

Women in Distress of Broward County, Inc.

Financial Statements  
and Additional Information  
For the Year Ended June 30, 2020

# Women in Distress of Broward County, Inc.

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Women in Distress of Broward County, Inc.

### Report on the Financial Statements

We have audited the accompanying financial statements of Women in Distress of Broward County, 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 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 an opinion 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 the Organization as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **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 September 25, 2019. In our opinion, the summarized comparative information presented herein as of and for the 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, as required by Title 2 U.S. *Code of Federal Regulations 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. Further, the schedule of expenditures of state financial assistance is also presented for purposes of additional analysis and is not 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 September 30, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
September 30, 2020

# FINANCIAL STATEMENTS

**Keefe  
McCullough**  
CPA's + Trusted Advisors

**Women in Distress of Broward County, Inc.**  
**Statement of Financial Position**  
**June 30, 2020**  
**(with comparative totals as of June 30, 2019)**

	<u>2020</u>	<u>2019</u>
<b>Assets:</b>		
Cash and cash equivalents	\$ 2,765,180	\$ 2,194,122
Grants receivable	803,180	665,840
Promises to give, net	223,799	63,865
Prepaid expenses and deposits	78,178	73,791
Inventory	95,234	70,255
Beneficial interest in assets held by Community Foundation of Broward, Inc.	933,225	989,594
Property and equipment, net	<u>7,480,966</u>	<u>7,852,807</u>
Total assets	<u>\$ 12,379,762</u>	<u>\$ 11,910,274</u>
<b>Liabilities:</b>		
Accounts payable	\$ 115,541	\$ 102,415
Accrued liabilities	252,148	206,642
Refundable advances and deferred revenue	86,436	3,500
Note payable	210,000	-
Mortgage note payable, net of unamortized loan costs of \$ 9,803 at June 30, 2020 and \$ 12,254 at June 30, 2019	<u>1,434,070</u>	<u>1,546,592</u>
Total liabilities	<u>2,098,195</u>	<u>1,859,149</u>
<b>Commitments and Contingencies (Note 13)</b>	-	-
<b>Net Assets:</b>		
Without donor restrictions:		
Undesignated	8,231,431	8,152,717
With donor restrictions:		
Purpose and time restrictions	1,019,927	868,199
Perpetual in nature	<u>1,030,209</u>	<u>1,030,209</u>
Total with donor restrictions	<u>2,050,136</u>	<u>1,898,408</u>
Total net assets	<u>10,281,567</u>	<u>10,051,125</u>
Total liabilities and net assets	<u>\$ 12,379,762</u>	<u>\$ 11,910,274</u>

The accompanying notes to financial statements are an integral part of these statements.

**Women in Distress of Broward County, Inc.**  
**Statement of Activities**  
**For the Year Ended June 30, 2020**  
**(with comparative totals for the year ended June 30, 2019)**

	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>Public Support:</b>				
Grants from governmental agencies	\$ 4,308,160	\$ 3,769	\$ 4,311,929	\$ 4,313,417
Grants from corporations and foundations	567,668	97,312	664,980	1,018,030
Contributions from individuals and corporations	958,211	221,508	1,179,719	687,470
Capital campaign contributions	-	67,200	67,200	577,325
In-kind donations, thrift store	426,355	-	426,355	524,099
Other in-kind donations	468,047	-	468,047	400,766
Special events, net of direct costs of \$ 74,551 at June 30, 2020 and \$ 119,683 at June 30, 2019	382,398	-	382,398	438,421
<b>Total public support</b>	<b>7,110,839</b>	<b>389,789</b>	<b>7,500,628</b>	<b>7,959,528</b>
<b>Revenue:</b>				
Thrift store	395,731	-	395,731	508,048
Investment earnings (loss), net	(6,419)	263	(6,156)	24,033
Miscellaneous	6,443	-	6,443	3,977
<b>Total revenue</b>	<b>395,755</b>	<b>263</b>	<b>396,018</b>	<b>536,058</b>
<b>Net Assets Released From Restrictions</b>	<b>238,324</b>	<b>(238,324)</b>	<b>-</b>	<b>-</b>
<b>Total public support, revenue and net assets related from restrictions</b>	<b>7,744,918</b>	<b>151,728</b>	<b>7,896,646</b>	<b>8,495,586</b>
<b>Expenses:</b>				
Program services:				
Residential	2,159,572	-	2,159,572	2,532,133
Outreach	2,632,847	-	2,632,847	2,357,278
Prevention and education services	236,434	-	236,434	381,227
Thrift store	812,271	-	812,271	964,011
Crisis hotline	309,518	-	309,518	219,704
Injunction for protection project	554,161	-	554,161	590,922
<b>Total program services</b>	<b>6,704,803</b>	<b>-</b>	<b>6,704,803</b>	<b>7,045,275</b>
Supporting services:				
Fundraising	464,146	-	464,146	599,071
Management and general	497,255	-	497,255	470,034
<b>Total supporting services</b>	<b>961,401</b>	<b>-</b>	<b>961,401</b>	<b>1,069,105</b>
<b>Total expenses</b>	<b>7,666,204</b>	<b>-</b>	<b>7,666,204</b>	<b>8,114,380</b>
<b>Change in net assets</b>	<b>78,714</b>	<b>151,728</b>	<b>230,442</b>	<b>381,206</b>
<b>Net Assets, Beginning of Year</b>	<b>8,152,717</b>	<b>1,898,408</b>	<b>10,051,125</b>	<b>9,669,919</b>
<b>Net Assets, End of Year</b>	<b>\$ 8,231,431</b>	<b>\$ 2,050,136</b>	<b>\$ 10,281,567</b>	<b>\$ 10,051,125</b>

The accompanying notes to financial statements are an integral part of these statements.

