

**AID TO VICTIMS OF DOMESTIC  
ABUSE, INC.  
FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2018**

**AID TO VICTIMS OF DOMESTIC  
ABUSE, INC.  
FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2018**

**TABLE OF CONTENTS**

	<u>PAGE</u>
Independent Auditor's Report .....	1-2
Financial Statements	
Statement of Financial Position .....	3
Statement of Activities.....	4
Statement of Cash Flows .....	5
Statement of Functional Expenses .....	6
Notes to Financial Statements .....	7-12
Schedule of Expenditures of Federal Awards and State Financial Assistance .....	13
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance .....	14-15
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 <i>Government Auditing Standards</i> .....	16-17
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.....	18-19
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance .....	20



## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Aid to Victims of Domestic Abuse, Inc.  
Delray Beach, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of Aid to Victims of Domestic Abuse, Inc. (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses and cash flows for the fiscal year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Aid to Victims of Domestic Abuse as of June 30, 2018, and the changes in its net assets and its cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

### Report on Summarized Comparative Information

We have previously audited the Organization's 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 17, 2017. In our opinion, the summarized comparative information presented herein as of and for the fiscal year ended June 30, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.650 of the Rules of the Auditor General of the State of Florida, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2018 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

October 18, 2018

**AID TO VICTIMS OF DOMESTIC ABUSE, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2018 WITH SUMMARIZED FINANCIAL INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	2018			2017
	Unrestricted	Temporarily Restricted	Total	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 232,884	\$ 124,005	\$ 356,889	\$ 365,084
Investments	105,772	-	105,772	100,798
Grants and contributions receivable	309,580	-	309,580	258,190
Other receivables	7,515	-	7,515	3,479
Prepaid expenses	14,993	-	14,993	10,173
Property and equipment, net	2,530,024	-	2,530,024	2,575,679
Other assets	5,436	-	5,436	5,436
<b>Total assets</b>	<b>\$ 3,206,204</b>	<b>\$ 124,005</b>	<b>\$ 3,330,209</b>	<b>\$ 3,318,839</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 4,659	\$ -	\$ 4,659	\$ 8,916
Accrued expenses	67,801	-	67,801	66,069
Loan payable	300,000	-	300,000	280,000
Deferred revenue	1,500	-	1,500	-
<b>Total liabilities</b>	<b>373,960</b>	<b>-</b>	<b>373,960</b>	<b>354,985</b>
<b>NET ASSETS</b>				
Temporarily restricted	-	124,005	124,005	165,974
Unrestricted:				
Undesignated	2,832,244	-	2,832,244	2,797,880
<b>Total net assets</b>	<b>2,832,244</b>	<b>124,005</b>	<b>2,956,249</b>	<b>2,963,854</b>
<b>Total liabilities and net assets</b>	<b>\$ 3,206,204</b>	<b>\$ 124,005</b>	<b>\$ 3,330,209</b>	<b>\$ 3,318,839</b>

See notes to financial statements.

**AID TO VICTIMS OF DOMESTIC ABUSE, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2018 WITH SUMMARIZED FINANCIAL INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	2018			2017
	Unrestricted	Temporarily Restricted	Total	Total
Public support:				
Contributions	\$ 403,178	\$ 97,500	\$ 500,678	\$ 267,726
Grants from United Way	143,652	-	143,652	133,423
Grants from governmental agencies	1,773,948	-	1,773,948	1,535,917
Special events, net	120,115	-	120,115	79,174
Habitat for Humanity - salvage merchandise license agreement	19,224	-	19,224	26,752
Revenues:				
Interest income	5,075	-	5,075	2,451
Gain/(loss) on disposal of assets	-	-	-	(1,740)
Other income	4,924	-	4,924	15,159
	<u>2,470,116</u>	<u>97,500</u>	<u>2,567,616</u>	<u>2,058,862</u>
Net assets released from restrictions	139,469	(139,469)	-	-
Total support and revenues	<u>2,609,585</u>	<u>(41,969)</u>	<u>2,567,616</u>	<u>2,058,862</u>
Expenses				
Program services	2,352,445	-	2,352,445	2,010,372
Supporting services:				
General and administration	129,455	-	129,455	115,220
Fund raising	93,321	-	93,321	103,898
Total expenses	<u>2,575,221</u>	<u>-</u>	<u>2,575,221</u>	<u>2,229,490</u>
Change in net assets	34,364	(41,969)	(7,605)	(170,628)
Net assets, beginning of year	<u>2,797,880</u>	<u>165,974</u>	<u>2,963,854</u>	<u>3,134,482</u>
Net assets, end of year	<u>\$ 2,832,244</u>	<u>\$ 124,005</u>	<u>\$ 2,956,249</u>	<u>\$ 2,963,854</u>

