



Certified Public Accountants

**THE WILLOW DOMESTIC VIOLENCE
CENTER, INC.**

**FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
FINANCIAL STATEMENTS
Year Ended June 30, 2020

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Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

The Board of Directors
The Willow Domestic Violence Center, Inc.

We have audited the accompanying financial statements of The Willow Domestic Violence Center, Inc. (the Center), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Opinion

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

Emphasis of Matter

As described in Note 1 to the financial statements, the Center has changed its method of accounting for revenue recognition effective July 1, 2019 due to the adoption of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers* and FASB Accounting Standards Update (ASU) 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Our opinion is not modified with respect to these matters.

Other Matters

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary schedules listed in the accompanying table of contents, including the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 June 3, 2021 on our consideration of the Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control over financial reporting and compliance.

BT & Co., P.A.

June 3, 2021
Topeka, Kansas

THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2020

ASSETS

Current assets:

Cash and cash equivalents	\$ 745,050
Grant receivables	87,538
Unconditional promises to give	33,500
Prepaid expenses	18,290

Total current assets	884,378
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Noncurrent assets:

Property and equipment, net	128,174
Investments	95,197

Total noncurrent assets	223,371
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Total assets	\$ 1,107,749
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LIABILITIES AND NET ASSETS

Current liabilities:

Current portion - PPP loan	\$ 85,409
Accounts payable	9,740
Accrued payroll	144,872
Accrued vacation	50,683
Other liabilities	10,274

Total current liabilities	300,978
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Long-term liabilities:

PPP loan	136,991
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Total liabilities	437,969
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Net assets:

Without donor restrictions	217,360
With donor restrictions:	
Restricted for purpose	418,920
Restricted for time	33,500

Total net assets	669,780
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Total liabilities and net assets	\$ 1,107,749
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See accompanying notes to financial statements.

THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
STATEMENT OF ACTIVITIES
Year Ended June 30, 2020