**Women in Distress of Broward County, Inc.**  
**Statement of Functional Expenses**  
**For the Year Ended June 30, 2020**  
**(with comparative totals for the year ended June 30, 2019)**

	Program Services						Supporting Services		Total	2019
	Residential	Outreach	Prevention and Education Services	Thrift Store	Crisis Hotline	Injunction for Protection	General Fundraising	Management and General		
<b>Functional Expenses:</b>										
Salaries	\$ 935,044	\$ 1,687,478	\$ 128,641	\$ 160,170	\$ 220,280	\$ 416,929	\$ 259,818	\$ 213,407	\$ 4,021,767	\$ 4,101,550
Employee benefits	153,628	277,253	21,136	26,316	36,192	68,501	42,688	34,865	660,579	717,297
Total personnel costs	<u>1,088,672</u>	<u>1,964,731</u>	<u>149,777</u>	<u>186,486</u>	<u>256,472</u>	<u>485,430</u>	<u>302,506</u>	<u>248,272</u>	<u>4,682,346</u>	<u>4,818,847</u>
<b>Other Expenses:</b>										
Occupancy	198,085	73,865	12,092	183,022	4,489	23,742	8,554	24,464	528,313	517,695
Professional fees	155,320	91,654	17,000	8,605	8,282	16,178	48,327	39,134	384,500	359,725
Supplies	226,700	35,184	8,573	1,656	566	1,243	2,815	2,634	279,371	319,005
Contribution to participants	77,568	20,547	16	-	-	3,162	-	-	101,293	219,211
Rental and maintenance of equipment	26,340	20,419	3,420	7,650	1,938	9,992	40,938	15,048	125,745	169,689
Special events	-	-	-	-	-	-	84,561	-	84,561	123,645
Other expenses	1,970	13,119	7,774	12,334	127	2,024	11,623	11,049	60,020	91,319
Interest expense	35,345	17,117	3,234	-	4,339	-	2,954	10,995	73,984	79,408
Travel - staff	1,223	4,198	3,987	303	22	1,865	69	984	12,651	50,138
Membership dues/subscriptions	4,456	9,195	1,757	1,100	1,162	3,030	1,215	9,296	31,211	33,731
Telephone and cable	5,176	8,853	987	274	6,652	4,392	705	3,335	30,374	33,599
Printing and publications	848	5,850	86	-	57	73	11,796	3,002	21,712	22,829
Conferences, conventions and meetings	127	430	-	70	-	-	151	12,424	13,202	18,574
Postage and shipping	605	1,469	255	-	158	322	1,876	1,071	5,756	10,979
Bad debt expense	-	-	-	164	-	-	-	-	164	3,667
Total other expenses	<u>733,763</u>	<u>301,900</u>	<u>59,181</u>	<u>215,178</u>	<u>27,792</u>	<u>66,023</u>	<u>215,584</u>	<u>133,436</u>	<u>1,752,857</u>	<u>2,053,214</u>
<b>In-Kind Expenses:</b>										
Cost of goods sold	-	-	-	401,375	-	-	-	-	401,375	518,093
Supplies and services	119,479	178,534	9,964	-	1,756	2,708	1,111	6,507	320,059	313,656
Professional fees	-	94,989	-	-	-	-	-	53,000	147,989	87,110
Total in-kind expenses	<u>119,479</u>	<u>273,523</u>	<u>9,964</u>	<u>401,375</u>	<u>1,756</u>	<u>2,708</u>	<u>1,111</u>	<u>59,507</u>	<u>869,423</u>	<u>918,859</u>
<b>Provision for Depreciation</b>	<u>217,658</u>	<u>92,693</u>	<u>17,512</u>	<u>9,232</u>	<u>23,498</u>	<u>-</u>	<u>19,496</u>	<u>56,040</u>	<u>436,129</u>	<u>443,143</u>
Total expenses by function	<u>2,159,572</u>	<u>2,632,847</u>	<u>236,434</u>	<u>812,271</u>	<u>309,518</u>	<u>554,161</u>	<u>538,697</u>	<u>497,255</u>	<u>7,740,755</u>	<u>8,234,063</u>
<b>Less Expenses Included With Revenues on the Statement of Activities:</b>										
Cost of direct benefit to donors	-	-	-	-	-	-	(74,551)	-	(74,551)	(119,683)
Total expenses included in the expense section on the statement of activities	<u>\$ 2,159,572</u>	<u>\$ 2,632,847</u>	<u>\$ 236,434</u>	<u>\$ 812,271</u>	<u>\$ 309,518</u>	<u>\$ 554,161</u>	<u>\$ 464,146</u>	<u>\$ 497,255</u>	<u>\$ 7,666,204</u>	<u>\$ 8,114,380</u>

The accompanying notes to financial statements are an integral part of these statements.

**Women in Distress of Broward County, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2020**  
**(with comparative totals for the year ended June 30, 2019)**

	<u>2020</u>	<u>2019</u>
<b>Cash Flows From Operating Activities:</b>		
Change in net assets	\$ 230,442	\$ 381,206
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	436,129	443,143
Amortization of loan costs	2,450	2,451
Bad debt expense	164	3,667
Change in beneficial interest in assets held by Community Foundation of Broward, Inc.	56,369	25,600
Loss on disposal of property and equipment	-	1,329
Changes in assets and liabilities:		
(Increase) decrease in assets:		
Grants receivable	(137,340)	156,757
Promises to give	(160,098)	156,477
Prepaid expenses and deposits	(4,387)	(8,365)
Inventory	(24,979)	(6,006)
Increase (decrease) in liabilities:		
Accounts payable	13,126	(74,486)
Accrued liabilities	45,506	12,108
Deferred revenue	82,936	(4,350)
Net cash provided by (used in) operating activities	<u>540,318</u>	<u>1,089,531</u>
<b>Cash Flows From Investing Activities:</b>		
Purchase of property and equipment	<u>(64,288)</u>	<u>(322,851)</u>
Net cash provided by (used in) investing activities	<u>(64,288)</u>	<u>(322,851)</u>
<b>Cash Flows From Financing Activities:</b>		
Proceeds from note payable	838,000	-
Principal payments on note payable	(628,000)	-
Principal payments on mortgage note payable	<u>(114,972)</u>	<u>(109,851)</u>
Net cash provided by (used in) financing activities	<u>95,028</u>	<u>(109,851)</u>
Net change in cash and cash equivalents	571,058	656,829
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>2,194,122</u>	<u>1,537,293</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 2,765,180</u>	<u>\$ 2,194,122</u>
<b>Supplemental Disclosure of Cash Flow Information:</b>		
Interest received	<u>\$ 909</u>	<u>\$ 904</u>
Interest paid	<u>\$ 71,533</u>	<u>\$ 77,487</u>

The accompanying notes to financial statements are an integral part of these statements.

