

Resilience  
Independent Auditor's Report  
And Financial Statements  
For the Years Ended  
June 30, 2020 and 2019

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# RINGOLD

## **CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS**

***Auditing, Accounting, Tax Services, Advisory Services, Program & Project  
Management, Supplier Diversity & Compliance, Training***

### **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Resilience

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

We have audited the accompanying financial statements of Resilience (a nonprofit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, 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 audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Resilience as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

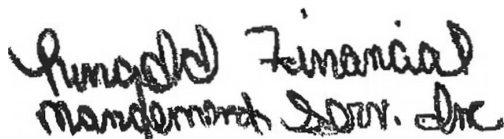
## ***Other Matters***

### ***Report on Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedules of Functional Revenues and Expenditures – ICASA Programs 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 10, 2020, on our consideration of Resilience'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 Resilience'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 Resilience's internal control over financial reporting and compliance.



Ringold Financial Management Services, Inc.  
Chicago, IL  
November 10, 2020

**RESILIENCE**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 1,196,576	\$ 925,071
Investments	308,180	315,333
Grants and Accounts Receivable	754,746	742,181
<b>Total Current Assets</b>	<u>2,259,502</u>	<u>1,982,585</u>
<b>Fixed Assets</b>		
Furniture and Equipment	35,477	33,958
Leasehold Improvements	42,937	40,187
Less: Accumulated Depreciation	<u>(65,746)</u>	<u>(54,403)</u>
<b>Total Fixed Assets</b>	<u>12,668</u>	<u>19,742</u>
<b>Other Assets</b>		
Rental Deposit	14,034	14,034
Prepaid and Other Assets	84,327	47,942
<b>Total Other Assets</b>	<u>98,361</u>	<u>61,976</u>
<b>Total Assets</b>	<u><u>\$ 2,370,531</u></u>	<u><u>\$ 2,064,303</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 10,640	\$ 48,055
Accrued Expenses	82,181	96,950
Deferred Lease	17,101	29,957
Deferred Revenue	179,849	85,814
<b>Total Current Liabilities</b>	<u>289,771</u>	<u>260,776</u>
<b>Long Term Liabilities</b>		
Paycheck Protection Program Loan Payable	<u>381,675</u>	<u>-</u>
<b>Total Long Term Liabilities</b>	<u>381,675</u>	<u>-</u>
<b>Total Liabilities</b>	<u><u>\$ 671,446</u></u>	<u><u>\$ 260,776</u></u>
<b>Net Assets</b>		
Without Donor Restrictions	1,649,085	1,703,527
With Donor Restrictions:		
Time Restricted	<u>50,000</u>	<u>100,000</u>
Total With Donor Restrictions	<u>50,000</u>	<u>100,000</u>
<b>Total Net Assets</b>	<u>1,699,085</u>	<u>1,803,527</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 2,370,531</u></u>	<u><u>\$ 2,064,303</u></u>

See independent auditor's report and accompanying notes to financial statements

**RESILIENCE**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

	<b>2020</b>			<b>2019</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Support and Revenue</b>						
Government Grants	\$ 1,750,114	\$ -	\$ 1,750,114	\$ 1,580,622	\$ 113,885	\$ 1,694,507
Foundation Grants	177,422	75,000	252,422	130,000	95,000	225,000
Individual Contributions	187,465	-	187,465	228,374	-	228,374
Service Fees	436,243	-	436,243	290,777	-	290,777
Special Events, net	8,977	-	8,977	84,949	-	84,949
Interest and Miscellaneous Income	14,611	-	14,611	2,093	-	2,093
Net Assets Released From Restrictions:						
Satisfaction of Program Restrictions	-	-	-	133,885	(133,885)	-
Expiration of Time Restrictions	125,000	(125,000)	-	155,000	(155,000)	-
	<u>125,000</u>	<u>(125,000)</u>	<u>-</u>	<u>288,885</u>	<u>(288,885)</u>	<u>-</u>
<b>Total Support and Revenue</b>	<u>2,699,832</u>	<u>(50,000)</u>	<u>2,649,832</u>	<u>2,605,700</u>	<u>(80,000)</u>	<u>2,525,700</u>
<b>Expenses</b>						
Program Services	1,994,680	-	1,994,680	1,869,641	-	1,869,641
Management and General	390,946	-	390,946	324,817	-	324,817
Fundraising	365,247	-	365,247	294,958	-	294,958
<b>Total Expenses</b>	<u>2,750,873</u>	<u>-</u>	<u>2,750,873</u>	<u>2,489,416</u>	<u>-</u>	<u>2,489,416</u>
Unrealized Gains (Losses) on Investments	<u>(3,401)</u>	<u>-</u>	<u>(3,401)</u>	<u>14,078</u>	<u>-</u>	<u>14,078</u>
<b>Change in Net Assets</b>	<u>(54,442)</u>	<u>(50,000)</u>	<u>(104,442)</u>	<u>130,362</u>	<u>(80,000)</u>	<u>50,362</u>
<b>NET ASSETS, beginning of year</b>	<u>1,703,527</u>	<u>100,000</u>	<u>1,803,527</u>	<u>1,573,165</u>	<u>180,000</u>	<u>1,753,165</u>
<b>NET ASSETS, end of year</b>	<u>\$ 1,649,085</u>	<u>\$ 50,000</u>	<u>\$ 1,699,085</u>	<u>\$ 1,703,527</u>	<u>\$ 100,000</u>	<u>\$ 1,803,527</u>

