

**THE PARTNERSHIP AGAINST
DOMESTIC VIOLENCE, INC.**

**FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2020 AND 2019**

**with
INDEPENDENT AUDITORS' REPORT**

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INDEPENDENT AUDITORS' REPORT

Board of Directors of The Partnership Against Domestic Violence, Inc.

We have audited the accompanying financial statements of The Partnership Against Domestic Violence, Inc. (the "Agency"), which comprise the statement of financial position as of June 30, 2020 and 2019, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America. 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 auditors' 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 Agency'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 Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

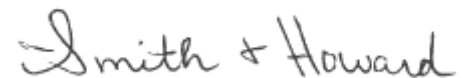
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Partnership Against Domestic Violence, Inc. as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in conformity with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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. This schedule 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 13, 2020 on our consideration of the Agency'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 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 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 Agency's internal control over financial reporting and compliance.



November 13, 2020

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

ASSETS		
	<u>2020</u>	<u>2019</u>
Assets		
Cash and cash equivalents	\$ 724,793	\$ 533,682
Governmental grants receivable	458,871	357,354
Pledges receivable, no allowance deemed necessary	-	72,954
Investments	242,690	226,598
Prepaid expenses and other assets	216,021	123,364
Property and equipment, net	4,533,729	4,835,908
Irrevocable beneficial interest trust	<u>242,105</u>	<u>259,244</u>
 Total Assets	 <u>\$ 6,418,209</u>	 <u>\$ 6,409,104</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 35,461	\$ 41,958
Accrued expenses	133,335	83,707
Note payable - PPP loan	<u>528,380</u>	<u>-</u>
 Total Liabilities	 <u>697,176</u>	 <u>125,665</u>
 Net Assets		
Without donor restrictions	5,071,891	5,584,164
With donor restrictions	<u>649,142</u>	<u>699,275</u>
 Total Net Assets	 <u>5,721,033</u>	 <u>6,283,439</u>
 Total Liabilities and Net Assets	 <u>\$ 6,418,209</u>	 <u>\$ 6,409,104</u>

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

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2020

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
Public Support and Revenues:			
Public Support:			
Federal, state and local	\$ 2,861,789	\$ -	\$ 2,861,789
United Way funding	41,812	-	41,812
Contributions	1,036,195	13,102	1,049,297
Special events, net of expenses of \$16,688	406,521	-	406,521
Total Public Support	4,346,317	13,102	4,359,419
Other Revenues and Losses:			
Investment income, net	29,194	-	29,194
Other income	12,947	-	12,947
Change in irrevocable beneficial interest trust	-	(17,139)	(17,139)
Total Other Revenues and Losses	42,141	(17,139)	25,002
Net Assets Released From Restrictions	46,096	(46,096)	-
Total Public Support and Revenues	4,434,554	(50,133)	4,384,421
Expenses			
Program services			
Prevention and outreach	928,025	-	928,025
Shelters	2,294,963	-	2,294,963
Supportive housing	727,324	-	727,324
Total Program Services	3,950,312	-	3,950,312
Supporting Services			
General and administrative	512,294	-	512,294
Resource development/fundraising	484,221	-	484,221
Total Supporting Services	996,515	-	996,515
Total Expenses	4,946,827	-	4,946,827
Decrease in Net Assets	(512,273)	(50,133)	(562,406)
Net Assets, Beginning of Year	5,584,164	699,275	6,283,439
Net Assets, End of Year	\$ 5,071,891	\$ 649,142	\$ 5,721,033

