

# **CRISIS CENTER FOR SOUTH SUBURBIA**

## **FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2020

## CRISIS CENTER FOR SOUTH SUBURBIA

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
**CRISIS CENTER FOR SOUTH SUBURBIA**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **CRISIS CENTER FOR SOUTH SUBURBIA** (the "Organization"), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization'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 Organization'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.

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## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **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 Support and Revenue and Expenses—Illinois Coalition Against Domestic Violence (ICADV) and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are 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 November 18, 2020 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

## **Report on Summarized Comparative Information**

We have previously audited the Organization's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 7, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.



O'NEILL & GASPARDO, LLC  
Mokena, Illinois  
November 18, 2020

## CRISIS CENTER FOR SOUTH SUBURBIA

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### NOTES TO FINANCIAL STATEMENTS

June 30, 2020

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### A. Nature of Activities

**CRISIS CENTER FOR SOUTH SUBURBIA** (the "Organization") is a voluntary welfare service organization which provides temporary shelter for victims of domestic violence. Additionally, the Organization provides comprehensive social services to all victims of domestic violence. The Organization's programs are as follows:

- **Residential Shelter:** Individuals and families who are experiencing domestic violence receive emergency, short-term shelter at the Organization's 35 bed facility.
- **Community Counseling:** The Counseling Program provides both individual and group counseling services, free of charge to individuals and families victimized by domestic violence.
- **Court Advocacy:** Legal advocacy services to victims of domestic violence or dating violence are offered in the Markham and Bridgeview courthouses. Court advocates also provide legal advocacy services for residential clients of the Organization.
- **Medical Advocacy:** This program works with hospitals providing domestic violence services and trains hospital staff on domestic violence in a medical setting. In addition, the program will train local firefighters, emergency medical technicians, and medical students on the dynamics of domestic violence and how to deal with domestic violence issues when responding to emergency calls.
- **Volunteer Services:** The Organization offers temporary and permanent volunteer opportunities. Volunteers provide the following services: answer crisis hotline calls; childcare; court and hospital advocacy support; clerical, gardening, and maintenance services; technical assistance; sales support at resale shops; assistance with special events and projects.
- **PAIP (Choices) Services:** The Partner Abuse Intervention Program (PAIP) or Choices Program is designed to assist batterers in ending abusive behavior in their intimate relationships.
- **Transitional Housing:** The Transitional Housing Program bridges the gap between emergency shelter and permanent housing for victims of domestic violence. This provides the opportunity for clients to learn and practice the skills needed to escape from violence and move towards safety and independence.

## CRISIS CENTER FOR SOUTH SUBURBIA

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### NOTES TO FINANCIAL STATEMENTS

June 30, 2020

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

- **Community Education Services:** The Organization provides presentations to community and corporate groups, which focus on the complex issues of domestic violence. The services are offered at no charge.
- **Emergency Services:** The Organization provides limited resources for emergency assistance to help individuals and families flee from violence and move towards self-sufficiency. These services are based on need. Emergency Assistance is intended to give relief to individuals and families during times of crisis, not to provide for ongoing basic needs. Rent, utility, clothing, basic and household needs, food, transportation, relocation, prescription assistance and more can be provided using both financial and in-kind resources of the Organization.

In December 2019, a novel strain of Coronavirus (COVID-19) emerged. The spread of COVID-19 throughout the United States and around the world has caused significant volatility in U.S. and international markets. There is significant uncertainty around the breadth and duration of business interruptions related to COVID-19, as well as the impact on U.S. and international economies and, as such, the Organization is unable to determine if it will have a material impact on operations.

#### **B. Basis of Accounting**

The Organization uses the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

#### **C. Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Update (ASU) No. 2016-14 *Presentation of Financial Statements of Not-for-Profit Entities*. Under ASU No. 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, if applicable.

#### **D. Cash and Cash Equivalents**

The Organization considers all highly liquid short-term investment instruments purchased with a maturity of three months or less at acquisition date to be cash equivalents.

#### **E. Investments**

Investments are carried at the quoted market value of the securities. Realized gains and losses are based on specific identification of the security sold.

## CRISIS CENTER FOR SOUTH SUBURBIA

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### NOTES TO FINANCIAL STATEMENTS

June 30, 2020

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

##### **F. Grants and Other Receivables**

Grants and other receivables arise in the normal course of business. Payment terms for grants and other receivables vary and are based on the underlying agreements. The Organization carries its grants and other receivables at cost less an allowance for doubtful accounts, which is estimated based on collection history. Grants and other receivables are written off against the allowance when management determines that recovery is unlikely, and the Organization ceases its collection efforts.