See independent auditor's report and accompanying notes to financial statements

**RESILIENCE**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<b>Program Services</b>				<b>Supporting Services</b>			<b>Total</b>
	Advocacy	Counseling	Education & Training	Total Program Services	Management and General	Fundraising	Total Supporting Services	
<b>Expenses</b>								
Salaries & Wages	\$ 651,936	\$ 469,090	\$ 222,723	\$ 1,343,749	\$ 260,445	\$ 260,587	\$ 521,032	\$ 1,864,781
Employee Benefits	60,092	44,489	20,481	125,062	17,726	18,597	36,323	161,385
Payroll Tax	49,475	35,541	16,941	101,957	17,326	19,506	36,832	138,789
Contractual Services	7,198	5,286	3,212	15,696	8,171	16,801	24,972	40,668
Financial Services	8	-	-	8	36,698	3,745	40,443	40,451
Insurance	4,100	3,049	1,262	8,411	5,544	1,051	6,595	15,006
Supplies	20,792	8,454	5,321	34,567	7,713	2,641	10,354	44,921
Technology	3,928	606	1,153	5,687	1,187	5,752	6,939	12,626
Travel and Meetings	21,420	1,299	4,362	27,081	4,316	779	5,095	32,176
Occupancy	96,201	88,972	36,849	222,022	20,300	20,484	40,784	262,806
Equipment Rent and Maintenance	10,254	13,636	5,317	29,207	2,722	515	3,237	32,444
Telephone	17,826	9,187	4,395	31,408	2,977	2,777	5,754	37,162
Printing and Postage	6,774	978	361	8,113	813	6,944	7,757	15,870
Staff Development	2,013	8,929	-	10,942	1,055	398	1,453	12,395
Dues & Subscriptions	993	623	245	1,861	1,000	1,302	2,302	4,163
Other Operating Expense	12,822	3,435	1,346	17,603	1,973	2,145	4,118	21,721
Advertising & Marketing	312	232	967	1,511	89	332	421	1,932
Depreciation	4,840	3,268	1,687	9,795	891	891	1,782	11,577
<b>Total Expenses</b>	<b>\$ 970,984</b>	<b>\$ 697,074</b>	<b>\$ 326,622</b>	<b>\$ 1,994,680</b>	<b>\$ 390,946</b>	<b>\$ 365,247</b>	<b>\$ 756,193</b>	<b>\$ 2,750,873</b>

