

Desert Arc Family and Caregiver Social Well-Being Resource Pilot

Health/ Mental Health Grant

DESERT ARC

73-255 Country Club Drive
Palm Desert, CA 92260

kwailes@desertarc.org
O: 760-346-1611

Kathrene Wales

73255 Country Club Drive
Palm Desert, CA 92260

kwailes@desertarc.org
O: 760-346-1611 x234

Application Form

Qualifications/Requirements



Welcome to the RAP Foundation Application, stage two of the Health/Mental Health Application.

The deadline to submit a full application for the Health/ Mental Health Grant is Monday, March 20, 2023, at 11:59 PM.

RAP Foundation and Desert Healthcare District & Foundation have partnered together for this grant. A total of \$800,000 is available in cash grants, and \$72,450 is available in technical assistance for the Health/Mental Health Grant. Funding requests can be made and used for any programmatic cost, such as staff time, supplies, general operations, etc.

All applicants will have the opportunity to request a technical assistance grant in addition to the cash grant request. The Technical Assistance Grant is valued at \$3,800, which includes: 15 hours of consulting services and a Premium Local NPO Centric Membership.

For more details about the membership, [Click Here](#).

The RAP Foundation's and Desert Healthcare District & Foundation's focus for this grant is to fund programs/projects that advocate improving the psychological, emotional, physical, and social well-being of residents in Coachella Valley and Palo Verde Valley.

The Health/Mental Health Grant is for programs intended to support the following strategies below:

1. Improve the quality of mental health services to remote areas through innovative systems that address policy, access, and delivery channels.
2. Improve awareness of mental and emotional health resource services for residents in Coachella Valley and Palo Verde Valley through systems that address access, policy, and delivery channels.
3. Support cultural competency of service providers and reduction of language/stigma/cultural barriers to service access for clients.

***Note:** The individual that is identified as the contact person for the application will be the person that receives all emails regarding the status of the grant.

Should you have questions, please contact Grants Manager Gracie Montano at grants@rapfoundation.org.

Organization Information

ORGANIZATIONAL INFORMATION

Organization Name*

Desert Arc

Year Organization Founded*

1959

Organization Mission Statement*

Enhance the quality of life and create opportunities for people with disabilities.

CEO/Executive Director Name*

Richard Balocco

CEO/Executive Director Email Address*

rbalocco@desertarc.org

Board President Name*

Damian Jenkins, Chair

Board President's Email Address*

damian.jenkins@managementtrust.com

Upload Board of Directors roster including affiliations)*

Board of Directors Roster 2023.pdf

Project/Program Details

PROGRAMMATIC INFORMATION

Program Name*

Desert Arc Family and Caregiver Social Well-Being Resource Pilot

Program Description*

Describe the Program and the unmet need being addressed.

Since 1959, Desert Arc has championed the rights of people with intellectual and developmental disabilities (IDD) guided by its mission to enhance the quality of life and create opportunities for people with disabilities. The vision is to increase the choices, capabilities, and independence of adults with disabilities. The programs and services provided by Desert Arc are designed to give each individual, the most vulnerable members of our society, a safe and supportive, person-centric resource base to reach their highest potential to live, work and socialize in the community. Desert Arc has experienced a paradigm shift in its program and service delivery since the onset of the pandemic, beginning with the closing of its facilities given the overarching governmental health and safety mandates, to eventually moving through a continuum of slowly reopening its doors. The ensuing requisite pivot for this organization as a result of this global health crisis spanned an initial 100% virtual programming and services to its current hybrid IDD model of on-site and remote. Everyone involved, from Desert Arc staff to its base of over 700 adults with disabilities, in facing these unexpected challenges has successfully addressed these needed changes. However, it is important to recognize that this evolution also precipitated people experiencing stressful situations in adapting to this new normal. This includes the clients' family members and caregivers.

Envisioning an innovative response to the known need for mental healthcare resources for its clients and their respective ecosystems of support, Desert Arc is proposing to launch a Family and Caregiver Social Well-Being Resource Pilot. This resource will complement Desert Arc's mainstay of programs and services for adults with intellectual and developmental disabilities in partnership with The Holman Group, Managed Behavioral Health Care Services, a current vendor for an Employee Assistance Program for its staff of 264, with a 24/7 confidential crisis support service. The services offered comprise mental health counseling, legal and financial services, referrals to 12-step programs, and more. Additionally, this resource can be extended to family members that may need support alongside the primary caregiver. The Holman Group works to assess the needs of the individual to determine if long-term assistance will be necessary or will act quickly to fill an acute need that can be resolved in a few short sessions. Weekly educational webinars are also offered to support topics such as stress, depression, etc.

People's daily lives have been impacted and altered by the ensuing changes caused by the circumstances surrounding COVID-19 beyond one's control. For example, a single parent had a window of several hours every day to take care of personal business while her daughter who has Down syndrome participated in the Adult Day Program on Desert Arc's Palm Desert campus prior to the pandemic. This client now prefers to stay at home and enjoy the programs offered on zoom. This caregiver found herself in need of more support while accommodating her daughter's choice to stay home and participate in services remotely.

Desert Arc's plan is to offer a free mental healthcare resource to people like this mother, to assist in navigating all aspects of these types of changes with an aim of meeting the greater needs of everyone involved in a confidential and respectful service mode transcending potential financial barriers. Ultimately, providing the clients' family members and caregivers with a unique mental healthcare support system, with complimentary 24/7 access in English and Spanish communication options (a standard practice for Desert

Arc) will strengthen the confidence in Desert Arc and its desire to further its mission to enhance the quality of life for people with disabilities.

Goals and Desired Outcomes*

Desert Arc's goal and desired outcomes are to support its over 700 clients by providing family members and caregivers with a vital mental health resource at no charge in complement to its programs and services that are focused on intellectual and developmental disabilities. Currently, Desert Arc offers its 264 staff members the benefit of a mental health care resource in partnership with The Holman Group. The strategy is to expand and capitalize on its existing contract with The Holman Group to afford this same mental healthcare resource opportunity to the family members and caregivers of the Desert Arc clients.

Please select the strategies you will support*

Data will need to be collected for the selected strategies and be reported on the Midterm and Final reports.