Management determined that an allowance for doubtful accounts was not necessary at June 30, 2020.

##### **G. Inventory**

The Organization maintains two resale shops, which sell donated clothing and other items. Inventory consists of these donated items and is valued at estimated realizable sale value.

##### **H. Fixed Assets**

Fixed assets are recorded at cost if purchased, or fair value if contributed, using a capitalization threshold of \$1,000. Depreciation is computed on the straight-line method over 7-40 years for buildings and improvements, 3-7 years for furniture and equipment, 5-30 years for leasehold improvements and 5 years for vehicles. Depreciation expense was \$142,890 in the year ended June 30, 2020.

##### **I. Revenue Recognition**

###### Contributions

Contributions are recognized as revenue in the period the promise is received, if determined collectible. Contributions of assets other than cash are recorded at their estimated fair value on the date contributed. All contributions are considered available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the Statement of Activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions. If the Organization receives a conditional contribution and does not meet the conditions, the contribution is returned based on the agreement.

###### Revenue from government grants and program services

The Organization recognizes government grant revenue either on a pro-rata basis over the service period for the grants or to the extent of expenses. Revenue from program services is recognized as the services are performed.

## CRISIS CENTER FOR SOUTH SUBURBIA

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### NOTES TO FINANCIAL STATEMENTS

June 30, 2020

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

##### Economic factors

The Organization operates in the south suburbs of Chicago, Illinois. Therefore, the Organization's financial condition is impacted by the economic and political status of this area and the State of Illinois.

##### **J. Functional Allocation of Expenses**

The financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions. Those expenses include general and administrative expenses necessary to support the Organization's mission. Wherever possible, expenses are charged directly to the program or supporting service that is generating the expense. Certain expenses are allocated to programs and supporting services using varying methods which estimate actual usage. Examples include building and grounds maintenance costs, which are allocated by square footage used, and contractual services, which are allocated by full-time equivalent employees.

##### **K. Income Taxes**

The Organization has been determined to be exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and therefore no provision for federal income taxes has been made on the accompanying financial statements. In addition, the Organization has been classified as an organization other than a private foundation under IRC Section 509(a)(1). As a result, donations or gifts to the Organization qualify for the charitable contribution deduction under IRC Section 170(b)(1)(A).

The Organization has adopted accounting principles related to uncertain tax positions and has evaluated its tax positions taken for all open tax years. Currently, the 2016, 2017 and 2018 tax years are open and subject to examination by the Internal Revenue Service, the Illinois Attorney General, and Illinois Department of Revenue. However, the Organization is not currently under audit nor has the Organization been contacted by any of these jurisdictions.

The Organization has evaluated its tax positions taken for all open tax years. Based on the evaluation of the Organization's tax positions, management believes all positions taken would be upheld under an examination. Therefore, no liability for the effects of uncertain tax positions was recorded at June 30, 2020. Any interest and penalties recognized and associated with a tax position would be classified as miscellaneous expenses on the Organization's financial statements. No such amounts were recognized in the year ended June 30, 2020.



## CRISIS CENTER FOR SOUTH SUBURBIA

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### NOTES TO FINANCIAL STATEMENTS

June 30, 2020

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

##### L. Adoption of New Revenue Accounting Standards

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-09 *Revenue from Contracts with Customers (Topic 606)*. The new standard was effective for not-for-profits for fiscal years beginning after December 15, 2018. The ASU also required expanded disclosures related to the nature, amount, timing, and uncertainty of revenue arising from contracts with customers. The Organization analyzed the provisions of the new revenue standard and concluded that no changes were necessary to revenue recognition to conform with the new standard.

In addition, FASB issued Accounting Standards Update No. 2018-08 *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The new standard was effective for fiscal years beginning after December 15, 2018. The ASU provides guidance to determine if revenue should be accounted for as contribution or exchange transactions. The Organization evaluated their contributions and concluded that no changes were necessary to revenue recognition to conform with the new standard.

The Organization adopted both standards effective July 1, 2019. As a result of adopting these standards, net assets did not change at July 1, 2019.

##### M. Estimates

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

##### N. Comparative Data

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. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2019, which includes the detail and from which the summarized information was derived.

#### NOTE 2. CONCENTRATION OF CREDIT RISK

The Organization maintains its cash and certificates of deposit at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization had \$1,104,388 in uninsured cash balances at June 30, 2020.