See independent auditor's report and accompanying notes to financial statements

**RESILIENCE**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Program Services				Supporting Services			Total
	Advocacy	Counseling	Education & Training	Total Program Services	Management and General	Fundraising	Total Supporting Services	
<b>Expenses</b>								
Salaries & Wages	\$ 617,194	\$ 422,697	\$ 196,258	\$ 1,236,149	\$ 196,057	\$ 202,327	\$ 398,384	\$ 1,634,533
Employee Benefits	59,167	41,151	16,917	117,235	13,454	14,128	27,582	144,817
Payroll Tax	49,111	33,090	15,791	97,992	15,221	16,413	31,634	129,626
Contractual Services	16,661	12,143	5,099	33,903	34,407	12,349	46,756	80,659
Financial Services	717	-	-	717	31,576	4,175	35,751	36,468
Insurance	5,243	3,712	1,536	10,491	896	1,408	2,304	12,795
Supplies	20,019	9,880	7,302	37,201	1,062	1,009	2,071	39,272
Technology	2,211	852	283	3,346	1,545	5,768	7,313	10,659
Travel and Meetings	22,718	2,648	7,052	32,418	4,625	361	4,986	37,404
Occupancy	87,390	76,641	31,260	195,291	12,158	19,139	31,297	226,588
Equipment Rent and Maintenance	16,743	8,143	4,906	29,792	2,907	1,824	4,731	34,523
Telephone	16,965	8,785	3,834	29,584	2,018	2,560	4,578	34,162
Printing and Postage	9,636	2,310	1,096	13,042	716	6,995	7,711	20,753
Staff Development	1,494	1,173	408	3,075	2,960	2,907	5,867	8,942
Dues & Subscriptions	1,259	636	263	2,158	182	701	883	3,041
Other Operating Expense	10,107	4,239	1,791	16,137	4,374	1,654	6,028	22,165
Advertising & Marketing	1,860	1,313	974	4,147	301	507	808	4,955
Depreciation	3,771	2,207	985	6,963	358	733	1,091	8,054
<b>Total Expenses</b>	<b>\$ 942,266</b>	<b>\$ 631,620</b>	<b>\$ 295,755</b>	<b>\$ 1,869,641</b>	<b>\$ 324,817</b>	<b>\$ 294,958</b>	<b>\$ 619,775</b>	<b>\$ 2,489,416</b>

See independent auditor's report and accompanying notes to financial statements



**RESILIENCE**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (104,442)	\$ 50,362
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	11,577	8,054
Unrealized gains and losses on investments	3,401	(14,078)
Change in:		
Grants receivable	(12,565)	(33,012)
Prepaid expenses	(36,385)	(3,327)
Accounts payable	(37,415)	9,883
Accrued expense	(14,769)	53,467
Deferred lease costs	(12,856)	(7,310)
Deferred revenue	94,035	22,567
<b>Cash provided (used) by operating activities:</b>	<u>(109,419)</u>	<u>86,606</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed asset purchases	(4,503)	(8,000)
Purchases of investments	3,752	(301,254)
<b>Cash used by investing activities:</b>	<u>(751)</u>	<u>(309,254)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Paycheck Protection Program loan proceeds	381,675	-
<b>Cash provided by financing activities:</b>	<u>381,675</u>	<u>-</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	271,505	(222,648)
<b>CASH AT BEGINNING OF YEAR</b>	<u>925,071</u>	<u>1,147,719</u>
<b>CASH AT END OF YEAR</b>	<u><u>\$ 1,196,576</u></u>	<u><u>\$ 925,071</u></u>
<b>SUPPLEMENTARY DISCLOSURES:</b>		
Interest paid	\$ -	\$ -
Taxes paid	\$ -	\$ -

See independent auditor's report and accompanying notes to financial statements

**RESILIENCE**  
Notes to Financial Statements  
June 30, 2020 and 2019

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**NOTE A. Description of Delegate Agency and Program Activity**

Resilience, the Organization, is a not-for-profit 501(c)(3) organization whose mission is to provide support and assistance to victims of sexual assault, educate the general public on the issue of rape, provide training for individuals and groups and provide counseling services in the Chicago metropolitan area.

**NOTE B. Summary of Significant Accounting Policies**

**Basis of Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Organization maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes into funds established in accordance with their nature and purpose.

These financial statements have been prepared to focus on the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of fund balances and transactions into two classes of net assets – without donor restrictions and with donor restrictions.

Accordingly, net assets and changes therein are classified as follows:

Net assets without donor restrictions: Net assets not subject to donor-imposed restrictions. This class can also include net assets designated by the Board of Directors to be reserved for future use.

Net assets with donor restrictions: Net assets subject to donor-imposed stipulations that may or will be met by actions of Resilience and/or passage of time. This class can also include net assets with restrictions that are perpetual in nature. Resilience maintained net assets with donor restrictions as of June 30, 2020 and 2019.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets with donor restrictions. Gains and losses on investments and other liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between applicable classes of net assets.