**Note 1 - Nature of Organization and Operations**

Women in Distress of Broward County, Inc. (the "Organization") is a private, nonprofit organization incorporated on July 25, 1974, whose mission is to stop domestic violence abuse for everyone through intervention, education and advocacy. The Organization is the only State of Florida Certified Domestic Violence Center in Broward County. The Organization provides a wide array of services which includes emergency shelter, a 24-hour hotline, case management, counseling, child assessment, safety planning and advocacy. The Organization also provides law enforcement training, professional training and community education.

The Organization operates from its Jim and Jan Moran Family Center campus which was completed in 2011. The campus is situated on a six-acre site with a total of more than 64,000 square feet of service space in Deerfield Beach, Florida.

In December 2018, the Organization received national reaccreditation from the Council on Accreditation (COA). COA is an international, independent, not-for-profit, child and family service and behavior health care accrediting organization. The Organization was first accredited in 2002 and has successfully been reaccredited every four years subsequently.

The following are descriptions of the purpose and activities of the Organization's program services:

*Residential Services:* The program's purpose is to provide safe temporary emergency housing for victims of domestic violence and their dependents. The emergency shelter has a capacity of up to 132 beds. Supportive services are also available at the shelter, including individual and group counseling sessions on the dynamics of domestic violence, advocacy, crisis counseling and referrals. In addition, the program also provides food, clothing, childcare assistance and other services. Respite services are available to supervise children while the parent/guardian is receiving services. Family outings and activities are also offered occasionally. Services are obtained through the 24-hour crisis line.

*Outreach Services:* The primary purpose of the program is to provide victims of domestic violence and their dependents with support counseling on the dynamics of domestic violence, crisis counseling, and engaging in other supportive activities as appropriate. Domestic violence victims are also provided case management, referrals, documentation of abuser patterns and safety plans. Outreach services are also available on a limited basis at satellite offices and partner agencies. Respite services are available to supervise children while the parent/guardian is receiving services.

*Prevention and Education Services:* The Organization maintains ongoing outreach efforts to educate Broward County's residents about the dynamics, definitions and impact of intimate partner violence in the community and the people they serve. The Organization provides prevention, education and awareness to youth and adults so they may better understand how bullying and intimate partner violence perpetuate themselves, the effects on family members, school community and society as a whole, intervention and prevention methods, and the programs and services available at the Organization.

Training and prevention is provided to help youth and community members recognize the warning signs of intimate partner violence and understand its impact on families and society. Creating change among attitudes, beliefs and behaviors surrounding intimate partner violence is critical so the community can appropriately refer victims for assistance and increase the possibility of early intervention and prevention. Training is also provided to participants through the Ultimate Training Center on topics such as job readiness, financial literacy, budgeting, interviewing and presentation skills and use of technology and office software packages.

**Note 1 - Nature of Organization and Operations (continued)**

*Thrift Store:* The purpose is to provide additional revenues to support core operations for the Organization and provide clothing and household items to program participants. Donated goods and merchandise are sold to the public and proceeds are used in the daily operation of the Organization. Program participants are also provided clothing, furniture and household items from the store free of charge.

*Crisis Hotline:* The purpose of the crisis hotline is to be a ready and available source of information and support to victims of domestic violence and to the community. The crisis hotline is operational 24 hours a day, seven days per week. Since December of 2014 the 24-hour crisis hotline has been expanded to become a separate program housed in its own space at the Jim and Jan Moran Family Center. All the services that are available through the Organization's advocacy program are available on the hotline through its dedicated crisis line staff and include safety planning and service management as well as information. Referrals are also made to other organizations such as homeless programs, mental health, health, jobs and other benefits that may be available to callers who are not survivors of domestic violence but call the Organization's crisis hotline for information and as a resource.

*Injunction for Protection ("IFP"):* The Organization's IFP program provides legal counsel for survivors wishing to pursue or secure an injunction for protection against their batterer. The legal services include counsel before the injunction is filed, filing of the petition and representation during final/violation hearings. All legal services through this program are free of cost and are open to those being serviced through Residential Services and Outreach Services as well as survivors who may not be currently registered with the Organization. The IFP program is funded through a collaboration of the Florida Department of Children and Families and the Office of the Attorney General.

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

**Basis of accounting:** The Organization follows standards of accounting and financial reporting prescribed for not-for-profit organizations. The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

**Basis of presentation:** Financial statement presentation follows the recommendation of the Financial Accounting Standards Board in its Accounting Standards Update (FASB ASU) 2016-14 Not-for-Profit Entities (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities*. Under FASB ASU 2016-14, 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.

**Net assets:** Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

**Note 2 - Summary of Significant Accounting Policies (continued)**

- *Net Assets With Donor Restrictions* - Net assets subject to donor (or certain grantor) imposed restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor or grantor. Other restrictions are perpetual in nature, where the donor or grantor stipulates that resources be maintained in perpetuity.

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

All contributions are considered available for general use, unless specifically restricted by the donor or subject to other legal restrictions.

**Cash and cash equivalents:** The Organization considers cash and all highly liquid investments available for current use with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents include checking and money markets held in several financial institutions. At times, the balances in these accounts may exceed Federally insured limits. The Organization has not experienced any losses and does not believe it is exposed to significant risk associated with its cash and cash equivalents.

**Beneficial interest in assets held by Community Foundation of Broward, Inc.:** Beneficial interest in assets held by Community Foundation of Broward, Inc. (the "Foundation") represents the fiscal year end fair market value of the Edee Greene Women in Distress of Broward County, Inc. Endowment Fund ("Fund"). The Organization established this Fund at the Foundation with funds received from a donor which were then transferred to the Foundation and specified itself as the beneficiary of that Fund.

**Inventory:** Inventory, which consists of donated clothing, household goods and various other items, are held for sale at the thrift store. Since there is no cost to the Organization, inventory is recorded at fair market value determined by the price at which the item can be sold. Revenue is recognized when the donated items are sold and in-kind donations are recorded at an amount equal to the sales revenue from the thrift store. Changes in year-end inventory amounts are recorded as additional sales revenue or cost of goods sold, as appropriate.

