

Women in Distress of Broward County, Inc.

Financial Statements
and Additional Information
For the Year Ended June 30, 2021



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, 2021, 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, 2021, 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 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 30, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, 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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and State of Florida Chapter 10.650, *Rules of the Auditor General*, 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 28, 2021, 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
October 28, 2021

FINANCIAL STATEMENTS

Women in Distress of Broward County, Inc.
Statement of Financial Position
June 30, 2021
(with comparative totals as of June 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets:		
Cash and cash equivalents	\$ 2,852,290	\$ 2,765,180
Investments	735,880	-
Grants receivable	929,031	803,180
Promises to give, net	184,551	223,799
Prepaid expenses and deposits	47,452	78,178
Inventory	72,453	95,234
Beneficial interest in assets held by Community Foundation of Broward, Inc.	1,188,086	933,225
Property and equipment, net	<u>7,653,617</u>	<u>7,480,966</u>
Total assets	\$ <u>13,663,360</u>	\$ <u>12,379,762</u>
Liabilities:		
Accounts payable	\$ 168,079	\$ 115,541
Accrued liabilities	306,749	252,148
Refundable advances and deferred revenue	169,627	86,436
Note payable - Paycheck Protection Program	-	210,000
Mortgage note payable, net of unamortized loan costs	<u>1,318,567</u>	<u>1,434,070</u>
Total liabilities	<u>1,963,022</u>	<u>2,098,195</u>
Commitments and Contingencies (Note 14)	-	-
Net Assets:		
Without donor restrictions:		
Undesignated	9,338,551	8,210,422
With donor restrictions:		
Purpose and time restrictions	1,331,578	1,040,936
Perpetual in nature	<u>1,030,209</u>	<u>1,030,209</u>
Total with donor restrictions	<u>2,361,787</u>	<u>2,071,145</u>
Total net assets	<u>11,700,338</u>	<u>10,281,567</u>
Total liabilities and net assets	\$ <u>13,663,360</u>	\$ <u>12,379,762</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, 2021
(with comparative totals for the year ended June 30, 2020)

	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Public Support:				
Grants from governmental agencies	\$ 4,116,539	\$ 4,424	\$ 4,120,963	\$ 4,311,929
Grants from corporations and foundations	1,221,166	52,944	1,274,110	664,980
Contributions from individuals and corporations	1,361,899	202,641	1,564,540	1,179,719
Capital campaign contributions	-	32,550	32,550	67,200
In-kind donations, thrift store	487,211	-	487,211	426,355
Other in-kind donations	553,644	-	553,644	468,047
Special events, net of direct costs of \$ 41,004 at June 30, 2021 and \$ 74,551 at June 30, 2020	159,522	-	159,522	382,398
Total public support	7,899,981	292,559	8,192,540	7,500,628
Revenue and Gains:				
Thrift store	502,917	-	502,917	395,731
Investment earnings (loss), net	470	421,179	421,649	(6,156)
Loan forgiveness - Paycheck Protection Program	210,000	-	210,000	-
Miscellaneous	38,459	-	38,459	6,443
Total revenue and gains	751,846	421,179	1,173,025	396,018
Net Assets Released From Restrictions	423,096	(423,096)	-	-
Total public support, revenue and gains, and net assets released from restrictions	9,074,923	290,642	9,365,565	7,896,646
Expenses:				
Program services:				
Residential	2,082,695	-	2,082,695	2,159,572
Outreach	2,670,964	-	2,670,964	2,632,847
Prevention and education services	233,846	-	233,846	236,434
Thrift store	955,676	-	955,676	812,271
Crisis hotline	249,375	-	249,375	309,518
Injunction for protection project	596,748	-	596,748	554,161
Total program services	6,789,304	-	6,789,304	6,704,803
Supporting services:				
Fundraising	516,155	-	516,155	464,146
Management and general	641,335	-	641,335	497,255
Total supporting services	1,157,490	-	1,157,490	961,401
Total expenses	7,946,794	-	7,946,794	7,666,204
Change in net assets	1,128,129	290,642	1,418,771	230,442
Net Assets, Beginning of Year, as restated (Note 9)	8,210,422	2,071,145	10,281,567	10,051,125
Net Assets, End of Year	\$ 9,338,551	\$ 2,361,787	\$ 11,700,338	\$ 10,281,567