**Contributions**

Contributions are considered to be available for use unless otherwise specifically restricted by donors. Contributions are recorded and recognized as income when notice of award or a pledge is received. Contributions are recorded as revenue in net assets with donor restrictions if limited by donor imposed restrictions that can be fulfilled and removed by incurring expenditures satisfying the restriction or if such contributions are received for future periods. Contributions that are non-expendable are also recorded in net assets with donor restrictions. When donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are classified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period are treated as net assets without donor restrictions.

**RESILIENCE**  
Notes to Financial Statements  
June 30, 2020 and 2019

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**NOTE B. Summary of Significant Accounting Policies (Continued)**

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

The Organization considers cash on deposit at bank(s) and highly liquid investments with original maturities of three months or less at the date of purchase to be cash and cash equivalents. The Organization maintains its cash in bank accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts.

**Concentration of Credit Risk**

Resilience maintains its cash and cash equivalents at a financial institution in Chicago, Illinois. The balances are insured up to \$250,000 by the Federal Deposits Insurance Corporation. Resilience's new banking arrangement with Wintrust Bank has mitigated significant credit risk on their cash balances.

**Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, the Organization considers accounts receivable to be fully collectible; accordingly, no allowances for doubtful accounts has been established. Individual accounts are written off when collection appears doubtful. At June 30, 2020 and 2019 management believes all accounts receivable are fully collectible.

**Investments**

Investments are reflected at fair value and changes in fair value are recorded as unrealized gains or losses. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions in the statement of activities unless their use is restricted by explicit donor stipulation or by law.

Resilience's investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment balances and the amounts reported in the financial statements.

**RESILIENCE**  
Notes to Financial Statements  
June 30, 2020 and 2019

**NOTE B. Summary of Significant Accounting Policies (Continued)**

**Fair Value Measurements**

The Fair Value Measurements and Disclosures topic of the FASB Codification establishes a framework for measuring fair value. That 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 are described below:

- 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 or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for the asset or liability;
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The tables below present the balances of assets and liabilities measured at fair value:

	June 30, 2020			
	Total	Level 1	Level 2	Level 3
Mutual Funds	\$ 170,774	\$ 170,774	\$ -	\$ -
Exchange-Traded Products	137,406	137,406	-	-
Total	\$ 308,180	\$ 308,180	\$ -	\$ -

	June 30, 2019			
	Total	Level 1	Level 2	Level 3
Mutual Funds	\$ 178,051	\$ 178,051	\$ -	\$ -
Exchange-Traded Products	133,530	133,530	-	-
Cash, Money Funds, and Bank Deposits	3,752	3,752	-	-
Total	\$ 315,333	\$ 315,333	\$ -	\$ -

**RESILIENCE**  
Notes to Financial Statements  
June 30, 2020 and 2019

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**NOTE B. Summary of Significant Accounting Policies (Continued)**

**Income Taxes**

The Organization is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on related income. The Organization had no unrelated business income during fiscal years 2020 and 2019 and, therefore, no provision for federal or state income taxes has been made in the accompanying financial statements.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. This requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Organization's tax returns to determine whether the tax positions are "more likely than not" of being sustained when challenged or when examined by the applicable tax authority. For the years ended June 30, 2020 and 2019, management has determined that there were no material uncertain tax positions.

**Advertising**

Advertising costs are expensed as incurred. Advertising expenses for the year ended June 30, 2020 and 2019 was \$1,932 and \$4,955, respectively.

**Fixed Assets**

Fixed assets are stated at cost when purchased, or estimated fair market value at time of donation. Depreciation is computed under the straight-line method. Fixed assets are depreciated based on an estimated useful life of two to fifteen years. Additions and improvements to existing assets during the year are capitalized, while general maintenance and repairs are charged to expense. Property and equipment purchases with a cost in excess of \$1,000 are capitalized. Depreciation expense was \$11,577 and \$8,054 for the years ended June 30, 2020 and 2019, respectively.

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated to specific program services based on direct benefit obtained. Certain expenses are attributable to more than one program or supporting function. Depreciation, salaries, benefits, professional services, office expenses, information technology, and insurance are allocated based on estimates of time and effort.