**Loan costs:** Borrowing costs directly attributed to the refinance of mortgage note payable are capitalized and amortized using straight line method over the life of the loan at 15 years. In accordance with the guidance of Financial Accounting Standards Board in its Accounting Standards Update 2015-03, *Interest-Imputation of Interest*, the Organization has presented its loan costs in the statement of financial position as a direct deduction from the note balance.

**Property and equipment:** Property and equipment are recorded at cost if purchased or if donated, at the acquisition value at the date of donation less an allowance for depreciation. When assets are sold or retired, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is recognized.

**Note 2 - Summary of Significant Accounting Policies (continued)**

Property and equipment acquisitions are capitalized if they are in excess of \$ 1,000 and have a useful life of three years or more. Items that are less than the capitalization threshold are expensed in the year acquired. The Organization reviews assets for impairment whenever events or changes in circumstances indicate the carrying value of the asset may not be recoverable. A determination of impairment, if any, is made based on estimates of undiscounted future cash flows. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. The estimated useful lives of buildings and improvements range from 5 to 30 years and furniture, equipment and vehicles have useful lives ranging from 3 to 7 years.

**Revenue and revenue recognition:** The Organization recognizes grants and contributions when cash, securities, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met or explicitly waived.

Grants from governmental agencies are generally billed monthly and are derived from units of service contracts and cost-reimbursements. Units of service contract revenues are recognized when the unit of service has been provided in compliance with the specific contract. Revenue derived from cost-reimbursement contracts, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses, are recognized when such expenditures are incurred in compliance with specific contract provisions.

Amounts received prior to meeting certain conditions, including measurable performance or other barriers, providing the unit of service, and/or incurring qualifying expenditures in compliance with the specific grant or contract are reported as a liability, refundable advances, in the statement of financial position.

Revenues from special events that are considered exchange transactions are not recognized until the special event takes place. Thrift store revenues are recognized as income when the performance obligation of transferring the products are met. Amounts received in advance are deferred to the applicable period.

**Promises to give:** Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques based on a risk-free rate of return. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The Organization had no conditional promises to give as of June 30, 2020. The Organization uses the allowance method to determine the estimated unconditional promises to give that are doubtful of collection. The allowance is based on prior years' experience and management's analysis of specific promises made. Management has determined a provision for uncollectible accounts is not necessary as of June 30, 2020.

**Functional allocation of expenses:** The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Expenses that can be directly identified with a program or supporting service are charged accordingly. The financial statements report certain categories of expenses that are attributed to more than one function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses, including compensation, taxes and fringe benefits, professional fees, building occupancy costs and others, are allocated based on full-time equivalents and other methods as determined by management.

**Note 2 - Summary of Significant Accounting Policies (continued)**

**Refundable advances and deferred revenue:** Revenues received in advance that are not recognized because the allowable costs as defined by the individual grant or contract have not been incurred, the unit of service has not been provided, and/or the conditions of release have not been substantially met or explicitly waived are considered refundable advances. In addition, revenues received in advance from special events and other program income that are considered exchange transactions are deferred to the applicable period.

**Advertising costs:** Advertising costs are charged to expense as incurred.

**Income taxes:** The Organization is registered with the Internal Revenue Services as a nonprofit organization under Internal Revenue Code Section 501(c)(3) and is exempt from Federal income taxes. Accordingly, no provision has been made for income taxes in the accompanying financial statements.

**Comparative information:** 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 year ended, from which the summarized information was derived.

**Use of estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. It is reasonably possible that these estimates will change in the near future. Accordingly, actual results could differ from those estimates.

**Concentrations of risk:** The Organization had a contract agreement with the Florida Coalition Against Domestic Violence (FCADV). The purpose of the grant is to support the ability of the Organization to continue to provide Social Services to the Broward County population consistent with its current programs and services described in Note 1. Effective May 1, 2020, the Florida Department of Children and Families (DCF) assumed the role formerly held by FCADV. Revenue from all grants with FCADV and DCF represented approximately \$ 2,704,500 or 34% of total revenue and support for the year ending June 30, 2020. The Organization renewed its main contract with DCF for approximately \$ 2,154,800 through June 30, 2021. Receivables due from DCF were approximately \$ 518,000 or 65% of total grant receivables at June 30, 2020.

**Compensated absences:** The Organization recognized the costs of compensated absences when actually earned by the employees. Accordingly, a liability for such absences has been recorded in the accompanying financial statements in the accrued liabilities balance.

**Date of management review:** Subsequent events have been evaluated through September 30, 2020, which is the date the financial statements were issued.

**Women in Distress of Broward County, Inc.**  
**Notes to Financial Statements**  
**June 30, 2020**  
**(with comparative totals as of June 30, 2019)**

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**Note 3 - Liquidity and Availability of Financial Assets**

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Financial Assets:	
Cash and cash equivalents	\$ 2,765,180
Grants receivable	803,180
Promises to give, net	223,799
Beneficial interest in assets held by Community Foundation of Broward, Inc.	<u>933,225</u>
Financial Assets, at year-end	<u>4,725,384</u>
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Purpose and time restrictions by donor	(1,019,927)
Add back: promises to give without donor restrictions available within one year	219,122
Perpetual restrictions by donor	(1,030,209)
Add back: estimated distribution from beneficial interest in assets held by Community Foundation of Broward, Inc.	<u>46,700</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,941,070</u>

As part of its liquidity management, the Organization invests cash in excess of daily requirements in short-term investments which includes various money market funds. In the event of an unanticipated liquidity need, the Organization could draw upon \$ 500,000 of available line of credit (Note 11).

**Note 4 - Promises to Give**

At June 30, 2020 and 2019, unconditional promises to give consisted of the following:

	<u>2020</u>	<u>2019</u>
Receivable in less than one year	\$ 220,547	\$ 31,425
Receivable in one to five years	<u>3,333</u>	<u>33,333</u>
Total promises to give	223,880	64,758
Less allowance for doubtful promises to give	-	-
Present value discount	<u>(81)</u>	<u>(893)</u>
	<u>\$ 223,799</u>	<u>\$ 63,865</u>

Unconditional promises to give due in more than one year are reflected at the present value of estimated future cash flows using a discount rate of 2.5% for the years ended June 30, 2020 and 2019.

