
- Total liabilities decreased \$1 thousand or (.73)%
- Total revenues decreased \$234 thousand or (11.11)%
- Total expenses decreased \$1,166 thousand or (47.09)%
- Total net position increased \$563 thousand or 37.41%

During fiscal year 2022, the Foundation's eleventh annual signature fundraising activity provided nearly \$2.5 million to support 88 housing nonprofits throughout Idaho. The online campaign called the Avenues for Hope Housing Challenge, raised nearly \$2.2 million from 5,570 private donations for the nonprofit participant of their choice. Donations to nonprofits are deposited directly into the nonprofit bank accounts and are not captured in these financials. An additional \$363 thousand was awarded as challenge grants and matching funds raised partially from 40 campaign sponsors and disbursed in early 2022 from the Avenues for Hope Fund.

Grants to others increased, reflecting an increase in award amounts primarily for the Pocatello Shelter project and growth of the Avenues for Hope campaign.

The Foundation has been involved in various community projects as the fiscal agent to facilitate community donations for projects such as the Campaign End Family Homelessness which are held in the Community Initiatives fund until project expenses are realized.

### **Overview of the Financial Statements**

This annual financial report consists of three parts: Management's Discussion and Analysis; the financial statements, including notes to the financial statements; and supplemental schedule.

According to the American Institute of Certified Public Accountants (AICPA), in its Audit Guide for Not-For-Profit Organizations, the Foundation meets the definition of a governmental entity and incorporates governmental accounting (GASB) standards into its financial statements. However, due to the nature of the Foundation, it is considered a Special Purpose Governmental Entity engaged only in business-type activities. Accordingly, the Foundation uses Proprietary Enterprise Fund reporting and the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting.

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting purposes into funds that are in accordance with activities or objectives specified. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds have been combined to report by classification and only the net position are shown. For specific fund financial information, see the Supplemental Financial Information section at the end of this report.

### **Financial Analysis**

#### **Statement of Net Position**

The statement of net position outlines the Foundation's financial condition at fiscal year-end. The Foundation operates on a fiscal year, which begins July 1 and ends June 30. This statement reflects the various assets, liabilities, and net position of the Foundation as of the fiscal year ended June 30, 2022 and 2021. From the data presented, readers of the statement of net position have the information to determine the assets available to continue the operations of the Foundation. They are also able to determine how much the Foundation owes vendors and lending institutions.

Finally, the statement of net position provides a snapshot of net position (assets minus liabilities) and their availability for expenditure by the Foundation. The statement of net position is presented in a non-classified format and categorizes net position into two categories:

- Restricted Expendable—Net position subject to donor stipulations that will be for the direct use by a designated program.
- Unrestricted—Net position not subject to donor stipulations, which may be expended for any lawful purpose of the Foundation.

(in thousands)	as of June 30, 2022	% change from prior period	as of June 30, 2021	% change from prior period	as of June 30, 2020
Total Assets	\$ 2,204	34.23	\$ 1,642	(18.06)	\$ 2,004
Total Liabilities	\$ 136	(0.73)	\$ 137	5.38	\$ 130
Net Position					
Restricted - expendable	\$ 1,790	43.20	\$ 1,250	(26.56)	\$ 1,702
Unrestricted	278	9	255	48.26	172
Total net position	\$ 2,068	37.41	\$ 1,505	(19.69)	\$ 1,874

#### Statement of Revenues, Expenditures, and Changes in Net Position

Changes in total net position as presented on the statement of net position are based on the activity presented in the statement of revenues, expenditures, and changes in net position. The purpose of the statement is to present the revenues received by the Foundation, both operating and non-operating, and the expenses paid by the Foundation. Operating revenues are received for providing services to the various customers and constituencies of the Foundation. Operating expenses are expenses paid to acquire or produce the goods and services provided in return for the operating revenues.