**Liquidity and Availability of Resources**

Resilience has \$2,259,502 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure consisting of cash of \$1,196,576, grants and accounts receivable of \$754,746 and short-term investments of \$308,180. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date. The grants and accounts receivable are subject to implied time restrictions but are expected to be collected within one year.

Resilience has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 90 days of normal operating expenses, which are, on average, approximately \$687,234. Resilience has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, as part of its liquidity management, Resilience invests cash in excess of daily requirements in various short-term investments, including mutual funds and exchange-traded products.

**RESILIENCE**  
Notes to Financial Statements  
June 30, 2020 and 2019

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**NOTE C. Lease Commitments**

The Organization occupies its office under an operating lease which was amended on July 17, 2019 to incorporate expanded space. The lease expiration date is August 31, 2024. The lease provides for base rental, 3% annual increases and payment of increases above a base for operating expenses and real estate taxes. Lease agreement includes abatement clause, which is being amortized on a straight line basis over the life of lease term. Deferred rent under this agreement is \$17,101 and \$29,957 as of June 30, 2020 and 2019, respectively.

Additionally, the Organization has a lease for a satellite office in Chicago which expires May 31, 2022. Terms call for a base rent, annual increases and payment of increases above base for real estate taxes.

The Organization also leases a Ravenswood office which expires July 31, 2023, which calls for a base rent and annual increases.

The Organization also leases certain office equipment.

In accordance with the terms of the leases, the minimum annual rent payment for years ending June 30 are as follows:

2021	\$	265,471
2022		269,681
2023		263,970
2024		232,098
2025		39,046
Total	\$	<u>1,070,266</u>

Total occupancy expenses amounted to \$262,806 and \$226,588 for the years ended June 30, 2020 and 2019, respectively.

**NOTE D. Net Assets with Donor Restrictions**

Net assets with donor restrictions (restricted for the purpose indicated) are as follows:

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
<u>Time Restricted:</u>		
Polk Bros Foundation	\$ 25,000	\$ 25,000
Chicago Foundation for Women	25,000	25,000
Arie and Ida Crown Memorial	-	50,000
Total Time Restricted	<u>50,000</u>	<u>100,000</u>
Total Net Assets with Donor Restrictions	<u>\$ 100,000</u>	<u>\$ 180,000</u>

**RESILIENCE**  
Notes to Financial Statements  
June 30, 2020 and 2019

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**NOTE E. Employee Benefit Plans**

The Organization maintains tax deferred compensation plan for the benefit of its eligible employees. Participation by employees is voluntary, and no matching contributions are provided by the Organization.

**NOTE F. PPP Loan Payable**

Resilience received loan proceeds of \$381,675 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), provides loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after eight weeks (if funded before June 5, 2020, the borrower can choose to use an eight-week or twenty-four-week covered period) if the borrower uses the loan proceeds for eligible purposes, including payroll and benefits (65%), rent and utilities (35%), and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the eight-week or twenty-four-week period. The unforgiven portion of the PPP loan is payable over two years at an interest rate of one percent, with a deferral of payments for the first six months. Resilience has used the proceeds for purposes consistent with the PPP. Resilience strongly believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan.

**NOTE G. Subsequent Events**

Management has evaluated subsequent events through November 10, 2020, the date which the financial statements were available for issue. The COVID-19 outbreak in the United States has caused business disruption through mandatory closures of certain businesses. While the disruption is temporary, there is uncertainty around the duration of these closings and its effect on Resilience's business. Resilience is considered an "essential business" and has been able to carry out operations during this time. See Note F for information related to the loan proceeds from the Paycheck Protection Program.