See notes to financial statements.

**AID TO VICTIMS OF DOMESTIC ABUSE, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2018 WITH SUMMARIZED FINANCIAL INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (7,605)	\$ (170,628)
Adjustments to reconcile change in net assets to net cash provided (used in) by operating activities:		
Unrealized (gain)/loss on investments	(113)	6,558
Depreciation expense	119,064	98,496
Loss on disposal of assets	-	1,740
(Increase) decrease in:		
Grants receivable	(51,390)	(38,426)
Other receivables	(4,036)	(1,482)
Prepaid expenses	(4,820)	15,583
Other assets	-	3,912
Increase (decrease) in:		
Accounts payable	(4,257)	6,002
Accrued expenses	1,732	29,333
Deferred revenues	1,500	-
<b>NET CASH PROVIDED (USED IN) BY OPERATING ACTIVITIES</b>	<b>50,075</b>	<b>(48,912)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale (purchase) of investments	(4,862)	(14,295)
Purchase of fixed assets	(73,408)	(119,883)
<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>	<b>(78,270)</b>	<b>(134,178)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from (repayment of) line of credit	20,000	215,624
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<b>20,000</b>	<b>215,624</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(8,195)</b>	<b>32,534</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>365,084</b>	<b>332,550</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 356,889</b>	<b>\$ 365,084</b>
<b>Supplemental data:</b>		
Interest paid	<b>\$ 11,388</b>	<b>\$ 5,397</b>

See notes to financial statement

**AID TO VICTIMS OF DOMESTIC ABUSE, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2018 WITH SUMMARIZED FINANCIAL INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Program Services	General and Administrative	Fund Raising	Total All Expenses	
				2018	2017
Salaries	\$ 1,329,562	\$ 62,563	\$ 85,006	\$ 1,477,131	\$ 1,331,870
Payroll taxes and charges	96,067	4,786	6,503	107,356	93,445
Other employee benefits	180,400	20,761	-	201,161	157,486
Building maintenance and repairs	33,590	227	-	33,817	30,473
Utilities	54,404	1,448	-	55,852	54,148
Security	13,639	76	-	13,715	4,483
Client food and supplies	35,183	41	-	35,224	36,625
Storage rental	2,005	223	-	2,228	1,873
Rent	70,023	12,357	-	82,380	79,002
Postage	1,739	162	-	1,901	1,585
Printing	4,627	158	-	4,785	1,597
Telephone and internet	27,282	814	-	28,096	21,596
Public relations	16,517	57	-	16,574	28,706
Office supplies	13,135	831	43	14,009	14,574
IT Hardware & Software	3,003	129	760	3,892	9,938
Program supplies	28,846	-	-	28,846	37,260
Equipment rental and maintenance	17,890	259	-	18,149	27,076
Transportation	24,726	778	69	25,573	18,234
Direct assistance	110,690	-	-	110,690	27,220
Consulting and professional service	45,007	2,350	-	47,357	24,019
Payroll service charges	24,625	2,736	-	27,361	23,243
Insurance	53,386	4,194	-	57,580	55,561
Staff development	2,667	-	-	2,667	4,077
Travel and conferences	20,897	293	-	21,190	15,127
Memberships and subscriptions	11,776	856	-	12,632	13,208
Licenses and fees	5,435	116	-	5,551	4,360
Bank charges	4,722	53	-	4,775	3,898
Interest expense	10,249	1,139	-	11,388	5,397
Year end campaign	-	-	940	940	1,347
Miscellaneous	3,195	142	-	3,337	3,566
Total expenses before depreciation	2,245,287	117,549	93,321	2,456,157	2,130,994
Depreciation	107,158	11,906	-	119,064	98,496
Total expenses	\$ 2,352,445	\$ 129,455	\$ 93,321	\$ 2,575,221	\$ 2,229,490