Improve the quality of mental health services to remote areas through innovative systems

Improve awareness of mental and emotional health resource services for residents

Support cultural competency of service providers and reduction of language/stigma/cultural barriers

Please describe how your program/project will support/align with the selected strategies.*

Desert Arc is confident that all three strategies will be supported in its proposed Family and Caregiver Social Well-Being Resource Pilot. It is designed to augment access to mental health care resources by eliminating cultural and financial obstacles and improving the quality of resources and service delivery to remote areas through innovative systems offered by Desert Arc's continued partnership with The Holman Group. This managed behavioral health care organization offers remote/telehealth appointments, as well as person-tailored locations throughout the Coachella Valley and Palo Verde Valley in convenient settings (e.g., FaceTime), providing comprehensive and confidential phone consultations with Work-Life specialists, and flexible appointment times to accommodate peoples' life challenges including a 24/7/365 Crisis Line.

Through an internal, grassroots marketing campaign, Desert Arc will develop an awareness and understanding of the mental and emotional health resource services for the family members and caregivers of its 700+ clients. Everyday concerns such as financial and legal matters can become trigger points precipitating a need for The Holman Group's Life Solutions services as evidenced by their demonstrated impact in the field. Their portfolio of multifaceted assistance encompasses consumer education and information on life cycle stages, care options, service types, and resource research in the areas of Family, Education, Health/Wellness, and Everyday Issues. Desert Arc's program team members, including the case managers who are in constant contact with the 700+ clients, will serve an integral role in promoting this new initiative and encouraging the family members and caregivers to take advantage of the wide scope of complimentary social well-being resources and services. This ongoing outreach, in-person/phone/email/mailings, in English and Spanish via Desert Arc's Case Magic database, Text-Em-All, Desert Arc's private Family Facebook page, and at the Parent Links in-person meetings with Desert Arc staff, family members, and caregivers of its clients. Desert Arc had a seminal role in the creation of Building Bridges, a consortium of parent advocates, caregivers, and representatives from other human service agencies dedicated to serving people with disabilities. These communication channels will reaffirm the one-on-one meetings between Desert Arc and the family members and caregivers. Desert Arc's program staff will also participate in training sessions and webinars hosted by The Holman Group to learn about the Family and Caregiver Social Well-Being Resource program, and to address ways to overcome any potential cultural or

generational norms as it relates to potential stigmas regarding mental health sensitivity issues. These same informational sessions will also be offered via zoom in Desert Arc's regular remote programming.

Program Measurement*

Describe the measurement tools/methodology utilized to collect data.

Qualitatively, Desert Arc has a comprehensive formal evaluation for all its programs and services for people with intellectual and developmental disabilities. This is accomplished by engaging with clients, family members, and caregivers in completing an annual survey to rate programs and services for adults with intellectual and developmental disabilities at Desert Arc, as well as an annual interview with each client. Quantitatively, each client is given the opportunity to evaluate each program that they participate in based on five categories: Satisfaction, Quality, Efficiency, Effectiveness, and Progress toward the person-centric, stated objectives as part of an ongoing evaluation process with their case managers with the Inland Regional Center and the Department of Rehabilitation. Additionally, The Holman Group reports on the general (not by individual) usage of their services to Desert Arc, protecting the family members', caregivers', and staff's anonymity. The only information provided to Desert Arc will be the number of appointments conducted without revealing the names of those who attended or the reason for the consultation. In broad terms, this data will be used alongside the annual evaluation to learn if the quality of services and resources provided by Desert Arc met their needs and expectations.

Is your organization intending to serve the Palo Verde Valley?*

Yes

Is your organization collaborating with another entity?*

Yes

Partnerships/Collaborators*

If you are planning to partner or collaborate with other organizations, list them and describe each of their roles in the program/project. If not partnering, enter N/A.

The Holman Group will be the primary partner for the services listed in the goals. The mission of The Holman Group is to provide top-quality behavioral health care services in the least restrictive setting, at the lowest possible cost. Their goal is to provide each individual who uses the services the same quality of care they would want for their own family members. Their role will be the contracted support group for this project and be the direct service provider. Currently, Desert Arc has a contract with The Holman Group to provide its staff with free access to an Employee Assistance Program (EAP). One of the primary features of the EAP Life Solutions program is confidential 24/7 Crisis Support.

Does the geographic area to be served encompass all of the Coachella Valley?*

Yes, all of the Coachella Valley

If not all Coachella Valley is to be served, select the specific geographical areas to be served

Blythe and Unincorporated Palo Verde communities

Target Population*

Describe the population demographics who will benefit from your program. (Example: age, socio-economic status, race, sex, gender, etc.)

Desert Arc serves persons 18 years and older with intellectual and developmental disabilities. Desert Arc works in partnership with Inland Regional Center and the Department of Rehabilitation to promote comprehensive programs and services to accomplish each individual's goals, to work and socialize in their home communities in the Coachella Valley, Palo Verde Valley, and Morongo Basin. With over 700 clients participating in programs and services offered by Desert Arc during the current fiscal year 2022-23, 99% are documented as coming from low to moderate income households, recognized by the State of California and the Federal Government defined as having less than 60% of the Area Median Gross Income (AMGI), or which has a poverty rate of at least 25%. Of these 700 persons, 62% of the clients are men and 38% are women. Fifty-eight percent (58%) of these clients are classified as minorities. The primary diagnosis of clients include a broad range of disabilities including 83% diagnosed with intellectual disabilities, as well many with multiple disabilities including 7% with autism, 3% with severe seizure disorders, 8% with cerebral palsy, 3% with Down syndrome, 2% with visual impairments, and 2% with hearing impairments. Seventy-two percent (72%) live with family members, 17% live independently, and 11% live in residential care. Eighteen percent (18%) are non-English speakers.

Estimated number of persons to be impacted by your Program*

600

Project Start Date*

Please refer to the date on the RFP Proposed Timeline.

05/01/2023

Project End Date*

Please refer to the date on the RFP Proposed Timeline.

04/30/2024

Financial

Amount of Request*

\$24,750.00

Other Financial Support*

List other funders and amounts you have requested funding for this Program/Project. Enter N/A if none.

N/A

Budget Template*

[BUDGET TEMPLATE LINK](#)

Click on Budget Template link above. Please only use this required template provided. Once completed, save to your computer and then upload using the "Upload a File" button.

DA - RAP Budget Worksheet - 2023-24.xlsx

Upload your most recent financial statements (preferably audited)*

Example: (Profit and Loss) statement of activity and (Balance Sheet) statement of financial position.

2022 Audited Financial Statements.pdf

Required Uploads

IRS Determination Letter for 501(c)(3) status*

Provide a copy of your IRS Determination Letter.

