

**AID TO VICTIMS OF DOMESTIC  
ABUSE, INC.  
FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2020**

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## 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, 2020, 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, 2020, 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 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 4, 2019. In our opinion, the summarized comparative information presented herein as of and for the fiscal year ended June 30, 2019, 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* 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 22, 2020 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 the effectiveness 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.

GRAV + ASSOCIATES

October 22, 2020

**AID TO VICTIMS OF DOMESTIC ABUSE, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2020 WITH SUMMARIZED FINANCIAL INFORMATION**  
**FOR JUNE 30, 2019**

	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 89,062	\$ 205,810	\$ 294,872	\$ 321,635
Investments	122,729	-	122,729	119,342
Grants and contributions receivable	358,778	-	358,778	229,140
Other receivables	10,814	-	10,814	579
Prepaid expenses	27,960	-	27,960	11,046
Property and equipment, net	2,415,901	-	2,415,901	2,461,813
Other assets	24,103	-	24,103	5,436
<b>Total assets</b>	<b>\$ 3,049,347</b>	<b>\$ 205,810</b>	<b>\$ 3,255,157</b>	<b>\$ 3,148,991</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 3,830	\$ -	\$ 3,830	\$ 2,458
Accrued expenses	104,243	-	104,243	72,048
Line of credit	150,000	-	150,000	150,000
Promissory Note	96,000	-	96,000	-
Deferred revenue	67,364	-	67,364	31,624
<b>Total liabilities</b>	<b>421,437</b>	<b>-</b>	<b>421,437</b>	<b>256,130</b>
<b>NET ASSETS</b>				
With donor restrictions				
Purpose restricted	-	205,810	205,810	191,778
Without donor restrictions				
Undesignated	2,627,910	-	2,627,910	2,701,083
<b>Total net assets</b>	<b>2,627,910</b>	<b>205,810</b>	<b>2,833,720</b>	<b>2,892,861</b>
<b>Total liabilities and net assets</b>	<b>\$ 3,049,347</b>	<b>\$ 205,810</b>	<b>\$ 3,255,157</b>	<b>\$ 3,148,991</b>

See notes to financial statements

**AID TO VICTIMS OF DOMESTIC ABUSE, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2020 WITH SUMMARIZED FINANCIAL INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenues and Support:				
Contributions	\$ 861,190	\$ 86,255	\$ 947,445	\$ 495,276
Contributions - donation in-kind	-	-	-	12,028
Grants from United Way	202,416	-	202,416	131,859
Grants from governmental agencies (includes local agencies)	1,980,144	-	1,980,144	2,028,110
Special events, net	132,162	-	132,162	155,646
Habitat for Humanity - salvage merchandise license agreement	-	-	-	49,216
Interest income	3,407	-	3,407	7,186
Other income	3,940	-	3,940	1,876
	<u>3,183,259</u>	<u>86,255</u>	<u>3,269,514</u>	<u>2,881,197</u>
Net assets released from restrictions	72,223	(72,223)	-	-
Total support and revenues	<u>3,255,482</u>	<u>14,032</u>	<u>3,269,514</u>	<u>2,881,197</u>
Expenses				
Program services	3,003,141	-	3,003,141	2,674,445
Supporting services:				
General and administration	198,180	-	198,180	170,842
Fund raising	127,334	-	127,334	99,298
Total expenses	<u>3,328,655</u>	<u>-</u>	<u>3,328,655</u>	<u>2,944,585</u>
Change in net assets	(73,173)	14,032	(59,141)	(63,388)
Net assets, beginning of year	<u>2,701,083</u>	<u>191,778</u>	<u>2,892,861</u>	<u>2,956,249</u>
Net assets, end of year	<u>\$ 2,627,910</u>	<u>\$ 205,810</u>	<u>\$ 2,833,720</u>	<u>\$ 2,892,861</u>

