

COMAL COUNTY FAMILY VIOLENCE SHELTER, INC
dba Crisis Center of Comal County

Financial Statements
and Supplementary Information

August 31, 2018 (restated)

COMAL COUNTY FAMILY VIOLENCE SHELTER, INC.
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August 31, 2018

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williams crow mask

Deep roots. Deep resources. Deep in the heart of Texas

Independent Auditor's Report

Board of Directors
Comal County Family Violence Shelter, Inc.
dba Crisis Center of Comal County
1547 East Common Street
New Braunfels, Texas 78130

We have audited the accompanying financial statements of the Comal County Family Violence Shelter, Inc. (the Center) (a nonprofit corporation) which comprise the statement of financial position as of August 31, 2018, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Center as of August 31, 2018, and the changes in net assets and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information as shown in the Table of Contents. 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 statement or to the financial statement 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.

Williams, Crow, Mask, LLP
San Antonio, Texas
January 31, 2019
(except for Note 12, as to which the date is May 3, 2019)

Williams, Crow, Mask, LLP

COMAL COUNTY FAMILY VIOLENCE SHELTER, INC.
 DBA CRISIS CENTER OF COMAL COUNTY
 Statement of Financial Position (as restated)
 August 31, 2018

Assets

Current assets:	
Cash and investments	\$ 271,265
Accounts receivable	82,803
Prepaid expenses	<u>3,164</u>
Total current assets	<u>357,232</u>
Property and equipment, at cost:	
Land	18,658
Buildings and improvements	547,046
Furniture and equipment	75,928
Playscapes	6,895
Vehicles	18,429
Construction in progress	<u>97,526</u>
	764,482
Less accumulated depreciation	<u>363,652</u>
Property and equipment, net	<u>400,830</u>
	<u>\$ 758,062</u>

Net Assets

Net assets:	
Unrestricted	698,565
Restricted	<u>59,497</u>
	<u>758,062</u>
Total net assets	<u>\$ 758,062</u>

See accompanying notes to financial statements.

COMAL COUNTY FAMILY VIOLENCE SHELTER, INC.
 DBA CRISIS CENTER OF COMAL COUNTY
 Statement of Activities (as restated)
 Year Ended August 31, 2018

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues and Support			
Governmental support	\$ -	835,643	835,643
Local contributions	110,000	70,706	180,706
In-kind contributions	305,219	-	305,219
Other income	142,589	-	142,589
Interest income	<u>432</u>	<u>-</u>	<u>432</u>
Total revenues	558,240	906,349	1,464,589
Net assets released from restriction	<u>862,657</u>	<u>(862,657)</u>	<u>-</u>
Total revenues and other support	<u>1,420,897</u>	<u>43,692</u>	<u>1,464,589</u>
Expenses			
Program services	1,175,759	-	1,175,759
Support services	<u>290,093</u>	<u>-</u>	<u>290,093</u>
Total expenses	<u>1,465,852</u>	<u>-</u>	<u>1,465,852</u>
Change in Net Assets	(44,955)	43,692	(1,263)
Net assets as beginning of year	<u>743,520</u>	<u>15,805</u>	<u>759,325</u>
Net assets at end of year	<u>\$ 698,565</u>	<u>59,497</u>	<u>758,062</u>

See accompanying notes to financial statements.

COMAL COUNTY FAMILY VIOLENCE SHELTER, INC.
 DBA CRISIS CENTER OF COMAL COUNTY
 Statement of Functional Expenses (as restated)
 Year Ended August 31, 2018

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Payroll and related expenses	\$ 716,005	146,652	-	862,657
SANE	48,163	-	-	48,163
In-kind	305,219	-	-	305,219
Advertising/Promotion	-	4,625	-	4,625
Dues	-	5,880	-	5,880
Depreciation	-	19,331	-	19,331
Fundraising	-	-	2,522	2,522
Meals and entertainment	-	5,124	-	5,124
Insurance	-	8,592	-	8,592
Building cost/Maint	-	16,741	-	16,741
Information Technology	-	11,098	-	11,098
Permits/Fees	940	-	-	940
Accounting/Bookkeeping	-	15,264	-	15,264
Professional fees	22,976	-	-	22,976
Occupancy	-	18,939	-	18,939
Conference/Training	10,806	-	-	10,806
Program/Shelter Services	34,840	-	-	34,840
Office supplies	-	22,136	-	22,136
Telephone/comms	-	9,956	-	9,956
Travel	14,657	-	-	14,657
Miscellaneous	-	3,215	-	3,215
Client assistance	22,076	-	-	22,076
Interest expense	-	18	-	18
Grant refunds	77	-	-	77
	<u>\$ 1,175,759</u>	<u>287,571</u>	<u>2,522</u>	<u>1,465,852</u>

See accompanying notes to financial statements.