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

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public Support and Revenues:			
Public Support:			
Federal, state and local	\$ 2,891,525	\$ -	\$ 2,891,525
United Way funding	64,686	-	64,686
Contributions	376,886	85,622	462,508
Special events, net of expenses of \$236,820	627,146	-	627,146
In-kind contributions	12,036	-	12,036
Total Public Support	<u>3,972,279</u>	<u>85,622</u>	<u>4,057,901</u>
Other Revenues and Losses:			
Investment income, net	27,818	-	27,818
Other income	14,781	-	14,781
Change in irrevocable beneficial interest trust	-	(4,020)	(4,020)
Total Other Revenues and Losses	<u>42,599</u>	<u>(4,020)</u>	<u>38,579</u>
Net Assets Released From Restrictions	<u>87,488</u>	<u>(87,488)</u>	<u>-</u>
Total Public Support and Revenues	<u>4,102,366</u>	<u>(5,886)</u>	<u>4,096,480</u>
Expenses			
Program services			
Prevention and outreach	898,410	-	898,410
Shelters	2,321,930	-	2,321,930
Supportive housing	606,703	-	606,703
Total Program Services	<u>3,827,043</u>	<u>-</u>	<u>3,827,043</u>
Supporting Services			
General and administrative	446,426	-	446,426
Resource development/fundraising	397,088	-	397,088
Total Supporting Services	<u>843,514</u>	<u>-</u>	<u>843,514</u>
Total Expenses	<u>4,670,557</u>	<u>-</u>	<u>4,670,557</u>
Decrease in Net Assets	(568,191)	(5,886)	(574,077)
Net Assets, Beginning of Year	<u>6,152,355</u>	<u>705,161</u>	<u>6,857,516</u>
Net Assets, End of Year	<u>\$ 5,584,164</u>	<u>\$ 699,275</u>	<u>\$ 6,283,439</u>

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

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2020

	<u>Program Services</u>				<u>Supporting Services</u>			
	<u>Prevention and Outreach</u>	<u>Shelters</u>	<u>Supportive Housing</u>	<u>Total Program Services</u>	<u>General and Administrative</u>	<u>Resource Development/ Fundraising</u>	<u>Total Supporting Services</u>	<u>Total</u>
Salaries and related expenses	\$ 763,810	\$ 1,398,583	\$ 162,778	\$ 2,325,171	\$ 396,500	\$ 377,444	\$ 773,944	\$ 3,099,115
Insurance	16,240	34,413	2,406	53,059	15,796	7,819	23,615	76,674
Direct expense	3,438	58,844	240	62,522	-	-	-	62,522
Legal and professional fees	50,524	27,955	375	78,854	49,084	15,909	64,993	143,847
Office expenses	1,635	5,917	230	7,782	8,037	5,209	13,246	21,028
Technology	19,817	50,887	2,934	73,638	7,388	22,290	29,678	103,316
Printing and promotions	20	2,248	-	2,268	-	39,668	39,668	41,936
Occupancy expenses	31,791	257,080	3,560	292,431	23,279	12,391	35,670	328,101
Specific assistance	32,041	109,204	553,727	694,972	-	-	-	694,972
Vehicle and travel	8,709	18,863	1,074	28,646	2,710	3,491	6,201	34,847
Other	-	1,095	-	1,095	8,448	-	8,448	9,543
Total Expenses Before Depreciation and Amortization	928,025	1,965,089	727,324	3,620,438	511,242	484,221	995,463	4,615,901
Depreciation and amortization	-	329,874	-	329,874	1,052	-	1,052	330,926
Total Expenses	<u>\$ 928,025</u>	<u>\$ 2,294,963</u>	<u>\$ 727,324</u>	<u>\$ 3,950,312</u>	<u>\$ 512,294</u>	<u>\$ 484,221</u>	<u>\$ 996,515</u>	<u>\$ 4,946,827</u>

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

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2019

	<u>Program Services</u>				<u>Supporting Services</u>			
	<u>Prevention and Outreach</u>	<u>Shelters</u>	<u>Supportive Housing</u>	<u>Total Program Services</u>	<u>General and Administrative</u>	<u>Resource Development/ Fundraising</u>	<u>Total Supporting Services</u>	<u>Total</u>
Salaries and related expenses	\$ 690,257	\$ 1,318,814	\$ 172,191	\$ 2,181,262	\$ 334,223	\$ 314,689	\$ 648,912	\$ 2,830,174
Insurance	18,230	34,978	4,620	57,828	14,810	8,332	23,142	80,970
Direct expense	19,416	85,522	275	105,213	-	-	-	105,213
Legal and professional fees	70,793	75,638	673	147,104	42,372	11,725	54,097	201,201
Office expenses	3,191	6,679	365	10,235	10,706	20,564	31,270	41,505
Technology	19,226	38,680	4,872	62,778	9,578	9,987	19,565	82,343
Printing and promotions	7,576	15,035	1,695	24,306	3,291	8,759	12,050	36,356
Occupancy expenses	36,439	261,096	8,433	305,968	16,039	12,789	28,828	334,796
Specific assistance	12,901	120,360	411,959	545,220	-	-	-	545,220
Vehicle and travel	18,348	17,331	1,620	37,299	1,755	3,091	4,846	42,145
Other	2,033	4,835	-	6,868	12,600	7,152	19,752	26,620
Total Expenses Before Depreciation and Amortization	898,410	1,978,968	606,703	3,484,081	445,374	397,088	842,462	4,326,543
Depreciation and amortization	-	342,962	-	342,962	1,052	-	1,052	344,014
Total Expenses	<u>\$ 898,410</u>	<u>\$ 2,321,930</u>	<u>\$ 606,703</u>	<u>\$ 3,827,043</u>	<u>\$ 446,426</u>	<u>\$ 397,088</u>	<u>\$ 843,514</u>	<u>\$ 4,670,557</u>

