

Women in Distress of Broward County, Inc.

Financial Statements
and Additional Information
For the Year Ended June 30, 2022



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 Audit of the Financial Statements

Opinion

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, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

CPA's + Trusted Advisors

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Organization's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 28, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary 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 schedule of federal awards and state financial assistance 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, 2022, 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, 2022

FINANCIAL STATEMENTS



Women in Distress of Broward County, Inc.
Statement of Financial Position
June 30, 2022
(with comparative totals as of June 30, 2021)

	<u>2022</u>	<u>2021</u>
Assets:		
Cash and cash equivalents	\$ 3,001,332	\$ 2,852,290
Investments	649,546	735,880
Grants receivable	1,201,224	929,031
Advances to providers, net	95,479	-
Promises to give, net	257,533	184,551
Prepaid expenses and deposits	51,411	47,452
Inventory	56,367	72,453
Beneficial interest in assets held by Community Foundation of Broward, Inc.	953,569	1,188,086
Property and equipment, net	<u>7,265,528</u>	<u>7,653,617</u>
Total assets	<u>\$ 13,531,989</u>	<u>\$ 13,663,360</u>
Liabilities:		
Accounts payable	\$ 72,635	\$ 168,079
Due to funder	513,643	-
Accrued liabilities	313,253	306,749
Refundable advances and deferred revenue	103,165	169,627
Mortgage note payable, net of unamortized loan costs	<u>1,199,039</u>	<u>1,318,567</u>
Total liabilities	<u>2,201,735</u>	<u>1,963,022</u>
Commitments and Contingencies (Note 14)	-	-
Net Assets:		
Without donor restrictions:		
Undesignated	9,131,908	9,338,551
With donor restrictions:		
Purpose and time restrictions	1,168,137	1,331,578
Perpetual in nature	<u>1,030,209</u>	<u>1,030,209</u>
Total with donor restrictions	<u>2,198,346</u>	<u>2,361,787</u>
Total net assets	<u>11,330,254</u>	<u>11,700,338</u>
Total liabilities and net assets	<u>\$ 13,531,989</u>	<u>\$ 13,663,360</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, 2022
(with comparative totals for the year ended June 30, 2021)

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Public Support:				
Grants from governmental agencies	\$ 4,965,034	\$ 6,956	\$ 4,971,990	\$ 4,120,963
Grants from corporations and foundations	636,723	110,347	747,070	1,274,110
Contributions from individuals and corporations	938,530	186,854	1,125,384	1,564,540
Capital campaign contributions	-	30,050	30,050	32,550
In-kind donations, thrift store	666,016	-	666,016	487,211
Other in-kind donations	176,656	-	176,656	553,644
Special events, net of direct costs of \$ 121,635 at June 30, 2022 and \$ 41,004 at June 30, 2021	462,017	-	462,017	159,522
Total public support	7,844,976	334,207	8,179,183	8,192,540
Revenue and Gains:				
Thrift store	668,822	-	668,822	502,917
Investment earnings (loss), net	4,279	(271,134)	(266,855)	421,649
Loan forgiveness - Paycheck Protection Program	-	-	-	210,000
Miscellaneous	54	-	54	38,459
Total revenue and gains	673,155	(271,134)	402,021	1,173,025
Net Assets Released From Restrictions	226,514	(226,514)	-	-
Total public support, revenue and gains, and net assets released from restrictions	8,744,645	(163,441)	8,581,204	9,365,565
Expenses:				
Program services:				
Residential	2,175,864	-	2,175,864	2,082,695
Outreach	2,871,231	-	2,871,231	2,670,964
Prevention and education services	394,432	-	394,432	233,846
Thrift store	1,133,161	-	1,133,161	955,676
Crisis hotline	609,627	-	609,627	249,375
Injunction for protection project	627,695	-	627,695	596,748
Total program services	7,812,010	-	7,812,010	6,789,304
Supporting services:				
Fundraising	636,764	-	636,764	516,155
Management and general	502,514	-	502,514	641,335
Total supporting services	1,139,278	-	1,139,278	1,157,490
Total expenses	8,951,288	-	8,951,288	7,946,794
Change in net assets	(206,643)	(163,441)	(370,084)	1,418,771
Net Assets, Beginning of Year	9,338,551	2,361,787	11,700,338	10,281,567
Net Assets, End of Year	\$ 9,131,908	\$ 2,198,346	\$ 11,330,254	\$ 11,700,338