(in thousands)	June 30, 2022	% change from prior period	June 30, 2021	% change from prior period	June 30, 2020
Total Operating Revenues	\$ 1,873	(11.11)	\$ 2,107	16.54	\$ 1,808
Total Operating Expenses	1,310	(47.09)	2,476	27.50	1,942
Increase/(decrease) in Net Position	\$ 563		\$ (369)		\$ (134)



### **Economic Factors**

The Idaho economy experienced strong, solid growth in the past year despite the ongoing COVID-19 pandemic. Even with strong economic growth overall, many Idahoans have been adversely affected by job losses and medical issues. Affordable and workforce housing remain elusive for many Idahoans at the lower end of the wage-earning spectrum. The Foundation expects during fiscal year 2023 that both the national and state economies may slow down with a recession looming. With this short-term backdrop in mind, the Foundation will continue to increase its awareness and resource base by seeking new and alternative donations to provide resources for the social needs programs it serves. The Foundation expects modest increases in donations in fiscal year 2023.

### **Contacting the Foundation's Financial Management**

This financial report is designed to provide a general overview of The Home Partnership Foundation's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer at The Home Partnership Foundation, P.O. Box 7899, Boise, ID 83707-1899, or contact our website at [www.idahohousing.com/foundation](http://www.idahohousing.com/foundation).

Home Partnership Foundation, Inc.  
 Statements of Net Position  
 June 30, 2022 and 2021  
 (in thousands)

	2022	2021
<b>Assets</b>		
Restricted cash and cash equivalents	\$ 1,686	\$ 468
Investments	504	504
Loans (net)	14	20
Other assets	-	650
Total assets	\$ 2,204	\$ 1,642
<b>Liabilities</b>		
Other liabilities	\$ 136	\$ 137
Total liabilities	136	137
<b>Net Position</b>		
Restricted for		
Expendable	1,790	1,250
Unrestricted	278	255
Total net position	2,068	1,505
Total liabilities and net position	\$ 2,204	\$ 1,642

Home Partnership Foundation, Inc.  
 Statements of Revenue, Expenses, and Changes in Net Position  
 Years Ended June 30, 2022 and 2021  
 (in thousands)

	2022	2021
Operating Revenues		
Grants	\$ 760	\$ 780
Donations	1,075	1,299
Investment income	-	3
Administration fees	38	-
Other	-	25
Total operating revenues	1,873	2,107
Operating Expenses		
Salaries and benefits	126	98
General operating	84	81
Grant to others	1,100	2,297
Total operating expenses	1,310	2,476
Operating Income (Loss)	563	(369)
Net Position		
Net Position, Beginning of Year	1,505	1,874
Net Position, End of Year	\$ 2,068	\$ 1,505

## Home Partnership Foundation, Inc.

Statements of Cash Flows  
Years Ended June 30, 2022 and 2021  
(in thousands)

	2022	2021
Operating Activities		
Receipts from grants and donations	\$ 1,835	\$ 2,079
Other receipts	38	-
Grant payments	(450)	(2,298)
Payments to suppliers	(85)	(677)
Payments to employees for services and benefits	(126)	(98)
Loan repayments	6	24
Net Cash from (used for) Operating Activities	1,218	(970)
Net Increase (Decrease) in Cash	1,218	(970)
Restricted Cash and Cash Equivalents, Beginning of Year	468	1,438
Restricted Cash and Cash Equivalents, End of Year	\$ 1,686	\$ 468
Reconciliation of net operating income (loss) to net cash from (used for) operating activities		
Operating income (loss)	\$ 563	\$ (369)
Adjustments to reconcile operating income (loss) to net cash from (used for) operating activities		
Decrease in loan allowance	-	(25)
Investment income reinvested	-	(3)
Decrease (increase) in loans	6	24
Decrease (increase) in other assets	650	(604)
Increase (decrease) accounts payable	-	7
Increase (decrease) in other liabilities	(1)	-
Total adjustments	655	(601)
Net Cash from (used for) Operating Activities	\$ 1,218	\$ (970)

Home Partnership Foundation, Inc.  
 Statements of Fiduciary Net Position-Custodial Fund  
 End Family Homelessness  
 June 30, 2022 and 2021  
 (in thousands)

