

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER
ENDOWMENT FUND**

**CONSOLIDATED FINANCIAL STATEMENTS
WITH COMPLIANCE AND SINGLE AUDIT REPORTING**

June 30, 2019 and 2018

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
CONSOLIDATED FINANCIAL STATEMENTS WITH COMPLIANCE
AND SINGLE AUDIT REPORTING
June 30, 2019 and 2018**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Family Violence Prevention Services, Inc. and
Battered Women's Shelter Endowment Fund
San Antonio, Texas

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Family Violence Prevention Services, Inc. and Battered Women's Shelter Endowment Fund (nonprofit organizations), which comprise the consolidated statements of financial position as of June 30, 2019 and 2018, and the related consolidated statements of activities (with comparative totals for 2018), functional expenses (with comparative totals for 2018), and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Family Violence Prevention Services, Inc. and Battered Women's Shelter Endowment Fund as of June 30, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic consolidated financial statements as a whole. The accompanying schedule of expenditures of federal, state and local awards on pages 26-27, 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*, and the accompanying consolidating statements and schedules on pages 21-25, are presented for purposes of additional analysis and are not a required part of the basic consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial information is fairly presented in all material respects in relation to the consolidated 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 September 23, 2019 on pages 29-30 on our consideration of Family Violence Prevention Services, Inc.'s and Battered Women's Shelter Endowment Fund's internal control over financial reporting and our tests of their 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 the 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 Family Violence Prevention Services, Inc.'s and Battered Women's Shelter Endowment Fund's internal control over financial reporting and compliance.



San Antonio, Texas
September 23, 2019

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
June 30, 2019 and 2018**

	2019	2018
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 2,055,916	\$ 4,546,044
Grants Receivable	464,166	290,404
Unconditional Promises to Give	-	652,265
Accounts Receivable	750	-
Prepaid Expenses	11,356	13,608
Deposits	3,560	11,500
Total Current Assets	2,535,748	5,513,821
LONG-TERM ASSETS		
Investments	3,734,850	-
Land, Buildings and Equipment, net	6,666,788	6,179,104
Total Long-Term Assets	10,401,638	6,179,104
TOTAL ASSETS	\$ 12,937,386	\$ 11,692,925
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts Payable	\$ 141,719	\$ 14,250
Accrued Expenses	179,958	178,114
Deferred Revenue	27,551	22,891
Other Payable	7,284	7,456
Total Current Liabilities	356,512	222,711
TOTAL LIABILITIES	356,512	222,711
NET ASSETS		
Without Donor Restrictions		
Undesignated	9,133,722	8,132,868
Board Designated	1,000,000	1,000,000
Total Without Donor Restrictions	10,133,722	9,132,868
With Donor Restrictions		
Time/Purpose Restricted	380,886	680,122
Perpetually Restricted	2,066,266	1,657,224
Total With Donor Restrictions	2,447,152	2,337,346
TOTAL NET ASSETS	12,580,874	11,470,214
TOTAL LIABILITIES AND NET ASSETS	\$ 12,937,386	\$ 11,692,925

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

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019
(with comparative totals for 2018)**

	Without Restrictions	With Restrictions	2019 Total	2018 Total
<u>OPERATING SUPPORT AND REVENUE</u>				
Grants from Governmental Agencies	\$ 3,851,799	\$ -	\$ 3,851,799	\$ 3,285,302
Contributions	2,127,972	644,042	2,772,014	2,861,914
Program Revenue	554,788	-	554,788	489,054
Special Events, net of direct expenses of \$129,918 and \$74,803, respectively	135,249	-	135,249	125,169
United Way Allocations	-	-	-	652,265
Net Assets Released from Restrictions	667,628	(667,628)	-	-
TOTAL OPERATING SUPPORT AND REVENUE	7,337,436	(23,586)	7,313,850	7,413,704
<u>OPERATING EXPENSES</u>				
Program Services	5,731,934	-	5,731,934	5,408,149
Supporting Services	730,920	-	730,920	740,915
TOTAL OPERATING EXPENSES	6,462,854	-	6,462,854	6,149,064
CHANGE IN NET ASSETS BEFORE NON- OPERATING ACTIVITY	874,582	(23,586)	850,996	1,264,640
<u>NON-OPERATING ACTIVITY</u>				
Investment Income, net	102,865	131,986	234,851	-
Interest Income	23,407	1,406	24,813	15,677
Insurance Reimbursements	-	-	-	33,504
TOTAL NON-OPERATING ACTIVITY	126,272	133,392	259,664	49,181
CHANGE IN NET ASSETS AFTER NON- OPERATING ACTIVITY	1,000,854	109,806	1,110,660	1,313,821
NET ASSETS, BEGINNING OF YEAR	9,132,868	2,337,346	11,470,214	10,156,393
NET ASSETS, END OF YEAR	\$ 10,133,722	\$ 2,447,152	\$ 12,580,874	\$ 11,470,214

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

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2019
(with comparative totals for 2018)**