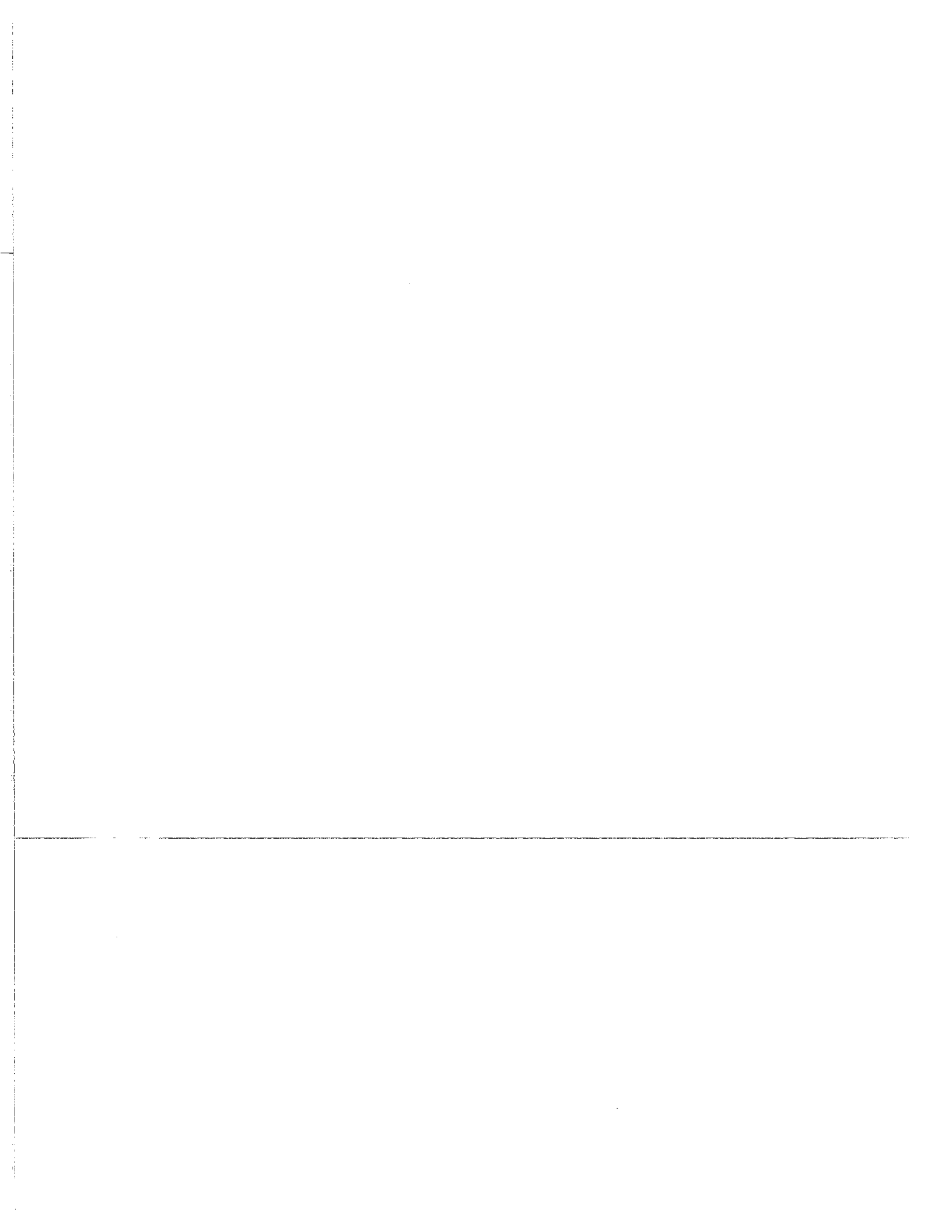
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Grant income	\$ 1,151,876	\$ 44,825	\$ 1,196,701
Contributions and other	241,310	175,120	416,430
Fundraising events income	61,523	33,075	94,598
Program revenue	76,250	200,000	276,250
Investment loss	(3,430)	-	(3,430)
Net assets released from restrictions	33,100	(33,100)	-
	<u>1,560,629</u>	<u>419,920</u>	<u>1,980,549</u>
Total revenues			
Expenses:			
Program services	1,489,934	-	1,489,934
Management and general	304,563	-	304,563
Fundraising	139,911	-	139,911
	<u>1,934,408</u>	<u>-</u>	<u>1,934,408</u>
Total expenses			
Change in net assets	(373,779)	419,920	46,141
Net assets, beginning of year	591,139	32,500	623,639
Net assets, end of year	<u>\$ 217,360</u>	<u>\$ 452,420</u>	<u>\$ 669,780</u>

See accompanying notes to financial statements.

THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2020

	Program Services	Management and General	Fundraising	Total
Expenses:				
Salaries and wages	\$ 1,016,784	\$ 212,458	\$ 80,440	\$ 1,309,682
Payroll taxes	87,069	10,555	6,888	104,512
Employee benefits	114,849	13,727	8,959	137,535
Insurance	10,328	-	-	10,328
Advertising	6,345	-	-	6,345
COVID-19 arrangements	19,591	-	-	19,591
Client expense	30,073	-	-	30,073
Outside services	18,401	9,000	-	27,401
Dues and fees	6,385	-	-	6,385
Equipment	4,708	7,228	-	11,936
Facility repair/maintenance	46,681	-	-	46,681
Fundraising expenses	-	-	43,624	43,624
Meetings/trainings	30,920	-	-	30,920
Mileage	15,832	-	-	15,832
Food and household	14,375	-	-	14,375
Office and program expenses	12,521	1,088	-	13,609
Phone/communications	17,053	-	-	17,053
Postage	981	-	-	981
Printing and copying	4,415	-	-	4,415
Rent	14,899	26,676	-	41,575
Utilities	16,220	-	-	16,220
Depreciation	-	14,141	-	14,141
Miscellaneous	1,504	9,690	-	11,194
Total expenses	<u>\$ 1,489,934</u>	<u>\$ 304,563</u>	<u>\$ 139,911</u>	<u>\$ 1,934,408</u>

See accompanying notes to financial statements.



THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
STATEMENT OF CASH FLOWS
Year Ended June 30, 2020

Cash flows from operating activities:	
Change in net assets	\$ 46,141
Adjustments to reconcile change in net assets to net cash flows	
from operating activities:	
Depreciation	14,141
Noncash investment earnings	(4,953)
Changes in assets and liabilities:	
Grant receivables	300,019
Unconditional promises to give	(1,000)
Prepaid expenses	(2,822)
Accounts payable	(8,163)
Accrued payroll	67,159
Accrued vacation	16,598
Other liabilities	10,108
Net cash flows from operating activities	437,228
Cash flows from investing activities:	
Purchase of property and equipment	(37,694)
Net cash flows from investing activities	(37,694)
Cash flows from financing activities:	
Funds received from PPP loan	222,400
Net cash flows from financing activities	222,400
Net increase in cash and cash equivalents	621,934
Cash and cash equivalents, beginning of year	123,116
Cash and cash equivalents, end of year	\$ 745,050

See accompanying notes to financial statements.

THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

1 - Organization and Summary of Significant Accounting Policies

Organization

The Willow Domestic Violence Center, Inc. (the Center) was incorporated as a nonprofit organization under the laws of Kansas in 1977. It was established to provide emergency shelter for women and children in Douglas, Franklin and Jefferson County, Kansas who have been victims of domestic violence or are in transition. Other services include free room and board for up to thirty days and support counseling when required. Government grants are the primary source of revenue for the Center.

Cash and Cash Equivalents

Cash and cash equivalents consists of cash and investments with original maturities of less than three months and which have not been designated by management as operating investments.

Concentrations of Credit Risk

The Center manages deposit concentration risk by placing cash and money market accounts with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in mutual funds. To date, the Center has not experienced losses in any of these accounts. Credit risk associated with grant receivables and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and foundations supportive of the Center's mission. Investments are made by diversified investment managers whose performance is monitored by the Center. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Center believes that the investment policies and guidelines are prudent for the long-term welfare of the organization.

The Center's primary sources of revenue are contracts and grants from the State of Kansas and other governmental entities. In the event these contracts and grant were discontinued or severely restricted, the Center would adjust their activities accordingly.

Property and Equipment

Property and equipment are recorded at cost with depreciation computed using the straight-line method over the estimated useful lives of the assets as follows:

Building and improvements	5 - 39 years
Furniture and equipment	3 - 7 years

Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expenses as incurred.

Net Assets

Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions.

Net Assets with Donor Restrictions – Net assets subject to donor restrictions. Some donor 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 restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. Donor restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction.

Donated Materials and Services

The Center records various types of in-kind contributions. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. No amount has been reflected in the financial statements for donated services provided by volunteers. However, the Center relies on local volunteers to achieve its objective of serving the domestic violence counseling needs of Douglas, Franklin and Jefferson County, Kansas.