IRS Determination Letter Oct 28 2015.pdf

IRS Form W-9*

W-9 Form

Click on the W-9 form above to complete the form. Please upload a signed and dated W-9 form.

DA W-9 2023.pdf

Certificate of Liability Insurance*

Provide a copy of your current certificate of liability insurance. **Do not upload entire policy documents.** Only provide the certificate or declaration page, and please ensure that the certificate holder reads:

Regional Access Project Foundation

41-550 Eclectic St.

Palm Desert, CA 92260

DA COI 22-23.pdf

Organization Logo*

Please upload a high-resolution image of your organization's logo.

Desert_Arc_Logos-01.png

Technical Assistance

All RAP applicants are offered the opportunity to request a Technical Assistance Grant in addition to the cash grant request.

The Technical Assistance Grant is valued at \$3,800, which includes: 15 hours of consulting services and a Premium Local NPO Centric Membership.

For more details about the membership, [Click Here](#).

Technical Assistance grantees will have the opportunity to attend at least four NPO Centric workshops, utilize 15 hours of consulting services, and access ten resources from the Digital Portal during the grant period.

Participation in these activities will be evaluated within the Midterm and Final Reports.

Please choose one of the following options:*

No, I do not wish to apply for a Technical Assistance Grant at this time.

- If Yes is selected above, please complete the following section.
- If No is selected above, please leave the following section blank.

Please indicate all areas of need/interest that apply:

Of the topics listed above, which are the greatest priority and why? (Please limit to 3 topics).

In what ways would the Technical Assistance Grant increase your organization's ability to further achieve your mission?

File Attachment Summary

Applicant File Uploads

- Board of Directors Roster 2023.pdf
- DA - RAP Budget Worksheet - 2023-24.xlsx
- 2022 Audited Financial Statements.pdf
- IRS Determination Letter Oct 28 2015.pdf
- DA W-9 2023.pdf
- DA COI 22-23.pdf
- Desert_Arc_Logos-01.png



Board of Directors Roster (updated 1/23)

<u>Damian Jenkins, Chair</u> 39681 Saint Michael Place Palm Desert, CA 92211 H- 760-989-4110 C- 760-427-7631 damian.jenkins@managementtrust.com		<u>Glenn Miller, Vice Chair</u> 80557 Hoylake Drive Indio, Ca 92201 H- 760-610-1487 C- 760-275-6000 glennalanmiller@msn.com	
<u>Nate Otto, Treasurer</u> 810 North Farrell Drive Palm Springs, CA 92262 C- 760-898-3939 nate@hotpurpleenergy.com		<u>Nancy Singer, Secretary</u> 78098 Allegro Court Palm Desert, CA 92211 H- 760-345-7647 C- 760-413-6136 nancys827@aol.com	
<u>Robert Anzalone</u> 22 Corte Del Sol Rancho Mirage, CA 92270 C- 760-880-3198 Kim.anzalone@hotmail.com (for ZOOM use above) rfanzalone@hotmail.com	<u>Lori Serfling</u> 73043 Galleria Ct. Palm Desert, CA 92260 H- 760-862-9202 C- 760-413-1912 longlg@aol.com	<u>Mary Hendler</u> 13 Avenida Andra Palm Desert, CA 92260 H- 760-340-5232 C- 760-464-1641 Mhendler@aol.com	
<u>Michelle Babitz</u> 28505 Taos Ct. Cathedral City, CA 92234 C- 760-562-394-7846 triggitzmb@msn.com	<u>Doug Watson</u> 14 Legacy Place Rancho Mirage, CA 92270 C- 760-464-4056 drwat270@gmail.com	<u>Brooke Beare</u> 74595 Fairway Drive Palm Desert, CA 92260 C- 760-567-5431 brookebeare@hotmail.com	
Leadership Staff			
Richard Balocco President/CEO W-760-346-1611x207 C-408-309-6924 rbalocco@desertarc.org	Ronald Stewart Executive Vice President W-760-404-1360 C-626-644-0619 rstewart@desertarc.org	Kurt Parish Chief Financial Officer W-760-346-1611x216 C-760-408-5806 kparish@desertarc.org	Kathrene Wales Director of Development W-760-346-1611x234 C-773-882-2682 kwales@desertarc.org

PROPOSED PROGRAM BUDGET

Once complete, save to your PC and then upload to your application using the button provided in the application

Name of Organization: Desert Arc
 Name of Program/Project: Desert Arc Family & Caregiver Social Well-Being Resource Pilot

Instructions: Note this budget section is only for the program you are applying for grant funds.

Program Expenses (12 months)	Total Program Expense Amount	Total Expenses to be funded by RAP (12 months)	Funding Gap
Full-time staff wages and salaries			
Part-time staff wages and salaries			\$ -
Temporary staff wages and salaries			\$ -
Employee Benefits			
Volunteer-related costs			\$ -
Total Staff Cost	\$0.00	\$0.00	\$0.00

Equipment Costs			\$ -
Marketing/Advertising expense	\$ 2,500.00	\$ 2,500.00	\$ -
Legal Services	\$ 500.00	\$ 500.00	\$ -
Consulting Services			\$ -
Other Professional Services	\$ 18,000.00	\$ 18,000.00	\$ -
Facilities costs			\$ -
Meeting Expenses			\$ -
Mileage and Travel			\$ -
Postage and Shipping			\$ -
Supplies			\$ -
Phone/fax/cell/Internet costs			\$ -
Insurance	\$ 500.00	\$ 500.00	\$ -
Evaluation Services	\$ 1,000.00	\$ 1,000.00	\$ -
Indirect Operating Expense	\$ 2,250.00	\$ 2,250.00	\$ -
Total Administrative Expenses	\$24,750.00	\$ 24,750.00	\$ -
TOTAL PROGRAM EXPENSES	\$24,750.00	\$24,750.00	\$0.00

TOTAL PROGRAM REVENUE (12 MONTHS)

Amount requested from RAP	\$ 24,750.00
Cash contributed by your organization	
Grant(s) awarded from other funding sources	\$ -
Grant(s) pending or applied for from other funding sources	\$ -
Value of any In-Kind goods or services in support of the Program	\$ 7,500.00
TOTAL PROJECT/PROGRAM REVENUE	\$32,250.00

BUDGET NARRATIVE: (Please elaborate on the total expenses to be funded)

Desert Arc is respectfully requesting \$24,750 for its Family and Caregiver Social Well-Being Resource Pilot to provide a mental healthcare resource to the family members and caregivers of its clients, people with intellectual and developmental disabilities, who reside in Coachella Valley, Palo Verde Valley and Morongo Basin. Since key programs are not funded by the State of California, Desert Arc relies on contributions from the philanthropic community to provide vital services to people with disabilities and their caregivers served by this 64-year old, nonprofit human services agency.