## CRISIS CENTER FOR SOUTH SUBURBIA

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### NOTES TO FINANCIAL STATEMENTS

June 30, 2020

#### NOTE 3. INVESTMENTS – BOARD DESIGNATED ENDOWMENT

The Board of Directors designated \$75,000 of unrestricted cash/net assets as a general endowment fund to support the mission of the Organization in the year ended June 30, 2015. The Organization invested this \$75,000 of designated cash in various investments (see below for details). Since this endowment resulted from an internal designation and is not donor-restricted, it is classified and reported as unrestricted net assets.

The Organization's Endowment Policies and Procedures states the following:

- The overall objectives of endowment investments are:
  - Generation of a consistent and stable flow of income for ongoing operating and special programming purposes.
  - Appreciation and growth for the long-term benefit of the Organization as well as to protect endowment principal from erosion through inflation.
- No more than 10% of the total market value of endowment principal will be spent in any single fiscal year, in order to balance the effects of inflation as well as continue to build endowment principal.
- The original principal balance will not be invaded as well as subsequent basis donations to the endowment.
- Management of endowment principal and income will take into consideration the near and long-term financial needs of the Organization and will not be solely or primarily dictated by the Organization's short-term spending needs.
- Composition of and changes in the endowment's investments were as follows for the year ended June 30, 2020:

Board-designated endowment net assets, beginning	\$ 93,082
Interest, dividend and capital gain income	2,404
Investment fees	(943)
Realized loss	(410)
Unrealized gain	3,955
Purchases	9,971
Board-designated endowment net assets, ending	<u>\$ 108,059</u>

## CRISIS CENTER FOR SOUTH SUBURBIA

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### NOTES TO FINANCIAL STATEMENTS

June 30, 2020

#### NOTE 3. INVESTMENTS – BOARD DESIGNATED ENDOWMENT – Continued

VALUATION OF INVESTMENTS – FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There has been no change in the methodology used since June 30, 2019.

Fixed income and equity securities: Valued at the closing price as reported on the active market on which the securities are traded (level 1 inputs).

The endowment consisted of the following investments at June 30, 2020:

	Market Value	Cost	Unrealized Gain (Loss)
Fixed income securities	\$ 63,705	\$ 60,515	\$ 3,190
Equity securities	44,354	40,234	4,120
	<u>\$ 108,059</u>	<u>\$ 100,749</u>	<u>\$ 7,310</u>

## CRISIS CENTER FOR SOUTH SUBURBIA

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### NOTES TO FINANCIAL STATEMENTS

June 30, 2020

#### NOTE 4. LAND DONATION

The Village of Tinley Park (the "Village") donated land to the Organization in 2004. The Organization constructed a building on this land, which is used for administration and a majority of the Organization's programs. The agreement with the Village states that should the property ever not be used by the Organization for public purposes, title shall revert back to the Village. The Organization has recorded \$1,837,882 of fixed assets for building and improvements (\$385,446 net of accumulated depreciation) on this property as of June 30, 2020.

#### NOTE 5. NOTES PAYABLE

The Organization has a mortgage payable with monthly principal and interest payments of \$1,821. The final payment is due in November 2030. The interest rate is 4.00% for the first five years of the mortgage (October 2015 to September 2020) and then the rate is adjusted to the five year Treasury index plus 2.50% every five years with a minimum rate of 4.00%. The mortgage is collateralized by an apartment building. The net book value of the apartment building and improvements and land was \$250,277 at June 30, 2020. The outstanding balance of the mortgage was \$185,420 at June 30, 2020.

The Organization received a loan from PNC Bank in the amount of \$521,258 under the Paycheck Protection Program (PPP) as provided by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The loan is subject to a note dated April 27, 2020 and may be forgiven to the extent proceeds of the loan are used for eligible expenditures such as payroll and other expenses described in the CARES Act. While the Organization currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, including accrued interest, no assurance is provided as to whether the loan will ultimately be forgiven, in whole or in part. The note is unsecured and payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. The loan may be repaid at any time with no prepayment penalty. The Statement of Financial Position as of June 30, 2020 reflects a current liability of \$360,537, which reflects the original loan (\$521,258) less expected forgiveness earned through June 30, 2020 (\$160,721). The eligible expenditures incurred for forgiveness through June 30, 2020 (\$160,721) is recorded on the Statement of Activities under infrequent revenue as amortized PPP benefit.