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, 2021
(with comparative totals for the year ended June 30, 2020)

	Program Services						Supporting Services			
	Residential	Outreach	Prevention and Education Services	Thrift Store	Crisis Hotline	Injunction for Protection	General Fundraising	Management and General	Total	2020
Functional Expenses:										
Salaries	\$ 828,639	\$ 1,662,882	\$ 151,376	\$ 185,640	\$ 186,375	\$ 426,464	\$ 259,680	\$ 301,152	\$ 4,002,208	\$ 4,021,767
Employee benefits	125,870	252,592	22,994	28,199	28,310	64,780	39,445	45,566	607,756	660,579
Total personnel costs	954,509	1,915,474	174,370	213,839	214,685	491,244	299,125	346,718	4,609,964	4,682,346
Other Expenses:										
Conferences, conventions and meetings	-	4,991	-	112	-	-	2,220	19,181	26,504	13,202
Contribution to participants	116,378	190,699	1,068	-	-	21	-	-	308,166	101,293
Interest expense	29,263	14,172	1,886	-	1,244	1,992	1,184	11,512	61,253	73,984
Membership dues/subscriptions	165	299	200	-	-	1,318	500	11,029	13,511	31,211
Occupancy	248,622	107,935	10,654	186,624	6,041	37,819	11,259	30,124	639,078	528,313
Other expenses	-	36,678	6,028	14,670	1,825	11,316	19,343	12,805	102,665	60,020
Postage and shipping	583	1,915	201	-	120	283	5,931	885	9,918	5,756
Printing and publications	78	1,769	347	-	-	-	33,201	4,466	39,861	21,712
Professional fees	163,909	113,083	14,227	11,361	8,870	19,889	78,996	40,440	450,775	384,500
Provision for bad debt	-	-	-	823	-	-	1,225	-	2,048	164
Rental and maintenance of equipment	52,602	28,495	4,231	5,513	1,968	12,236	46,802	17,393	169,240	125,745
Special events	-	-	-	-	-	-	45,924	-	45,924	84,561
Supplies	273,324	49,631	7,414	2,575	827	2,444	2,799	5,743	344,757	279,371
Telephone and cable	5,514	9,878	707	492	5,577	5,007	560	2,553	30,288	30,374
Travel - staff	1,669	336	82	444	16	46	100	726	3,419	12,651
Total other expenses	892,107	559,881	47,045	222,614	26,488	92,371	250,044	156,857	2,247,407	1,752,857
In-Kind Expenses:										
Cost of goods sold	-	-	-	509,991	-	-	-	-	509,991	401,375
Professional fees	-	55,108	-	-	-	-	-	60,073	115,181	147,989
Supplies and services	20,178	47,081	-	-	-	-	185	1,800	69,244	320,059
Total in-kind expenses	20,178	102,189	-	509,991	-	-	185	61,873	694,416	869,423
Provision for Depreciation	215,901	93,420	12,431	9,232	8,202	13,133	7,805	75,887	436,011	436,129
Total expenses by function	2,082,695	2,670,964	233,846	955,676	249,375	596,748	557,159	641,335	7,987,798	7,740,755
Less Expenses Included With Revenues on the Statement of Activities:										
Cost of direct benefit to donors	-	-	-	-	-	-	(41,004)	-	(41,004)	(74,551)
Total expenses included in the expense section on the statement of activities	\$ 2,082,695	\$ 2,670,964	\$ 233,846	\$ 955,676	\$ 249,375	\$ 596,748	\$ 516,155	\$ 641,335	\$ 7,946,794	\$ 7,666,204

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, 2021
(with comparative totals for the year ended June 30, 2020)