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, 2022
(with comparative totals for the year ended June 30, 2021)

	Program Services						Supporting Services		2022 Total Expenses	2021 Total Expenses
	Residential	Outreach	Prevention and Education Services	Thrift Store	Crisis Hotline	Injunction for Protection	General Fundraising	Management and General		
Functional Expenses:										
Salaries	\$ 802,170	\$ 1,683,347	\$ 149,390	\$ 181,113	\$ 433,217	\$ 437,073	\$ 384,890	\$ 182,426	\$ 4,253,626	\$ 4,002,208
Employee benefits	119,443	250,650	22,244	26,968	64,506	65,080	57,310	27,013	633,214	607,756
Total personnel costs	921,613	1,933,997	171,634	208,081	497,723	502,153	442,200	209,439	4,886,840	4,609,964
Other Expenses:										
Conferences, conventions and meetings	221	2,255	-	-	-	-	314	20,151	22,941	26,504
Contracted services	-	147,781	160,490	-	-	-	-	-	308,271	-
Contribution to participants	123,357	122,727	-	-	-	163	-	308	246,555	308,166
Interest expense	25,427	12,314	1,611	-	2,870	-	1,616	9,385	53,223	61,253
Membership dues/subscriptions	250	-	-	-	-	1,362	1,682	12,493	15,787	13,511
Occupancy	272,394	117,146	12,615	197,167	7,825	59,923	28,096	37,963	733,129	639,078
Other expenses	36,725	46,301	4,527	15,656	1,372	14,078	17,274	39,151	175,084	102,665
Postage and shipping	735	1,413	142	20	513	127	4,983	431	8,364	9,918
Printing and publications	110	3,402	1,803	-	-	72	10,461	4,806	20,654	39,861
Professional fees	195,311	140,442	16,316	15,302	54,956	27,216	52,972	47,840	550,355	450,775
Provision for bad debt	-	-	-	-	-	-	4,167	-	4,167	2,048
Rental and maintenance of equipment	49,474	26,516	2,909	4,691	14,180	10,325	50,833	17,638	176,566	169,240
Special events	-	-	-	-	-	-	127,468	-	127,468	45,924
Supplies	273,021	67,037	5,653	3,593	1,430	5,419	2,075	8,384	366,612	344,757
Telephone and cable	4,446	7,690	317	702	4,273	6,837	370	2,621	27,256	30,288
Travel - staff	2,327	270	2,683	3,240	25	20	115	2,937	11,617	3,419
Total other expenses	983,798	695,294	209,066	240,371	87,444	125,542	302,426	204,108	2,848,049	2,247,407
In-Kind Expenses:										
Cost of goods sold	-	-	-	682,101	-	-	-	-	682,101	509,991
Professional fees	-	42,329	-	-	-	-	-	-	42,329	115,181
Supplies and services	30,719	94,649	-	-	-	-	-	8,960	134,328	69,244
Total in-kind expenses	30,719	136,978	-	682,101	-	-	-	8,960	858,758	694,416
Provision for Depreciation	239,734	104,962	13,732	2,608	24,460	-	13,773	80,007	479,276	436,011
Total expenses by function	2,175,864	2,871,231	394,432	1,133,161	609,627	627,695	758,399	502,514	9,072,923	7,987,798
Less Expenses Included With Revenues on the Statement of Activities:										
Cost of direct benefit to donors	-	-	-	-	-	-	(121,635)	-	(121,635)	(41,004)
Total expenses included in the expense section on the statement of activities	\$ 2,175,864	\$ 2,871,231	\$ 394,432	\$ 1,133,161	\$ 609,627	\$ 627,695	\$ 636,764	\$ 502,514	\$ 8,951,288	\$ 7,946,794

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, 2022
(with comparative totals for the year ended June 30, 2021)