See notes to financial statements

**AID TO VICTIMS OF DOMESTIC ABUSE, INC.  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the significant accounting policies of Aid to Victims of Domestic Abuse, Inc.

Nature of the Organization's Activity

Aid to Victims of Domestic Abuse, Inc. (the "Organization") operates a center in the Southern Palm Beach County area. The agency provides emergency shelter for victims of domestic violence and their children. In addition, the Organization provides counseling services, prevention programs, and community education to the general public. In March 2005, the Organization began a transitional living program for victims where they can stay up to two years.

During the fiscal year ended June 30, 2018, approximately 69% of the Organization's funding came from various federal, state and county agencies and local municipalities as contracted for services. If funding policies and/or amounts of funding were to be substantially reduced by these agencies in future contracts, the operations of the Organization could be significantly affected in the future.

Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. In addition, the Organization recognizes only those contributed services, which are provided by individuals possessing "specialized skills". Restricted contributions whose restrictions are met in the same reporting period as unrestricted contributions are treated as unrestricted contributions.

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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the fiscal year ended June 30, 2017, from which the summarized information was derived.

Cash and Cash Equivalents

For purposes of reporting cash flows, the Organization considers all money market funds with an original maturity of three months or less to be cash equivalents.

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times, such accounts may be in excess of the FDIC insurance limits.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Unconditional promises to give non-cash assets that are expected to be received in future years are recorded at the present value of the expected fair value of the underlying non-cash assets expected to be received. The discounts on those amounts are computed using a risk-free interest rate applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Any changes in the expected fair value of underlying non-cash assets are reported as increases and decreases in contribution revenue in the period the change occurs. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

### Accounts Receivable

Accounts receivable are unconditional promises to give or unsecured amounts due from grantors on cost reimbursement or performance grants. Management believes that all outstanding accounts receivable are collectible in full, therefore, no allowance for uncollectible receivables has been provided.

### Donated Use of Assets and Donated Services

The estimated fair value of the free use of assets owned by others and the estimated fair value of contributed services of individuals with special skills over which the Organization exercises control, and which constitutes an enhancement to the normal program or services that would not otherwise be performed by paid personnel, the amount of which is clearly measurable, are also recorded and reflected in the accompanying financial statements.

### Fixed Assets

Property and equipment are stated at cost, if purchased by the Organization or at fair value at the date of the gift, if received as a donation. Donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Those assets donated with donor stipulations regarding permanent restrictions for a certain use are included as permanently restricted.

Major additions, which materially increase the value of the property, are capitalized and depreciated over the life of the asset. Maintenance and repairs are charged to expense as incurred. Depreciation expense has been computed using the straight-line method over useful lives ranging from 5 to 30 years. The Organization follows the practice of capitalizing all expenditures for land, buildings and equipment in excess of \$1,000.

### Allocation of Common Costs

The costs of providing the various programs and other activities have been detailed in the statement of functional expenses and summarized on a functional basis in the statement of activities. Salaries and other expenses, which are associated with a specific program, are charged directly to that program. Administrative expenses are allocated to the various programs based on management's cost allocation plan.