COMAL COUNTY FAMILY VIOLENCE SHELTER, INC.
 DBA CRISIS CENTER OF COMAL COUNTY
 Statement of Cash Flows (as restated)
 Year ended August 31, 2018

Net cash provided by operating activities	
Contributions, grants and other support	\$ 1,461,627
Cash paid to employees and suppliers	(1,486,060)
Other income	<u>432</u>
Net cash flow used by operating activities	<u>(24,001)</u>
Cash flows from investing activities	
Expenditures for property and equipment	(129,200)
Disposal of property and equipment	<u>1,446</u>
Net cash flow used in investing activities	<u>(127,754)</u>
Net decrease in cash and equivalent	(151,755)
Beginning cash and cash equivalents	<u>423,020</u>
Ending cash and cash equivalents	<u><u>\$ 271,265</u></u>
Reconciliation of net changes in assets to net cash provided by operating activities:	
Change in Net Assets	\$ (1,263)
Adjustment to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and Amortization	19,331
Changes in operating assets and liabilities:	
Decrease (increase) in assets:	
Accounts receivable	(2,530)
Prepaid expenses	(3,164)
Increase (decrease) in liabilities:	
Accrued liabilities	<u>(36,375)</u>
Net cash flow used by operating activities	<u><u>\$ (24,001)</u></u>

See accompanying notes to financial statements.

COMAL COUNTY FAMILY VIOLENCE SHELTER, INC.
DBA CRISIS CENTER OF COMAL COUNTY
Notes to Financial Statements
August 31, 2018

1) Summary of Significant Accounting Policies

Nature of the Activities

The Comal County Family Violence Shelter, Inc. dba Crisis Center of Comal County, Inc. (Center) is a non-profit corporation exempt from federal taxation under Section 501(C)(3) of the Internal Revenue Code.

The purpose of the Comal County Family Violence Shelter, Inc is to operate as to provide living and support services for victims of domestic violence or sexual assault. The Center provides a twenty-four hour a day shelter, crisis hotline, counseling, victim advocacy as well as a referral and information service.

The Center is supported by local contributions and various government contracts.

Basis of Presentation

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for non-profit organization. Significant accounting and reporting policies used by the Center are describe in subsequent footnotes.

Net Asset Accounting

Under the Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organization*, the Center is required to report in accordance with limitation, designation and restrictions placed on the use of resources available to the Organization, the following classifications are utilized according to the nature and purpose of the resources.

Unrestricted Net Assets: Unrestricted net assets represent net assets that are not subject to donor-imposed restrictions.

Temporarily Restricted Net Assets: Temporarily restricted net assets are assets subject to donor-imposed restriction that may or will be met, either by action of the Center and /or passage of time. When a restriction is satisfied, temporarily restricted net assets are transferred to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets: Permanently restricted net assets are subject to donor-imposed restriction that will not terminate. Funds are held in perpetuity while the income is available for general use. Permanently restricted net assets also reflect the Center's beneficial interest in various irrevocable trusts.

Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid interest-bearing depository and money market accounts. The Center considers all highly liquid investments with a maturity of three months or less at date of purchase to be cash equivalents unless subject to long-term restrictions or held temporarily until suitable investments are identified. Cash and cash equivalent balances are not allowed to exceed the excess limits of the Federal Deposit Insurance Corporation (FDIC).