The funds requested will provide a mental healthcare resource free of charge to the family members and caregivers of the people with disabilities served at by Desert Arc. Here is a further explanation of the line-items listed:

- Other Professional services refers to the contracted fees for The Holman Group.

- Marketing will be specific to the time spent and materials produced to inform Desert Arc's clients' family members and caregivers about the availability and access guideline for this complimentary mental healthcare resource.

TOTAL ORGANIZATION REVENUES FROM LAST YEAR'S FINANCIALS

Contributions/Grants/Govt Funding (Unrestricted)	\$ 455,390.00
Contributions/Grants/Govt Funding (Restricted)	\$ 138,000.00
Service Revenue	\$ 15,725,415.00
Value of any In-Kind goods or services	\$ -
Other	\$ 1,986,867.00
TOTAL ORGANIZATION REVENUE	\$ 18,305,672.00

DESERT ARC, INC.

PALM DESERT, CALIFORNIA

INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS

JUNE 30, 2022

WITH COMPARATIVE TOTALS FOR JUNE 30, 2021



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Desert Arc
Palm Desert, California

Opinion

We have audited the accompanying financial statements of Desert Arc (the Organization), which comprise the statement of financial position as of June 30, 2022, 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 Desert Arc as of June 30, 2022, 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. 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 Desert Arc and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibility 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 Desert Arc 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 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, 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 Desert Arc'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 Desert Arc'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.

Report on Summarized Comparative Information

The financial statements of Desert Arc for the year ended June 30, 2021, were audited by other auditors whose report dated September 23, 2021, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Coachella Valley
Accounting & Auditing

La Quinta, CA
September 22, 2022

DESERT ARC, INC
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022
WITH COMPARATIVE TOTALS FOR JUNE 30, 2021

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	(Memorandum Only)
<u>ASSETS</u>				
CURRENT ASSETS				
Cash	\$ 2,123,436	\$ 152,361	\$ 2,275,797	\$ 2,279,934
Certificates of deposit	3,155,786	-	3,155,786	2,958,118
Accounts receivable, net	1,896,676	-	1,896,676	1,576,465
Grant receivable	-	-	-	60,121
Prepaid expenses	180,149	-	180,149	192,171
Deposits	61,700	-	61,700	35,390
Cash - deferred compensation plan	66,563	-	66,563	47,063
Total current assets	7,484,310	152,361	7,636,671	7,149,262
PROPERTY AND EQUIPMENT				
Land	79,445	-	79,445	79,445
Building and improvements	7,745,129	-	7,745,129	7,679,145
Land improvements	169,934	-	169,934	169,934
Leasehold improvements	763,952	-	763,952	760,281
Furniture and fixtures	338,996	-	338,996	329,618
Office equipment	578,480	-	578,480	475,889
Tools and equipment	500,240	-	500,240	509,371
Vehicles	4,796,598	-	4,796,598	4,496,312
Artwork	136,005	-	136,005	67,405
	15,108,779	-	15,108,779	14,567,400
Less: accumulated depreciation	(8,883,588)	-	(8,883,588)	(8,111,168)
Total property and equipment	6,225,191	-	6,225,191	6,456,232
TOTAL ASSETS	\$ 13,709,501	\$ 152,361	\$ 13,861,862	\$ 13,605,494
<u>LIABILITIES AND NET ASSETS</u>				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	\$ 455,906	\$ -	\$ 455,906	\$ 235,283
Accrued payroll and vacation	1,022,216	-	1,022,216	1,436,904
Deferred income	58,628	-	58,628	37,409
Notes payable - current portion	91,879	-	91,879	89,034
Capital lease payable - current portion	123,835	-	123,835	134,866
Deferred compensation plan	66,563	-	66,563	47,063
Total current liabilities	1,819,027	-	1,819,027	1,980,559
LONG-TERM LIABILITIES				
Notes payable	1,807,784	-	1,807,784	1,898,579
Capital lease payable	221,507	-	221,507	281,342
Total long term liabilities	2,029,291	-	2,029,291	2,179,921
TOTAL LIABILITIES	3,848,318	-	3,848,318	4,160,480
NET ASSETS				
Without donor restrictions	9,861,183	-	9,861,183	9,368,241
With donor restrictions	-	152,361	152,361	76,773
Total net assets	9,861,183	152,361	10,013,544	9,445,014
TOTAL LIABILITIES AND NET ASSETS	\$ 13,709,501	\$ 152,361	\$ 13,861,862	\$ 13,605,494

(The accompanying notes are an integral part of these financial statements)

DESERT ARC, INC**STATEMENT OF ACTIVITIES**
FOR THE YEAR ENDED JUNE 30, 2022**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021**

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	(Memorandum Only)
SUPPORT AND REVENUES				
Program service fees	\$ 14,035,769	\$ -	\$ 14,035,769	\$ 14,581,223
Sales	1,077,110	-	1,077,110	771,218
Grants - other	187,489	109,212	296,701	703,811
Contributions	70,533	18,368	88,901	104,289
Contributions - in kind	72,764	-	72,764	6,983
United Way grant	6,165	-	6,165	2,127
Fundraising	219,443	-	219,443	160
Interest	91	-	91	1,556
Recycling	538,840	-	538,840	413,161
Landscape services	673,300	-	673,300	469,818
Rental income	19,152	-	19,152	19,152
Miscellaneous	27,151	-	27,151	24,185
Gain on disposal of assets	122,252	-	122,252	6,520
Net assets released from restrictions	51,992	(51,992)	-	-
TOTAL SUPPORT AND REVENUE	17,102,051	75,588	17,177,639	17,104,203
EXPENSES				
Program services	14,417,563	-	14,417,563	14,324,038
Management and general	1,919,024	-	1,919,024	1,976,811
Fund development	272,522	-	272,522	180,745
TOTAL EXPENSES	16,609,109	-	16,609,109	16,481,594
INCREASE IN NET ASSETS	492,942	75,588	568,530	622,609
NET ASSETS, BEGINNING OF YEAR	9,368,241	76,773	9,445,014	8,822,405
NET ASSETS, END OF YEAR	\$ 9,861,183	\$ 152,361	\$ 10,013,544	\$ 9,445,014