**Women in Distress of Broward County, Inc.**  
**Notes to Financial Statements**  
**June 30, 2020**  
**(with comparative totals as of June 30, 2019)**

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**Note 5 - Fair Value Measurements**

The Organization's beneficial interest in assets held by the Community Foundation of Broward, Inc. is reported at fair value in the accompanying statement of financial position.

In accordance with the Financial Accounting Standards Board in its Accounting Standard Codification (ASC) No. 820, *Fair Value Measurement and Disclosures*, the Organization provides certain disclosures based on a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

Various inputs are used in determining the value of the Organization's investments. These inputs are summarized in three levels listed below:

- Level 1 - inputs are quoted market prices (unadjusted) in active markets for identical investments that the reporting entity can access at the measurement date.
- Level 2 - inputs are other than quoted prices included within Level 1 that are observable for the investments, either directly or indirectly. (e.g. quoted prices in active markets for similar securities, securities valuations based on commonly quoted benchmarks, interest rates and yield curves, and/or securities indices.)
- Level 3 - inputs that are unobservable for the investments. (e.g. information about assumptions, including risk, market participants would use in pricing a security.)

The inputs or methodologies used for valuing investments are not necessarily an indication of the risk associated with investing in those investments. An investment's classification within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The Organization's investments are classified under Level 3 and have a fair value of \$ 933,225 and \$ 989,594 at June 30, 2020 and 2019, respectively. Changes in the level 3 investments are further disclosed in Note 10.

**Note 6 - Property and Equipment**

Property and equipment consist of the following as of June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Building and improvements	\$ 8,426,555	\$ 8,406,721
Furniture and equipment	1,476,576	1,462,468
Vehicles	<u>178,060</u>	<u>178,060</u>
	10,081,191	10,047,249
Less accumulated depreciation	<u>(3,824,654)</u>	<u>(3,418,871)</u>
	6,256,537	6,628,378
Land	<u>1,224,429</u>	<u>1,224,429</u>
	<u>\$ 7,480,966</u>	<u>\$ 7,852,807</u>

**Women in Distress of Broward County, Inc.**  
**Notes to Financial Statements**  
**June 30, 2020**  
**(with comparative totals as of June 30, 2019)**

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**Note 7 - Thrift Store**

Net Thrift Store proceeds provided by its daily operations were approximately \$ 9,800 and \$ 68,100 for the years ended June 30, 2020 and 2019, respectively. Items given to participants were valued at approximately \$ 5,600 and \$ 10,000 for the years ended June 30, 2020 and 2019, respectively. All net proceeds of the thrift store plus items given to participants totaling approximately \$ 15,000 for the year ended June 30, 2020 are directly invested back into services for participants. Through specific grants and funding, the Organization also purchases new items such as baby car seats, cribs, supplies, clothes, food and services. These expenditures are reflected in supplies and contribution to participants in the statement of functional expenses.

	<u>2020</u>	<u>2019</u>
Thrift Store revenue (including donated items)	\$ 822,086	\$ 1,032,147
Expenses (including costs of goods sold)	<u>(812,271)</u>	<u>(964,011)</u>
Net proceeds provided by Thrift Store operations	\$ <u>9,815</u>	\$ <u>68,136</u>

The Thrift Store cost of goods sold presented in the Statement of Functional Expenses on page 5 includes the following components:

Thrift Store revenues	\$ 395,731
Thrift Store items given to program participants	<u>5,644</u>
Thrift Store cost of goods sold	\$ <u>401,375</u>

**Note 8 - Contributed Services, Goods and Facilities**

The Organization receives donated professional services, goods, and facilities as part of its program services and fundraising campaigns during the year. Only those donated services that require specialized skills are reflected in the financial statements. These donations are recorded and reflected in the accompanying financial statements at estimated fair value as “in-kind donations, thrift store” and “other in-kind donations” in the statement of activities for the years ended June 30, 2020 and 2019, as follows:

	<u>2020</u>	<u>2019</u>
Donated goods and other services	\$ 744,978	\$ 828,925
Professional services	<u>149,424</u>	<u>95,940</u>
Total	\$ <u>894,402</u>	\$ <u>924,865</u>

**Women in Distress of Broward County, Inc.**  
**Notes to Financial Statements**  
**June 30, 2020**  
**(with comparative totals as of June 30, 2019)**

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**Note 9 - Net Assets with Donor Restrictions**

Net assets with donor restrictions are restricted for the following purposes or periods:

	<u>2020</u>	<u>2019</u>
Subject to expenditure for specified purpose:		
Capital fund	\$ 1,425	\$ 1,425
Pet shelter	129,934	95,094
Direct services and supplies	165,931	178,564
Increase (decrease) in value of endowment held at the Foundation	263	30,676
	<u>297,553</u>	<u>305,759</u>
Subject to passage of time:		
Promises to give, not restricted by donors, but unavailable for expenditure until due	222,374	62,440
	<u>519,927</u>	<u>368,199</u>
Endowments:		
Subject to appropriation and expenditure when a specified event occurs:		
Pet shelter	500,000	500,000
Required to be held in perpetuity by donor for specified purpose:		
Held at the Foundation	911,989	911,989
Educational advancement	118,220	118,220
	<u>1,030,209</u>	<u>1,030,209</u>
	<u>1,530,209</u>	<u>1,530,209</u>
<b>Total</b>	<b>\$ <u>2,050,136</u></b>	<b>\$ <u>1,898,408</u></b>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows:

	<u>2020</u>	<u>2019</u>
Expiration of time restrictions	\$ 35,600	\$ 108,477
Satisfaction of purpose and time restrictions:		
Capital fund	-	179,941
Pet shelter	32,360	258,460
Direct services and supplies	139,688	156,057
Increase (decrease) in value of endowment held at the Foundation	30,676	72,609
	<u>238,324</u>	<u>775,544</u>
<b>Total</b>	<b>\$ <u>238,324</u></b>	<b>\$ <u>775,544</u></b>

## **Note 10 - Endowment Funds**

### **Endowment Funds Held by Community Foundation of Broward, Inc.**

The Organization previously entered into agency endowment fund agreements with the Foundation. As of June 30, 2020 and 2019, the total fair value of the endowment funds which are held and controlled by the Foundation amounted to \$ 1,368,666 and \$ 1,437,783, respectively. The funds are invested in a broadly diversified portfolio. Each year, as determined by the Foundation's Board of Directors, the Foundation distributes to the Organization investment earnings based upon 5% of the 12-quarter rolling average of the fair market value of the funds. The Organization has the Edee Greene Women in Distress of Broward County, Inc. Endowment Fund and The Domestic Violence Fund for Women in Distress with the Foundation.