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	2022	2021
Assets		
Restricted cash and cash equivalents	\$ 2,121	\$ 251
Total assets	\$ 2,121	\$ 251
Net Position		
Restricted-expendable	\$ 2,121	\$ 251
Total net position	\$ 2,121	\$ 251

Home Partnership Foundation, Inc.  
 Statements of Changes in Fiduciary Net Position-Custodial Fund  
 End Family Homelessness  
 Years Ended June 30, 2022 and 2021  
 (in thousands)

	2022	2021
Additions		
Donations	\$ 2,192	\$ 314
Total additions	2,192	314
Deductions		
General operating	100	-
Grant to others	222	63
Total deductions	322	63
Net Increase in Fiduciary Net Position	1,870	251
Net Position, Beginning of Year	251	-
Net Position, End of Year	\$ 2,121	\$ 251

**Note 1 - Enabling Resolution**

The Home Partnership Foundation was created as an independent charitable corporation, organized under the laws of the State of Idaho and the Internal Revenue Code of 1986. The organization, exempt from taxation under Section 501(c)3 of the Code, is considered a public foundation, and contributions made to it are tax deductible under Section 170 of the Code. The Foundation was created to provide education for homebuyers and a related affordable housing education program, to foster low-income housing and development, and alleviate and prevent community deterioration through soliciting and providing funding for the production and preservation of affordable housing.

**Note 2 - Summary of Significant Accounting Policies****Basis of Accounting**

The accounting and reporting policies of the Foundation conform to generally accepted accounting principles of the Governmental Accounting Standards Board (GASB) and follow the accrual basis of accounting. The Foundation is accounted for as an Enterprise Fund.

The accompanying combined financial statements include all accounts of the Foundation. All interfund balances and transactions have been eliminated.

The Home Partnership Foundation has one fiduciary fund that accounts for assets held by the Foundation in a custodial capacity on behalf of the City of Boise/Ada County's End Family Homelessness Campaign pursuant to a funding disbursement agreement executed on September 29, 2020.

**Reporting Entity**

The Foundation is a blended component unit of Idaho Housing and Finance Association in accordance with GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*.

**Program Accounting**

Financial activities of the Foundation are recorded in accounts established by board resolution, excluding the custodial fund.

The General Operating Account is established to administer the ongoing responsibilities of programs maintained by the Foundation. Direct administrative and operational activities, including the operating expenses of various programs, are recorded in this account. Revenues in this account are primarily generated from fees earned for administering grant matching activities and earnings on investments held to finance future programs.

The Property Banking Fund is established to administer tax-advantaged property donations. This account may consist of financial and property assets, which will be liquidated for targeted housing purposes, or used directly in the development of affordable housing.

The Home Equity Partnership Fund is established to account for resources used to facilitate investment in workforce housing. This account primarily consists of loans made to provide equity to qualified homebuyers in high cost locations. Loans and appreciation gains are recycled to generate equity for future loans.

The Homelessness Prevention Fund is established to account for contributions to assist in the prevention of evictions actions for those who face temporary economic, employment, or health crises. The account consists primarily of cash, contributed and donated, intended to support the purpose of the fund.

The Homeownership Fund is established to account for activities related to matched-savings accounts, commonly known as Individual Development Accounts (IDA). This fund enables the Foundation to provide matching funds to help qualified clients participating in approved case management and financial education courses build assets in addition to their own savings deposits, to achieve homeownership.

The Homelessness Initiatives Fund is established to support housing-related nonprofits that provide direct services to low-income households and homeless Idahoans in need of shelter, transitional or permanent housing, rapid rehousing and/or supportive services.

The Avenues for Hope Fund is established to accept donations to support the Avenues for Hope Housing Challenge, an online fundraising campaign held each December. Contributions to this fund support the campaign prizes and matching funds awarded to participating nonprofits.

The Unrestricted Donations Fund is established to account for activities that are not specified by donor intent related to the Foundation's overall purpose.

The Community Initiatives Fund is established to assist individuals experiencing homelessness by moving them into independent and permanent housing through collaborative community initiatives where the Foundation may serve as the fundraising fiscal agent until projects reach completion.