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

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities:		
Decrease in net assets	\$ (562,406)	\$ (574,077)
Adjustments to reconcile decrease in net assets to net cash provided (required) by operating activities:		
Depreciation and amortization	330,926	344,014
Net realized and unrealized gain	(7,164)	(22,775)
Change in irrevocable beneficial interest trust	17,139	4,020
(Increase) decrease in assets		
Governmental grants receivable	(101,517)	891,113
Pledges receivable	72,954	(43,125)
Prepaid expenses and other assets	(92,657)	(65,966)
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	43,131	(3,170)
Net Cash Provided (Required) by Operating Activities	<u>(299,594)</u>	<u>530,034</u>
Cash Flows from Investing Activities:		
Sales (purchases) of investments, net	(8,928)	9,628
Purchases of property and equipment	<u>(28,747)</u>	<u>(285,462)</u>
Net Cash Required by Investing Activities	<u>(37,675)</u>	<u>(275,834)</u>
Cash Flows from Financing Activities:		
Proceeds from note payable - PPP loan	<u>528,380</u>	<u>-</u>
Net Cash Provided by Financing Activities	<u>528,380</u>	<u>-</u>
Net Change in Cash and Cash Equivalents	191,111	254,200
Cash and Cash Equivalents, Beginning of Year	<u>533,682</u>	<u>279,482</u>
Cash and Cash Equivalents, End of Year	<u>\$ 724,793</u>	<u>\$ 533,682</u>

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

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 AND 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

The Partnership Against Domestic Violence, Inc. (the "Agency") is a voluntary health and welfare organization providing emergency assistance to people who have been victimized by domestic violence. The Agency is supported by grants and contributions.

Basis of Accounting

The Agency follows accounting standards set by the Financial Accounting Standards Board ("FASB"). The FASB sets accounting principles generally accepted in the United States of America ("GAAP").

Accounting Pronouncement Adopted

Effective July 1, 2019, the Agency adopted Accounting Standards Updated ("ASU") 2018-08, "Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made". The amendments in this update provide a framework for evaluating whether the transfer of assets constitutes a contribution or an exchange transaction. This amendment also provides additional clarification as to whether or not a contribution is conditional. There was no material impact to the financial position, statement of activities, or net assets as a result of implementation.

Presentation

The accompanying financial statements present "net assets". Net assets, along with revenues, expenses, gains and losses, are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Agency and changes therein are classified and reported as follows:

- Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Agency.
- Net Assets with Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that such resources be maintained in perpetuity.

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 AND 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Risks and Uncertainties

The Agency's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents, grants receivable and investments. At times, cash and cash equivalents may exceed federally insured amounts. The Agency believes it reduces risks associated with balances in excess of federally insured amounts by maintaining its cash and cash equivalents with major financial institutions with sound financial standing. Management continually monitors receivable balances and believes that its exposure to credit risk is limited. Investment securities are exposed to various risks, such as interest rate risk, market risk, and credit risk.

The Agency has experienced a disruption of normal business operations caused from COVID-19 during 2020 and subsequent to year end. The overall impact cannot be determined through the date of this report; however, it is reasonably possible that changes in risks in the near term could occur which could result in a material change to the financial statements.