## **SUPPLEMENTARY INFORMATION**



**RESILIENCE**  
**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENDITURES - ICASA PROGRAMS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Advocacy & Counseling	General Services	Prevention	RISE	VOCA One- Time	General Revenue Member Travel	VOCA Training Member Travel	Total
<b>Revenues</b>								
Government Grants	\$ 1,030,259	\$ 292,968	\$ 63,813	\$ 46,496	\$ 3,452	\$ 2,391	\$ 154	\$ 1,439,533
<b>Total Revenues</b>	1,030,259	292,968	63,813	46,496	3,452	2,391	154	1,439,533
<b>Expenses</b>								
Salaries & Wages	706,637	155,228	41,685	37,353	-	-	-	940,903
Payroll Tax & Employee Benefits	122,052	27,277	8,106	6,673	-	-	-	164,108
Contractual	174,654	88,113	10,996	1,884	-	-	-	275,647
Office Supplies	8,855	9,045	810	109	611	-	-	19,430
Local Transportation & Travel	8,669	7,381	2,216	477	-	2,391	154	21,288
Equipment Purchase	9,392	5,924	-	-	2,841	-	-	18,157
<b>Total Expenses</b>	1,030,259	292,968	63,813	46,496	3,452	2,391	154	1,439,533
<b>Revenue Over (Under) Expenditures</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See independent auditor's report and accompanying notes to financial statements

**RESILIENCE**  
**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENDITURES - ICASA PROGRAMS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Advocacy & Counseling	General Services	Prevention	Satellite	RISE	SASP	VOCA One-Time	General Revenue Member Travel	Sisters of Charity Member Travel	VOCA Training Member Travel	Total
<b>Revenues</b>											
Government Grants	\$ 859,905	\$ 263,543	\$ 63,309	\$ 48,684	\$ 46,496	\$ 33,770	\$ 23,176	\$ 4,982	\$ 44	\$ 196	\$ 1,344,105
<b>Total Revenues</b>	859,905	263,543	63,309	48,684	46,496	33,770	23,176	4,982	44	196	1,344,105
<b>Expenses</b>											
Salaries & Wages	654,137	171,254	49,021	35,077	34,906	19,855	-	-	-	-	964,250
Payroll Tax & Employee Benefits	115,476	28,585	7,790	6,437	6,310	3,780	-	-	-	-	168,378
Occupancy	58,433	37,433	4,539	780	3,714	2,440	-	-	-	-	107,339
Office Supplies	4,541	4,999	-	808	-	-	-	-	-	-	10,348
Local Transportation & Travel	7,273	3,053	1,049	1,402	203	7,695		4,982	44	196	25,897
Equipment Purchase	-	-	-	-	-	-	23,176	-	-	-	23,176
Program Supplies	2,336	-	100	2,462	-	-	-	-	-	-	4,898
Postage	-	609	-	-	-	-	-	-	-	-	609
Telephone	14,294	15,602	-	-	1,363	-	-	-	-	-	31,259
Printing & Duplication	3,415	2,008	810	1,718	-	-	-	-	-	-	7,951
<b>Total Expenses</b>	859,905	263,543	63,309	48,684	46,496	33,770	23,176	4,982	44	196	1,344,105
<b>Revenue Over (Under) Expenditures</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See independent auditor's report and accompanying notes to financial statements

Resilience  
Independent Auditor's  
Single Audit Report  
For the Year Ended  
June 30, 2020

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# RINGOLD

## **CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS**

***Auditing, Accounting, Tax Services, Advisory Services, Program & Project  
Management, Supplier Diversity & Compliance, Training***

### **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  
Resilience

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 Resilience (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statement of activities, cash flows and functional revenues and expenditures - ICASA programs for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 10, 2020.

#### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Resilience'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 Resilience's internal control. Accordingly, we do not express an opinion on the effectiveness of Resilience'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.

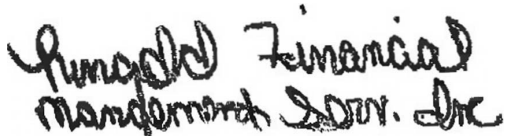
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

A handwritten signature in black ink that reads "Ringold Financial Management Services, Inc." The signature is written in a cursive, somewhat stylized font.

Ringold Financial Management Services, Inc.  
Chicago, IL  
November 10, 2020

850 S. Wabash Avenue, Suite 320 • Chicago, IL 60605 • (312) 566-9705-Phone • (312) 566-9736-Fax  
19027 Jodi Road Unit G • Mokena, IL 60448 • (708) 478-5850-Phone • (708) 478-5893-Fax  
[www.ringoldfinancial.com](http://www.ringoldfinancial.com)

# RINGOLD

## **CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS**

***Auditing, Accounting, Tax Services, Advisory Services, Program & Project  
Management, Supplier Diversity & Compliance, Training***

### **Independent Auditor's Report on Compliance for Each Major Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

To the Board of Directors of  
Resilience

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

We have audited Resilience's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Resilience's major federal programs for the year ended June 30, 2020. Resilience's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

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

#### ***Auditor's Responsibility***

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

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

#### ***Opinion on Each Major Federal Program***

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

## **Report on Internal Control Over Compliance**

Management of Resilience 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 Resilience'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 Resilience'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.