(The accompanying notes are an integral part of these financial statements)

DESERT ARC, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021

	2022			2021	
	Program Services	Management and General	Fund Development	Totals	(Memorandum Only)
Salaries	\$ 9,381,260	\$ 708,794	\$ 149,972	\$ 10,240,026	\$ 10,784,305
Payroll taxes	695,414	53,728	11,578	760,720	835,751
Employee benefits	391,932	32,758	4,552	429,242	426,631
Worker's compensation insurance	338,919	21,912	4,472	365,303	536,676
Other employee costs	54,153	217,532	-	271,685	227,684
Total salaries and related expenses	10,861,678	1,034,724	170,574	12,066,976	12,811,047
Advertising and promotion	4,171	162,229	8,108	174,508	168,629
Bad debt	8,097	-	-	8,097	4,826
Bank fees	17,811	90,891	144	108,846	80,802
Computer activities	21,762	98,098	450	120,310	119,209
Cost of sales	478,333	-	-	478,333	352,620
Dues and subscriptions	1,659	59,965	368	61,992	55,333
Fundraising	-	-	89,809	89,809	654
Insurance	183,041	162,319	-	345,360	311,546
Interest	36,110	94,670	-	130,780	111,691
Miscellaneous	4,165	32,846	-	37,011	12,196
Occupancy, repairs and maintenance	853,969	52,431	900	907,300	866,053
Office expense	984	8,294	2,110	11,388	7,895
Postage	266	4,281	-	4,547	3,778
Program costs	48,654	-	-	48,654	15,202
Professional services and other	33,480	60,099	-	93,579	51,604
Staff development	29,627	15,806	27	45,460	65,106
Supplies	92,854	14,302	32	107,188	54,064
Transportation	931,333	8,234	-	939,567	550,361
Total expenses before depreciation	13,607,994	1,899,189	272,522	15,779,705	15,642,616
Depreciation	809,569	19,835	-	829,404	838,978
TOTAL FUNCTIONAL EXPENSES	\$ 14,417,563	\$ 1,919,024	\$ 272,522	\$ 16,609,109	\$ 16,481,594

(The accompanying notes are an integral part of these financial statements)

DESERT ARC, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021

	2022	(Memorandum Only) 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 568,530	\$ 622,609
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	829,404	838,978
(Gain) on disposal of assets	(122,252)	(6,520)
(Increase) decrease in assets:		
Accounts receivable, net	(320,211)	122,476
Grant receivable	60,121	(60,121)
Prepaid expenses	12,022	42,874
Deposits	(26,310)	44,358
Increase (decrease) in liabilities		
Accounts payable and accrued liabilities	220,624	84,007
Accrued payroll and related	(414,688)	400,527
Deferred income	21,219	(1,331)
Net cash provided by operating activities	<u>828,459</u>	<u>2,087,857</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Property and equipment purchases - net	(476,112)	(290,779)
(Increase) decrease in certificates of deposit	<u>(197,668)</u>	<u>(2,695,430)</u>
Net cash used by investing activities	<u>(673,780)</u>	<u>(2,986,209)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Notes payable payments	(87,950)	(105,229)
Capital lease payments	<u>(70,866)</u>	<u>(88,002)</u>
Net cash used by financing activities	<u>(158,816)</u>	<u>(193,231)</u>
NET DECREASE IN CASH	(4,137)	(1,091,583)
CASH AT BEGINNING OF YEAR	<u>2,279,934</u>	<u>3,371,517</u>
CASH AT END OF YEAR	<u>\$ 2,275,797</u>	<u>\$ 2,279,934</u>
SUPPLEMENTAL DISCLOSURE		
Interest paid	<u>\$ 130,780</u>	<u>\$ 111,691</u>
Unrestricted cash	2,123,436	2,203,161
Restricted cash	<u>152,361</u>	<u>76,773</u>
Total cash	<u>\$ 2,275,797</u>	<u>\$ 2,279,934</u>

NONCASH FINANCING AND INVESTING TRANSACTIONS

The Organization financed the purchase of various vehicles and office equipment during the years ended June 30, 2022 and 2021 amounting to \$147,203 and \$44,319, respectively.

(The accompanying notes are an integral part of these financial statements)

DESERT ARC, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

1. NATURE OF THE ORGANIZATION

Desert Arc (the Organization) is a non-profit 501 (c) (3) corporation within the United States Internal Revenue Service Code and under the laws of the State of California. Desert Arc serves approximately 702 adults with disabilities such as autism, cerebral palsy, Down's syndrome, mental retardation, epilepsy, behavioral and other medical conditions. Desert Arc's mission is to enhance the quality of life and create opportunities for people with disabilities.

Desert Arc provides a variety of services for people with developmental and other disabilities. Its services include adult day care, supportive employment, vocational training, job development, job placement, independent living support, advocacy for client needs and community integration. Desert Arc is accredited by the Commission for Accreditation of Rehabilitation Facilities (CARF). Desert Arc creates numerous social opportunities and extra-curricular events such as sports, outings, trips, art shows, holiday parties, and musical performances for its clients with disabilities throughout the year. It hosts several fundraisers for its mission and operational needs as well.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions

Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions

Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, donor restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. (See note 3)

Contributions

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions are recognized when the donor makes a promise to the Organization, in substance and unconditionally. It is the Organization's policy to treat donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted.

Cash and Cash Equivalents

Cash equivalents consists of all highly liquid investments with original maturities of 90 days or less.

Certificates of Deposit

Certificates of deposit have maturities ranging from twenty-four months to thirty-six months and are recorded at fair market value, which approximates cost.

DESERT ARC, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Concentration of Credit Risk

The Organization maintains its cash in deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any significant losses in such accounts. Management of the Organization believes it is not exposed to any significant credit risk related to cash.

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 those estimates.

Expense Allocations

The costs of providing programs and other activities are summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, certain costs have been allocated between the programs and supporting services benefitted.

Promises to Give

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at the net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured at the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due date are written off unless the donor indicates that payment is merely postponed.

Property and Equipment

Property and equipment are recorded at cost, if purchased, or at fair value at the date of donation, if donated. Maintenance and repair costs are charged to expense as incurred. Property and equipment are capitalized if the cost of an asset is greater than or equal to \$1,500 and the useful life is greater than one year. Depreciation is computed on the straight-line basis over the estimated useful lives as follows:

Buildings and improvements	3-39 years
Furniture and equipment	3-15 years
Vehicles	3-10 years

DESERT ARC, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other Revenue

The Organization is funded for services primarily by the State of California via the Department of Developmental Services through the Regional Center, other government units (Riverside County and local municipalities), foundations and grants, fundraising activities, individual donations and contributions, and contract work with private industry including residential and commercial landscaping and collecting and processing recyclables. Desert Arc is Cal Recycle certified.