	<u>2022</u>	<u>2021</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ (370,084)	\$ 1,418,771
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Provision for depreciation	479,276	436,011
Amortization of loan costs	2,451	2,451
Provision for bad debt	4,167	2,048
Net realized and unrealized (gains) losses on investments	98,568	(109,299)
Net change on beneficial interest in assets held by Community Foundation of Broward, Inc.	234,517	(254,861)
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	(272,193)	(125,851)
Advances to providers, net	(95,479)	-
Promises to give, net	(77,149)	37,200
Prepaid expenses and deposits	(3,959)	30,726
Inventory	16,086	22,781
Increase (decrease) in liabilities:		
Accounts payable	(95,444)	52,538
Due to funder	513,643	-
Accrued liabilities	6,504	54,601
Refundable advances and deferred revenue	(66,462)	83,191
Net cash provided by (used in) operating activities	<u>374,442</u>	<u>1,071,107</u>
Cash Flows From Investing Activities:		
Proceeds from the sale of investments	5,319	25,505
Purchase of property and equipment	(91,187)	(239,462)
Purchases of investments	(17,553)	(652,086)
Net cash provided by (used in) investing activities	<u>(103,421)</u>	<u>(866,043)</u>
Cash Flows From Financing Activities:		
Principal payments on mortgage note payable	(121,979)	(117,954)
Net cash provided by (used in) financing activities	<u>(121,979)</u>	<u>(117,954)</u>
Net change in cash and cash equivalents	149,042	87,110
Cash and Cash Equivalents, Beginning of Year	<u>2,852,290</u>	<u>2,765,180</u>
Cash and Cash Equivalents, End of Year	<u>\$ 3,001,332</u>	<u>\$ 2,852,290</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, intervention and prevention methods, and the programs and services available at the Organization.

Training and prevention are 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.

Statewide Services: As of 2021, Women In Distress was also awarded the primary contract (in conjunction with 2 other centers) to administer the Domestic Violence statewide services to include the Florida domestic violence hotline, statewide language interpreter services, training and technical assistance, and the larger Injunction for Protection program.

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 ("U.S. 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.

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 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, 2022 and 2021, 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, 2022 and 2021. 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.

Note 2 - Summary of Significant Accounting Policies (continued)

Advances to providers, net: Advance to provides, net consist of amounts advanced and pending reimbursements to two domestic violence centers in connection with the Domestic Violence statewide service contract (Note 1).

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.

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 of 5 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.

Note 2 - Summary of Significant Accounting Policies (continued)

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 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 U.S. 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.

Note 2 - Summary of Significant Accounting Policies (continued)

Use of estimates: The preparation of financial statements in conformity with U.S. 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.

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. Revenue from all grants with DCF represented approximately \$ 2,906,900 or 34% and \$ 2,281,400 or 23% of total public support, revenue and gains for the years ending June 30, 2022 and 2021, respectively. The Organization's main contract with DCF was extended, under the same terms, through October 2022. Receivables due from these contracts were approximately \$ 513,000 or 43% and \$ 392,000 or 42% of total grant receivables at June 30, 2022 and 2021, respectively.

Date of management review: Subsequent events have been evaluated through October 28, 2022, which is the date the financial statements were issued.

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

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	\$ 3,001,332
Investments	649,546
Grants receivable	1,201,224
Advances to providers, net	95,479
Promises to give, net	257,533
Beneficial interest in assets held by Community Foundation of Broward, Inc.	<u>953,569</u>
Financial Assets, at year-end	<u>6,158,683</u>
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Purpose and time restrictions by donor	(1,168,137)
Add back: promises to give without donor restrictions available within one year	202,832
Perpetual restrictions by donor	(1,030,209)
Add back: estimated distribution from beneficial interest in assets held by Community Foundation of Broward, Inc.	<u>48,000</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 4,211,169</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 - 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.)

Women in Distress of Broward County, Inc.
Notes to Financial Statements
June 30, 2022
(with comparative totals as of June 30, 2021)

Note 4 - Investments (continued)

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, 2022 as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash (at cost)	\$ 16,057	\$ -	\$ -	\$ -
Exchange Traded Funds	633,489	633,489	-	-
Beneficial interest in assets held by the Community Foundation of Broward	<u>953,569</u>	<u>-</u>	<u>-</u>	<u>953,569</u>
	<u>\$ 1,603,115</u>	<u>\$ 633,489</u>	<u>\$ -</u>	<u>\$ 953,569</u>

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>

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>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 1,188,086	\$ 933,225
Change in value	(184,800)	303,556
Distributions	<u>(49,717)</u>	<u>(48,695)</u>
Balance, end of year	<u>\$ 953,569</u>	<u>\$ 1,188,086</u>