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of Resilience as of and for the year ended June 30, 2020, and have issued our report thereon dated November 10, 2020, which contained an unmodified opinion on those financial statements. 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 is presented for purposes of additional analysis as required by the Uniform Guidance 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 expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

*Ringold Financial  
Management Serv. Inc.*

Ringold Financial Management Services, Inc.  
Chicago, IL  
November 10, 2020

*850 S. Wabash Avenue, Suite 320 • Chicago, IL 60605 • (312) 566-9705-Phone • (312) 566-9736-Fax  
19027 Jodi Road, Unit G • Mokena, IL 60448 • (708) 478-5850-Phone • (708) 478-5893-Fax  
[www.ringoldfinancial.com](http://www.ringoldfinancial.com)*

**Resilience**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2020**

<b>FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE</b>	<b>CONTRACT #</b>	<b>PROGRAM OR AWARD CFDA #</b>	<b>FEDERAL AWARDS EXPENDED</b>
<b>U.S. Department of Justice</b>			
<b>Office of Justice Program/Office for Victims of Crime</b>			
Pass through Illinois Criminal Justice Information Authority and Illinois Coalition Against Sexual Assault/ Crime Victim Assistance	2017-VA-GX-008	16.575	\$ 1,080,207
Pass through Illinois Coalition Against Sexual Assault Crime Victim Assistance		16.582	154
<b>Office of Violence Against Women</b>			
Pass through Illinois Criminal Justice Information Authority Violence Against Women Formula Grant	2018-WF-AX-0045	16.588	158,749
Violence Against Women Formula Grant	2019-WF-AZ-0002	16.588	130,176
Total for Violence Against Women Formula Grant			288,925
<b>Total U.S. Department of Justice</b>			<b>1,369,286</b>
<b>U.S. Department of Health and Human Services</b>			
<b>Center of Disease Control</b>			
Pass through Illinois Department of Public Health and Illinois Coalition Against Sexual Assault/ Injury Prevention & Control Research		93.136	63,813
<b>Total U.S. Department of Health and Human Services</b>			<b>63,813</b>
<b>Total Federal Awards Expended</b>			<b>\$ 1,433,099</b>

**Resilience**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2020**

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**Note A – Basis of Presentation**

The Schedule of Expenditures of Federal Awards (SEFA) includes the federal activity of Resilience. The information in the SEFA 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. Resilience has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note B– Summary of Significant Accounting Policies**

Expenditures reported in the SEFA are reported on an accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note C – Subrecipients**

There were no awards passed through to subrecipients for the year ended June 30, 2020.

**Note D – Other**

Resilience did not have any outstanding federal loans or loan guarantees at June 30, 2020, and did not receive any federal noncash awards or insurance assistance for reimbursement losses during the year ended June 30, 2020.

**Resilience**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2020**

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**Section I – Summary of Auditor’s Results**

***Financial Statements***

Type of auditor’s report issued on financial statements: **Unmodified**

Internal control over financial reporting:

- Material weaknesses(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified not considered to be material weaknesses? ☐ Yes ☒ None reported

Noncompliance material to the financial statements? ☐ Yes ☒ No

***Federal Awards***

Type of auditor’s report issued on compliance for major programs: **Unmodified**

Internal control over major programs:

- Material weaknesses(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified not considered to be material weaknesses? ☐ Yes ☒ None reported

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, Section 200.516? ☐ Yes ☒ No

Identification of major program:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
--------------------	--------------------------------

16.575	Crime Victim Assistance
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Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

**Resilience**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2020**

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**Section II – Financial Statement Findings**

There were no reportable findings for the fiscal year ended June 30, 2020.

**Section III – Federal Award Findings and Questioned Costs**

There were no reportable findings for the fiscal year ended June 30, 2020.

**Section IV – Prior Year Federal Award Findings and Questioned Costs**

There were no prior year federal award findings or questioned costs.