The End Family Homelessness custodial fund is used to account for revenues and expenses of End Family Homelessness in relation to the Our Path Home agreement which benefits the City of Boise/Ada County's campaign to end family homelessness. The Home Partnership Foundation has entered into a Fiscal Sponsorship Agreement which provides for receipt of grant and donations for the benefit of qualified recipients.

### **Cash and Cash Equivalents**

Cash and cash equivalents include cash in banks and investments with maturities of less than three months at the date of purchase. Cash and cash equivalents are collateralized with U.S. Treasury obligations and U.S. Agency obligations. Custodial credit risk is the risk that the Foundation's deposits may not be returned in the event of a bank failure. Because the accounts are collateralized, in the opinion of management, the Foundation is not exposed to this risk at June 30, 2022. The Foundation does not have a formal deposit policy for custodial credit risk. Restricted cash and cash equivalents amounted to \$1.686 million and \$468 thousand at June 30, 2022 and 2021, respectively.



**Provision for Loan Losses**

Management has estimated that approximately 89% of loans receivable will not be repaid due to loan amounts exceeding sales proceeds, as it exists as of June 30, 2022. It is reasonably possible this estimate will change in the next year. The total amount of allowance for the loans amounted to \$140 thousand at June 30, 2022 and 2021.

**Net Position**

Net Position, the amount total assets exceed total liabilities, is an aggregation of all Foundation operating and program accounts. Restricted net position is that position required to meet the stipulations of donors and contributors, as defined by the designation of monies contributed to a specific program. Net position in the amount of \$1.790 million and \$1.250 million at June 30, 2022 and 2021, respectively, is restricted by donor stipulation. Net position in the amount of \$0.278 million and \$0.255 million at June 30, 2022 and 2021, respectively, is unrestricted and available for general operations of the Foundation. When an expense is incurred that can be paid using either restricted or unrestricted resources, the Foundation's policy is to first apply the expense toward restricted resources, and then toward unrestricted resources.

**Classification of Revenues**

Operating revenues include activities that have the characteristics of exchange transactions, such as (1) grants, (2) donations, and (3) interest income. Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as federal pass-through awards and any other revenue sources that the Foundation may receive that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*.

**Note 3 - Investments**

GASB Statement No. 72, *Fair Value Measurement and Application* require certain investments be reported at fair value in the statement of net position. The Foundation reports all investments at fair value in the statement of net position. The Foundation has purchased one US Government Bond from KeyBank and these securities are insured by the Federal Deposit Insurance Corporation. The funds from the Bond have been deposited into a money market account with a balance of \$504 thousand as of June 30, 2022.

GASB Statement No.72 addresses accounting and financial reporting issues related to fair value measurements. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value focuses on market price from the perspective of a seller (exit price). The fair value of a financial asset is determined based on real or potential market transactions in the Foundation's principal market, or in the absence of a principal market, the Foundation's most advantageous market. The fair value of a nonfinancial asset takes into account the highest and best use of that asset, which normally is presumed its current use. A fair value measurement of a liability assumes that the liability would be transferred to a market participant and not settled with the counterparty.

Therefore, the fair value would be the price that would have to be paid for a third party to assume the liability, not the price that would have to be paid to the counterparty to settle the obligation. GASB Statement No.72 explains that the Foundation may determine the market price of an asset in one of three ways: 1) actual market transactions for identical or similar items (market approach); 2) the current cost to replace the service capacity of an asset (cost approach); or 3) discounting the current value of future cash flows (income approach).

It also establishes a three-tier hierarchy of input quality as follows:

- Level 1 inputs---quoted prices in active markets for identical items;
- Level 2 inputs---directly or indirectly observable prices, but not level 1; and
- Level 3 inputs---unobservable inputs such as financial models.