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ 1,418,771	\$ 230,442
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Provision for depreciation	436,011	436,129
Amortization of loan costs	2,451	2,450
Provision for bad debt	2,048	164
Net realized and unrealized (gains) losses on investments	(109,299)	-
Net change on beneficial interest in assets held by Community Foundation of Broward, Inc.	(254,861)	56,369
Contributed property and equipment	(369,200)	-
Forgiveness of note payable - Paycheck Protection Program	(210,000)	-
Changes in assets and liabilities:		
(Increase) decrease in assets:		
Grants receivable	(125,851)	(137,340)
Promises to give, net	37,200	(160,098)
Prepaid expenses and deposits	30,726	(4,387)
Inventory	22,781	(24,979)
Increase (decrease) in liabilities:		
Accounts payable	52,538	13,126
Accrued liabilities	54,601	45,506
Refundable advances and deferred revenue	83,191	82,936
Net cash provided by (used in) operating activities	<u>1,071,107</u>	<u>540,318</u>
Cash Flows From Investing Activities:		
Proceeds from the sale of investments	25,505	-
Purchase of property and equipment	(239,462)	(64,288)
Purchases of investments	(652,086)	-
Net cash provided by (used in) investing activities	<u>(866,043)</u>	<u>(64,288)</u>
Cash Flows From Financing Activities:		
Proceeds from note payable	-	838,000
Principal payments on note payable - Paycheck Protection Program	-	(628,000)
Principal payments on mortgage note payable	(117,954)	(114,972)
Net cash provided by (used in) financing activities	<u>(117,954)</u>	<u>95,028</u>
Net change in cash and cash equivalents	87,110	571,058
Cash and Cash Equivalents, Beginning of Year	<u>2,765,180</u>	<u>2,194,122</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 2,852,290</u></u>	<u><u>\$ 2,765,180</u></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 uses the accrual basis of accounting for financial reporting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

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.
- *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.

Note 2 - Summary of Significant Accounting Policies (continued)

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 equivalents that the Organization intends to use for long-term purposes are classified as investments in the accompanying statements of financial position.

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.

Investments: The Organization reports its investments in exchange traded funds at fair value. Unrealized gains and losses are included in support and revenue and the change in net assets in the accompanying statement of activities. Purchases and sales are recorded on a trade-date basis.

Grants receivable: Grants receivable at year-end represent allowable expenditures which have not yet been reimbursed by the granting agency. Management periodically reviews the grants receivable and other receivable balances and provides an allowance for those which may be uncollectible. As of June 30, 2021 and 2020, management considers all the receivables to be collectible within the current accounting period and an allowance for doubtful accounts has not been recorded.

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, 2021 and 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, 2021 and 2020.

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.

Note 2 - Summary of Significant Accounting Policies (continued)

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. 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.

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.

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.

Compensated absences: The Organization recognizes 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.

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 is met. Amounts received in advance are deferred to the applicable period.

Note 2 - Summary of Significant Accounting Policies (continued)

Note Payable - Paycheck Protection Program: In accordance with the guidance of the AICPA in Q&A Section 3200, the Organization has the option to report the proceeds of this forgivable loan program under FASB Accounting Standards Codification (ASC) 470, *Debt* or by analogy to the guidance under FASB ASC 958-605, *Revenue Recognition*, and account for the funds as a conditional government contribution. The Organization has elected to follow the provisions of ASC 470 in which the loan proceeds remain recorded as a liability until the loan is forgiven, in full or in part, or the loan is paid off to the creditor.

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.

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 GAAP. 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.

Reclassifications: Prior period financial statement amounts have been reclassified to conform to current period presentation. Total net assets and change in net assets are unchanged due to these reclassifications.

Use of estimates: The preparation of financial statements in conformity with GAAP 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's assets that are exposed to credit risk consist primarily of cash, cash equivalents, investments, and receivables. Deposits are maintained at one financial institution, and such deposits may, at times, exceed Federally insured limits. Cash balances are maintained with what management believes to be a high-quality financial institution; therefore, management believes that credit risk related to these balances is minimal.

Investments are held in a brokerage account protected by the Securities Investor Protection Corporation ("SIPC") in the event of broker-dealer failure, subject to applicable limits. The SIPC insurance does not protect against market losses on investments. Investments are overseen by an investment company whose performance is monitored by management. Investments related to the beneficial interest in assets held by the Foundation are managed by a third-party trustee according to its directives.

Women in Distress of Broward County, Inc.
Notes to Financial Statements
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Note 2 - Summary of Significant Accounting Policies (continued)

Credit risk with respect to receivables is considered limited, by management, due to the number and credit worthiness of the entities and individuals who comprise the contributor/customer base. Receivables are stated at the amount management expects to collect from outstanding balances. The Organization establishes an allowance for doubtful accounts based upon factors surrounding the credit risk of specific donors/customers, historical trends and other information. Receivable balances are unsecured.