Donated Goods and Services

Donated goods and services are recognized as contributions if the goods or services create or enhance non-financial assets, or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Several unpaid volunteers have made significant contributions of time to the Organization. However, the value of these services is not reflected in the financial statements because the criteria for recognition has not been satisfied.

Contributions of Gifts In-Kind

The Organization has received various noncash assets, such as supplies, that were used for purposes of operating and program activities. Contributed services and gifts in-kind in the amounts of \$72,764 and \$6,983 are recorded as income and expense in the statement of activities for the years ended June 30, 2022 and 2021, respectively. These contributions are value at the estimated fair value provided by the donor or the net realizable value of donations used for retail operations.

Recent Accounting Pronouncements

In September 2020, the FASB issued Accounting Standards Update (“ASU”) 2020-07, Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958) which is effective for the Organization’s year ending December 31, 2022, with early adoption permitted, and is intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts in-kind, for not-for-profit organizations. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets, along with expanded disclosure requires.

Memorandum Totals and Reclassifications

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization’s financial statements for the prior year, from which the summarized information was derived.

Certain amounts in prior year presented have been reclassified to conform to the current period financial statement presentation. These reclassifications have no effect on previously reported change in net assets.

DESERT ARC, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

3. DONOR RESTRICTED NET ASSETS

Total donor restricted net assets consist of the following:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Capital Campaign - Phase II	\$ 18,291	\$ 18,291
Client Emergency Fund	7,358	-
Asset purchase - Forklift	36,000	20,000
Lunch Program	3,212	18,482
Nurses	62,500	10,000
Other	5,000	10,000
Pathways to Employment	20,000	-
Total	<u>\$ 152,361</u>	<u>\$ 76,773</u>

4. INCOME TAXES

The Organization is a not-for-profit organization that is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3), and from California franchise taxes under related state tax regulations and classified by the Internal Revenue Service as other than a private foundation. The Organization may be subject to tax on income from any unrelated business operations. The Organization does not currently have any unrelated business operations. The Organization's Form 990, Return of Organization's Exempt from Income Tax are subject to examination by the IRS, generally for three years after they were filed.

5. GRANTS AND CONTRACT AWARDS

Desert Arc receives grants and contracts from governmental agencies and private grantors for various purposes. Grants and contract awards not yet received are accrued to the extent that unreimbursed expenses have been incurred for the purposes specified in an approved grant or contract. The Organization defers grant and contract revenues received under approved awards from grantors to the extent they exceed expenses incurred for the purposes specified under the grant restrictions.

6. GRANTS RECEIVABLE

There were no grants receivable as of June 30, 2022. Grants receivable of \$60,121 at June 30, 2021 consisted of a grant from the City of Palm Desert for the purchase of COVID related expenses.

DESERT ARC, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

7. IMPAIRMENT OF LONG-LIVED ASSETS

The Organization evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the estimated future cash flows (undiscounted and without interest charges) from the use of an asset are less than the carrying value, a “write down” down is recorded to reduce the related asset to its estimated fair value. To date, no such write-downs occurred.

8. ACCOUNTS RECEIVABLE

Accounts receivable consists primarily of funds due from government and private granting agencies. An allowance for doubtful accounts of \$5,099 has been recorded for potentially uncollectible accounts. Accounts receivable as of June 30, 2022, consist of the following:

Inland Regional Center	\$ 1,365,510
Department of Rehabilitation	43,087
Alta Regional Center	25,445
Other receivables	<u>467,733</u>
	1,901,775
(Less) allowance for doubtful amounts	<u>(5,099)</u>
Total Accounts Receivable	<u>\$ 1,896,676</u>

9. DONATED ART COLLECTION

The Organization’s art collection consists of sculptures and other artwork that are publicly displayed and preserved. During the year ended, June 30, 2022 the Organization received \$68,600 in donated art. Donated art is valued at \$136,005 and \$67,405 for the years ended June 30, 2022 and 2021, respectively.

10. NOTES PAYABLE

Notes payable consists of the following at June 30, 2022:

First Republic Bank

On December 27, 2017, the Organization refinanced it’s existing two notes payable held with Bank of Southern California with First Republic Bank. The new loan allows borrowings up to \$3.9 million, fixed interest at 3.95% with monthly principal and interest through maturity date of December 2047 and secured by real property. The initial loan taken was \$2,003,000 with monthly payments of \$9,526. The outstanding note payable at June 30, 2022 and 2021 amounted to \$1,839,835 and \$1,879,595, respectively.

Daimler Truck Financial

The Organization financed the purchase of a \$89,342 recycling truck in July 2016, with monthly principal and interest payments at 5.58% through July 2021. The loan was paid off as of June 30, 2021.

DESERT ARC, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

10. NOTES PAYABLE (continued)

Western Equipment Finance

The Organization financed the purchase of a \$269,134 shredding truck in May 2017, with monthly principal and interest payments at 5.75% through August 2023. The principal balance on this loan at June 30, 2022 and 2021 amounted to \$59,828 and \$108,018, respectively.

The future principal maturities for all notes payable at June 30, 2022 are as follows:

Year ended June 30, _____	
2023	\$ 91,879
2024	51,281
2025	44,518
2026	46,309
2027	48,171
Thereafter	<u>1,617,505</u>
Total	<u>\$ 1,899,663</u>

11. CAPITAL LEASES

The Organization leases office equipment and vehicles under various capital leases expiring in various years through February 2027. Office equipment and vehicles held under capital leases are included in property and equipment on the Statement of Financial Position. The future maturities on all capital leases at June 30, 2022 are as follows:

Year ended June 30, _____	
2023	\$ 123,835
2024	107,014
2025	70,045
2026	39,518
2027	4,930
Thereafter	<u>-</u>
Total	<u>\$ 345,342</u>

12. CONCENTRATIONS

The Organization relies on a majority of its revenue from the State of California funding. During the year ended June 30, 2022, the Organization received approximately \$14 million from the state, representing 82% of total revenue for the year.

DESERT ARC, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

13. LINE OF CREDIT

The Organization has a \$600,000 variable interest line of credit with a maturity date of December 2022. The line of credit is secured by Desert Arc's real property and has no amounts outstanding as of June 30, 2022.