### Income Taxes

The Organization is incorporated in the state of Florida as a nonprofit organization and has also elected federal tax-exempt status under I.R.C. Section 501(c)(3).

The Organization's Form 990, Return of Organization Exempt from Income Tax, for the years ended 2015, 2016, and 2017 are subject to examination by the Internal Revenue Service, generally for three years after they were filled.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

## NOTE 2 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are as follows:

	2018	2017
New shelter	\$ -	\$ 28,055
Life enrichment center	102,000	102,000
Resident emergency assistance	14,505	35,919
Commit to change	7,500	-
Total temporarily restricted net assets	<u>\$ 124,005</u>	<u>\$ 165,974</u>

Assets released from restrictions:

	2018	2017
New shelter	\$ 78,055	\$ 175,596
Health and wellness initiative	-	39,684
Resident emergency assistance	61,414	-
Total	<u>\$ 139,469</u>	<u>\$ 215,280</u>

## NOTE 3 – PROPERTY AND EQUIPMENT

The following summarizes property and equipment at June 30:

	2018	2017
Land	\$ 111,261	\$ 111,261
Construction in process	1,660	33,922
Buildings and improvements	2,784,822	2,745,470
Equipment	183,492	189,727
Vehicles	58,658	58,658
Furniture and fixtures	133,129	92,779
Total property and equipment	<u>3,273,022</u>	<u>3,231,817</u>
Less accumulated depreciation	742,998	656,138
Total property and equipment, net	<u>\$ 2,530,024</u>	<u>\$ 2,575,679</u>

## NOTE 4 – FAIR VALUE MEASUREMENTS

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported on a recurring basis at June 30 are as follows:

	2018		2017	
	Quoted prices in active markets for identical assets (Level 1)		Quoted prices in active markets for identical assets (Level 1)	
	Fair Value	Fair Value	Fair Value	Fair Value
Bond funds	\$ 58,777	\$ 58,777	\$ 55,777	\$ 55,777
Equity funds	46,995	46,995	45,021	45,021
	<u>\$ 105,772</u>	<u>\$ 105,772</u>	<u>\$ 100,798</u>	<u>\$ 100,798</u>

## NOTE 5 – GRANTS AND OTHER FUNDING

The following is a summary of grants and other funding for the fiscal year ended June 30:

	2018	2017
Florida Coalition Against Domestic Violence		
Basic Needs	\$ 4,998	\$ 45,000
Child Protective Investigations	75,000	75,000
Domestic Violence Services	616,592	558,342
Economic Justice	72,530	29,403
Economic Empowerment	1,966	-
Engaging Men	62,737	59,123
Mental Health Grant	101,191	101,191
Prevention	20,000	20,000
Training	4,047	2,300
Transportation and Participant Needs	42,014	-
OVW Sexual Assault	51,003	46,447
OVW Transitional Housing	145,096	75,658
Palm Beach County (PBC) Board of County Commissioners	199,473	259,557
PBC Emergency Solutions Grant	56,526	40,221
PBC Youth Services	58,238	-
PBC Community Development Block Grant	20,021	23,152
U. S. Department of Justice - Legal Assistance Grant	31,236	22,998
U. S. Department of Justice Victims of Crime Act	168,199	135,526
United Way agencies	64,652	63,423
City of Boynton Beach	9,534	9,999
City of Boca Raton	27,500	27,500
Town of Palm Beach United Way	79,000	70,000
Other local grants	6,047	4,500
	<u>\$ 1,917,600</u>	<u>\$ 1,669,340</u>

Certain contracts require that the Organization match other funds with the contract revenues. Although most of the contracts are on a different fiscal period than the Organization, the unreimbursed amount of expenses exceeded the matching requirements of the related contracts. These contracts are renegotiated annually, and some have terms that do not coincide with the June 30 fiscal year of the Organization.