	Program Services									Supporting Services			2019 Total	2018 Total
	Shelter/ Transitional/ Outreach	Counseling Center	Legal Services	Community Based Counseling	Substance Abuse/ Indicated Program	Batterers Intervention	Drug Court Programs	Celebrating Families/ Helping Hands	Total	Development and Campaign	Management and General	Total		
OPERATING EXPENSES														
Salaries	\$ 1,434,659	\$ 404,721	\$ 363,452	\$ 365,548	\$ 234,245	\$ 105,931	\$ 112,500	\$ 317,746	\$ 3,338,802	\$ 133,681	\$ 351,932	\$ 485,613	\$ 3,824,415	\$ 3,737,281
Payroll Taxes	121,015	34,441	28,946	30,291	19,337	9,322	9,010	25,882	278,244	10,654	25,433	36,087	314,331	317,015
Health, Workers' Compensation and Other Insurance	86,993	11,466	17,832	15,595	6,792	3,239	3,293	22,498	167,708	6,920	32,565	39,485	207,193	217,348
Pension Plan Expense	24,088	7,532	11,036	6,300	5,021	3,642	4,460	1,217	63,296	2,025	17,497	19,522	82,818	34,014
Total Payroll Expenses	1,666,755	458,160	421,266	417,734	265,395	122,134	129,263	367,343	3,848,050	153,280	427,427	580,707	4,428,757	4,305,658
Supplies	292,130	27,899	18,510	12,020	24,139	19,895	5,437	27,162	427,192	2,269	20,862	23,131	450,323	418,873
Occupancy	333,398	18,677	135	10,792	135	9,575	67	28,276	401,055	1,354	235	1,589	402,644	387,036
Specific Assistance	256,059	-	1,013	79,346	-	552	-	-	336,970	-	144	144	337,114	232,702
Professional Fees	76,063	8,273	9,857	5,168	24,694	68,534	1,717	15,417	209,723	8,371	41,426	49,797	259,520	233,725
Insurance	54,238	4,448	590	844	2,105	3,367	-	491	66,083	3,943	8,892	12,835	78,918	64,331
Telephone	36,787	5,529	2,092	116	2,387	2,772	3,256	8,597	61,536	165	4,360	4,525	66,061	65,617
Transportation	16,721	1,501	11,901	4,007	12,815	986	4,190	2,231	54,352	189	7,637	7,826	62,178	59,644
Dues and Subscriptions	8,480	1,585	1,777	4,102	489	786	245	535	17,999	2,109	7,612	9,721	27,720	32,920
Educational Conferences and Meetings	34	605	5,654	26	4,298	3,887	677	889	16,070	20	5,041	5,061	21,131	13,757
Legal and Accounting	-	-	-	-	-	-	-	-	-	-	20,000	20,000	20,000	22,264
Printing and Publications	63	318	146	-	55	1,608	210	95	2,495	80	1,748	1,828	4,323	5,456
Mailing and Postage	2,419	436	97	20	-	253	4	630	3,859	225	107	332	4,191	6,021
Other Expenses	-	-	-	-	561	-	-	-	561	2,620	4	2,624	3,185	1,088
Total Expenses Before Depreciation	2,743,147	527,431	473,038	534,175	337,073	234,349	145,066	451,666	5,445,945	174,625	545,495	720,120	6,166,065	5,849,092
Depreciation	271,589	14,400	-	-	-	-	-	-	285,989	-	10,800	10,800	296,789	299,972
TOTAL OPERATING EXPENSES	\$ 3,014,736	\$ 541,831	\$ 473,038	\$ 534,175	\$ 337,073	\$ 234,349	\$ 145,066	\$ 451,666	\$ 5,731,934	\$ 174,625	\$ 556,295	\$ 730,920	\$ 6,462,854	\$ 6,149,064

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

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2019 and 2018**

	2019	2018
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in Net Assets	\$ 1,110,660	\$ 1,313,821
Adjustments to Reconcile Net Change to Net Cash		
Provided by Operations:		
Depreciation	296,789	299,972
Unrealized Gain on Investments	(211,186)	-
(Increase) Decrease in Operating Assets:		
Grants Receivable	(173,762)	(25,426)
Unconditional Promises to Give	652,265	82,904
Accounts Receivable	(750)	10,084
Prepaid Expenses	2,252	675
Deposits	7,940	(9,500)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	127,469	11,692
Accrued Expenses	1,844	33,245
Deferred Revenue	4,660	4,238
Other Payable	(172)	(562)
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,818,009	1,721,143
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of Buildings and Equipment	(784,473)	(334,839)
Purchase of Investments	(3,523,664)	-
NET CASH USED BY INVESTING ACTIVITIES	(4,308,137)	(334,839)
NET (DECREASE) INCREASE IN CASH FLOWS	(2,490,128)	1,386,304
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,546,044	3,159,740
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 2,055,916	\$ 4,546,044

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

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019 and 2018**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying consolidated statements of Family Violence Prevention Services, Inc. (the Center) and Battered Women's Shelter Endowment Fund (the Fund) have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Nature of Activities

The Center provides victims of domestic violence with a place of safety and transition to self-sufficiency, as well as a non-shelter program of counseling and support for women, children, and families who are victims of domestic violence and in need of services but not shelter. The Center is funded primarily through individual and corporate contributions and grants from government agencies and United Way.

The Fund was legally formed in 2004 for the exclusive purpose of supporting the Center, including receiving and holding contributions, endowments, gifts, and donations from the general public for the Center. The Fund is controlled by a Board of Directors and Finance Committee.

Description of Programs

Battered Women and Children's Shelter/Transitional and Outreach Services – Shelter and transitional housing services includes safe lodging, food, clothing, medical care and basic necessities. Counseling services include individual and group counseling focusing on self-esteem, personal assessment, goal setting, and family relationships. Casework services focus on financial needs, legal advocacy, housing and other assistance. Support services include educational workshops and classes covering a wide range of subjects: parent education classes focusing on child growth and development, how to provide a nurturing environment, effective discipline, etc.; a legal services program; a nursery program for infants and toddlers; and a school age children's program designed to educate children and adolescents about the effects of alcohol and other drugs, to enhance their self esteem, to teach them healthy ways of identifying and expressing their feelings, and to educate them about the dynamics of family violence while giving them a safe place to talk about their experiences living in violent homes.

An important extension of the Center is the programming provided to ex-residents and battered women seeking services but not shelter. Included in this program are monthly educational workshops and classes; support groups (English and Spanish); information and referral services; medical assessment and primary care; a legal clinic; emergency food, clothing and furniture assistance; counseling; and structured children's activities.