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

Note 5 - Promises to Give

At June 30, 2022 and 2021, unconditional promises to give consisted of the following:

	<u>2022</u>	<u>2021</u>
Receivable in less than one year	\$ 202,832	\$ 95,883
Receivable in one to five years	<u>63,049</u>	<u>90,000</u>
Total promises to give	265,881	185,883
Less allowance for doubtful promises to give	(4,167)	-
Present value discount	<u>(4,181)</u>	<u>(1,332)</u>
	<u>\$ 257,533</u>	<u>\$ 184,551</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 2.67%.

Note 6 - Property and Equipment

Property and equipment consist of the following as of June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Building and improvements	\$ 8,421,680	\$ 8,426,555
Furniture and equipment	2,090,449	2,085,238
Vehicles	<u>178,060</u>	<u>178,060</u>
	10,690,189	10,689,853
Less: accumulated depreciation	<u>(4,649,090)</u>	<u>(4,260,665)</u>
	6,041,099	6,429,188
Land	<u>1,224,429</u>	<u>1,224,429</u>
Property and equipment, net	<u>\$ 7,265,528</u>	<u>\$ 7,653,617</u>

Note 7 - Thrift Store

Net Thrift Store proceeds provided by its daily operations were approximately \$ 202,000 and \$ 34,000 for the years ended June 30, 2022 and 2021, respectively. Items given to participants were valued at approximately \$ 13,000 and \$ 7,000 for the years ended June 30, 2022 and 2021, 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.

Women in Distress of Broward County, Inc.
Notes to Financial Statements
June 30, 2022
(with comparative totals as of June 30, 2021)

Note 7 - Thrift Store (continued)

	<u>2022</u>	<u>2021</u>
Thrift Store revenue (including donated items)	\$ 1,334,838	\$ 990,128
Expenses (including costs of goods sold)	<u>(1,133,161)</u>	<u>(955,676)</u>
Net proceeds provided by Thrift Store operations	\$ <u><u>201,677</u></u>	\$ <u><u>34,452</u></u>

The Thrift Store cost of goods sold presented in the Statement of Functional Expenses on page 6 includes the following components:

Thrift Store revenues	\$ 668,822
Thrift Store items given to program participants	<u>13,279</u>
Thrift Store cost of goods sold	\$ <u><u>682,101</u></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, 2022 and 2021, as follows:

	<u>2022</u>	<u>2021</u>
Donated goods and other services	\$ 791,383	\$ 556,474
Professional services	51,289	115,181
Contributed property and equipment	<u>-</u>	<u>369,200</u>
Total	\$ <u><u>842,672</u></u>	\$ <u><u>1,040,855</u></u>

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

Note 9 - Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods as of June 30:

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specified purpose:		
Pet shelter	\$ 140,658	\$ 137,311
Direct services and supplies	<u>197,040</u>	<u>115,960</u>
	337,698	253,271
Subject to passage of time:		
Promises to give, not restricted by donors, but unavailable for expenditure until due	<u>257,534</u>	<u>184,551</u>
	<u>595,232</u>	<u>437,822</u>
Endowments:		
Subject to appropriation and expenditure when a specified event occurs:		
Pet shelter	525,540	595,423
General operations	41,580	276,097
Educational advancement	<u>5,785</u>	<u>22,236</u>
	572,905	893,756
Required to be held in perpetuity by donor for specified purpose:		
Held at the Foundation	911,989	911,989
Educational advancement	<u>118,220</u>	<u>118,220</u>
	1,030,209	1,030,209
	<u>1,603,114</u>	<u>1,923,965</u>
Total	\$ <u>2,198,346</u>	\$ <u>2,361,787</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 for the years end June 30:

	<u>2022</u>	<u>2021</u>
Expiration of time restrictions	\$ 89,723	\$ 218,922
Satisfaction of purpose and time restrictions:		
Capital fund	-	1,425
Pet shelter	26,703	25,173
Direct services and supplies	60,371	128,881
General operations	<u>49,717</u>	<u>48,695</u>
Total	\$ <u>226,514</u>	\$ <u>423,096</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, 2022 and 2021, the total fair value of the endowment funds which are held and controlled by the Foundation amounted to \$ 1,400,010 and \$ 1,743,786, 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, 2022 and 2021, the fair value of the endowment fund amounted to \$ 953,569 and \$ 1,188,086, 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 Financial 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, 2022 and 2021, the fair value of the endowment fund at the Foundation amounted to \$ 446,441 and \$ 555,700, 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, 2022 and 2021, 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, 2022 and 2021, the fair value of the endowment fund amounted to \$ 124,005 and \$ 140,456, 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, 2022 and 2021, the fair value of the endowment fund amounted to \$ 525,540 and \$ 595,423, respectively.