See notes to financial statements

**AID TO VICTIMS OF DOMESTIC ABUSE, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2020 WITH SUMMARIZED FINANCIAL INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (59,141)	\$ (63,388)
Adjustments to reconcile change in net assets to net cash provided (used in) by operating activities:		
Unrealized (gain)/loss on investments	-	(2)
Depreciation expense	128,198	124,231
(Increase) decrease in:		
Grants receivable	(129,638)	80,440
Other receivables	(10,235)	6,936
Prepaid expenses	(16,914)	3,947
Other assets	(18,667)	-
Increase (decrease) in:		
Accounts payable	1,372	(2,201)
Accrued expenses	32,195	4,247
Deferred revenues	35,740	30,124
	<u>(37,090)</u>	<u>184,334</u>
NET CASH PROVIDED (USED IN) BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale (purchase) of investments	(3,388)	(13,569)
Purchase of fixed assets	(82,285)	(56,019)
	<u>(85,673)</u>	<u>(69,588)</u>
NET CASH (USED IN) INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (repayment of) line of credit	-	(150,000)
Proceeds from (repayment of) promissory note	96,000	-
	<u>96,000</u>	<u>(150,000)</u>
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(26,763)	(35,254)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>321,635</u>	<u>356,889</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 294,872</u>	<u>\$ 321,635</u>
Supplemental data:		
Interest paid	<u>\$ 8,229</u>	<u>\$ 15,979</u>

See notes to financial statement

**AID TO VICTIMS OF DOMESTIC ABUSE, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2020 WITH SUMMARIZED FINANCIAL INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Program Services	General and Administrative	Fund Raising	Total All Expenses	
				2020	2019
Salaries	\$ 1,686,828	\$ 86,028	\$ 105,442	\$ 1,878,298	\$1,711,942
Payroll taxes and charges	131,873	6,171	8,066	146,110	135,194
Other employee benefits	214,281	24,650	-	238,931	199,325
Building maintenance and repairs	52,355	686	-	53,041	45,842
Utilities	57,794	2,792	-	60,586	54,186
Security	33,196	127	-	33,323	8,308
Client food and supplies	105,316	100	-	105,416	56,659
Storage rental	2,706	281	-	2,987	2,508
Rent	85,645	40,295	-	125,940	87,756
Postage	1,816	161	-	1,977	1,694
Printing	4,453	436	-	4,889	2,499
Telephone and internet	34,188	1,316	385	35,889	29,392
Public relations	9,386	94	2,250	11,730	10,852
Office supplies	13,875	2,805	25	16,705	12,661
IT Hardware & Software	2,649	122	1,668	4,439	9,376
Program supplies	57,483	-	-	57,483	39,175
Equipment rental and maintenance	20,483	900	-	21,383	19,233
Transportation	33,983	686	166	34,835	31,060
Direct assistance	155,299	-	-	155,299	115,485
Consulting and professional service	45,288	2,336	-	47,624	60,983
Payroll service charges	31,789	3,377	100	35,266	32,863
Insurance	66,253	5,351	-	71,604	66,470
Staff development	914	-	69	983	2,528
Travel and conferences	21,555	40	-	21,595	35,584
Memberships and subscriptions	3,802	372	-	4,174	13,008
Licenses and fees	4,278	470	-	4,748	4,925
Bank charges and processing fees	195	20	3,903	4,118	4,919
Interest expense	4,751	3,478	-	8,229	15,979
Fundraising campaigns	-	-	5,260	5,260	1,704
Miscellaneous	5,329	2,266	-	7,595	8,244
Special events - noncash prizes	-	-	4,688	4,688	7,238
Special events - rent/facility costs	-	-	21,718	21,718	19,074
Special events - food and beverages	-	-	1,149	1,149	3,702
Special events - entertainment	-	-	4,487	4,487	16,960
Special events - other direct costs	-	-	26,242	26,242	19,007
Total expenses before depreciation	2,887,763	185,360	185,618	3,258,741	2,886,335
Depreciation	115,378	12,820	-	128,198	124,231
Total expenses	<u>\$ 3,003,141</u>	<u>\$ 198,180</u>	<u>\$ 185,618</u>	<u>3,386,939</u>	<u>3,010,566</u>
Less direct costs reported net of special event revenue				(58,284)	(65,981)
Expenses reported on statement of activities				<u>\$ 3,328,655</u>	<u>\$ 2,944,585</u>

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, 2020, approximately 61% 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 two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. In addition, the Organization is required to present a statement of cash flows.