14. RETIREMENT PLAN

The Organization has a defined contribution safe harbor 401(k) plan covering all eligible employees. The Organization matches 100% of employee salary deferral up to 6% of employee compensation. Effective January 1, 2019, the Organization changed the match to 4% of employee compensation. The Organization paid the plan's administrative fees and contributed matching funds of \$109,358 during the year ended June 30, 2022.

The Organization also has a deferred compensation 457(b) plan and is available to key employees. There is no expense to the Organization. Total cash and corresponding liability at June 30, 2022 amounted to \$66,563.

15. OPERATING LEASE COMMITMENTS

The Organization leases certain properties under operating leases through July 2028. These leases consist of a building in Yucca Valley leased through December 2028, Recycling Center property in Indio leased through April 2024 and the Transportation Center property in Indio leased through July 2023. The future lease payments for the years ended June 30 are as follows:

Year ended June 30, _____	
2023	\$ 220,183
2024	189,309
2025	121,778
2026	123,604
2027	125,459
Thereafter	<u>191,485</u>
Total	<u>\$ 971,818</u>

16. UNCERTAINTIES

As a result of the COVID-19 coronavirus pandemic, economic uncertainties continue to arise which has had an impact on the year ended June 30, 2022.

Management anticipates economic uncertainties associated with the COVID-19 coronavirus pandemic could have an impact on 2022/2023 operating revenues. The related financial impact and duration cannot be reasonably estimated at this time.

DESERT ARC, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

17. LIQUIDITY

The Organization's financial assets available within one year of the Statement of Financial Position date for general expenditure are as follows:

Cash	\$ 2,123,436
Certificates of deposit	3,155,786
Accounts receivable	<u>1,896,676</u>
Total	<u>\$ 7,175,898</u>

The Organization is committed to investing liquid assets conservatively. Income from donor-restricted services is restricted for specific purposes and therefore, is not available for general expenditure. The Organization also has access to its line of credit of \$600,000 (see note 13)

18. SUBSEQUENT EVENTS

The Organization evaluated all potential subsequent event as of September 22, 2022 when the financial statements were authorized and available to be issued. No subsequent events or transactions were identified after June 30, 2022 or as of September 22, 2022 that require disclosure to the financial statements.



Department of the Treasury
Internal Revenue Service
P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248367569
Oct. 28, 2015 LTR 4168C 0
95-6006700 000000 00

00015734
BODC: TE

DESERTARC
73255 COUNTRY CLUB DR
PALM DESERT CA 92260



017219

Employer Identification Number: 95-6006700
Person to Contact: Customer Service
~~Toll-Free Telephone Number: 1-877-829-5500~~

Dear Taxpayer:

This is in response to your Oct. 19, 2015, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in January 1971.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.

0248367569
Oct. 28, 2015 LTR 4168C 0
95-6006700 000000 00
00015735

DESERTARC
73255 COUNTRY CLUB DR
PALM DESERT CA 92260

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Doris P. Kenwright

Doris Kenwright, Operation Mgr.
Accounts Management Operations 1

Request for Taxpayer Identification Number and Certification

► Go to www.irs.gov/FormW9 for instructions and the latest information.

Give Form to the
requester. Do not
send to the IRS.

Print or type.
See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. Desert Arc		
2 Business name/disregarded entity name, if different from above		
3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes. <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input checked="" type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. <input type="checkbox"/> Other (see instructions) ► _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>	
5 Address (number, street, and apt. or suite no.) See instructions. 73255 Country Club Dr.	Requester's name and address (optional)	
6 City, state, and ZIP code Palm Desert, CA 92260		
7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number									
				-			-		
or									
Employer identification number									
9	5	-	6	0	0	6	7	0	0

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ► Kurt C. Smith	Date ► 3/15/2023
-----------	---	-------------------------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/27/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER (WC) Heffernan Insurance Brokers 1350 Carback Avenue Walnut Creek CA 94596	CONTACT NAME: Stephanie Lawrence PHONE (A/C, No, Ext): 925-934-8500 FAX (A/C, No): 925-934-8278 E-MAIL ADDRESS: StephanieL@heffins.com	
License#: 0564249 DESEARC-01	INSURER(S) AFFORDING COVERAGE	NAIC #
INSURED Desert Arc 73-255 Country Club Drive Palm Desert CA 92260	INSURER A: Nationwide Mutual Fire Insurance Company	23779
	INSURER B: AMCO Insurance Company	19100
	INSURER C: Care West Insurance Company	10520
	INSURER D: Travelers Casualty and Surety Company of America	31194
	INSURER E:	
	INSURER F:	

COVERAGES**CERTIFICATE NUMBER:** 322614990**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Prof. Liab <input checked="" type="checkbox"/> Limits \$1M/\$3M GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ACP3110080003	4/25/2022	4/25/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			ACPBA3110080003	4/25/2022	4/25/2023	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			ACPCAA3110080003	4/25/2022	4/25/2023	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N <input type="checkbox"/>	N / A	W12212002040	12/31/2022	12/31/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Abuse Crime			107431452	4/25/2022	4/25/2023	Limits Limits \$1M/\$3M 300,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Sample of coverages at time of binding. Does not provide any proof of coverage unless holder name and address is completed.

CERTIFICATE HOLDER**CANCELLATION**Name
Address
City, State Zip

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2015 ACORD CORPORATION. All rights reserved.



Desert Arc

OPPORTUNITIES FOR PEOPLE WITH DISABILITIES

Desert Arc Family and Caregiver Social Well-Being Resource Pilot

Health/ Mental Health Grant : Evaluation Summary

DESERT ARC

73-255 Country Club Drive
Palm Desert, CA 92260

kwailes@desertarc.org
O: 760-346-1611

Kathrene Wales

73255 Country Club Drive
Palm Desert, CA 92260

kwailes@desertarc.org
O: 760-346-1611 x234

Evaluation Summary

Overall Score: 87% - 4/6 Evaluations Complete

Reader 4:	<i>Evaluation Not Complete</i>
Reader 17:	83.00%
Reader 16:	<i>Evaluation Not Complete</i>
Reader 18:	69.00%
Reader 13:	94.00%
Reader 14:	100.00%

Question Group

1. Does the program align with the RAP Foundation's mission and vision?*

Mission: To provide funding, oversight, technical assistance, and guidance to nonprofits, community-based organizations or other collaborative groups which serve the populations of eastern Riverside County in the areas of health, mental health, and juvenile intervention.