The Organization has a contract agreement with the Florida Department of Children and Families (DCF). 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, DCF assumed the role previously held by the Florida Coalition Against Domestic Violence (FCADV). Revenue from all grants with DCF and FCADV represented approximately \$ 2,281,400 or 23% and \$ 2,705,000 or 34% of total public support, revenue and gains for the years ending June 30, 2021 and 2020, respectively. The Organization renewed its main contract with DCF for approximately \$ 2,155,000 through June 30, 2022. Receivables due from these contracts were approximately \$ 392,000 or 42%, and \$ 518,000 or 65% of total grant receivables at June 30, 2021 and 2020, respectively.

Date of management review: Subsequent events have been evaluated through October 28, 2021, which is the date the financial statements were issued.

Note 3 - Liquidity and Availability

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	\$ 2,852,290
Investments	735,880
Grants receivable	929,031
Promises to give, net	184,551
Beneficial interest in assets held by Community Foundation of Broward, Inc.	<u>1,188,086</u>
Financial Assets, at year-end	<u>5,889,838</u>
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Purpose and time restrictions by donor	(1,331,578)
Add back: promises to give without donor restrictions available within one year	95,833
Perpetual restrictions by donor	(1,030,209)
Add back: estimated distribution from beneficial interest in assets held by Community Foundation of Broward, Inc.	<u>59,000</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,682,884</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).

Women in Distress of Broward County, Inc.
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Note 4 - Investments

Fair value measurements: In accordance with the Financial Accounting Standards Board in its Accounting Standard Codification (ASC) No. 820, *Fair Value Measurement and Disclosures*, the Organization follows a framework for measuring fair value and expanded disclosures about fair value 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 that 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 are significant unobservable inputs. (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.

Fair values of assets held by the Organization are classified at June 30, 2021 as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash (at cost)	\$ 15,065	\$ -	\$ -	\$ -
Exchange Traded Funds	720,815	720,815	-	-
Beneficial interest in assets held by the Community Foundation of Broward	<u>1,188,086</u>	<u>-</u>	<u>-</u>	<u>1,188,086</u>
	<u>\$ 1,923,966</u>	<u>\$ 720,815</u>	<u>\$ -</u>	<u>\$ 1,188,086</u>

Fair values of assets held by the Organization are classified at June 30, 2020 as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Beneficial interest in assets held by the Community Foundation of Broward	\$ <u>933,225</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>933,225</u>
	<u>\$ 933,225</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 933,225</u>

Beneficial interest in perpetual trust is measured at fair value on a recurring basis using unobservable market inputs (Level 3). Changes in Level 3 assets measured at fair value are as follows for the year ended June 30:

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 933,225	\$ 989,594
Change in value	303,556	(7,065)
Distributions	<u>(48,695)</u>	<u>(49,304)</u>
Balance, end of year	<u>\$ 1,188,086</u>	<u>\$ 933,225</u>

Women in Distress of Broward County, Inc.
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Note 5 - Promises to Give

At June 30, 2021 and 2020, unconditional promises to give consisted of the following:

	<u>2021</u>	<u>2020</u>
Receivable in less than one year	\$ 95,883	\$ 220,547
Receivable in one to five years	<u>90,000</u>	<u>3,333</u>
Total promises to give	185,883	223,880
Less allowance for doubtful promises to give	-	-
Present value discount	<u>(1,332)</u>	<u>(81)</u>
	<u>\$ 184,551</u>	<u>\$ 223,799</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, ranging from .75% to 2.50%.

Note 6 - Property and Equipment

Property and equipment consist of the following as of June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Building and improvements	\$ 8,426,555	\$ 8,426,555
Furniture and equipment	2,085,238	1,476,576
Vehicles	<u>178,060</u>	<u>178,060</u>
	10,689,853	10,081,191
Less: accumulated depreciation	<u>(4,260,665)</u>	<u>(3,824,654)</u>
	6,429,188	6,256,537
Land	<u>1,224,429</u>	<u>1,224,429</u>
Property and equipment, net	<u>\$ 7,653,617</u>	<u>\$ 7,480,966</u>

Women in Distress of Broward County, Inc.
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Note 7 - Thrift Store