Counseling Center Services – The goal of this program is to identify and treat the unique needs of victims of family violence. Individual, group, and family therapy is available. Support groups are provided for battered women, incest survivors in abusive relationships, former batterers, and children victimized by family violence.

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019 and 2018**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Description of Programs (continued)

Community Based Counseling Services/ Haven for Hope – These programs provide specialized counseling for homeless individuals in 12 agencies as well as Haven for Hope. Counseling is related to substance abuse, family violence, youth, grief and mourning.

Legal Services – This program provides free legal advice and representation in civil cases to Bexar County residents who are homeless, victims of crime living in a shelter or in transitional housing, or in the military or military dependents. Cases handled include divorce, child custody, protective orders, paternity orders, wills and estate planning, power of attorney, debt consolidation, landlord-tenant disputes and deed changes.

Substance Abuse/Indicated Program – This program targets adults and youth at risk of substance abuse, family violence, and/or homelessness. Services include individual, group, and family counseling; assessments; referrals and follow-ups. It also targets youth at risk of family violence, truancy, low school performance, depression and substance abuse.

Court Liaison – This program works with courts to refer victims of domestic violence to professional intervention services and legal assistance.

Batterers Intervention Services – This program provides a twenty-week psycho-educational approach for male and female abusers who are court mandated or court referred for family violence. The curriculum includes cognitive restructuring strategies and helps to build conflict resolution skills.

Helping Hands – Specialized groups are offered for domestic violence victims, their children, and perpetrators involved with Child Protective Services (CPS).

Celebrating Families! Program – *Celebrating Families!* is an intergenerational family skills building curriculum proven to support and maintain recovery, improve the health and well-being of children and family members, and increase family reunification. The program strengthens family life and is comprehensive, developmentally appropriate, relevant for diverse cultures, and includes all family members.

P.O.W.E.R. (Providing Options with Educational Resources) – This program provides educational classes which enable battered women and children to obtain skills to help them move toward self-sufficiency. Classes offered are basic computer skills, financial empowerment and job readiness.

Children's Program – This program provides therapeutic educational activities and childcare to address generational violence.

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019 and 2018**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Description of Programs (continued)

The Middle Way Parenting Education Program – This program, whose curriculum was developed by the University of Texas at San Antonio's School of Social Work, is offered both at the Battered Women and Children's Shelter and to the Center's non-residential clients. The ten-week structured curriculum focuses on helping parents recognize the impact of their own childhood experiences, and of domestic violence, on their parenting. An additional two weeks of sessions occur after the ten structured sessions conclude, to provide parents with the opportunity to continue to process their experiences, further strengthen their relationships with one another, and develop systems of ongoing support with other participants. The program is available for any victim of domestic violence but is particularly targeted at CPS-involved clients and very young mothers.

Basis of Consolidation

The accompanying consolidated financial statements include the financial activities of the Center and the Fund due to common control and interest. All intercompany accounts and transactions have been eliminated in the consolidation.

Estimates

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

Grants and Accounts Receivable

Grants and 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 clients having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial. Therefore, no allowance for uncollectible accounts has been recorded.

Functional Expense Allocation

The costs of providing the program and other activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. These expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include payroll expenses, which are allocated on the basis of estimates of time and effort, as well as occupancy, depreciation, insurance, supplies, and various other operating expenses, which are allocated on the basis of square footage or some other reasonable basis.

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019 and 2018**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unconditional Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value.

Contributions

Contributions that are restricted by the donor are reported as increases in net assets without restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without restrictions.

Land, Buildings and Equipment

Land, buildings and equipment are recorded at cost. Donations of land, buildings and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated assets for 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 support with donor restrictions. Absent donor stipulations regarding how long these donated assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Center reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Depreciation of buildings and equipment is calculated on a straight-line basis over the estimated useful lives of the assets: buildings –35 years; furniture and equipment – 3-7 years; and building and improvements – 7 years. Donated assets are recorded at their estimated fair market value at date of contribution.

Expenditures in excess of \$5,000 for all assets that materially extend useful lives or increase values or capabilities are capitalized, whereas routine maintenance, repair, and replacement costs are charged against current income.

Grant Revenue Recognition

Funds restricted by the grantor for particular operating purposes are deemed to be earned and reported as revenues when the Center has incurred expenditures in compliance with the specific restrictions. Amounts received but not yet earned are reported as deferred revenue.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Center and the Fund consider all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019 and 2018**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributed Services

The value of contributed services meeting the requirements for recognition in the consolidated financial statements was not material and has not been recorded. In addition, many individuals volunteer their non-specialized time and perform a variety of tasks that assist the Center in its many activities. There were 18,803 and 20,713 volunteer hours provided during the years ended June 30, 2019 and 2018 with an approximate fair value of \$188,030 and \$207,130, respectively. These amounts are not recognized in the consolidated financial statements.

Basis of Presentation

The Center and the Fund are required to report information regarding their financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions – Net assets available for use in the general operations and not subject to donor restrictions. Assets restricted solely through the actions of the Board of Directors (the Board) are reported as net assets without donor restrictions, board designated.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions that are more restrictive than the Center's and the Fund's mission and purpose. 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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purposes for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Investments

Investments are stated at fair value based upon quoted market prices, when available, or estimates of fair value, in the consolidated statements of financial position. Dividends, interest and unrealized gains and losses are reported as investment income, net in the consolidated statement of activities.

Income Taxes

The Center and the Fund are exempt from federal income taxes under Sections 501(c)(3) and 509(a)(2) of the Internal Revenue Code, and as such qualify for the maximum charitable contributions deduction by donors. As of June 30, 2019, the tax years that remain subject to examination by taxing authorities begin with 2016.

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019 and 2018**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued a new accounting pronouncement regarding revenue recognition effective for reporting periods beginning after December 15, 2018. Management is currently evaluating the effect this pronouncement will have on its financial position, results of operations and related disclosures.