Contributions received are recorded as support with or without donor restrictions 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, 2019, 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 or specific supporting function, are charged directly to that program or supporting function. The financial statements report certain categories of expenses that are attributable to one or more program or supporting function. These costs are classified under three categories: program, facilities and administration. Program expenses are allocated based on the ratio of staff per program. Facilities expenses are allocated based on the square footage used by each program function. Administration expenses are allocated based the ratio of salaries and wages attributed to each functional area.

### 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 2017, 2018, and 2019 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 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are as follows at June 30:

	2020	2019
Life enrichment center	\$ 106,275	\$ 102,000
Victim advocate salary	-	1,234
Emergency assistance for participants	59,032	57,166
Commit to change program	7,777	6,793
Transitional housing	17,326	16,555
Emergency shelter	-	5,000
Direct assistance for participants and other related costs	14,400	-
Welcome basket items	1,000	1,000
Anne's STEPS program	-	2,030
Total temporarily restricted net assets	<u>\$ 205,810</u>	<u>\$ 191,778</u>

Net assets released from restrictions during the fiscal year ended June 30,

	2020	2019
Victim advocate salary	\$ 1,234	\$ -
Emergency assistance for participants	57,166	14,505
Commit to change program	6,793	7,500
Emergency shelter	5,000	-
Anne's STEPS program	2,030	-
Total	<u>\$ 72,223</u>	<u>\$ 22,005</u>

## NOTE 3 – PROPERTY AND EQUIPMENT

The following summarizes property and equipment at June 30:

	2020	2019
Land	\$ 111,261	\$ 111,261
Construction in process	12,029	1,660
Buildings and improvements	2,822,025	2,822,025
Equipment	199,828	199,079
Vehicles	58,658	58,658
Furniture and fixtures	160,454	133,129
Total property and equipment	<u>3,364,255</u>	<u>3,325,812</u>
Less accumulated depreciation	948,354	863,999
Total property and equipment, net	<u>\$ 2,415,901</u>	<u>\$ 2,461,813</u>

#### NOTE 4 – INVESTMENTS

The following is a summary of investments and their fair value measurements and levels within the fair value hierarchy of those measurements at June 30:

	2020		2019	
	Fair Value	Quoted prices in active markets for identical assets (Level 1)	Fair Value	Quoted prices in active markets for identical assets (Level 1)
Bond funds	\$ 73,981	\$ 73,981	\$ 70,134	\$ 70,134
Equity funds	48,748	48,748	49,208	49,208
	<u>\$ 122,729</u>	<u>\$ 122,729</u>	<u>\$ 119,342</u>	<u>\$ 119,342</u>

#### NOTE 5 – GRANTS AND OTHER FUNDING

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

	2020	2019
City of Boynton Beach	\$ 8,575	\$ 8,544
Florida Coalition Against Domestic Violence and Florida Department of Children and Families		
Basic Needs	-	18,279
Child Protective Investigations	72,983	75,000
Domestic Violence Services	632,949	616,592
Economic Justice	83,533	58,345
Engaging Men	62,707	57,288
Mental Health Grant	-	101,191
Prevention	-	20,000
Transportation and Participant Needs	28,011	46,870
Future Without Violence	175	-
OVW Sexual Assault	36,833	36,458
OVW Transitional Housing	95,585	127,317
PBC Emergency Solutions Grant	65,513	61,376
PBC Community Development Block Grant	32,109	21,487
U. S. Department of Justice - Legal Assistance Grant	33,746	20,490
U. S. Department of Justice Victims of Crime Act	427,223	373,607
<b>Total Federal and State grants</b>	<u>1,579,942</u>	<u>1,642,844</u>
City of Boca Raton	27,500	27,500
Palm Beach County (PBC) Board of County Commissioners	275,885	257,257
PBC Youth Services	96,817	98,009
Town of Palm Beach United Way	142,206	70,000
United Way agencies	60,210	61,859
Other local grants	-	2,500
<b>Total other grants</b>	<u>602,618</u>	<u>517,125</u>
<b>Total grants</b>	<u>\$ 2,182,560</u>	<u>\$ 2,159,969</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 – SPECIAL EVENTS

During the fiscal year ended June 30, 2020, the Organization held several special fund raising events. The following summarizes those activities:

	2020	2019
Gross support	\$ 190,446	\$ 221,627
Less: direct costs	(58,284)	(65,981)
Net support	<u>\$ 132,162</u>	<u>\$ 155,646</u>

## NOTE 7 – 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 8 – 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 \$10,712 and \$13,495 for the fiscal years ended June 30, 2020 and 2019, respectively. These services are considered non-professional and as such are not recorded in the financial statements.