Net Thrift Store proceeds provided by its daily operations were approximately \$ 34,000 and \$ 10,000 for the years ended June 30, 2021 and 2020, respectively. Items given to participants were valued at approximately \$ 7,000 and \$ 6,000 for the years ended June 30, 2021 and 2020, respectively. Net proceeds of the thrift store 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>2021</u>	<u>2020</u>
Thrift Store revenue (including donated items)	\$ 990,128	\$ 822,086
Expenses (including costs of goods sold)	<u>(955,676)</u>	<u>(812,271)</u>
Net proceeds provided by Thrift Store operations	\$ <u>34,452</u>	\$ <u>9,815</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	\$ 502,917
Thrift Store items given to program participants	<u>7,074</u>
Thrift Store cost of goods sold	\$ <u>509,991</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, 2021 and 2020, as follows:

	<u>2021</u>	<u>2020</u>
Donated goods and other services	\$ 556,474	\$ 744,978
Professional services	115,181	149,424
Contributed property and equipment	<u>369,200</u>	<u>-</u>
Total	\$ <u>1,040,855</u>	\$ <u>894,402</u>

Women in Distress of Broward County, Inc.
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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>2021</u>	<u>2020</u>
Subject to expenditure for specified purpose:		
Capital fund	\$ -	\$ 1,425
Pet shelter	137,311	129,934
Direct services and supplies	115,960	165,931
	<u>253,271</u>	<u>297,290</u>
Subject to passage of time:		
Promises to give, not restricted by donors, but unavailable for expenditure until due	184,551	222,374
	<u>437,822</u>	<u>519,664</u>
Endowments:		
Subject to appropriation and expenditure when a specified event occurs:		
Pet shelter	595,423	500,000
General operations	276,097	21,236
Educational advancement	22,236	36
	<u>893,756</u>	<u>521,272</u>
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>1,923,965</u>	<u>1,551,481</u>
Total	\$ <u><u>2,361,787</u></u>	\$ <u><u>2,071,145</u></u>

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>2021</u>	<u>2020</u>
Expiration of time restrictions	\$ 218,922	\$ 35,600
Satisfaction of purpose and time restrictions:		
Capital fund	1,425	-
Pet shelter	25,173	32,360
Direct services and supplies	128,881	139,688
General operations	48,695	49,304
Total	\$ <u><u>423,096</u></u>	\$ <u><u>256,952</u></u>

Women in Distress of Broward County, Inc.
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Note 9 - Net Assets with Donor Restrictions (continued)

During the year ended June 30, 2021, the Organization performed a review of donor restricted net assets and noted that the previous net asset classification of several projects required adjustment to be in line with the underlying board designations and were reclassified. The effect of these reclassifications as of June 30, 2020 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Net assets as of June 30, 2020, as previously reported	\$ 8,231,431	\$ 2,050,136	\$ 10,281,567
Donor-restricted endorsement fund reclassifications	<u>(21,009)</u>	<u>21,009</u>	<u>-</u>
Restated net assets	\$ <u>8,210,422</u>	\$ <u>2,071,145</u>	\$ <u>10,281,567</u>

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, 2021 and 2020, the total fair value of the endowment funds which are held and controlled by the Foundation amounted to \$ 1,743,786 and \$ 1,368,666, 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, 2021 and 2020, the fair value of the endowment fund amounted to \$ 1,188,086 and \$ 933,225, 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, 2021 and 2020, the fair value of the endowment fund at the Foundation amounted to \$ 555,700 and \$ 435,441, 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.

Note 10 - Endowment Funds (continued)

Endowment Funds Held by the Organization

The Marti Huizenga 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, 2021 and 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 withdrawals not exceeding 5% of the principal balance or actual annual earnings. As of June 30, 2021 and 2020, the fair value of the endowment fund amounted to \$ 140,456 and \$ 118,256, respectively.

The Women in Distress Pet Shelter Endowment Fund: This Fund was created on September 5, 2018 with an initial contribution of \$ 500,000 from a private foundation. The income from this endowment is for the operating costs of the pet shelter. As of June 30, 2021 and 2020, the fair value of the endowment fund amounted to \$ 595,423 and \$ 500,000, respectively.

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.

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 deciding 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 are comprised 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.

Women in Distress of Broward County, Inc.
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Note 10 - Endowment Funds (continued)

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, 2021 and 2020.