In February 2016, the FASB issued a new accounting pronouncement regarding lease accounting for reporting periods beginning after December 15, 2020. A lessee will be required to recognize on the statement of financial position the assets and liabilities for leases with terms of more than twelve months. Management is currently evaluating the effect this pronouncement will have on the financial statements and related disclosures.

Recently Adopted Accounting Pronouncements

In August 2016, the FASB issued Accounting Standard Update 2016-14, regarding the reporting and disclosure requirements for not-for-profit organizations, effective for periods beginning after December 15, 2017 with early adoption encouraged. The pronouncement replaces the three classes of net assets with two new classes, requires the reporting of expense by function and natural classification, enhances disclosures on liquidity and availability of resources, and includes several other less significant reporting enhancements. The Center and the Fund early adopted this new pronouncement effective July 1, 2017.

NOTE 2 – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give were \$652,265 at June 30, 2018 and represented amounts pledged from United Way. All unconditional promises to give were due within one year. For the year ended June 30, 2019, United Way changed its approach to a conditional promise to give; therefore, it will not be recorded until the conditions are met.

NOTE 3 – INVESTMENTS

Investments consisted of the following at June 30, 2019:

	<u>Fair Value</u>	<u>Cost</u>
Money Market Funds	\$ 177,366	\$ 177,366
Corporate Bonds	1,688,727	1,618,510
Stocks	1,868,757	1,727,788
Total	<u>\$ 3,734,850</u>	<u>\$ 3,523,664</u>

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019 and 2018**

NOTE 3 – INVESTMENTS (continued)

Investment income consisted of \$211,186 in unrealized gains and \$23,665 in dividends, net of investment fees of \$18,730, for the year ended June 30, 2019.

There were no investments at June 30, 2018.

NOTE 4 – LAND, BUILDINGS AND EQUIPMENT

Land, buildings and equipment were as follows at June 30:

	<u>2019</u>	<u>2018</u>
Land	\$ 480,929	\$ 480,929
Buildings	4,000,924	4,000,924
Building Improvements	2,042,035	2,042,035
Buildings – New Shelter	4,393,187	4,393,187
Furniture and Equipment	912,236	912,236
Software	39,304	39,304
Transportation Equipment	124,345	124,345
Leasehold Improvements	10,529	10,529
Construction in Progress	1,113,519	329,046
Total Cost	<u>13,117,008</u>	<u>12,332,535</u>
Less Accumulated Depreciation	<u>(6,450,220)</u>	<u>(6,153,431)</u>
Land, Buildings and Equipment, net	<u>\$ 6,666,788</u>	<u>\$ 6,179,104</u>

Depreciation expense for the years ended June 30, 2019 and 2018 was \$296,789 and \$299,972, respectively.

NOTE 5 – PROGRAM MATCHING REQUIREMENTS

Contracts with Texas Department of State Health Services and other agencies require minimum matching of approximately \$590,579. During the year ended June 30, 2019, the Center exceeded such requirements by using contributions from donors.

NOTE 6 – PENSION PLAN

The Center offers a defined contribution retirement plan under Code Sec. 403(b). The Center matches up to 4% of the employee deferrals. Contributions made to the plan for the years ended June 30, 2019 and 2018 were \$82,818 and \$34,014, respectively.

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019 and 2018**

NOTE 7 – FAIR VALUE MEASUREMENTS

The Center and the Fund adopted the provisions of ASC 820, “*Fair Value Measurements and Disclosures*” (formerly SFAS 157). ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market, and establishes a framework for measuring fair value in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. The adoption of ASC 820 did not affect the Center’s or the Fund’s financial position or results of operations.

The valuation techniques required by ASC 820 are based upon observable and unobservable inputs, and ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. The three levels of inputs used to measure fair value are as follows:

- Level 1 Inputs - Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 Inputs - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, or other inputs that can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 Inputs - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or other valuation techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The Center and the Fund do not have Level 2 or Level 3 assets or liabilities.

The Center’s and the Fund’s financial instruments (Level 1) were as follows at June 30:

	<u>2019</u>		<u>2018</u>	
	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
Financial Assets:				
Cash and Cash Equivalents	\$ 2,055,916	\$ 2,055,916	\$ 4,546,044	\$ 4,546,044
Grants Receivable	\$ 464,166	\$ 464,166	\$ 290,404	\$ 290,404
Unconditional Promises to Give	\$ -	\$ -	\$ 652,265	\$ 652,265
Accounts Receivable	\$ 750	\$ 750	\$ -	\$ -
Prepaid Expenses	\$ 11,356	\$ 11,356	\$ 13,608	\$ 13,608
Deposits	\$ 3,560	\$ 3,560	\$ 11,500	\$ 11,500
Financial Liabilities:				
Accounts Payable	\$ 141,719	\$ 141,719	\$ 14,250	\$ 14,250
Accrued Expenses	\$ 179,958	\$ 179,958	\$ 178,114	\$ 178,114
Deferred Revenue	\$ 27,551	\$ 27,551	\$ 22,891	\$ 22,891
Other Payable	\$ 7,284	\$ 7,284	\$ 7,456	\$ 7,456

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019 and 2018**

NOTE 7 – FAIR VALUE MEASUREMENTS (continued)

The carrying amounts reported in the consolidated statements of financial position approximate fair values because of the short maturities of those instruments.

The Center's and the Fund's financial instruments also include investments totaling \$3,734,850 and \$-0- at June 30, 2019 and 2018, respectively. The fair values of investments are based on quoted market prices for those or similar investments.

NOTE 8 – NET ASSETS WITHOUT DONOR RESTRICTIONS - DESIGNATED BY BOARD

Net assets without donor restrictions of \$1,000,000 have been designated by the Board as a working capital operating reserve at June 30, 2019 and 2018.