## NOTE 6 – HABITAT FOR HUMANITY

The Organization has a royalty-based license agreement with Habitat for Humanity of South Palm Beach County (“Habitat for Humanity”). In connection with this agreement, Habitat for Humanity pays the Organization certain percentages of gross sales depending upon the type of item. The agreement also describes the responsibilities of the parties with respect to control over the operations of Habitat for Humanity and its retail stores. As a result of this agreement, the Organization earned \$19,224 for the fiscal year ended June 30, 2018. The agreement will expire on December 31, 2018.

## NOTE 7 – SPECIAL EVENTS

During the fiscal year ended June 30, 2018, the Organization held several special fund raising events. The following summarizes those activities:

	2018	2017
Gross support	\$ 172,029	\$ 175,642
Less: direct costs	(51,914)	(96,468)
Net support	<u>\$ 120,115</u>	<u>\$ 79,174</u>

## NOTE 8 – EMPLOYEE BENEFITS PLAN

Employees of the Organization are eligible to establish their own Tax-Deferred Annuity (TDA), a tax deferred retirement program, created under Section 403(b) of the Internal Revenue Code.

Effective May 1, 2002, the Board of Directors established a Thrift Plan for eligible employees. In order to be eligible, the employee must have obtained the age of 21 and have completed one year of service with the Organization. All employees who were employed prior to May 1, 2002 were eligible for the plan. The plan is administered by Mutual of America in New York.

The value of an individual account attributable to employer contributions is vested as follows:

<u>Years of Service</u>	<u>Percent Vested</u>
0-1	0%
1	33%
2	66%
3 or more	100%

Effective July 1, 2004, the Board passed a resolution to terminate funding the Thrift Plan. The plan remains in existence and is maintained for the benefit of the employees. At that time, all employees in the plan became 100% vested.

## NOTE 9 – DONATED MATERIALS AND SERVICES

A substantial number of volunteers have donated significant amounts of their time in the Organization's program services. The estimated value of these services was \$17,744 and \$13,711 for the fiscal years ended June 30, 2018 and 2017, respectively. These services are considered non-professional and as such are not recorded in the financial statements.

## NOTE 10 – LEASE COMMITMENTS

In a prior year the Organization moved its administrative offices to a separate location away from the shelter and entered into an operating lease agreement. The lease agreement includes periodic increases over the life of the lease. The Organization can modify the lease to reduce square footage and associated costs or cancel the lease upon 60 days prior written notice to the Lessor if the Organization loses the funding source used to pay the rent on the space. Unless cancelled or modified, future minimum lease payments over the life of the lease are as follows at June 30, 2018:

Year Ended	Total
June 30,	
2019	\$ 87,756
2020	90,389
	<u>\$ 178,145</u>

Rent expense was \$82,380 and \$79,002 for the fiscal years ended June 30, 2018 and 2017, respectively.

#### **NOTE 11 – COMPENSATED ABSENCES**

The Organization allows its employees to carry forward up to 40 hours of vacation time each year. As of June 30, 2018 and 2017, the Organization had accrued \$32,170 and \$38,103, respectively, in relation to this expense.

#### **NOTE 12 – GRANT REQUIREMENTS**

During the fiscal years ended June 30, 2014, and June 30, 2015, the Organization received grant funds from the Florida Department of Children and Families ("DCF") to improve their emergency shelter. As part of the requirements placed on the Organization to receive the funds, DCF retained certain rights on the assets acquired with the grant funds. DCF provided \$582,540 towards the improvements and retained a security interest in the form of a mortgage for a term of 20 years from the date of completion of the project. The security interest will end on June 20, 2035.

#### **NOTE 13 – LINE OF CREDIT**

On January 26, 2011, the Organization entered into a revolving line of credit agreement with a bank in the amount of \$300,000, secured by substantially all of the Organization's assets, with no fixed maturity date. On June 1, 2015, the agreement was amended to increase the principal from \$300,000 to \$500,000. The line carries a variable interest rate based upon one percent over the prime rate. The line of credit carries a term note conversion option for a period up to sixty months at any time, upon written notice to the Organization. As of June 30, 2018, the Organization has \$300,000 outstanding on the line of credit.