The changes in endowment net assets for the year ended June 30, 2021 are as follows:

	With Donor Restrictions		
	Net Earnings	Endowment Corpus	2021 Total
Beginning Balance	\$ 21,272	\$ 1,530,209	\$ 1,551,481
Interest and dividends	11,534	-	11,534
Net realized and unrealized gains (losses) on investments	421,040	-	421,040
Investment fees	(11,395)	-	(11,395)
Distributions	(48,695)	-	(48,695)
	<u>\$ 393,756</u>	<u>\$ 1,530,209</u>	<u>\$ 1,923,965</u>

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

	With Donor Restrictions		
	Net Earnings	Endowment Corpus	2020 Total
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	(49,304)	-	(49,304)
Ending Balance	<u>\$ 21,272</u>	<u>\$ 1,530,209</u>	<u>\$ 1,551,481</u>

Note 11 - Line of Credit

The Organization has a revolving line of credit agreement with a financial institution in the amount of \$ 500,000, available through February 2022. The line carries a variable rate of interest, payable monthly at the lender's prime rate (3.25% at June 30, 2021). There were no outstanding balances for the years ended June 30, 2021 and 2020. There was no interest expense incurred during 2021 and 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, 2021, 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 a financial institution which is secured by the Organization's Deerfield Beach property. The mortgage requires monthly principal and interest payments of \$ 14,459 based on interest at a fixed rate of 4.00% through February 2030.

Women in Distress of Broward County, Inc.
Notes to Financial Statements
June 30, 2021
(with comparative totals as of June 30, 2020)

Note 12 - Mortgage Note Payable (continued)

The Organization incurred certain costs as a result of the refinance of its mortgage. Loan costs, net of accumulated amortization, totaled \$ 7,352 and \$ 9,803 as of June 30, 2021 and 2020, respectively. Amortized interest expense for the years ended June 30, 2021 and 2020 was approximately \$ 2,000.

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, 2021, the Organization was in compliance with the minimum debt service coverage.

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

Year Ending June 30,		
2022	\$	122,000
2023	\$	127,000
2024	\$	132,200
2025	\$	137,700
2026	\$	143,400
2027-2030	\$	663,600

Note 13 - Note Payable – Paycheck Protection Program

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. 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. The loan bears interest at 1.00% per annum. During the year ended June 30, 2021, the SBA approved the Organization’s application for forgiveness for \$ 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 \$ 7,000 plus certain allocable costs.

The Organization also leases equipment under a non-cancelable lease. Monthly payments of approximately \$ 1,000 plus certain allocable costs are due through November 2023.

Note 14 - Commitments and Contingencies (continued)

During the year, the Organization entered into a lease for office space relating to the Injunction for Protection Program. The lease calls for monthly payments of approximately \$ 3,000 through April 2022.

Rent expense under these operating leases, including certain allocable costs, totaled approximately \$ 170,000 and \$ 167,000 for the years ended June 30, 2021 and 2020, respectively.

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

Year Ending June 30,	
2022	\$ 102,800
2023	11,900
2024	6,000

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, 2021 and 2020, the liability for accumulated vacation leave benefits amounted to approximately \$ 134,000 and \$ 121,000, 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, 2021 and 2020, the Organization contributed approximately \$ 48,000 and \$ 59,000, 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 \$ 231,000 and \$ 253,000 to the Plan in 2021 and 2020, respectively.

Women in Distress of Broward County, Inc.
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June 30, 2021
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Note 16 - Supplemental Cash Flow Information

Supplemental disclosure for cash flow information:

	<u>2021</u>	<u>2020</u>
Cash received during the year for - Interest received	\$ <u>470</u>	\$ <u>909</u>
Cash paid during the year for - Interest paid	\$ <u>58,802</u>	\$ <u>71,533</u>
Other Noncash investing activities:		
Contribution of property and equipment	\$ <u>369,200</u>	\$ <u>-</u>