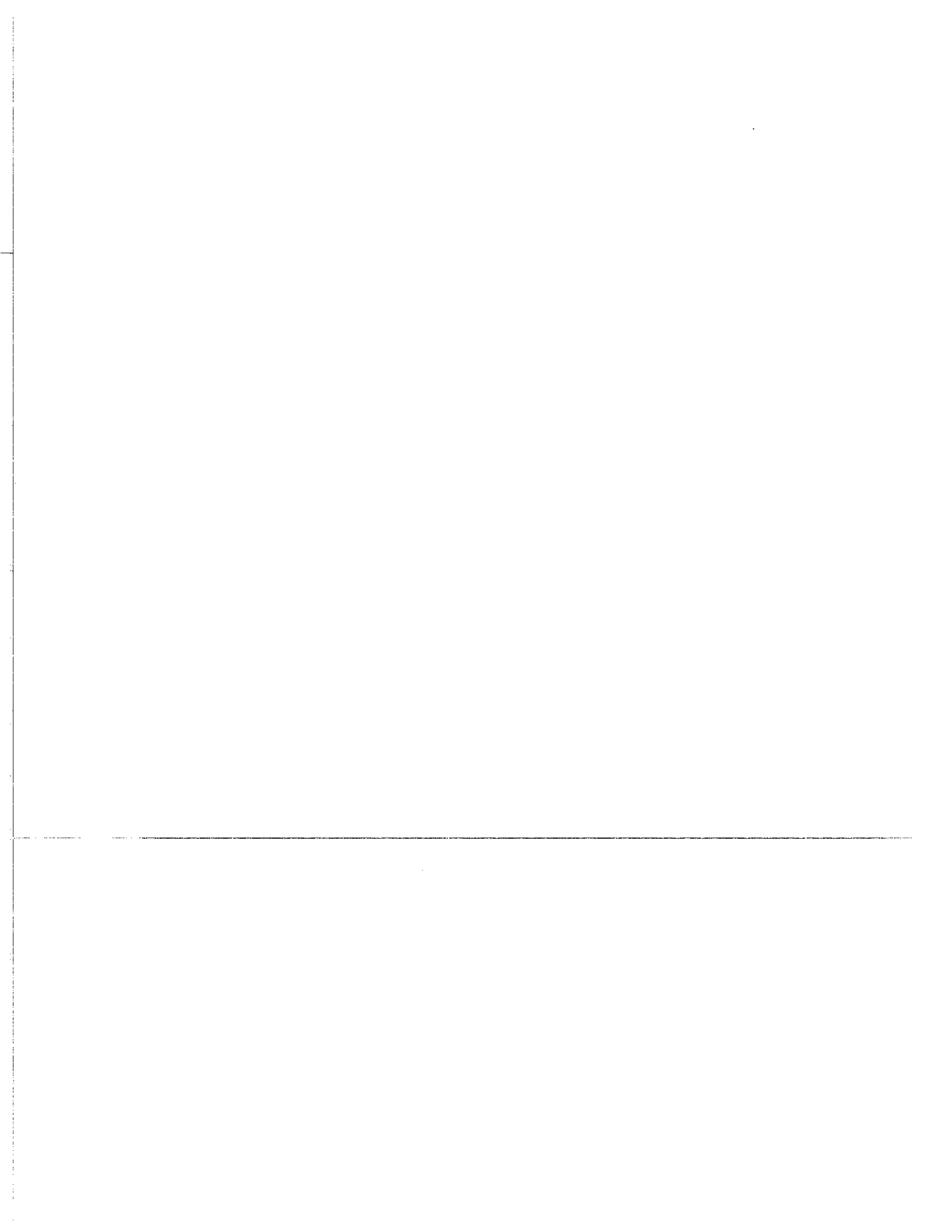
The Center occupies an office building under an annual agreement with the City of Lawrence. No rent is paid for the use of the building. The Center has estimated the approximate fair value of the annual rent to be \$ 26,676 and it is included in the contributions revenue and expenses in the Statement of Activities.

Expense Recognition and Allocation

The cost of providing the Center's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied. The Center allocates costs across programs on the basis of periodic time and expense studies. The bases on which costs are allocated are evaluated periodically as needed and more often when new space or programs are added.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the organization.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years.



THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

Income Taxes

The Center is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes pursuant to Section 501(a) of the Code. The Center has not been classified as a private foundation. Accordingly, no provision for income taxes is made in these statements.

Use of Estimates

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

Unconditional Promises to Give

Unconditional promises to give represent the United Way and City of Lawrence allocations to be received during the second half of the 2020 calendar year in the amount of \$ 33,500. At June 30, 2020, management believes the amount is fully collectible and receivable in less than one year. The amount is recorded as net assets with donor restrictions due to the time restriction.

Revenue Recognition

Revenue from grants and program revenue are deemed contributions rather than revenue from contracts with customers. The Center recognizes contributions when cash, securities or other assets, an unconditional promise to give, or 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 substantially met. A portion of the Center's grants and contracts from federal and state agencies and other organizations are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Consequently, at June 30, 2020, there were conditional contributions in the amount of \$ 696,084, for which no amounts had been received in advance, that have not been recognized in the accompanying financial statements.

The Center records fundraising event revenue equal to the cost of direct benefits to donors, and contribution revenue for the difference. Significant judgements are made in determining the value of the exchange and contribution element of special events.

The Center's customers consist of federal and local government agencies and other organizations, primarily located within the state of Kansas. For government grants and contracts, future cash flows depend on the Center's ability to continue to obtain federal, state and local government contracts, and indirectly on the amount of funding available to these agencies for new and current government projects. Therefore, a portion of the Center's operations is dependent upon the level and timing of government funding. As it relates to other organizations, credit risk is mitigated because payment is received before or shortly after the measurable performance or other barrier is substantially met.

THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

Compensated Absences

The Center pays their employees for vacation at varying rates depending on their employment category. Upon termination unused vacation is paid at the employee's base rate of pay. Accrued vacation totaled \$ 50,683 at June 30, 2020 and is included in the statement of financial position.

Change in Accounting Principle

FASB Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*, as amended, supersedes or replaces nearly all GAAP revenue recognition guidance. These standards establish a new contract and control-based revenue recognition model, change the basis for deciding when revenue is recognized over time or at a point in time, and expand disclosures about revenue. The Center has implemented Topic 606 and has adjusted the presentation in these financial statements accordingly. The Center adopted the new standard effective July 1, 2019, the first day of the Center's current fiscal year using the modified retrospective approach. Any cumulative effect of initially applying the new standard would be recognized as an adjustment directly to the opening balance of net assets at July 1, 2019. The new revenue standard did not have a material impact on the amount and timing of revenue recognized in the Center's consolidated financial statements.

As part of the adoption of the ASC, the Center elected the following transition practical expedients: (i) to reflect the aggregate of all contract modifications that occurred prior to the date of initial application when identifying satisfied and unsatisfied performance obligations, determining the transaction price, and allocating the transaction price; and (ii) to apply the standard only to contracts that are not completed at the initial date of application. Because contract modifications are minimal, there is not a significant impact as a result of electing these practical expedients.

In June 2018, FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. The Center has implemented the provisions of ASU 2018-08 applicable to both contributions received and to contributions made in the accompanying financial statements under a modified prospective basis. Accordingly, there is no effect on net assets in connection with the implementation of ASU 2018-08.

Pending Accounting Pronouncement

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. Management is currently evaluating the effect that the standard will have on the financial statements.

THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

2 - Availability and Liquidity

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2020 are:

Financial assets:

Cash and cash equivalents	\$ 745,050
Grant receivables	87,538
Unconditional promises to give	<u>33,500</u>
Total financial assets	866,088
Less donor-restricted net assets	<u>(452,420)</u>
Amount available for general expenditures within one year	<u>\$ 413,668</u>

The above table reflects investments as unavailable because it is the Center's intention to invest those resources for the long-term support of the Center. However, in the case of need, the Board of Directors could appropriate additional resources from these investments. In addition to the financial assets available to meet general expenditures over the next 12 months, the Center anticipates collecting revenue to cover a majority of the general expenditures. The Center regularly monitors liquidity to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. As part of the liquidity management plan, the Center invests cash in excess of regular requirements in investments.

3 - Fair Value

Financial reporting standards establish a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels are defined as follows:

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted 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 fair value measurement and unobservable.

THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

Management endeavors to utilize the best available information in measuring fair value. The following table summarizes the best valuation of assets measured at fair value by the above pricing levels as of June 30, 2020.

	Level 1	Level 2	Level 3	Net Asset Value	Total
Money market	\$ 7,365	\$ -	\$ -	\$ -	\$ 7,365
Mutual funds:					
Equity	44,785	-	-	-	44,785
Stock					
Common	6,110	-	-	-	6,110
Douglas County Community Foundation	-	-	-	36,937	36,937
	<u>\$ 58,260</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,937</u>	<u>\$ 95,197</u>

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at June 30, 2020.

Mutual funds and common stock: Valued at the closing price reported on the active market on which the individual securities are traded.

Douglas County Community Foundation (pooled funds): The fair value is based on the estimated fair value as reported by Douglas County Community Foundation (DCCF). The fair value of the Center's position is the same as the pool value of the shares as reported by DCCF.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Center believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments with the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the end of the reporting period. There were no transfers between the levels during the year.

THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

4 - Property and Equipment

Property and equipment include the following as of June 30, 2020:

Land	\$ 14,828
Building	133,453
Building improvements	249,238
Furniture and equipment	<u>167,681</u>
Total cost	565,200
Less: accumulated depreciation	<u>(437,026)</u>
Net property and equipment	<u><u>\$ 128,174</u></u>

5 - Commitments and Contingencies

All grant expenditures are subject to the review of grantors. The Center believes it has complied with all aspects of grant agreements and has not been notified of any disallowed costs.