COMAL COUNTY FAMILY VIOLENCE SHELTER, INC.
DBA CRISIS CENTER OF COMAL COUNTY
Notes to Financial Statements
August 31, 2018

1) Summary of Significant Accounting Policies (continued)

Accounts Receivables

Accounts receivables primarily consist of amounts due from the Texas Department of Health and Human Services. All accounts receivable from the Texas Department of Health and Human Services are on a reimbursement basis. No allowances for collectability are recorded. (see Note 2)

Capital Assets and Depreciation

Capital assets, which include land and infrastructure, are reported in the government-wide financial statements. The Center defines capital assets as assets with an initial valued cost of \$2,500 and an estimated useful life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at the estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Capital assets are depreciated over their remaining useful lives using the straight-line method as follows:

	Est. Depreciable Life
Vehicles	5 Yrs.
Equipment-Electronic	3 Yrs.
Equipment and Furniture	7 Yrs.
Buildings	39 Yrs.

Functional Expenses

Operating expenses directly identifiable with a functional area are charged to that area and, where expenses affect more than one area, they are allocated on the basis of ratios determined by management.

Revenue Recognition

Revenues are received on a reimbursement basis. Requests for reimbursement are presented to the Texas Department of Health and Human Resources in the month following their expenditure. The reimbursement is earned at the time of expenditure. Revenues are recorded at the time of the expenditure.

Fair Value Measurements

Generally accepted accounting principles define fair value and establish a framework for measuring fair value. The guidance applies to all assets and liabilities that are measured and reported on a fair value basis. Fair value is reported using a three-tier hierarchy as mandated by Generally Accepted Accounting Principles. The three levels of inputs used to measure fair value are as follows:

.COMAL COUNTY FAMILY VIOLENCE SHELTER, INC.
DBA CRISIS CENTER OF COMAL COUNTY
Notes to Financial Statements
August 31, 2018

1) Summary of Significant Accounting Policies (continued)

Fair Value Measurements (continued)

Level 1: Inputs that are quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs that are unobservable for the asset or liability.

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

The carrying amount of cash and cash equivalents, pledges and other receivable, accounts payable and accrued expense approximates fair market value due to the short-term maturities of investments

Donated Goods and Services

The Center reports in-kind donations at fair value. In-kind donations consist of clothing, food, household goods and professional services. During the current fiscal year, \$305,219 in donated materials and professional services were received.

Use of 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 disclosure. Accordingly, actual results could differ from those estimates.

Income Taxes

The Crisis Center of Comal County, Inc. is a not-for-profit Center under Section 501 (C)3 of the Internal Revenue Code. The Center is exempt from federal income taxes but must file an annual Form 990 to comply with its federal tax reporting obligation. All returns have been filed timely. All filings are current.

2) Contracts with State Agencies

The Center receives a significant portion of its revenues from programs funded by the Federal Government and administered by the State of Texas Department of Health and Human Services. These programs include the Family Violence Program, Victims of Crime Act, Other Victim Assistance Grants, and the Teen Dating Violence Program. The participation in these programs subjects the Center to annual compliance audits as performed by the Texas Department of Health and Human Services.

COMAL COUNTY FAMILY VIOLENCE SHELTER, INC.
 DBA CRISIS CENTER OF COMAL COUNTY
 Notes to Financial Statements
 August 31, 2018

3) Cash and Investments

Cash consists of a non-interest-bearing checking account at Frost National Bank. There are no other cash or investment accounts. Since cash is fair value, no adjustment to cash need be made.

	<u>Type</u>	<u>Terms</u>	<u>Cost</u>	<u>Fair value</u>
Frost Bank-operating	Ck	n/a	36,820	36,820
Frost Bank-reserve	Ck	n/a	78,960	78,960
Frost Bank-money market	Ck	n/a	155,183	155,183
Petty Cash			<u>302</u>	<u>302</u>
Total			<u>\$ 271,265</u>	<u>\$ 271,265</u>

4) Receivables

Receivables consist of reimbursement requests as submitted to the Texas Department of Health and Human Services and other local foundations and agencies that support the Center. The amount of receivables at August 31, 2018 was \$82,803.

5) Prepaid Expenses

Prepaid expenses consist of annual insurance premium payments that are paid in full at the beginning of the coverage period, but the expense is recognized ratably over the twelve-month period. Prepaid insurance at August 31, 2018 was \$3,164.