Grants and Contracts

For the years ended June 30, 2020 and 2019, the Agency received approximately 65% and 71%, respectively, of its total public funding through various government agencies. Receivables arise from reimbursements owed through these government contracts. The Agency's ability to collect amounts due is affected by the acceptance of reimbursable expenses and performance-based outcomes, which meet contract requirements.

Cash and Cash Equivalents

The Agency considers all highly liquid investments, except for those held for long-term investment, with maturities of three months or less when purchased to be cash equivalents.

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 AND 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

Contributions

Contributions of cash and services are recorded as net assets without donor restrictions or net assets with donor restrictions support depending on the existence and/or nature of any donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the time or purpose restriction and reported in the statement of activities as net assets released from restrictions. The Agency recognizes pledges as revenue when received and uses discounting for recording long-term pledges. Contributions are recognized when the donor makes a promise to give that is in substance, unconditional. Bad debts are expensed and charged against the allowance account when deemed uncollectible based upon a periodic review of collections. Management has deemed that there is no allowance necessary at June 30, 2020 and 2019. The Agency recognizes contributions from cash, securities, or other assets: a pledges receivable; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

Government Support

A portion of the Agency's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Agency has incurred expenditures in compliance with specific contract or grant provisions. If amounts received prior to incurring qualifying expenditures, these amounts are reported as refundable advances in the statement of financial position.

Property and Equipment

Purchased property and equipment are carried at cost. Depreciation is computed using the straight line method over the estimated useful lives of the assets, which range from twenty years for buildings, five to seven years for equipment, or the lease term for leasehold improvements. Repairs and maintenance are expensed as incurred, but any betterment that extends the useful life is capitalized.

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 AND 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Property, Goods and Services

All non-cash gifts (other than personal services) are recorded at their estimated fair value at date of receipt. Contributed services are reflected in the financial statements at the fair value of the services received. In accordance with GAAP, contributions of services are recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. There were no services for the year ended June 30, 2020 and 2019, respectively.

The Agency did not receive other in-kind donations for the year ended June 30, 2020. The Agency received approximately \$12,000 for the year ended June 30, 2019.

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as support without restriction unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Agency reclassifies net assets with donor restriction to net assets without donor restriction at that time.

Fair Value Measured on Recurring Basis

GAAP establishes 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 in which little or no market data exists (Level 3 measurements). The three levels of the fair value hierarchy under GAAP are described below:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities;

Level 2 - Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;

Level 3 - Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 AND 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measured on Recurring Basis (Continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Total assets at fair value classified within Level 3 were \$299,216 and \$312,359, as of June 30, 2020 and 2019, respectively, which consists of an irrevocable beneficial interest trust and a Foundation fund. Such amounts were approximately 5% of total assets as of June 30, 2020 and 2019. The table below represents fair value measurement hierarchy of the assets at fair value as of June 30:

	<u>2020</u>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash and cash equivalents	\$ 4,503	\$ 4,503	\$ -	\$ -
Mutual funds	181,076	181,076	-	-
Foundation fund	57,111	-	-	57,111
Irrevocable beneficial interest trust	<u>242,105</u>	<u>-</u>	<u>-</u>	<u>242,105</u>
	<u>\$ 484,795</u>	<u>\$ 185,579</u>	<u>\$ -</u>	<u>\$ 299,216</u>

	<u>2019</u>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash and cash equivalents	\$ 3,912	\$ 3,912	\$ -	\$ -
Mutual funds	169,571	169,571	-	-
Foundation fund	53,115	-	-	53,115
Irrevocable beneficial interest trust	<u>259,244</u>	<u>-</u>	<u>-</u>	<u>259,244</u>
	<u>\$ 485,842</u>	<u>\$ 173,483</u>	<u>\$ -</u>	<u>\$ 312,359</u>

**THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 AND 2019**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Level 3 Measurements

Beneficial Interest in Perpetual Trust

The Agency is the beneficiary of an irrevocable beneficial interest trust held and administered by a local community foundation (the "Foundation"). The trust was created by an agreement between the Agency and the Foundation. In accordance with the terms of the agreement, the Agency has recorded \$150,000 of net assets with donor restrictions that is to be maintained in perpetuity. Amounts in excess of \$150,000 can be used to provide for maintenance, repairs, renovations and upkeep of a building occupied by the Agency. Amounts in excess of \$150,000 are recorded as net assets with donor restrictions until expended. Fair value for the beneficial interest trust is measured using the fair value of the assets held in the trust as reported by the trustee as of June 30, 2020 and 2019.