6 - PPP Loan

The Center has a 1.00% Payroll Protection Program (PPP) note payable to Intrust Bank, N.A. in the amount of \$ 222,400. The note is payable in monthly installments of \$12,516 beginning December 2020 and matures May 2022. The payments and potential forgiven debt is subject to the requirements of the Small Business Administration. On May 25, 2021, the Center received notification from Intrust Bank, N.A. that they had met all requirements for forgiveness and the loan and accrued interest had been forgiven in full.

The maturities of the PPP loan for the years subsequent to June 30, 2020 are as follows:

<u>Year Ended</u>	
2021	\$ 85,409
2022	<u>136,991</u>
Total	<u><u>\$ 222,400</u></u>

7 - Subsequent Events

The Center has evaluated subsequent events through the date of the independent auditors' report, which is the date that the financial statements are available to be issued.

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken

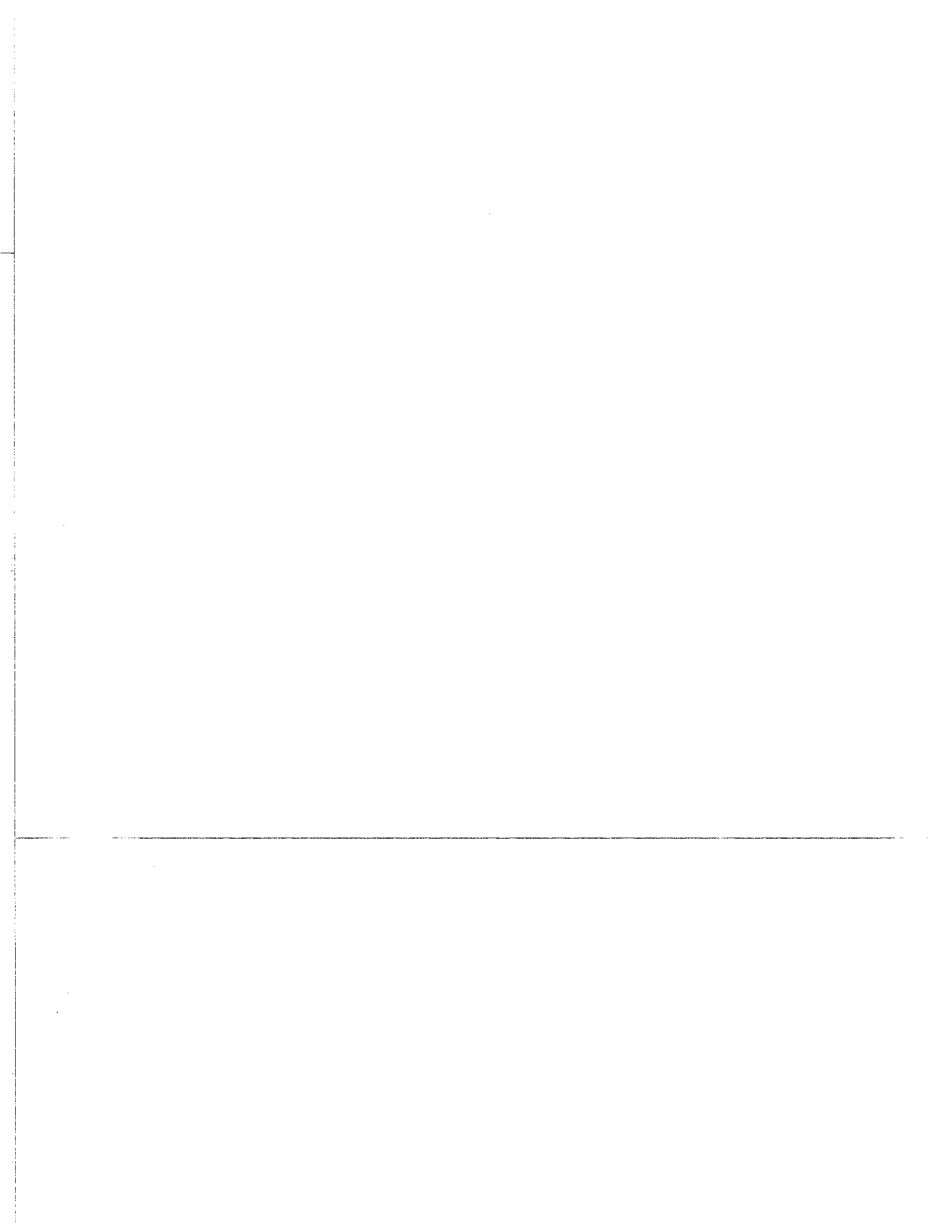
THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)