*The Edee Greene Women in Distress of Broward County, Inc. Endowment Fund:* This Fund was created on October 5, 1999 in the aggregate pledge amount of \$ 1,000,000, in which \$ 911,989 was to be held in perpetuity. The pledged amount was received and paid by the Organization to the Foundation from one of its directors, as required by the gift agreement. As of June 30, 2020 and 2019, the fair value of the endowment fund amounted to \$ 933,225 and \$ 989,594, respectively. ASC No. 958, *Not-for-Profit Entities*, specifically requires that, if a not-for-profit organization establishes a Fund at a community foundation with its own assets and specifies itself as the beneficiary of that Fund, that community foundation must account for the transfer of such assets as a liability rather than as a contribution. The Organization has, therefore, reflected this Fund as an asset on the Statement of Net Position.

*The Domestic Violence Fund for Women in Distress:* This fund was created on March 12, 2002 as part of the endowment plan challenge sponsored by another private foundation. As of June 30, 2020 and 2019, the fair value of the endowment fund at the Foundation amounted to \$ 435,441 and \$ 448,189 respectively. Distributions from this Fund will only be made with the approval and authorization of the Board of Trustees of the Foundation and the funds are the property of the Foundation. As such, they are not carried as an asset of the Organization.

### **Endowment Funds Held by the Organization**

*The Marti Huizenqa Endowment for Educational Advancement Fund:* This Fund was created on March 17, 2017 with an initial contribution of \$ 50,000, invested in perpetuity. Future contributions to this Fund are accepted and subject to the same restrictions as the initial contribution. As of June 30, 2020, the Fund had corpus balance of \$ 118,220. The income from this endowment is for providing educational opportunities for adults served by the Organization. This endowment allows for annual withdraws not exceeding 5% of the principal balance or actual annual earnings. As of June 30, 2020 and 2019, the fair value of the endowment fund amounted to \$ 118,256 and \$ 118,227, respectively.

*The Women in Distress Pet Shelter Endowment Fund:* This Fund was created on September 5, 2018 when the Board of Directors designated a \$ 500,000 contribution from a private foundation as an endowment fund. The income from this endowment is for the operating costs of the pet shelter. As of June 30, 2020 and 2019, the fair value of the endowment fund amounted to \$ 500,000.

**Interpretation of relevant law:** The Organization's Board of Directors is responsible for the oversight and management of the Organization's endowments. The Board of Directors of the Organization has interpreted the Florida Uniform Prudent Management of Institutional Funds Act (the "FUPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

**Women in Distress of Broward County, Inc.**  
**Notes to Financial Statements**  
**June 30, 2020**  
**(with comparative totals as of June 30, 2019)**

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**Note 10 - Endowment Funds (continued)**

Donor restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Organization in a manner consistent with the standard of prudence prescribes by FUPMIFA.

In accordance with FUPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds:

- (1) The purposes of the Organization and the donor-restricted endowment fund.
- (2) The duration and preservation of the fund.
- (3) General economic conditions.
- (4) The possible effect of inflation and deflation.
- (5) The expected total return from income and the appreciation(depreciation) of investments.
- (6) Other resources of the Organization.
- (7) The investment and spending policies of the Organization.

**Return objectives and risk parameters:** The Organization has adopted investment policies that attempt to preserve capital, optimize investment returns, generate income to meet financial obligations and support the Organization’s operations over the long term. Allowable investments comprise of overnight funds invested in government obligations, certificates of deposits, money market funds and interest bearing checking or savings accounts. The Organization does not invest in equities or high-risk securities.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the historical gift value. Deficiencies, if any, are reflected in net assets with donor restrictions. There were no underwater funds as of June 30, 2020 and 2019.

The changes in endowment net assets for the year ended June 30, 2020, are as follows:

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>2020 Total</u>
Beginning Balance	\$ 77,612	\$ 1,530,209	\$ 1,607,821
Interest and dividends	29	-	29
Net realized and unrealized gains (losses) on investments	263	-	263
Investment fees	(7,328)	-	(7,328)
Distributions	<u>(49,304)</u>	<u>-</u>	<u>(49,304)</u>
Ending Balance	<u>\$ 21,272</u>	<u>\$ 1,530,209</u>	<u>\$ 1,551,481</u>

**Women in Distress of Broward County, Inc.**  
**Notes to Financial Statements**  
**June 30, 2020**  
**(with comparative totals as of June 30, 2019)**

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**Note 10 - Endowment Funds (continued)**

The changes in endowment net assets for the year ended June 30, 2019, are as follows:

	Without Donor Restriction	With Donor Restriction	2019 Total
Beginning Balance	\$ 103,205	\$ 1,005,209	\$ 1,108,414
Contributions	-	525,000	525,000
Interest and dividends	7	-	7
Net realized and unrealized gains (losses) on investments	30,676	-	30,676
Investment fees	(7,547)	-	(7,547)
Distributions	(48,729)	-	(48,729)
Ending Balance	\$ <u>77,612</u>	\$ <u>1,530,209</u>	\$ <u>1,607,821</u>

**Note 11 - Line of Credit**

The Organization has a revolving line of credit agreement (the "Line") with a financial institution in the amount of \$ 500,000, available through February 2021. The Line carries a variable rate of interest, payable monthly at the lender's prime rate (3.25% at June 30, 2020). There were no outstanding balances for the years ended June 30, 2020 and 2019. There was no interest expense incurred during 2020. The Line requires certain restrictive covenants which must be adhered to by the Organization. Among their provisions, the agreement calls for a minimum debt service coverage ratio of 1.00. As of June 30, 2020, the Organization was in compliance with its minimum debt service coverage ratio.