Vision: To enhance the quality of life for all residents of eastern Riverside County by investing in nonprofits and empowering them to effectively serve unmet needs identified by the RAP Board of Directors.

Max Score: 5

Reader 4: *[Unanswered]*

Reader 17: 5

Reader 16: *[Unanswered]*

Reader 18: 4

Reader 13: 5

Reader 14: 5

2. Does the applicant provide substantial information about their program in their application?*

Max Score: 5

Reader 4: *[Unanswered]*

Reader 17: 4

Reader 16: *[Unanswered]*

Reader 18: 3

Reader 13: 5

Reader 14: 5

3. Does the applicant clearly describe their goals and objectives?*

Max Score: 5

Reader 4: *[Unanswered]*

Reader 17: 4

Reader 16: *[Unanswered]*

Reader 18: 3

Reader 13: 5

Reader 14: 5

4. Does the applicant clearly describe their geographic area and target population?*

Max Score: 5

Reader 4: *[Unanswered]*

Reader 17: 4

Reader 16: *[Unanswered]*

Reader 18: 4

Reader 13: 5

Reader 14: 5

5. Does the applicant clearly describe how the program will support/align with selected strategies?*

Max Score: 5

Reader 4: *[Unanswered]*

Reader 17: 4

Reader 16: *[Unanswered]*

Reader 18: 3

Reader 13: 5

Reader 14: 5

6. Does the applicant clearly describe their method for evaluation?*

Max Score: 5

Reader 4: *[Unanswered]*

Reader 17: 4

Reader 16: *[Unanswered]*

Reader 18: 3

Reader 13: 4

Reader 14: 5

If you would like to provide comments or questions for #1-6, please enter them here.*

If none, enter N/A

Reader 4: *[Unanswered]*

Reader 17: The pilot supportive services to be extended to the families of the clients that Desert Arc serves is a worthwhile undertaking and promotes increased mental health awareness for those family members and their potential participation in necessary self-care services to be rendered by the Holman Group. It is unclear how Desert Arc will be able to qualify the benefits of this supportive structure since no real data outcomes will

be shared by the Holman Group. If Desert Arc could elaborate more on how they will be able to track the impact of this part of the project on the identified strategies related to the RFP that would be helpful.

Reader 16: *[Unanswered]*

Reader 18: What are the free mental health resources they are referring to? They keep mentioning a vital mental health resource but no specifics - is this a screening, linkage to counseling, support groups, navigating accessibility to care, etc.? They mention a 24/7/365 Crisis Line - is this a mental health crisis line a crisis line for any health, SDOH related need?

Some of their outreach materials are in Spanish but does the Holman group offer services in Spanish?

Their evaluation is lacking details to measure effectiveness of a pilot program.

Budget narrative says they are serving Morongo Basin - funds cannot be directed to that area.

What is their sustainability plan for this pilot program if successful?

Can they elaborate on how they are going to reach 600 clients with a pilot program of less than \$25,000 and offer free mental health services?

Reader 13: n/a

Reader 14: Family members often are under tremendous strain and do need assistance with their own mental health. This pilot program will help to ensure family is able to support the clients of Desert Arc.

7. Is the program financially feasible?*

Please review the applicant's attached budget on their application.

Max Score: 5

Reader 4: *[Unanswered]*

Reader 17: 4

Reader 16: *[Unanswered]*

Reader 18: 4

Reader 13: 4

Reader 14: 5

8. Do you recommend funding?*

Reader 4: *[Unanswered]*

Reader 17: Yes

Reader 16: *[Unanswered]*

Reader 18: No

Reader 13: Yes

Reader 14: Yes

Based on your #7 & #8 responses, please elaborate on why you do or do not recommend funding.*

Reader 4: *[Unanswered]*

Reader 17: The pilot supportive services to be extended to the families of the clients that Desert Arc serves is a worthwhile undertaking and promotes increased mental health awareness for those family members and their potential participation in necessary self-care services to be rendered by the Holman Group. It is unclear how Desert Arc will be able to qualify the benefits of this supportive structure since no real data outcomes will

be shared by the Holman Group. If Desert Arc could elaborate more on how they will be able to track the impact of this part of the project on the identified strategies related to the RFP that would be helpful.

Reader 16: *[Unanswered]*

Reader 18: Who is providing the evaluation services for \$1,000 and what are the results of that fee?

I have a lot of clarity questions throughout this great, see above. This is a highly competitive RFP and I think they would be better to reapply to another RFP or another rolling grant application process.

Reader 13: The pilot project would be entirely funded by RAP.

Reader 14: This is a new program and additional funding is needed to begin it.

9. Do you recommend any special conditions?*

Examples: NPO Centric Standard Digital or Premium Local membership, installments, etc.)

If none, please enter N/A.

Reader 4: *[Unanswered]*

Reader 17: N/A

Reader 16: *[Unanswered]*

Reader 18: N/A

Reader 13: n/a

Reader 14: na

Questions/Comments*

Please provide questions or comments about the program that would be beneficial for the Grants Review Committee to ask or discuss with the applicant during their interview at the Grants Review Committee Meeting.

If none, enter N/A

Reader 4: *[Unanswered]*

Reader 17: The pilot supportive services to be extended to the families of the clients that Desert Arc serves is a worthwhile undertaking and promotes increased mental health awareness for those family members and their potential participation in necessary self-care services to be rendered by the Holman Group. It is unclear how Desert Arc will be able to qualify the benefits of this supportive structure since no real data outcomes will be shared by the Holman Group. If Desert Arc could elaborate more on how they will be able to track the impact of this part of the project on the identified strategies related to the RFP that would be helpful.

Reader 16: *[Unanswered]*

Reader 18: What are the free mental health resources they are referring to? They keep mentioning a vital mental health resource but no specifics - is this a screening, linkage to counseling, support groups, navigating accessibility to care, etc.? They mention a 24/7/365 Crisis Line - is this a mental health crisis line a crisis line for any health, SDOH related need?

Some of their outreach materials are in Spanish but does the Holman group offer services in Spanish?

Their evaluation is lacking details to measure effectiveness of a pilot program.

Budget narrative says they are serving Morongo Basin - funds cannot be directed to that area.

What is their sustainability plan for this pilot program if successful?

Can they elaborate on how they are going to reach 600 clients with a pilot program of less than \$25,000 and offer free mental health services?

Reader 13: n/a

Reader 14: na