The Agency considers the measurement of its beneficial interest in the trust to be a Level 3 measurement within the fair value hierarchy because even though that measurement is based on the unadjusted fair values of the trust assets reported by the trustee, the Agency will never receive those assets or have the ability to direct the trustee to redeem them.

Foundation Fund

The Agency is invested in a pool of investments held and administered by a Foundation. Fair value of this fund is measured using the fair value of the investments as reported by the Foundation.

The table below sets forth a summary of changes in the fair value of the Agency's Level 3 assets for the years ended June 30:

Balance, June 30, 2018	\$ 312,846
Gain on foundation fund investment	3,533
Change in the fair value of the irrevocable beneficial interest trust	<u>(4,020)</u>
Balance, June 30, 2019	312,359
Gain on foundation fund investment	3,996
Change in the fair value of the irrevocable beneficial interest trust	<u>(17,139)</u>
Balance, June 30, 2020	<u><u>\$ 299,216</u></u>

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 AND 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments are reported at fair market value. Unrealized gains and losses arising from changes in the fair market value of the investments are reported in the statement of activities and changes in net assets as increases or decreases in net assets without donor restrictions.

Income Taxes

The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, as amended, and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, no provision or liability for federal and state income taxes has been recorded in the accompanying financial statements.

The Agency annually evaluates all federal and state income tax positions. This process includes an analysis of whether these income tax positions the Agency takes meet the definition of an uncertain tax position under the Income Taxes Topic of the Financial Accounting Standards Codification. In the normal course of business, the Agency is subject to examination by the federal and state taxing authorities. In general, the Agency is no longer subject to tax examinations for the tax years ending before June 30, 2017.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and related benefits, insurance, professional services, office expenses, information technology, interest, occupancy, depreciation, and amortization, which are allocated on a basis of estimates of time and effort.

Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date of this report, which is the date the financial statements were available to be issued.

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 AND 2019

NOTE 2 – PROPERTY AND EQUIPMENT

Major classes of property and equipment consisted of the following at June 30:

	<u>2020</u>	<u>2019</u>
Land	\$ 1,256,700	\$ 1,256,700
Buildings and building improvements	6,012,382	5,999,860
Office furniture and equipment	580,334	564,108
Vehicles	<u>252,162</u>	<u>252,162</u>
	8,101,578	8,072,830
Less accumulated depreciation and amortization	<u>(3,567,849)</u>	<u>(3,236,922)</u>
	<u>\$ 4,533,729</u>	<u>\$ 4,835,908</u>

NOTE 3 – FINANCING ARRANGEMENTS

Line of Credit

The Agency has a \$200,000 line of credit agreement with a financial institution. The line of credit bears interest at the Prime rate of interest, an effective rate of 3.25% at June 30, 2020. There were no outstanding borrowings at June 30, 2020 and 2019. The line of credit expires on December 5, 2020. The Agency is in the process of finalizing a line of credit continuation to take effect after the December 5, 2020 expiration.

Paycheck Protection Program

In April 2020, the Agency obtained a Small Business Administration (“SBA”) loan under the Paycheck Protection Program (“PPP”) in the amount of \$528,380. The PPP loan bears interest at 1% and will follow the repayment terms outlined by the Coronavirus Aid, Relief, and Economic Securities Act (the “CARES Act”) and the Paycheck Protection Program Flexibility Act (“PPPFA”).

The Agency may apply for PPP loan proceeds to be forgiven with the lending institution, provided the proceeds are used within a specified timeframe to cover certain payroll and other expenses as outlined in the CARES Act and the PPPFA. Initial repayments of the loan amount are deferred until the date the SBA remits the loan forgiveness funds to the lending institution, or until 10 months after the end of the forgiveness covered period if the Agency does not apply for forgiveness. The loan matures April 2022; the PPPFA allows the maturity date to be extended from a 2 year period from loan origination to a 5 year period from loan origination subject to approval by the lending institution.

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 AND 2019

NOTE 4 – LEASE COMMITMENTS

The Agency leases office space and equipment under non-cancelable leases. The leases end at various dates through November 2021. A total of \$47,880 will become due in fiscal year 2021. As of the date of this report, there has been no lease renewal or extension.