## NOTE 9 – LEASE COMMITMENTS

In the current fiscal year, the Organization moved its administrative offices and entered into an operating lease agreement. The lease agreement includes periodic increases over the life of the lease. Future minimum lease payments over the life of the lease are as follows at June 30, 2020:

Year Ended June 30,	Total
2021	\$ 107,723
2022	110,955
2023	114,284
2024	117,713
2025	80,028
	<u>\$ 530,703</u>

Rent expense was \$125,940 and \$87,756 for the fiscal years ended June 30, 2020 and 2019, respectively.

## NOTE 10 – COMPENSATED ABSENCES

The Organization allows its employees to carry forward up to 40 hours of vacation time each year. As of June 30, 2020 and 2019, the Organization had accrued \$57,589 and \$36,078, respectively, in relation to this expense. The COVID-19 pandemic affected the ability of staff to use vacation leave time, causing a higher number of hours to be accrued as of June 30, 2020.

## NOTE 11 – 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 12 – AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at June 30, 2020, reduced by amounts not available for general use within one year of June 30, 2020:

Financial assets at year end:		
Cash and cash equivalents	\$	294,872
Investments		122,729
Grants and contributions receivable		358,778
Other receivables		10,814
Total financial assets		<u>787,193</u>
Less those unavailable for general expenditure within one year:		-
Financial assets available to meet general expenditures over the next twelve months	\$	<u><u>787,193</u></u>

The Organization is substantially supported by restricted contributions. Because a donor's restrictions require resources to be used in a particular manner or in a future period, the Organization, must maintain sufficient resources to meet those responsibilities to its donors. Thus, financials assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In the event of an unanticipated liquidity need, the Organization, could draw upon \$350,000 of available lines of credit (as further discussed in Note 13).

## 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, 2020, the Organization has \$150,000 outstanding on the line of credit.

#### **NOTE 14 – PROMISSORY NOTE**

On May 2, 2020, the Organization entered into a promissory note agreement (the “Loan”) with TD Bank, N.A. pursuant to Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). The Organization borrowed \$96,000 in relation to the agreement. The Loan carries an interest rate of 1.00% fixed and has a maturity date of May 2, 2022. The Organization may apply for the Loan to be forgiven under the CARES Act. On September 21, 2020, the Organization applied for forgiveness of the Loan under the CARES Act. As of the report date, the Organization application for forgiveness is still under review. Under the terms of the agreement the Organization must pay monthly principal and interest payments on the outstanding principal balance of the Loan, amortized over the term of the Loan, unless otherwise forgiven in whole or part in accordance with the CARES Act beginning December 2, 2020, until the Maturity Date when the entire principal balance remaining unpaid, along with all accrued and unpaid interest, shall be due and payable in full.

#### **NOTE 15 – SUBSEQUENT EVENTS**

There have been no significant subsequent events after June 30, 2020. Subsequent events have been evaluated through October 22, 2020, 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, 2020**