Future maturities of the notes payable as of June 30, 2020 are as follows, assuming an interest rate of 4.00% throughout the life of the mortgage payable:

2021	\$	375,149
2022		15,208
2023		15,827
2024		16,472
2025		123,301
Total	\$	<u>545,957</u>

## CRISIS CENTER FOR SOUTH SUBURBIA

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### NOTES TO FINANCIAL STATEMENTS

June 30, 2020

#### NOTE 6. CONTRIBUTED SERVICES

The Organization recognized \$3,134 of revenue for in-kind services in the year ended June 30, 2020 provided under the Organization's community counseling program.

In addition to these services, volunteers contributed 5,645 hours of program services to the Organization, and 31,226 hours of administrative and fundraising services to the Organization in the year ended June 30, 2020. The value of these contributed services received is not included in the financial statements, since they do not meet requirements to be recorded under U.S. generally accepted accounting principles.

#### NOTE 7. LEASE COMMITMENTS

The Organization leases the Worth resale shop facility under an operating lease, which expires in March 2023. Monthly rent under the lease ranges from \$3,000 to \$6,788 plus increases in real estate taxes.

The Organization leases its Orland Park resale shop facility under an operating lease, which expires in May 2021. The lease includes one option to extend the lease for an additional five years. Monthly rent under the lease ranges from \$4,334 to \$4,784 plus common area maintenance charges and real estate taxes.

The Organization leases a facility in Tinley Park under an operating lease, which expires in August 2022. Monthly rent under the lease ranges from \$1,399 to \$4,070 plus charges for operating costs and real estate taxes.

The Organization leases copiers under an operating lease, which expires in August 2022. Monthly rent under this lease is \$1,157.

The Organization leases various apartments under one year leases.

Total rent expense for all leases was \$179,953 in the year ended June 30, 2020.

Future minimum rental payments required in the years ending June 30<sup>th</sup> are shown in the following table. Amounts do not include common area maintenance expenses for the Orland Park resale shop facility, charges for operating costs for the Tinley Park facility and real estate taxes for the Worth and Orland Park resale shop facilities and Tinley Park facility, since those amounts are unknown.

2021	\$	176,898
2022		139,679
2023		69,896
Total	\$	<u>386,473</u>

## **CRISIS CENTER FOR SOUTH SUBURBIA**

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### **NOTES TO FINANCIAL STATEMENTS**

June 30, 2020

#### **NOTE 8. CONCENTRATIONS**

The Organization received 15% and 18% of its total support and revenue from the Illinois Department of Human Services (DHS) and Illinois Coalition Against Domestic Violence (ICADV) in the year ended June 30, 2020, respectively. In addition, grants receivable from DHS and ICADV were 14% and 32% of total grants receivable at June 30, 2020, respectively.

DHS and other granting agencies reserve the right to review the Organization's records of performance and could require return of grant funds based on these reviews. The amount of expenses that may be disallowed by the government agencies cannot be determined at this time, although the Organization expects such amounts, if any, to be insignificant.

The Organization operates two resale shops. Net revenue at the resale shops comprised 10% of total support and revenue in the year ended June 30, 2020.

#### **NOTE 9. RETIREMENT PLAN**

The Organization has a 403(b) retirement plan covering all eligible employees. The plan provides for contributions by the Organization as annually determined by its Board of Directors. The Organization contributed \$9,547 in the year ended June 30, 2020.

#### **NOTE 10. OWNERSHIP OF FIXED ASSETS**

Many of the fixed assets included in the financial statements have been acquired with government funds. The grants under which the funds were received require the return of these assets to the grantor governmental agency upon the termination of the grants or the termination of services for which the assets are used. Management considers the probability of this occurring to be remote. Therefore, these assets are included in the accompanying financial statements and no provision has been made for potential losses or possible reversions.

## CRISIS CENTER FOR SOUTH SUBURBIA

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### NOTES TO FINANCIAL STATEMENTS

June 30, 2020

#### NOTE 11. LIQUIDITY

The Organization is substantially supported by restricted government grants and contributions. These grants and contributions require resources to be used in a particular manner or in a future period, so the Organization must maintain sufficient resources to meet those responsibilities to its grantors and donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Cash in excess of daily requirements is invested in various short-term investments with maturities designed to meet obligations as they come due.