**Note 12 - Mortgage Note Payable**

The Organization holds a mortgage note payable with Branch Banking and Trust Company which is secured by the Organization's Deerfield Beach property. The mortgage requires monthly principal and interest payments of \$ 15,542 based on interest at a fixed rate of 4.67% through February 2030.

The Organization incurred certain costs as a result of the refinance of its mortgage. Loan costs, net of accumulated amortization, totaled \$ 9,803 and \$ 12,254 as of June 30, 2020 and 2019, respectively. Amortized interest expense for the years ended June 30, 2020 and 2019 was approximately \$ 2,450.

The mortgage note payable agreement contains a number of restrictive covenants. Among other provisions, the agreement requires a minimum debt service coverage ratio of 1.00. At June 30, 2020, the Organization was in compliance with the minimum debt service coverage.

**Women in Distress of Broward County, Inc.**  
**Notes to Financial Statements**  
**June 30, 2020**  
**(with comparative totals as of June 30, 2019)**

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**Note 12 - Mortgage Note Payable (continued)**

Future mortgage principal payments, not including unamortized loan costs, are approximately as follows:

Year Ending June 30,		
2021	\$	120,700
2022	\$	126,600
2023	\$	132,700
2024	\$	139,000
2025	\$	145,800
2026-2030	\$	779,100

**Note 13 - Note Payable**

On April 27, 2020, the Organization executed a promissory note for \$ 838,000 under the Paycheck Protection Program (“PPP”) authorized by the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”). On May 14, 2020, the Organization elected to reduce their PPP loan by returning \$ 628,000 to be applied toward the principal balance. The loan bears interest rate at 1.00% per annum. Under the PPP, loan funds are eligible for forgiveness to the extent that they are used to cover certain payroll, rent, and utility costs and if the Organization maintains certain employment levels during a specified period of time. If the Small Business Administration (“SBA”) confirms full forgiveness of the unpaid balance of the note, the Organization’s obligation under this arrangement will be deemed fully satisfied. The Organization remains obligated to repay to the lender any amount not forgiven, which will mature on the 2nd anniversary of the note. Principal and interest payments are deferred until the lender receives a forgiveness determination from SBA. If the Organization does not apply for forgiveness within 10 months after the last day of their covered period, as applicable, it would be required to make payments on the PPP loan beginning 10 months after the last day of such covered period. At such time, the bank will establish the amount of monthly payments due (principal and interest) based on the remaining time up until its maturity. As of June 30, 2020, the outstanding principal amount of the note payable was \$ 210,000.

**Note 14 - Commitments and Contingencies**

**Operating leases:** The Organization has a non-cancelable lease of property for its Thrift Store with Trizek Village Plaza, Inc. through February 2022. The monthly rent charged is approximately \$ 7,400 plus certain allocable costs.

The Organization also leased equipment under a non-cancelable lease. Monthly payments of approximately \$ 1,300 plus certain allocable costs were due through April 2020.

Rent expense under these operating leases, including certain allocable costs, totaled approximately \$ 166,900 and \$ 165,800 for the years ended June 30, 2020 and 2019, respectively.

**Note 14 - Commitments and Contingencies (continued)**

Future minimum payments required under the above operating leases are approximately as follows:

Year Ending June 30,		
2021	\$	88,100
2022		59,500

**Compensated absences:** Vacation is earned at various rates depending upon length of service. Sick time is earned by regular and full-time employees at the rate of 10 days annually, and regular part-time employees who worked a minimum of 14 hours per week or more are entitled to sick time on a prorated basis. Under the Organization’s policy, no more than two weeks of accrued vacation may be carried over from one year to the next. All employees are allowed to accumulate earned and unused sick time not to exceed 10 working days, and unused sick time is not paid in the event of employee termination. As of June 30, 2020 and 2019, the liability for accumulated vacation leave benefits amounted to approximately \$ 120,800 and \$ 104,900, respectively, and was included in accrued liabilities on the statements of financial position.

**Grants contingency:** Amounts received or receivable from Federal, state and local grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the Organization. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Organization expects such amounts, if any, to be immaterial.

**Note 15 - Employee Benefit Plans**

**Retirement Plan:** The Organization participates in a 401(k) profit sharing plan (the “Plan”) in accordance with Internal Revenue Service regulations. Eligible employees may make voluntary tax deferred contributions. The Organization currently provides matching contributions up to 3% of eligible employees’ salary to the 401(k) profit sharing plan. During the year ended June 30, 2020 and 2019, the Organization contributed approximately \$ 58,500 and \$ 83,200, respectively to the Plan.

**Cafeteria Plan:** The Organization participates in a Cafeteria Plan (Section 125, as described in the Internal Revenue Code) covering all employees. Employees must have completed sixty-days of employment and are working at least 30 hours per week to be eligible for the benefit. The plan provides health insurance coverage with the Organization paying 80% of the insurance cost of eligible employees. The Organization paid approximately \$ 253,000 and \$ 260,800 to the Plan in 2020 and 2019, respectively.

**Note 16 - Uncertainties**

The coronavirus (COVID-19) outbreak has caused disruption in international and U.S. economies and markets. The coronavirus and fear of further spread has caused quarantines, cancellation of events, and overall reduction in business and economic activity. On March 11, 2020, the *World Health Organization* designated the coronavirus outbreak a pandemic. Management and the Board of Directors continue to evaluate and monitor the potential adverse effect that this event may have on the Organization’s financial position, operations and cash flows. The full impact of COVID-19 is unknown at this time and cannot be reasonably estimated as these events are still developing.