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS

Time/Purpose restricted net assets were available for the following purposes at June 30:

	<u>2019</u>		<u>2018</u>
FY 2019 Operations	\$ -	\$	652,265
Printing and Tuition Assistance	1,304		16,667
Capital Campaign	235,000		-
Family Violence Prevention	144,582		11,190
	<u>\$ 380,886</u>	\$	<u>680,122</u>

Perpetually restricted net assets of \$2,066,266 and \$1,657,224 were available for family violence prevention at June 30, 2019 and 2018, respectively.

NOTE 10 – CONCENTRATION OF CREDIT RISK

Financial instruments which potentially subject the Center and the Fund to credit risk consist principally of cash and investment accounts. Cash accounts are guaranteed by the Federal Deposit Insurance Corporation up to a maximum of \$250,000 per bank, while the Securities Investor Protection Corporation insures the balances in investment accounts up to \$500,000. At June 30, 2019 and 2018, the uninsured balances in the Center's and the Fund's cash and investment accounts totaled \$4,813,352 and \$3,286,208, respectively, without consideration of reconciling items.

NOTE 11 – ENDOWMENT FUND

The Fund was established for family violence prevention and includes donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019 and 2018**

NOTE 11 – ENDOWMENT FUND (continued)

Interpretation of Relevant Law

Management has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA), as adopted by the state of Texas, as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Fund classifies as perpetually restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as perpetually restricted is classified as purpose restricted until those amounts are appropriated for expenditure by the Fund in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Fund considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the Fund
- (2) The purposes of the Fund and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Fund
- (7) The investment policies of the Fund

The Fund had the following changes in endowments net assets for the year ended June 30, 2019:

	Without Donor Restrictions	Purpose Restricted	Perpetually Restricted	Total
Endowment Net Assets at Beginning of Year	\$ -	\$ 11,190	\$ 1,657,224	\$ 1,668,414
Realized and Unrealized Gains	-	133,392	-	133,392
Contributions	-	-	409,042	409,042
Amount Appropriated for Expenditures	-	-	-	-
Endowment Net Assets at End of Year	<u>\$ -</u>	<u>\$ 144,582</u>	<u>\$ 2,066,266</u>	<u>\$ 2,210,848</u>

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019 and 2018**

NOTE 11 – ENDOWMENT FUND (continued)

The Fund had the following changes in endowment net assets for the year ended June 30, 2018:

	Without Donor Restrictions	Purpose Restricted	Perpetually Restricted	Total
Endowment Net Assets at Beginning of Year	\$ -	\$ 7,113	\$ 615,520	\$ 622,633
Realized and Unrealized Gains	-	4,077	-	4,077
Contributions	-	-	1,041,704	1,041,704
Amount Appropriated for Expenditures	-	-	-	-
Endowment Net Assets at End of Year	<u>\$ -</u>	<u>\$ 11,190</u>	<u>\$ 1,657,224</u>	<u>\$ 1,668,414</u>

Following is a description of amounts classified as perpetually restricted net assets (endowment only) at June 30:

	<u>2019</u>	<u>2018</u>
Perpetually Restricted Net Assets		
The portion of perpetual endowment funds required to be retained permanently, either by explicit donor stipulation or by UPMIFA	<u>\$ 2,066,266</u>	<u>\$ 1,657,224</u>

Return Objectives, Policies, and Risk Parameters

The Fund's investment and spending policies for the endowment assets are to preserve their real purchasing power, while providing a predictable, stable, and constant (in real terms) stream of earnings consistent with the Fund's spending needs. The current spending policy allows a maximum annual draw of 5% of the total market value of the endowment investment account. The Finance Committee shall review the spending policy from time to time and make recommendations to the Board if it is deemed that the formula for maximum distributions should be adjusted based upon the current financial needs of the Fund.

Strategies Employed for Achieving Objectives

To achieve its investment objective, the Fund's assets are to be invested in the following manner:

	<u>Minimum</u>	<u>Maximum</u>
Money Markets	5%	45%
Equities	20%	60%
Fixed	35%	75%

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019 and 2018**

NOTE 11 – ENDOWMENT FUND (continued)

The purpose of dividing the investments in this manner is to ensure that the asset allocation between investment types remains diversified. Over the long run, the allocation among the investment types will be the single most important determinant of the Fund's investment performance.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The primary investment objective is to earn an average annual return at least equal to the nominal spending rate policy plus the rate of inflation plus an additional return of 5%, net of all fees, including management advisory fees and custody charges, over the long term (defined as rolling five to seven year periods). This is consistent with the Fund's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

Each year the Fund has the right to distributions of the net income from the fund to be used exclusively for expenses related to its programs. Endowment interest income is included in net assets with donor restrictions. Endowment funds are invested in financial instruments that provide a predictable stream of income while seeking to minimize investment risk and to conserve principal.

NOTE 12 – ECONOMIC DEPENDENCY

The revenues earned by the Center depend on the availability of funds generated by federal, state and local governments to assist victims of domestic violence. Contracts with funding agencies are renegotiated on an annual basis and represent approximately 53% and 44% of the total revenues and other support of the Center for the years ended June 30, 2019 and 2018, respectively. Final determination of allowability of costs will be made by the funding agencies. Should any costs be found unallowable, the Center will be responsible for reimbursing the funding agencies for these amounts.

NOTE 13 – TEXAS ACCESS TO JUSTICE FOUNDATION AWARDS

The Center received the following grant awards from the Texas Access to Justice Foundation (the Foundation) during the years ended June 30, 2019 and 2018: Basic Civil Legal Services Grant (BCLS), Basic Civil Legal Services Grant (BCLS) – VW, and Crime Victims Civil Legal Services (CVCLS). The Center also received the Interest on Lawyers Trust Account (IOLTA) grant award from the Foundation during the year ended June 30, 2018. Total revenue from these awards was \$307,815 and \$274,945 for the years ended June 30, 2019 and 2018, respectively.