The following table reports financial assets available to meet general expenditures within one year at June 30, 2020:

Cash and cash equivalents	\$ 1,577,369	
Certificate of deposit	344,097	
Grants receivable	446,504	
Other receivables	7,200	
Assets limited to use:		
Investments - Endowment Fund	<u>108,059</u>	
Total financial assets		\$ 2,483,229
Less amounts not available to be used within one year:		
Designated by Board for endowment fund		
for long term investing	(108,059)	
Temporarily restricted net assets		
(restricted by donors with time restrictions)	<u>-</u>	
Financial assets not available to be used within one year		<u>(108,059)</u>
Financial assets available to meet general expenditures within one year		<u>\$ 2,375,170</u>

## **CRISIS CENTER FOR SOUTH SUBURBIA**

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### **NOTES TO FINANCIAL STATEMENTS**

June 30, 2020

#### **NOTE 12. RECENT ACCOUNTING PRONOUNCEMENTS**

In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)* to increase the transparency and comparability about leases among entities. The new guidance requires lessees to recognize a lease liability and a corresponding lease asset for virtually all lease contracts. It also requires additional disclosures about leasing arrangements. ASU No. 2016-02 is effective for nonpublic entities for fiscal years beginning after December 15, 2021 and interim periods within fiscal years beginning after December 15, 2022. ASU No. 2016-02 originally specified a modified retrospective transition method which requires the entity to initially apply the new leases standard at the beginning of the earliest period presented in the financial statements.

In July 2018, FASB issued ASU No. 2018-11, *Leases (Topic 842: Targeted Improvements)*, providing a second, optional transition method which allows the entity to apply the new standard at the adoption date and recognize a cumulative-effect adjustment to the opening balance of net assets in the period of adoption. The Organization is currently assessing the impact of this new standard, including the two optional transition methods.

#### **NOTE 13. SUBSEQUENT EVENTS**

The Organization has evaluated events subsequent to June 30, 2020 for possible adjustment or disclosure to the accompanying financial statements. This evaluation was done through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.



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*SUPPLEMENTAL INFORMATION*

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## **CRISIS CENTER FOR SOUTH SUBURBIA**

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### **NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

June 30, 2020

#### **NOTE 1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **CRISIS CENTER FOR SOUTH SUBURBIA** and is presented on the accrual basis of accounting. The information presented in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Pass-through entity identifying numbers are presented when available.

#### **NOTE 2. NON-CASH ASSISTANCE**

None of the federal awards were expended in the form of non-cash assistance in the year ended June 30, 2020.

#### **NOTE 3. LOANS AND LOAN GUARANTEES**

There were no loans or loan guarantees made with any federal award money received in the year ended June 30, 2020.

#### **NOTE 4. INSURANCE IN EFFECT**

There was no federal insurance in effect in the year ended June 30, 2020.

#### **NOTE 5. SUBRECIPIENTS**

No amounts of the federal awards were provided to subrecipients in the year ended June 30, 2020.

#### **NOTE 6. DE MINIMIS COST RATE**

The Organization has elected the 10% de minimis cost rate for indirect costs.

**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 of  
**CRISIS CENTER FOR SOUTH SUBURBIA**

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 **CRISIS CENTER FOR SOUTH SUBURBIA** (the "Organization"), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 18, 2020.

**Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



O'NEILL & GASPARDO, LLC  
Mokena, Illinois  
November 18, 2020

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

To the Board of Directors of  
**CRISIS CENTER FOR SOUTH SUBURBIA**

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

We have audited **CRISIS CENTER FOR SOUTH SUBURBIA's** (the "Organization") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2020. The Organization's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

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

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

**Opinion on Each Major Federal Program**

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2020.

*Since 1969 ■ Members American Institute and Illinois Society of Certified Public Accountants*

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## Report on Internal Control Over Compliance

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

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

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

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



O'NEILL & GASPARDO, LLC  
Mokena, Illinois  
November 18, 2020

## CRISIS CENTER FOR SOUTH SUBURBIA

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### SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2020

A. Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on the financial statements of **CRISIS CENTER FOR SOUTH SUBURBIA** (the "Organization").
2. No material weaknesses or significant deficiencies in internal controls were disclosed during the financial statement audit of the Organization.
3. No instances of noncompliance material to the financial statements of the Organization, which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No material weaknesses or significant deficiencies related to internal controls over major programs were identified during the audit of the Organization.
5. The auditor's report on compliance for the major federal award program for the Organization expresses an unmodified opinion on the major federal award program.
6. There were no audit findings that are required to be reported in accordance with 2 CFR 200.516(a) in this schedule.
7. The program tested as major program:  

Crime Victim Assistance	16.575
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8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The Organization was determined to be a low-risk auditee.

B. Findings – Financial Statement Audit:

None noted

C. Findings – Major Federal Award Programs Audit:

None noted

## **CRISIS CENTER FOR SOUTH SUBURBIA**

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### **SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

June 30, 2020

There were no findings reported for the year ended June 30, 2019.