# ADDITIONAL INFORMATION

**Women in Distress of Broward County, Inc.**  
**Schedule of Expenditures of Federal Awards and State Financial Assistance**  
**For the Year Ended June 30, 2020**

<u>Federal/State Agency Pass-Through Grantor/Federal Program/State Project</u>	<u>CFDA/CSFA Number</u>	<u>Contract/Grant Number</u>	<u>Expenditures</u>	<u>Transfers to Subrecipients</u>
<b>Federal Agency Name:</b>				
Indirect Programs:				
U.S. Department of Health and Human Services -				
Passed through State of Florida Department of Children and Families -				
Temporary Assistance for Needy Families (TANF)	93.558	20-2230-DVS	\$ 412,130	\$ -
Family Violence Prevention and Services (FVPSA)	93.671	20-2230-DVS	250,485	-
Family Violence Prevention and Services (FVPSA II)	93.671	20-2230-DVS	153,386	-
Family Violence Prevention and Services (FVPSA II-FYE20)	93.671	Program Needs	16,800	-
		93.671 Total	<u>420,671</u>	<u>-</u>
U.S. Department of Justice -				
Passed through State of Florida Department of Children and Families -				
Legal Assistance for Victims (LAV)	16.588	20-2230-LAV	17,638	-
U.S. Department of Justice -				
Passed through State of Florida, Office of the Attorney General -				
Crime Victim Assistance	16.575	VOCA-2018 Women In Distress of Brow-00459	235,766	-
Crime Victim Assistance	16.575	VOCA-2019 Women In Distress of Brow-00435	547,804	-
Passed through State of Florida Department of Children and Families -				
Crime Victim Assistance	16.575	19-2230-CPI VOCA	14,148	-
Crime Victim Assistance	16.575	20-2230-CPI VOCA	38,966	-
Economic Justice Program	16.575	19-2230-EJ-VOCA	5,996	-
Economic Justice Program	16.575	20-2230-EJ-VOCA	37,988	-
Legal Project	16.575	19-2230-LEGAL-VOCA	150,855	-
Legal Project	16.575	20-2230-LEGAL-VOCA	353,226	-
		16.575 Total	<u>1,384,749</u>	<u>-</u>

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

**Women in Distress of Broward County, Inc.**  
**Schedule of Expenditures of Federal Awards and State Financial Assistance**  
**(continued)**  
**For the Year Ended June 30, 2020**

<u>Federal/State Agency Pass-Through Federal Program/State Project</u>	<u>CFDA/CSFA Number</u>	<u>Contract/Grant Number</u>	<u>Expenditures</u>	<u>Transfers to Subrecipients</u>
<b>Federal Agency Name:</b>				
<b>(continued)</b>				
U.S. Department of Housing and Urban Development - Passed through Broward County -				
Emergency Solutions Grant	14.231	17-CP-HIP-8219-01	30,417	-
Emergency Solutions Grant	14.231	-	80,000	-
		14.231 Total	<u>110,417</u>	<u>-</u>
Community Development Block Grants passed through -				
City of Fort Lauderdale	14.218	#B-19-MC-12-0005	35,137	-
Broward County	14.218	-	34,552	-
City of Hollywood	14.218	-	24,320	-
City of Oakland Park	14.218	-	24,803	-
City of Pompano	14.218	-	11,085	-
City of Plantation	14.218	-	28,575	-
		14.218 Total	<u>158,472</u>	<u>-</u>
Total expenditures of federal awards			\$ <u>2,504,077</u>	\$ <u>-</u>
<b>State Financial Assistance:</b>				
Florida Department of Children and Families (DCF) -				
Domestic Violence Trust Fund (DVTF)	**	20-2230-DVS	462,708	-
General Revenue Fund (GR)	**	20-2230-DVS	552,905	-
Primary Prevention	**	20-2230-DVS	18,352	-
COVID-19	**	-	95,420	-
CPI (General Revenue)	60.139	20-2230-DVS	123,002	-
Total Florida Department of Child and Families (DCF)			<u>1,252,387</u>	<u>-</u>
Total expenditures of state financial assistance			<u>1,252,387</u>	<u>-</u>
Total expenditures of federal awards and state financial assistance			\$ <u>3,756,464</u>	\$ <u>-</u>

\*\* Not subject to Florida Statutes, Section 215.97 Florida Single Audit Act.

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

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Women in Distress of Broward County, Inc. (the "Organization") under programs of the federal government for the 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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because 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 2 - 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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3 - Contingency**

The grant revenue amounts received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the Organization. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable Federal and state laws and other applicable regulations.

**Note 4 - Indirect Cost Rate**

The Organization did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

# INTERNAL CONTROLS AND COMPLIANCE

**Keefe  
McCullough**  
CPA's + Trusted Advisors

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

To the Board of Directors  
Women in Distress of Broward County, Inc.  
Deerfield 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 Women in Distress of Broward County, 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 year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 30, 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.

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
September 30, 2020

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

To the Board of Directors  
Women in Distress of Broward County, Inc.  
Deerfield Beach, Florida

**Report on Compliance for Each Major Federal Program**

We have audited Women in Distress of Broward County, 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 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 federal statutes, regulations, and the terms and conditions of its federal awards 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, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the 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.

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
September 30, 2020

**Women in Distress of Broward County, Inc.  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2020**

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**A. Summary of Auditor’s Results**

1. The auditor’s report expresses an unmodified opinion on the financial statements of Women in Distress of Broward County, Inc.
2. No 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 Women in Distress of Broward County, Inc. were disclosed during the audit.
4. No material weaknesses relating to the audit of the major Federal programs are reported in the Independent Auditor’s Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by The Uniform Guidance.
5. The auditor’s report on compliance with requirements applicable to the major Federal program for Women in Distress of Broward County, Inc. expresses an unmodified opinion.
6. There are no findings relative to the major Federal program for Women in Distress of Broward County, Inc. reported in Part C of this schedule.
7. The program tested as a major program is as follows:

<u>Federal Award Program</u>	<u>CFDA Number</u>
United States Department of Justice, Grants for Victims of Crime	16.575

8. The threshold for distinguishing Type A and Type B projects was \$ 750,000 for major Federal programs.
9. Women in Distress of Broward County, Inc. was determined to be a low risk auditee pursuant to The Uniform Guidance.

**B. Findings - Financial Statement Audit**

None

**C. Findings and Questioned Costs - Major Federal Program**

None

**D. Other Issues**

1. A separate management letter was not issued because there were no findings required to be reported in the management letter.
2. No summary schedule of prior audit findings is required because there were no prior audit findings related to Federal programs.
3. No corrective action plan is required because there were no findings required to be reported under the Federal Single Audit Act.