#### **NOTE 14 – SUBSEQUENT EVENTS**

There have been no significant subsequent events after June 30, 2018. Subsequent events have been evaluated through October 18, 2018, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

**AID TO VICTIMS OF DOMESTIC ABUSE, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Federal/State Agency, Pass-through Entity, Federal Program/State Project Title	CFDA/ CSFA Number	Contract Grant Number	Federal/State Expenditures
<b>FEDERAL AGENCY</b>			
<u>U.S. Department of Housing and Urban Development</u>			
Pass-through programs from:			
Palm Beach County, Florida:			
Emergency Shelter Grants Program	14.231	R2016-1476	\$ 4,840
Emergency Shelter Grants Program	14.231	R2017-1546	51,686
Palm Beach County, Florida:			
Community Development Block Grant	14.218	R2016-1494	765
Community Development Block Grant	14.218	R2017-1494	13,829
City of Boynton Beach, Florida:			
Community Development Block Grant	14.218	R18-010	9,534
Total U.S. Department of Housing and Urban Development			<u>80,654</u>
<u>U.S. Department of Health and Human Services</u>			
Pass-through programs from:			
Florida Coalition Against Domestic Violence:			
Temporary Assistance to Needy Families	93.558	18-2204 DVS	194,135
Family Violence Prevention and Services	93.671	18-2204 DVS	137,928
Total U.S. Department of Health and Human Services			<u>332,063</u>
<u>U.S. Department of Justice</u>			
Direct programs:			
Transitional Housing Assistance	16.736	2016-WH-AX-007	153,018
Pass-through programs from:			
State of Florida Office of Attorney General			
Victims of Crime Act Program	16.575	VOCA-2016-00762	42,883
Victims of Crime Act Program	16.575	VOCA-2017-00425	125,316
Legal Aid			
OVW Legal Assistance for Victims	16.524	2010-WL-AX-0002	31,236
Palm Beach County Victim Services			
OVW - Sexual assault	16.590	2011-WL-AX-0027	42,260
Florida Coalition Against Domestic Violence:			
OVW - Engaging Men	16.888	18-2204-EM	62,737
OVW - STOP	16.588	19-2204 BN	3,226
VOCA EJ Economic Resources	16.575	17-2204-EJ-VOCA	1,966
VOCA Economic Empow erment	16.575	17-2204-EJ-VOCA	24,530
VOCA Economic Empow erment	16.575	18-2204 EJ-VOCA	48,000
OVW - MH - CCIII	16.888	18-2204 CCIII	101,191
Total U.S. Department of Justice			<u>636,363</u>
<b>TOTAL EXPENDITURES FEDERAL AWARDS</b>			<u><u>\$ 1,049,080</u></u>
<b>STATE AGENCY</b>			
<u>Florida Department of Children &amp; Families</u>			
Pass-through projects from:			
Florida Coalition Against Domestic Violence:			
DCF Domestic Violence Trust Fund	N/A	18-2204 DVS	\$ 145,818
DCF General Revenue	N/A	18-2204 DVS	277,734
Total Florida Department of Children & Families			<u>423,552</u>
<b>TOTAL STATE FINANCIAL ASSISTANCE</b>			<u><u>\$ 423,552</u></u>

See notes to schedule of expenditures of federal awards and state financial assistance.

**AID TO VICTIMS OF DOMESTIC ABUSE, INC.  
NOTES TO SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE**

**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal and state financial assistance (the "Schedule") includes the federal and state grant activity of the Aid to Victims of Domestic Abuse, Inc., (the "Organization") for the fiscal year ended June 30, 2018. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.650, Rules of the Auditor General. Since the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* wherein certain types of expenditures are not allowable or are limited as to reimbursement. Additionally, it should be noted the Organization did not elect to use the 10 percent *de minimis* indirect cost rate.