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019 and 2018**

NOTE 14 – LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The following reflects the Center's and the Fund's financial assets as of the consolidated statement of financial position date, reduced by amounts not available for general use because of donor-stipulated restrictions and internal designations that are amounts set aside for operating and other reserves that could be drawn upon if the Board approves that action.

	2019	2018
Cash and Cash Equivalents	\$ 2,055,916	\$ 4,546,044
Investments	3,734,850	-
Grants Receivable	464,166	290,404
Unconditional Promises to Give	-	652,265
Accounts Receivable	750	-
Total Financial Assets	6,255,682	5,488,713
Board Designations	(1,000,000)	(1,000,000)
Donor Restrictions	(2,447,152)	(2,337,346)
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	\$ 2,808,530	\$ 2,151,367

NOTE 15 – SPECIAL EVENTS

The breakout of special events activity was as follows for the years ended:

June 30, 2019			
Description	Gross Income	Direct Expenses	Total (Net)
Nutcracker Sweets	\$ 88,536	\$ (46,120)	\$ 42,416
Purple Run	14,600	(4,389)	10,211
Honoring Mothers	162,031	(79,409)	82,622
Total	\$ 265,167	\$ (129,918)	\$ 135,249
June 30, 2018			
Description	Gross Income	Direct Expenses	Total (Net)
Nutcracker Sweets	\$ 72,527	\$ (41,259)	\$ 31,268
Purple Run	12,230	(791)	11,439
Honoring Mothers	115,215	(32,753)	82,462
Total	\$ 199,972	\$ (74,803)	\$ 125,169

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019 and 2018**

NOTE 16 – SUBSEQUENT EVENTS

The Center and the Fund have evaluated subsequent events through September 23, 2019, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
CONSOLIDATING STATEMENT OF FINANCIAL POSITION**

June 30, 2019

(with comparative totals for 2018)

	Family Violence Prevention Services, Inc.	Battered Women's Shelter Endowment Fund	2019 Total	2018 Total
<u>ASSETS</u>				
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 1,977,054	\$ 78,862	\$ 2,055,916	\$ 4,546,044
Grants Receivable	464,166	-	464,166	290,404
Unconditional Promises to Give	-	-	-	652,265
Accounts Receivable	750	-	750	-
Prepaid Expenses	11,356	-	11,356	13,608
Deposits	3,560	-	3,560	11,500
Total Current Assets	<u>2,456,886</u>	<u>78,862</u>	<u>2,535,748</u>	<u>5,513,821</u>
LONG-TERM ASSETS				
Investments	1,602,864	2,131,986	3,734,850	-
Land, Buildings and Equipment, net	6,666,788	-	6,666,788	6,179,104
Total Long-Term Assets	<u>8,269,652</u>	<u>2,131,986</u>	<u>10,401,638</u>	<u>6,179,104</u>
TOTAL ASSETS	<u>\$ 10,726,538</u>	<u>\$ 2,210,848</u>	<u>\$ 12,937,386</u>	<u>\$ 11,692,925</u>
<u>LIABILITIES AND NET ASSETS</u>				
CURRENT LIABILITIES				
Accounts Payable	\$ 141,719	\$ -	\$ 141,719	\$ 14,250
Accrued Expenses	179,958	-	179,958	178,114
Deferred Revenue	27,551	-	27,551	22,891
Other Payable	7,284	-	7,284	7,456
Total Current Liabilities	<u>356,512</u>	<u>-</u>	<u>356,512</u>	<u>222,711</u>
TOTAL LIABILITIES	<u>356,512</u>	<u>-</u>	<u>356,512</u>	<u>222,711</u>
NET ASSETS				
Without Donor Restrictions				
Undesignated	9,133,722	-	9,133,722	8,132,868
Board Designated	1,000,000	-	1,000,000	1,000,000
Total Without Donor Restrictions	<u>10,133,722</u>	<u>-</u>	<u>10,133,722</u>	<u>9,132,868</u>
With Donor Restrictions				
Time/Purpose Restricted	236,304	144,582	380,886	680,122
Perpetually Restricted	-	2,066,266	2,066,266	1,657,224
Total With Donor Restrictions	<u>236,304</u>	<u>2,210,848</u>	<u>2,447,152</u>	<u>2,337,346</u>
TOTAL NET ASSETS	<u>10,370,026</u>	<u>2,210,848</u>	<u>12,580,874</u>	<u>11,470,214</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 10,726,538</u>	<u>\$ 2,210,848</u>	<u>\$ 12,937,386</u>	<u>\$ 11,692,925</u>

See independent auditor's report.

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
CONSOLIDATING STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019
(with comparative totals for 2018)**