Note 10 - Endowment Funds (continued)

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. The Organization maintains a moderate to conservative investment strategy to protect the principal of the endowment.

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, 2022 and 2021.

The changes in endowment net assets for the year ended June 30, 2022 are as follows:

	<u>With Donor Restrictions</u>		
	<u>Net</u>	<u>Endowment</u>	
	<u>Earnings</u>	<u>Corpus</u>	<u>Total</u>
Beginning Balance	\$ 393,756	\$ 1,530,209	\$ 1,923,965
Interest and dividends	16,199	-	16,199
Net realized and unrealized gains (losses) on investments	(274,777)	-	(274,777)
Investment fees	(12,556)	-	(12,556)
Distributions	(49,717)	-	(49,717)
	<u>\$ 72,905</u>	<u>\$ 1,530,209</u>	<u>\$ 1,603,114</u>

Women in Distress of Broward County, Inc.
Notes to Financial Statements
June 30, 2022
(with comparative totals as of June 30, 2021)

Note 10 - Endowment Funds (continued)

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

	With Donor Restrictions		Total
	Net Earnings	Endowment Corpus	
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)
Ending Balance	<u>\$ 393,756</u>	<u>\$ 1,530,209</u>	<u>\$ 1,923,965</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 2023. The line carries a variable rate of interest, payable monthly at the lender's prime rate, with a minimum rate of 3.25% (4.75% at June 30, 2022). There were no outstanding balances for the years ended June 30, 2022 and 2021. No interest expense was incurred during 2022 and 2021. 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, 2022, 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.

The Organization incurred certain costs as a result of the refinance of its mortgage. Loan costs, net of accumulated amortization, totaled \$ 4,901 and \$ 7,352 as of June 30, 2022 and 2021, respectively. Amortized interest expense for the years ended June 30, 2022 and 2021 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, 2022, the Organization was in compliance with the minimum debt service coverage.

Women in Distress of Broward County, Inc.
Notes to Financial Statements
June 30, 2022
(with comparative totals as of June 30, 2021)

Note 12 - Mortgage Note Payable (continued)

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

Year Ending June 30,	Amount
2023	\$ 127,000
2024	\$ 132,200
2025	\$ 137,700
2026	\$ 143,400
2027	\$ 149,300
2028-2030	\$ 514,300

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 remained obligated to repay to the lender any amount not forgiven. 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 2023. The monthly rent charged is approximately \$ 7,800 plus certain allocable costs. The Organization has an office space lease relating to the Injunction for Protection Program through April 2024. The lease calls for monthly payments of approximately \$ 3,000.

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.

Rent expense under these operating leases, including certain allocable costs, totaled approximately \$ 222,000 and \$ 170,000 for the years ended June 30, 2022 and 2021, respectively.

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

Year Ending June 30,	Amount
2023	\$ 114,300
2024	\$ 46,400
2025	\$ 6,000

Note 14 - Commitments and Contingencies (continued)

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, 2022 and 2021, the liability for accumulated vacation leave benefits amounted to approximately \$ 122,000 and \$ 134,000, 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, 2022 and 2021, the Organization contributed approximately \$ 59,000 and \$ 48,000, 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 \$ 220,000 and \$ 231,000 to the Plan in 2022 and 2021, respectively.