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	R2018-1337	\$ 4,902
Emergency Shelter Grants Program	14.231	R2019-1268	60,611
Palm Beach County, Florida:			
Community Development Block Grant	14.218	R2018-1582	7,603
Community Development Block Grant	14.218	R2019-1520	24,506
City of Boynton Beach, Florida:			
Community Development Block Grant	14.218	R18-182	1,923
Community Development Block Grant	14.218	R19-82	6,652
Total U.S. Department of Housing and Urban Development			<u>106,197</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	19-2204 DVS	16,128
Temporary Assistance to Needy Families	93.558	20-2204 DVS	138,505
Family Violence Prevention and Services	93.671	19-2204 DVS	6,479
Family Violence Prevention and Services	93.671	20-2204 DVS	123,214
Florida Department of Children and Families			
Temporary Assistance to Needy Families	93.558	LN037	27,818
Family Violence Prevention and Services	93.671	LN037	35,249
Total U.S. Department of Health and Human Services			<u>347,393</u>
<u>U.S. Department of Justice</u>			
Direct programs:			
Transitional Housing Assistance	16.736	2016-WH-AX-007	95,585
Pass-through programs from:			
Futures Without Violence			
OVW Technical Assistance Initiative	16.526	2019-TA-AX-K-002	175
State of Florida Office of Attorney General			
Victims of Crime Act Program	16.575	VOCA-2018-00374	128,107
Victims of Crime Act Program	16.575	VOCA-2019-00163	299,116
Legal Aid			
OVW Legal Assistance for Victims	16.524	2010-WL-AX-0002	11,179
OVW Legal Assistance for Victims	16.524	2019-X0275-FL-WL	22,567
Palm Beach County Victim Services			
OVW - Sexual assault (SART)	16.590	2017-WE-AX-0034	36,833
Florida Coalition Against Domestic Violence:			
OVW - Engaging Men	16.888	21-2204 EM	62,707
VOCA Economic Empow erment	16.575	19-2204 EJ-VOCA	26,023
VOCA Economic Empow erment	16.575	20-2204-EJ-VOCA	57,509
Total U.S. Department of Justice			<u>739,801</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>1,193,391</u>
<b>STATE AGENCY</b>			
<u>Florida Department of Children &amp; Families</u>			
Direct programs:			
DCF Domestic Violence Trust Fund	N/A	LN037	19,230
DCF General Revenue	N/A	LN037	68,957
Pass-through projects from:			
Florida Coalition Against Domestic Violence:			
DCF Domestic Violence Trust Fund	N/A	19-2204 DVS	6,411
DCF Domestic Violence Trust Fund	N/A	20-2204 DVS	67,998
DCF General Revenue	N/A	19-2204 DVS	6,135
DCF General Revenue	N/A	20-2204 DVS	217,820
Total Florida Department of Children & Families			<u>386,551</u>
<b>TOTAL STATE FINANCIAL ASSISTANCE</b>			<u>386,551</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE</b>			<u>\$ 1,579,942</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, 2020. 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 has elected to use the 10 percent *de minimis* indirect cost rate.

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

Reviews performed related to programs as of July 1, 2019 were as follows:

Date: June 5, 2019  
Agency: Nonprofits First  
Type: Agency Certification  
Outcomes: 2019 Accreditation for Excellence in Nonprofit Management

Date: June 12, 2019  
Agency: US Department of Justice: Office of Violence Against Women (OVW)  
Type: Transitional Housing  
Outcomes: In compliance with Federal, OJP, and OVW guidelines

Date: June 18, 2019  
Agency: Department of Children & Families  
Type: Domestic Violence Shelter Certification  
Outcomes: In compliance with certification requirements

Date: July 10, 2019  
Agency: Palm Beach County Department of Housing & Economic Sustainability  
Type: Community Development Block Grant (CDBG)  
Outcomes: No findings or concerns

Date: October 22-23, 2019  
Agency: Palm Beach County Department of Community Services  
Type: FAA Program, Services and Fiscal Monitoring  
Outcomes: Two concerns identified neither requiring follow-up

Date: April 13, 2020 - May 15, 2020  
Agency: Department of Children & Families  
Type: Domestic Violence Program - DVS, EJ-VOCA, EM Grants (Fiscal, Administrative and Program Monitoring)  
Outcomes: There were no findings identified; therefore, no corrective action is required



**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, 2020, 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 22, 2020.

**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.

GRAV + ASSOCIATES

October 22, 2020



**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, 2020. 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**

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, 2020.

**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.

GIRAV + ASSOCIATES

October 22, 2020

**AID TO VICTIMS OF DOMESTIC ABUSE, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS-  
FEDERAL PROGRAMS FISCAL YEAR ENDED JUNE 30, 2020**

**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>
Family Violence Prevention and Services	93.671
Transitional Housing Assistance	16.736

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. was determined to be a low-risk auditee pursuant to the Uniform Guidance.

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

None