	<u>Family Violence Prevention Services, Inc.</u>		<u>Battered Women's Shelter Endowment Fund</u>		<u>2019 Total</u>	<u>2018 Total</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restriction</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restriction</u>		
<u>OPERATING SUPPORT AND REVENUE</u>						
Grants from Governmental Agencies	\$ 3,851,799	\$ -	\$ -	\$ -	\$ 3,851,799	\$ 3,285,302
Contributions	2,127,972	235,000	-	409,042	2,772,014	2,861,914
Program Revenue	554,788	-	-	-	554,788	489,054
Special Events, net of direct expenses of \$129,918 and \$74,803, respectively	135,249	-	-	-	135,249	125,169
United Way Allocations	-	-	-	-	-	652,265
Net Assets Released from Restrictions	667,628	(667,628)	-	-	-	-
TOTAL OPERATING SUPPORT AND REVENUE	<u>7,337,436</u>	<u>(432,628)</u>	<u>-</u>	<u>409,042</u>	<u>7,313,850</u>	<u>7,413,704</u>
<u>OPERATING EXPENSES</u>						
Program Services	5,731,934	-	-	-	5,731,934	5,408,149
Supporting Services	730,920	-	-	-	730,920	740,915
TOTAL OPERATING EXPENSES	<u>6,462,854</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,462,854</u>	<u>6,149,064</u>
CHANGE IN NET ASSETS BEFORE NON- OPERATING ACTIVITY						
	<u>874,582</u>	<u>(432,628)</u>	<u>-</u>	<u>409,042</u>	<u>850,996</u>	<u>1,264,640</u>
<u>NON-OPERATING ACTIVITY</u>						
Investment Income, net	102,865	-	-	131,986	234,851	-
Interest Income	23,407	-	-	1,406	24,813	15,677
Insurance Reimbursements	-	-	-	-	-	33,504
TOTAL NON-OPERATING ACTIVITY	<u>126,272</u>	<u>-</u>	<u>-</u>	<u>133,392</u>	<u>259,664</u>	<u>49,181</u>
CHANGE IN NET ASSETS AFTER NON- OPERATING ACTIVITY						
	1,000,854	(432,628)	-	542,434	1,110,660	1,313,821
NET ASSETS, BEGINNING OF YEAR						
	<u>9,132,868</u>	<u>668,932</u>	<u>-</u>	<u>1,668,414</u>	<u>11,470,214</u>	<u>10,156,393</u>
NET ASSETS, END OF YEAR						
	<u>\$ 10,133,722</u>	<u>\$ 236,304</u>	<u>\$ -</u>	<u>\$ 2,210,848</u>	<u>\$ 12,580,874</u>	<u>\$ 11,470,214</u>

See independent auditor's report.

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET FOR
TEXAS ACCESS TO JUSTICE FOUNDATION AWARDS - CVCLS
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
Revenue	\$ 69,510	\$ 74,525	\$ 5,015
Expenses:			
Personnel:			
Lawyer	56,035	60,405	(4,370)
Employee Benefits	8,275	8,920	(645)
Total Personnel	<u>64,310</u>	<u>69,325</u>	<u>(5,015)</u>
Non-Personnel:			
Supplies	2,124	2,124	-
Travel	1,270	1,270	-
Confrence and Training	840	840	-
Library	540	540	-
Litigation	367	367	-
Telephone	59	59	-
Total Non-Personnel	<u>5,200</u>	<u>5,200</u>	<u>-</u>
Total Expenses	<u>\$ 69,510</u>	<u>\$ 74,525</u>	<u>\$ (5,015)</u>

See independent auditor's report.

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET FOR
TEXAS ACCESS TO JUSTICE FOUNDATION AWARDS - BCLS
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
Revenue	\$ <u>168,212</u>	\$ <u>153,329</u>	\$ <u>(14,883)</u>
Expenses:			
Personnel:			
Lawyer	137,382	141,245	(3,863)
Paralegal	-	-	-
Employee Benefits	<u>18,326</u>	<u>18,841</u>	<u>(515)</u>
Total Personnel	<u>155,708</u>	<u>160,086</u>	<u>(4,378)</u>
Non-Personnel:			
Conferences and Training	3,175	3,175	-
Travel	2,680	2,680	-
Contract Services	2,472	2,472	-
Library	2,192	2,192	-
Supplies	1,500	1,500	-
Dues and Subscription	455	455	-
Telephone	<u>30</u>	<u>30</u>	<u>-</u>
Total Non-Personnel	<u>12,504</u>	<u>12,504</u>	<u>-</u>
Total Expenses	<u>\$ 168,212</u>	<u>\$ 172,590</u>	<u>\$ (4,378)</u>

See independent auditor's report.

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET FOR
TEXAS ACCESS TO JUSTICE FOUNDATION AWARDS - BCLS VW
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
Revenue	\$ 58,559	\$ 60,700	\$ 2,141
Expenses:			
Personnel:			
Paralegal	42,717	44,500	(1,783)
Employee Benefits	8,571	8,929	(358)
Total Personnel	<u>51,288</u>	<u>53,429</u>	<u>(2,141)</u>
Non-Personnel:			
Supplies	3,000	3,000	-
Library	2,214	2,214	-
Contract Services	1,337	1,337	-
Conferences and Training	420	420	-
Travel	300	300	-
Total Non-Personnel	<u>7,271</u>	<u>7,271</u>	<u>-</u>
Total Expenses	<u>\$ 58,559</u>	<u>\$ 60,700</u>	<u>\$ (2,141)</u>

See independent auditor's report.

FINANCIAL AWARDS SECTION

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND LOCAL AWARDS
For the Year Ended June 30, 2019**

Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Pass-Through Texas Health and Human Services Commission:			
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	529-15-0032-00002	\$ 531,742
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	529-15-0006-00013	63,030
			<u>594,772</u>
Block Grants for Prevention and Treatment of Substance Abuse	93.959	2016-048113-003	280,357
<i>Total U.S. Department of Health and Human Services</i>			<u>875,129</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Supportive Housing Program	14.235	TX0361L6J001704	119,038
Supportive Housing Program	14.235	TX0361L6J001603	102,203
Supportive Housing Program	14.235	TX0435L6J001701	80,010
Supportive Housing Program	14.235	TX0435L6J001600	10,182
Supportive Housing Program	14.235	TX0010L6J001710	148,650
Supportive Housing Program	14.235	TX0010L6J001609	2,455
			<u>462,538</u>
Pass-Through Texas Department of Housing and Community Affairs:			
Emergency Solutions Grant Program	14.231	42185000001	146,040
Emergency Solutions Grant Program	14.231	42170002821	84,918
			<u>230,958</u>
Pass-Through City of San Antonio:			
Emergency Solutions Grant Program	14.231	4600016602	46,063
<i>Total U.S. Department of Housing and Urban Development</i>			<u>739,559</u>
U.S. DEPARTMENT OF JUSTICE			
Pass-Through Office of the Governor:			
Crime Victim Assistance	16.575	VA-13-V30-23659-08	281,724
Crime Victim Assistance	16.575	VA-13-V30-23659-07	78,775
Crime Victim Assistance	16.575	VA-13-V30-31138-02	324,557
<i>Total U.S. Department of Justice</i>			<u>685,056</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>2,299,744</u>

See accompanying notes to schedule of expenditures of federal, state and local awards.