around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and business. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Center operates. On March 27, 2020, the *Coronavirus Aid Relief, and Economic Security Act* (CARES Act) was enacted to, amongst other provision, provide emergency assistance for individuals, families and businesses affected by the pandemic. Although we cannot quantify the financial and other impacts to the Center as of the date of this report, management believes that a material impact on the Center's financial position and results of future operations is reasonably possible.

Additionally, it is reasonably possible that estimates made in the financial statements have been, or will be, materially and adversely impacted in the near term as a result of these conditions, including potential losses on investments.

Subsequent to June 30, 2020, the Center opened a line of credit with Intrust Bank in the amount of \$ 125,000. The line carries a variable interest rate and matures August 31, 2021.

SUPPLEMENTARY INFORMATION



THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Health and Human Services:			
Passed Through - Kansas Department of Children and Families			
Temporary Assistance for Needy Families	93.558	EES-2020-DV/SA-05	\$ 233,560
Total Passed Through Kansas Department of Children and Families			<u>233,560</u>
Passed Through - Kansas Governor's Grants Program			
Federal Family Violence Prevention Services Act	93.671	20-FVPSA-05	<u>64,146</u>
Total Passed Through Kansas Governor's Grants Program			<u>64,146</u>
Total U.S. Department of Health and Human Services			<u>297,706</u>
U.S. Department of Housing and Urban Development:			
Passed Through - Kansas Housing Resource Corporation			
Kansas Emergency Solutions Grant Program	14.231		<u>72,052</u>
Total Passed Through Kansas Housing Resource Corporation and Total U.S. Department of Housing and Urban Development			<u>72,052</u>
U.S. Department of Justice:			
Passed Through - Kansas Governor's Grants Program			
Victims of Crime Act	16.575	20-VOCA-13	<u>424,917</u>
Total Passed Through Kansas Governor's Grants Program and Total U.S. Department of Justice			<u>424,917</u>
U.S. Department of Homeland Security:			
Passed Through - United Way of Douglas County			
Emergency Food and Shelter National Board Program	97.024		<u>2,000</u>
Total Passed Through United Way of Douglas County and Total U.S. Department of Homeland Security			<u>2,000</u>
Total Expenditures of Federal Awards			<u><u>\$ 796,675</u></u>

See accompanying notes to schedule of
expenditures of federal awards.

THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2020

1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Center under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements* for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Center, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Center.

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, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Center has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

THE WILLOW DOMESTIC VIOLENCE CENTER, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2020

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified:	None
Significant deficiencies identified that are not considered to be material weaknesses:	None reported
Noncompliance material to financial statements noted:	None

Federal Awards

Internal control over major programs:	
Material weaknesses identified:	None
Significant deficiencies identified that are not considered to be material weaknesses:	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Audit findings that are required to be reported in accordance with 2 CFR 200.516(a):	None
Identification of major programs:	
<u>CFDA Number</u> 16.575	<u>Name of Federal Program</u> Victims of Crime Act
Dollar threshold used to distinguish between Type A and Type B Programs:	\$ 750,000
Auditee qualified as low-risk auditee:	No

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.



Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF THE FINANCIAL STATEMENT PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
The Willow Domestic Violence Center, 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 Willow Domestic Violence Center, Inc. (the Center), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated June 3, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center'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 Center's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Center'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 internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BT & Co., P.A.

June 3, 2021
Topeka, Kansas



Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL
CONTROL OVER COMPLIANCE**

Board of Directors
The Willow Domestic Violence Center, Inc.

Report on Compliance for Each Major Federal Program

We have audited The Willow Domestic Violence Center, Inc.'s (the Center) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Center's major federal program for the year ended June 30, 2020. The Center's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

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

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Report on Internal Control Over Compliance

Management of the Center 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 internal control over compliance with the types of compliance requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 internal control over compliance.

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

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

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

BT & Co., P.A.

Topeka, Kansas
June 3, 2021