Note 17 - 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, 2021

Federal/State Agency/Pass through Entity/ Program Title	CFDA/ CSFA Number	Contract/Grant Number	Expenditures	State Matching Expenditures (1)	Transfer to Subrecipients
Federal Agency Name:					
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	LN073	\$ 453,321	\$ -	\$ -
Family Violence Prevention and Services (FVPSA)	93.671	LN073	516,680	119,962	-
FVPSA - CARES Act	93.671	LN073	51,109	-	-
		93.671 Total	567,789	119,962	-
U.S. Department of Justice - Passed through State of Florida, Department of Children and Families - Legal Assistance for Victims (LAV)	16.588	LN121	7,054	-	-
Passed through State of Florida, Office of the Attorney General - Crime Victim Assistance	16.575	VOCA-2019 Women In Distress of Brow-00435	139,783	-	-
Crime Victim Assistance	16.575	VOCA-2020 Women In Distress of Brow-00760	823,097	-	-
Passed through Florida Coalition Against Domestic Violence - Crime Victim Assistance	16.575	20-2230-CPI VOCA	14,329	-	-
Economic Justice Program	16.575	20-2230-EJ-VOCA	17,059	-	-
Legal Project	16.575	20-2230-LEGAL-VOCA	122,162	-	-
		16.575 Total	1,116,430	-	-

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, 2021

<u>Federal/State Agency/Pass through Entity/ Program Title</u>	<u>CFDA/ CSFA Number</u>	<u>Contract/Grant Number</u>	<u>Expenditures</u>	<u>State Matching Expenditures (1)</u>	<u>Transfer to Subrecipients</u>
Federal Agency Name:					
(continued)					
U.S. Department of Housing and Urban Development -					
Passed through Broward County -					
Emergency Solution Grant	14.231	20-CP-HIP-8219-01	58,119	-	-
45th Years Emergency Solution Grant	14.231	-	69,245	-	-
		14.231 Total	<u>127,364</u>	<u>-</u>	<u>-</u>
City of Oakland Park	14.218	-	7,400	-	-
Community Development Block Grants passed through -					
City of Fort Lauderdale	14.218	#B-19/20-MC-12-0005	32,058	-	-
City of Hollywood	14.218	-	16,909	-	-
City of Pompano	14.218	-	15,371	-	-
City of Plantation	14.218	-	28,383	-	-
		14.218 Total	<u>100,121</u>	<u>-</u>	<u>-</u>
Total expenditures of federal awards			<u>\$ 2,372,079</u>	<u>\$ 119,962</u>	<u>\$ -</u>
State Financial Assistance:					
Florida Department of Children and Families -					
Child Abuse Domestic Violence Training	60.139	LN073	145,794	-	-
Domestic Violence Program	60.134	LN073	994,513	-	-
Total Florida Department of Child and Families			<u>1,140,307</u>	<u>-</u>	<u>-</u>
Total expenditures of state financial assistance			<u>1,140,307</u>	<u>-</u>	<u>-</u>
Total expenditures of federal awards and state financial assistance			<u>\$ 3,512,386</u>	<u>\$ 119,962</u>	<u>\$ -</u>

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 and state financial assistance (the "Schedule") includes the federal award and state financial assistance activity of Women in Distress of Broward County, Inc. (the "Organization") for the year ended June 30, 2021. 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) and Chapter 10.650, *Rules of the Auditor General*. Therefore, some amounts presented in the Schedule may differ from amounts presented in or used in the preparation of the financial statements. Because the Schedule presents only a selected portion of the operations, 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 and Chapter 10.650, *Rules of the Auditor General*, wherein certain types of expenditures are not allowable or are limited as to reimbursement, as applicable.

Note 3 - Contingency

The grants and contracts revenue received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor/contracting 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, state and local laws and 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

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.

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, 2021, 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 October 28, 2021.

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) as a basis for designing 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.

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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 financial statement. 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
October 28, 2021

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND BY
CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

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

Report on Compliance for Each Major Federal Program and State Project

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* and *Florida Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs and state projects for the year ended June 30, 2021. The Organization's major federal programs and state projects 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 and state statutes, regulations, and the terms and conditions of its federal awards and state projects applicable to its federal programs and state projects, respectively.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs and state projects 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; 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); and Chapter 10.650, *Rules of the Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.650, *Rules of the Auditor General* 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 and/or state project 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 and state project. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, 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 programs and state projects for the year ended June 30, 2021.

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 or state project 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 state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*, 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 and/or state project 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 and/or state project 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 and/or state project 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 and Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

KEEFE McCULLOUGH

Fort Lauderdale, Florida
October 28, 2021