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND LOCAL AWARDS
For the Year Ended June 30, 2019**

Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures
TEXAS HEALTH AND HUMAN SERVICES COMMISSION			
Family Violence Program	N/A	529-15-0032-00002C	\$ 218,239
Family Violence Program	N/A	529-15-0032-00002D	108,360
			<u>326,599</u>
TEXAS DEPARTMENT OF CRIMINAL JUSTICE			
Family Violence Prevention Services	N/A	015-013	142,843
TEXAS OFFICE OF THE ATTORNEY GENERAL			
Other Victim Assistance Grant	N/A	1987403	35,489
Other Victim Assistance Grant	N/A	1879386	5,970
			<u>41,459</u>
TOTAL EXPENDITURES OF STATE AWARDS			<u>510,901</u>
CITY OF SAN ANTONIO			
Battered Women and Children's Shelter Project A	N/A	4600017663	174,927
Haven for Hope Project B	N/A	4600017663	110,614
Haven for Hope Project B	N/A	4600016602	34,570
Battered Women and Children's Shelter Renovations	N/A	4600016687	721,043
TOTAL EXPENDITURES OF LOCAL AWARDS			<u>1,041,154</u>
TOTAL EXPENDITURES OF FEDERAL, STATE AND LOCAL AWARDS			\$ <u><u>3,851,799</u></u>

See accompanying notes to schedule of expenditures of federal, state and local awards.

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
NOTES TO SCHEDULE OF FEDERAL, STATE AND LOCAL AWARDS
For the Year Ended June 30, 2019**

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of federal, state and local awards (the Schedule) includes the federal, state and local grant activity of Family Violence Prevention Services, Inc. and Battered Women's Shelter Endowment Fund and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the Schedule presents only a selected portion of the operations of Family Violence Prevention Services, Inc. and Battered Women's Shelter Endowment Fund, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Family Violence Prevention Services, Inc. and Battered Women's Shelter Endowment Fund.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, Cost Principles for Non-profit Organizations, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – OTHER DISCLOSURES

Family Violence Prevention Services, Inc. and Battered Women's Shelter Endowment Fund have elected not to use the 10% de minimis indirect cost rate.

There were no loans or loan guarantees outstanding at year-end.

Gonzalez & Walker

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Phone: 210-366-9430
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Rinaldo J. Gonzalez, P.C., CPA

Randy Walker & Co., P.C.

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
Family Violence Prevention Services, Inc. and
Battered Women's Shelter Endowment Fund
San Antonio, Texas

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 consolidated financial statements of Family Violence Prevention Services, Inc. (the Center) and Battered Women's Shelter Endowment Fund (the Fund), nonprofit organizations, which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated September 23, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Center's and the Fund'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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's and the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's and the Fund'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.

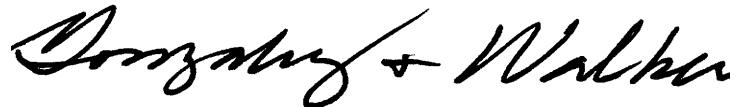
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center's and the Fund's consolidated financial statements are free from material misstatement, we performed tests of their 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 Center's and the Fund'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 Center's and the Fund's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



San Antonio, Texas
September 23, 2019

Gonzalez & Walker

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Rinaldo J. Gonzalez, P.C., CPA

Randy Walker & Co., P.C.

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

To the Board of Directors
Family Violence Prevention Services, Inc. and
Battered Women's Shelter Endowment Fund
San Antonio, Texas

Report on Compliance for Each Major Federal Program

We have audited Family Violence Prevention Services, Inc.'s (the Center) and Battered Women's Shelter Endowment Fund's (the Fund) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Center's and the Fund's major federal programs for the year ended June 30, 2019. The Center's and the Fund'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Center's and the Fund'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 the Center's and the Fund'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 Center's and the Fund's compliance.

Opinion on Each Major Federal Program

In our opinion, the Center and the Fund 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 their major federal programs for the year ended June 30, 2019.

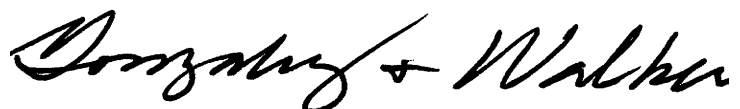
Report on Internal Control Over Compliance

Management of the Center and the Fund 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 Center's and the Fund'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 Center's and the Fund'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 or significant deficiencies. However, material weaknesses or significant deficiencies 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.



San Antonio, Texas
September 23, 2019

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2019**

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No
 Significant deficiency(ies) identified that are
 not considered to be material weakness(es)? _____ Yes X None Reported

Noncompliance material to the financial statements
 noted? _____ Yes X No

Federal Awards

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No
 Significant deficiency(ies) identified that are
 not considered to be material weakness(es)? _____ Yes X None Reported

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

Any audit findings disclosed that are required to
 be reported in accordance with the Uniform
 Guidance? _____ Yes X No

Major Programs:

Federal

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
16.575	Crime Victim Assistance
14.235	Supportive Housing Program

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

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

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2019**

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

**FAMILY VIOLENCE PREVENTION SERVICES, INC.
AND BATTERED WOMEN'S SHELTER ENDOWMENT FUND
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2019**

Section I – Prior Year Financial Statement Findings

None

Section II – Prior Year Federal Award Findings and Questioned Costs

None