Note 16 - Supplemental Cash Flow Information

Supplemental disclosure for cash flow information:

	<u>2022</u>	<u>2021</u>
Cash received during the year for - Interest	\$ <u>314</u>	\$ <u>470</u>
Cash paid during the year for - Interest	\$ <u>51,528</u>	\$ <u>58,802</u>
Other Noncash investing activities:		
Contribution of property and equipment	\$ <u>-</u>	\$ <u>369,200</u>

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, 2022**

<u>Federal/State Agency/Pass through Entity/ Program Title</u>	<u>AL/ 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:					
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	LN165	\$ 450,729	\$ -	\$ -
Family Violence Prevention and Services (FVPSA)	93.671	LN165	175,075	381,655	-
FVPSA - CARES Act	93.671	LN165	59,486	-	-
		93.671 Total	<u>234,561</u>	<u>381,655</u>	<u>-</u>
Other State Matching Expenditures	90.XXX	LN165	-	43,769	-
U.S. Department of Justice - Passed through State of Florida, Office of the Attorney General -					
Crime Victim Assistance	16.575	VOCA-2020 Women In Distress of Brow-00760	417,171	-	-
Crime Victim Assistance	16.575	VOCA-2021 Women In Distress of Brow-00754	890,669	-	-
		16.575 Total	<u>1,307,840</u>	<u>-</u>	<u>-</u>
Community Development Block Grants passed through -					
City of Fort Lauderdale	14.218	#B-19/20-MC-12-0005	7,752	-	-
City of Hollywood	14.218	-	23,011	-	-
City of Pompano	14.218	-	15,476	-	-
City of Plantation	14.218	-	11,118	-	-
		14.218 Total	<u>57,357</u>	<u>-</u>	<u>-</u>
Total expenditures of federal awards			<u>\$ 1,599,758</u>	<u>\$ 425,424</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, 2022

<u>Federal/State Agency/Pass through Entity/ Program Title</u>	<u>AL/ CSFA Number</u>	<u>Contract/Grant Number</u>	<u>Expenditures</u>	<u>State Matching Expenditures (1)</u>	<u>Transfer to Subrecipients</u>
State Financial Assistance:					
Florida Department of Children and Families - Child Abuse Domestic Violence Training	60.139	LN165	136,416	-	-
Domestic Violence Program	60.134	LN165	968,187	-	-
Domestic Violence Program - Legal services, Hotline, and Technical Assistance	60.134	LN209	384,334	-	308,271
		60.134 Total	<u>1,352,521</u>	<u>-</u>	<u>308,271</u>
Total expenditures of state financial assistance			<u>1,488,937</u>	<u>-</u>	<u>308,271</u>
Total expenditures of federal awards and state financial assistance			<u>\$ 3,088,695</u>	<u>\$ 425,424</u>	<u>\$ 308,271</u>

(1) State financial assistance not subject to Section 215.97, Florida Statutes.

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, 2022. 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, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 28, 2022.

Report on 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 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.

Report on 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 statements. 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, 2022

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

Opinion on 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 identified as subject to audit 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, 2022. 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.

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, 2022.

Basis for Opinion on Each Major Federal Program and State Project

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*. Our responsibilities under those standards, the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

CPA's + Trusted Advisors

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs and state projects.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program or state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 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 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.

Women in Distress of Broward County, Inc.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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, 2022

**Women in Distress of Broward County, Inc.
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2022**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:

Unmodified Opinion

Internal control over financial reporting:

Material weakness(ed) identified?

 yes X no

Significant deficiency(ies) identified?

 yes X none reported

Noncompliance material to financial statements noted?

 yes X no

Federal Programs and State Projects

Internal control over major federal programs and state projects:

Material weakness(ed) identified?

 yes X no

Significant deficiency(ies) identified?

 yes X none reported

Type of auditor's report issued on compliance for major federal programs and state projects:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.650, *Rules of the Auditor General* ?

 yes X no

Identification of major federal program and state projects:

<u>AL No.</u>	<u>Federal Program (s)</u>
16.575	United States Department of Justice, Grants for Victims of Crime
<u>CSFA No.</u>	<u>State Project(s)</u>
60.134	Florida Department of Children and Families, Domestic Violence Program

Dollar threshold used to distinguish between Type A and Type B programs/projects:

\$ 750,000 federal programs and
\$ 446,681 state projects

Auditee qualified as low-risk auditee?

 X yes no

SECTION II - FINANCIAL ATATEMENTS FINDINGS

None Reported.

SECTION III - FEDERAL PROGRAMS AND STATE PROJECTS FINDINGS AND QUESTIONED COSTS

None Reported.

SECTION IV - PRIOR YEAR AUDIT FINDINGS

None Reported.