For the years ended June 30, 2020 and 2019, rent expense was approximately \$52,000 and \$49,000, respectively.

NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS

At June 30, 2020 and 2019, the components of net assets with donor restrictions were as follows:

	<u>2020</u>	<u>2019</u>
Subject to expenditure for specified purposes:		
Building reserve fund	\$ 398,966	\$ 403,089
Specific programming initiatives	8,071	36,942
Beneficial interest in perpetual trust, distributions restricted for building maintenance (Note 1)	<u>242,105</u>	<u>259,244</u>
	<u>\$ 649,142</u>	<u>\$ 699,275</u>

NOTE 6 – CONTINGENCIES

In 2010, the Agency received a community development block grant (CDBG) from Gwinnett County in the amount of \$1,500,000 for the acquisition of a building. In return, the Agency has signed a promissory note that is secured by a Security Deed in the event the Agency defaults on the promissory note. The promissory note expires in November 2030. If the building is used for a purpose other than as a domestic violence shelter or sold prior to November 2030, the Agency is required to return \$1,500,000 to the Gwinnett County Community Development program. After November 2030, the building becomes the unencumbered property of the Agency.

Certain federally funded programs are routinely subject to special audit. The audit reports, which are prepared by the auditors for the Agency pursuant to specific regulatory requirements, are required to be submitted to both the Agency and various federal agencies. Such agencies have the authority to determine liabilities as well as to limit, suspend, or terminate the federal programs. Since the Agency does not expect claims to arise as a result of such audits, no provision for liabilities, if any, has been provided in the accompanying financial statements.

**THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 AND 2019**

NOTE 7 – LIQUIDITY AND AVAILABILITY

The Agency’s financial assets available for general expenditures, that is, without donor or other restriction limiting their use, within one year of the statement of financial position as of June 30, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 724,793	\$ 533,682
Governmental grants receivable	458,871	357,354
Pledges receivable	-	72,954
Investments	242,690	226,598
Irrevocable beneficial interest trust	242,105	259,244
Donor imposed restrictions	<u>(649,142)</u>	<u>(699,275)</u>
Financial assets available to meet cash needs for general expenditures	<u>\$ 1,019,317</u>	<u>\$ 750,557</u>

As part of the Agency’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the Agency invests cash in excess of daily requirements in short-term investments. In the event of an unanticipated liquidity need, the Agency can also draw upon its available line of credit as further discussed in Note 3.

SUPPLEMENTARY INFORMATION
REPORTS AND OTHER SCHEDULES AND INFORMATION
AS REQUIRED BY THE UNIFORM GUIDANCE
YEAR ENDED JUNE 30, 2020

**THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020**

<i>Federal Grant/Pass-Through Grantor/ Program Title</i>	<i>Federal CFDA #</i>	<i>Pass-through Entity Contract Number</i>	<i>Federal Expenditures</i>
U.S. Department of Housing and Urban Development			
Pass-through from Gwinnett County			
Emergency Shelter Grant Program	14.231	18C199	\$ 10,944
Emergency Shelter Grant Program	14.231	E19-UC-14-0011	66,023
			<u>76,967</u>
Direct award			
Continuum of Care - Transitional Housing	14.267		182,617
Continuum of Care - Transitional Housing	14.267		40,327
Continuum of Care - Transitional Housing	14.267		59,987
Continuum of Care - Transitional Housing	14.267		64,565
Continuum of Care - Transitional Housing	14.267		71,696
			<u>419,192</u>
Pass-through from Atlanta			
Community Development Block Grant	14.218	220132553	50,000
Community Development Block Grant	14.218	220132483	8,346
Pass-through from Gwinnett County			
Community Development Block Grant	14.218	B-19-UC-13-0004	10,376
Community Development Block Grant	14.218	B-18-UC-13-0004	26,648
			<u>95,371</u>
Total U.S. Department of Housing and Urban Development			<u>591,530</u>
U.S. Department of Homeland Security			
Pass-through from Gwinnett County			
Emergency Food and Shelter Program	97.024	E19-UC-14-0011	28,340
Emergency Food and Shelter Program	97.024		28,911
Total U.S. Department of Homeland Security			<u>57,251</u>
U.S. Department of Justice			
Pass-through from the State of GA Criminal Justice Coordination Council			
Victims of Crime Assistance Program (VOCA)	16.575	C17-8-223	33,000
Victims of Crime Assistance Program (VOCA)	16.575	C18-8-187	414,479
Victims of Crime Assistance Program (VOCA)	16.575	C17-8-141	218,010
Victims of Crime Assistance Program (VOCA)	16.575	C15-8-383	366,393
Victims of Crime Assistance Program (VOCA)	16.575	C17-8-140	114,908
Pass-through from the Spelman College			
Victims of Crime Assistance Program (VOCA)	16.575	27010-02	1,599
			<u>1,148,389</u>
Pass-through from Office on Violence Against Women			
Transitional Housing Assistance for Victims of Domestic Violence, Stalking, or Sexual Assault	16.736	2018-WH-AX-0007	170,503
Consolidated And Technical Assistance Grant Program to Address Children and Youth Experiencing Domestic and Sexual Violence and Engage Men and Boys as Allies			
	16.888	2019-CY-AX-0002	53,947
Total U.S. Department of Justice			<u>1,372,839</u>
U.S. Department of Health and Human Services			
Pass-through from the State of GA Criminal Justice Coordination Council			
Family Violence Prevention and Services - Gwinnett	93.671	V19-8-029	45,000
Family Violence Prevention and Services - Teen	93.671	V19-8-030	45,000
Family Violence Prevention and Services - Teen	93.671	V19-8-069	47,027
Family Violence Prevention and Services - Fulton	93.671	V18-8-066	7,187
Total U.S. Department of Health and Human Services			<u>144,214</u>
U.S. Department of Treasury			
Pass-through from Gwinnett County			
Coronavirus Relief Fund	21.019	CRF-HUA-035	8,259
Pass-through from Fulton County			
Coronavirus Relief Fund	21.019		5,490
Total U.S. Department of Treasury			<u>13,749</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 2,179,583</u>

The accompanying notes are an integral part of this schedule.

THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020

NOTE 1 – GENERAL

The accompanying schedule of expenditures of federal awards (the “SEFA”) presents the activity of all federal financial awards programs received by the Agency. All federal awards received directly from federal agencies, and federal awards passed through other government agencies, are included on the schedule.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying SEFA is presented using the accrual basis of accounting, which is described in Note 1 to the financial statements. The information in the SEFA is presented in accordance with regulations of *Title 2 U.S Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

NOTE 3 – INDIRECT COST RATE

The Agency did not elect to use the 10% de minimis cost rate covered under *Title 2 U.S. Code of Federal Regulations Part 200*, Subpart E, Cost Principles.

INDEPENDENT AUDITORS' 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

Board of Directors

The Partnership Against Domestic Violence, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Partnership Against Domestic Violence, Inc. (the "Agency"), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and changes in net assets, 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 the date of this report.

Internal Control Over Financial Reporting

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

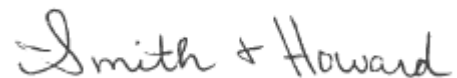
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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 Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Smith & Howard".

November 13, 2020

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

Board of Directors

The Partnership Against Domestic Violence, Inc.

Report on Compliance for Each Major Federal Program

We have audited The Partnership Against Domestic Violence, Inc. (the "Agency") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget's Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended June 30, 2020. The Agency's major federal program is identified in the summary of the auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Agency'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 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 Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the Agency 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 the Agency 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 Agency'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 Agency's internal control over compliance.

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

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

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

Smith + Howard

November 13, 2020

**THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Section I – Summary of Auditors’ Reports

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiencies identified that are not considered to be material weakness(es)? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Type of auditors’ report issued: Unmodified

Internal control over major programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiencies identified that are not considered to be material weakness(es)? _____ Yes X None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
16.575	Victims of Crime Assistance

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

Auditee qualified as low-risk auditee? X Yes ___ No

**THE PARTNERSHIP AGAINST DOMESTIC VIOLENCE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Section II – Financial Statement Findings

None Noted.

Section III – Federal Award Findings and Questioned Costs

None Noted.

Section IV – Summary Schedule of Prior Audit Findings and Questioned Costs

There are no matters to report.