**NOTE C – REVIEWS PERFORMED BY OTHER ORGANIZATIONS**

Reviews performed related to programs were follows:

Date: February 12, 2018  
Agency: Palm Beach County Department of Community Services  
Type: Financially Assisted Agencies (FAA) Program and Fiscal Monitoring  
Outcomes: One finding and one concern

Date: March 13, 2018  
Agency: United Way of Palm Beach County  
Type: Fiscal, Administrative and Program  
Outcomes: No findings or concerns

Date: April 30- May 4, 2018  
Agency: Florida Coalition Against Domestic Violence  
Type: Fiscal, Administrative and Program Quality Assurance- Agency wide  
Outcomes: Fiscal/Administrative – no findings  
Program – Two findings; both corrected

Date: May 15, 2018  
Agency: Palm Beach County Department of Community Services  
Type: Emergency Solutions Grant (ESG)  
Outcomes: No findings or concerns

Date: June 17, 2018  
Agency: Palm Beach County Department of Housing & Economic Sustainability  
Type: Community Development Block Grant (CDBG)  
Outcomes: No findings or concerns

Date: June 27, 2018  
Agency: Department of Children and Families  
Type: Domestic Violence Shelter Certification  
Outcomes: In compliance with certification requirements

**NOTE C – REVIEWS PERFORMED BY OTHER ORGANIZATIONS (Continued)**

Date: July 17, 2018  
Agency: Nonprofits First  
Type: Agency Certification  
Outcomes: 2018 Accreditation for Excellence in Nonprofit Management

Date: July 19, 2018  
Agency: Palm Beach County Youth Services Department  
Type: Youth Services Grant  
Outcomes: No findings or concerns



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors  
Aid to Victims of Domestic Abuse, Inc.  
Delray Beach, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Aid to Victims of Domestic Abuse, Inc. (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses and cash flows for the fiscal year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 18, 2018.

**Internal Control Over Financial Reporting**

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

October 18, 2018



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

To the Board of Directors  
Aid to Victims of Domestic Abuse, Inc.  
Delray Beach, Florida

**Report on Compliance for Each Major Federal Program and State Project**

We have audited Aid to Victims of Domestic Abuse, Inc.'s (a nonprofit organization) (the "Organization") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the fiscal year ended June 30, 2018. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

**Opinion on Each Major Federal Program and State Project**

In our opinion, Aid to Victims of Domestic Abuse, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2018.

**Report on Internal Control Over Compliance**

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

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

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

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

October 18, 2018

**AID TO VICTIMS OF DOMESTIC ABUSE, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS-  
FEDERAL PROGRAMS FISCAL YEAR ENDED JUNE 30, 2018**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unmodified opinion on the financial statements of Aid to Victims of Domestic Abuse, Inc.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of Aid to Victims of Domestic Abuse, Inc. were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audits of the major federal programs are reported in the independent auditor's report on compliance for each major program and on internal control over compliance required by the Uniform Guidance.
5. The independent auditor's report on compliance for each major federal awards program of Aid to Victims of Domestic Abuse, Inc. expresses an unmodified opinion.
6. There were no audit findings relative to the major federal awards tested for Aid to Victims of Domestic Abuse, Inc.
7. The federal programs tested as major were:

<u>Federal Program</u>	<u>Federal CFDA #</u>
Victims of Crime Act Program	16.575
Temporary Assistance to Needy Families	93.558

8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. Aid to Victims of Domestic Abuse, Inc. did not have a Single Audit performed for the fiscal year ended June 30, 2016, because it was not required and therefore did not qualify to be a low risk auditee for the fiscal year ended June 30, 2018.

**B. PRIOR YEAR FINDINGS, FINDINGS AND QUESTION COSTS, AND OTHER FINDINGS – FINANCIAL STATEMENTS AUDIT**

None