



June 15, 2021

To Those Charged with Governance
California Alliance of Child and Family Services

We have audited the financial statements of California Alliance of Child and Family Services (the Alliance) for the year ended December 31, 2020 and have issued our report thereon dated June 15, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in our engagement letter to you dated December 14, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Alliance are described in Note 1. For the year ended December 31, 2020, the Alliance adopted ASU 2018-08, *Non for Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance of Contributions Received and Contributions Made*. The application of existing policies was not significantly changed during the year ended December 31, 2020. We noted no transactions entered into by Alliance during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the fair market value of investments is based on appropriate valuation techniques. When available, management uses unadjusted quoted prices on active markets for identical assets. We evaluated the key factors and assumptions used to determine fair value of investments in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the depreciable lives and estimated residual value of property and equipment is based on the estimated useful life of the asset. We evaluated the key factors and assumptions used to develop the estimate of depreciable lives and estimated residual value of property and equipment in determining that it is reasonable in relation to the financial statements taken as a whole.

CERTIFIED PUBLIC ACCOUNTANTS

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Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting financial statements are:

- Information regarding liquidity and availability in Note 7.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of the audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 15, 2021.

Management Consultations with Other Independent Accountants

In some cases management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Alliance's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

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Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Alliance's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition of our retention.

This information is intended solely for the use of those charged with governance and management of California Alliance of Child and Family Services and is not intended to be, and should not be, used by anyone other than those specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Gilmore & Associates LLP". The script is cursive and fluid, with the letters connected. The "G" is large and loops around the "i", and the "L" at the end is a simple vertical stroke.

Gilmore & Associates, LLP