The Foundation has the following recurring fair value measurement as of June 30, 2022 (in thousands):

Investments by Fair Value Level	Fair Value	Level I Inputs	Level II Inputs	Level III Inputs
Money Market	\$ 504	\$ 504	\$ -	\$ -
Total investments measured at fair value	\$ 504	\$ 504	\$ -	\$ -

The Foundation has the following recurring fair value measurement as of June 30, 2021 (in thousands):

Investments by Fair Value Level	Fair Value	Level I Inputs	Level II Inputs	Level III Inputs
Money Market	\$ 504	\$ 504	\$ -	\$ -
Total investments measured at fair value	\$ 504	\$ 504	\$ -	\$ -

#### **Note 4 - Foundation Operating Expenses**

Certain general, administrative, and fundraising expenses of the Foundation are paid by IHFA. IHFA also provides occupancy, accounting, gift receipting and cash management services to the Foundation. The value of these services is not reflected in the accompanying financial statements since they are not susceptible to objective measurement or valuation.

**Note 5 - Related Parties**

The Foundation was established for the purpose of promoting and sustaining affordable and workforce housing and receiving and using resources as necessary for this purpose, which is a primary purpose of IHFA, a related party. The Foundation received contributions from IHFA to support various programs in the amount of \$760 thousand and \$780 thousand for the years ended June 30, 2022 and 2021, respectively.

Loans receivable accounted within the Home Equity Partnership Fund were financed with capital created from contributions in the net amount of \$140 thousand from a developer whose brother formerly served on the Foundation's board. These loans are reported with a 100% loan loss provision.

As of June 30, 2022 and 2021, there was a net \$0 and \$650 thousand in receivables, respectively, within Other Assets owed from IHFA.



Supplementary Information  
June 30, 2022

Home Partnership Foundation, Inc.

Home Partnership Foundation, Inc.  
Schedule of the Separate Funds of the Foundation  
June 30, 2022

	General Operating Account	Property Banking Fund	Home Equity Partnership Program	Homeless- ness Prevention	Home Ownership Fund	Homeless Initiatives	Avenues for Hope	Unrestricted Donations	Community Initiative	All Foundation Funds
<b>Statement of Net Position</b>										
Restricted cash	\$ 194	\$ 159	\$ 118	\$ 538	\$ 138	\$ 86	\$ 114	\$ 160	\$ 179	\$ 1,686
Investments	-	504	-	-	-	-	-	-	-	504
Loans	-	-	14	-	-	-	-	-	-	14
Total assets	194	663	132	538	138	86	114	160	179	2,204
Other liabilities	76	-	-	-	-	-	-	-	60	136
Restricted - expendable	-	663	132	538	138	86	114	-	119	1,790
Unrestricted	118	-	-	-	-	-	-	160	-	278
Total net position	\$ 118	\$ 663	\$ 132	\$ 538	\$ 138	\$ 86	\$ 114	\$ 160	\$ 119	\$ 2,068
<b>Statement of Revenues, Expenses, and Changes in Net Position</b>										
Grants	\$ 180	\$ -	\$ -	\$ -	\$ -	\$ 370	\$ 210	\$ -	\$ -	\$ 760
Donations	-	-	-	57	-	-	285	18	715	1,075
Administrative	38	-	-	-	-	-	-	-	-	38
Total operating revenues	218	-	-	57	-	370	495	18	715	1,873
Salaries and benefits	126	-	-	-	-	-	-	-	-	126
General operating	84	-	(1)	2	2	-	(1)	-	(2)	84
Grant to others	-	-	-	63	18	314	410	3	292	1,100
Total operating expenses	210	-	(1)	65	20	314	409	3	290	1,310
Operating Income (Loss)	8	-	1	(8)	(20)	56	86	15	425	563
Net Position, Beginning of year	110	663	131	546	158	30	28	145	(306)	1,505
Net Position, End of year	\$ 118	\$ 663	\$ 132	\$ 538	\$ 138	\$ 86	\$ 114	\$ 160	\$ 119	\$ 2,068



**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  
The Home Partnership Foundation, 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 Controller General of the United States, the financial statements of The Home Partnership Foundation, Inc. (the Foundation), a blended component unit of the Idaho Housing and Finance Association as of and for the years then ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Foundation’s basic financial statements, and have issued our report thereon dated September 28, 2022.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Foundation’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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation’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 have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

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

Boise, Idaho  
September 28, 2022