6) Capital Assets and Depreciation

A summary of changes in capital assets for the year ended August 31, 2018 as follows:

	Balance August 31, 2017	Additions	Dispositions	Balance August 31, 2018
Land	\$ 18,658	-	-	18,658
Buildings and improvements	530,257	20,289	3,500	547,046
Furniture and equipment	64,542	11,386	-	75,928
Playscape	6,895	-	-	6,895
Vehicles	39,558	-	21,129	18,429
Construction in progress	-	<u>97,526</u>	-	<u>97,526</u>
	659,910	129,201	24,629	764,482
Less accumulated depreciation	<u>(367,504)</u>	<u>(19,331)</u>	<u>(23,183)</u>	<u>(363,652)</u>
	<u>\$ 292,406</u>	<u>109,870</u>	<u>1,446</u>	<u>\$ 400,830</u>

COMAL COUNTY FAMILY VIOLENCE SHELTER, INC.
DBA CRISIS CENTER OF COMAL COUNTY
Notes to Financial Statements
August 31, 2018

7) Leases

The Center leases its copier from Ricoh USA for \$586.86 per month. Supplies are extra. The lease runs for sixty months beginning August 2015 and ending August 2020. Future minimum lease payments are \$ 7,032 for 2019 and \$ 7,032 for 2020.

8) Subsequent Events

Subsequent events have been evaluated through January 31, 2019 which is the date of the financial statements. No material subsequent events were noted.

9) Concentrations

The Center's primary source of revenue are from grants administered by the Texas Department of Health and Human Services. Various State and local grants comprise 57% of total funding.

10) Risk Management

The Center is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; personal injuries; and natural disasters. The risk of loss is covered by commercial insurance. There have been no significant reductions in insurance coverage. No claims have been asserted during the current year or the three prior years.

11) Related Party Transactions

The Center's policy is for any related party transactions between the Center and its Board of Directors and officers to be reported to the Board of Directors for their review and approval. There were no related transactions for the audit period.

12) Correction of Error

After issuance of the initial audit report, it was noted that a capital asset was included as an expense. Accordingly, the asset of \$75,222 has been reclassified to property and equipment. The reclass results in an increase in net assets, and property and equipment, of \$75,222.

SUPPLEMENTARY INFORMATION

COMAL COUNTY FAMILY VIOLENCE SHELTER, INC.
 Comparative Schedules of Revenues – Current Year and Prior Year
 Year Ended August 31, 2018

Revenues	<u>Current Year</u>	<u>Prior Year</u>	Variance Favorable <u>(Unfavorable)</u>
Governmental:			
HHSC	\$ 239,556	262,910	(23,354)
VOCA	384,368	277,748	106,620
OVAG	41,457	46,257	(4,800)
VAWA	-	16,324	(16,324)
Teen Violence	64,194	65,679	(1,485)
VOCA II	3,013	63,848	(60,835)
SAPCS	80,477	81,397	(920)
Comal County	840	-	840
CDBG	21,738	17,000	4,738
	<u>835,643</u>	<u>831,163</u>	<u>4,480</u>
Local			
Texas Bar Foundation	-	15,000	(15,000)
AKC	-	1,000	(1,000)
United Way	60,000	15,500	44,500
Kronkosky Found	50,000	55,000	(5,000)
Najim Found	-	55,000	(55,000)
McKenna Found	-	25,000	(25,000)
McKenna Family	-	33,090	(33,090)
Lowe's	-	15,000	(15,000)
SANE Exams	70,706	-	70,706
	<u>180,706</u>	<u>214,590</u>	<u>(33,884)</u>
Other			
Insurance claims	7,410	3,279	4,131
DPS - Donations	119,055	37,131	81,924
DPS – Benefit of Recipient	4,971	10,905	(5,934)
FR – Music Festival	10,067	160	9,907
Sale of goods	-	133	(133)
Gifts in Kind	305,219	256,713	48,506
Misc revenues	1,086	4,957	(3,871)
Interest income	432	75	357
	<u>448,240</u>	<u>313,353</u>	<u>134,887</u>
	<u>\$ 1,464,589</u>	<u>1,359,106</u>	<u>105,483</u>

COMAL COUNTY FAMILY VIOLENCE SHELTER, INC.
Comparative Schedules of Expenses to Budget– Current Year to Prior Year
Year Ended August 31, 2018

	<u>Current Year</u>	<u>Prior Year</u>	Variance Favorable (Unfavorable)
Administrative expenses:			
Salaries	\$ 727,631	684,354	43,277
Payroll taxes	55,718	61,619	(5,901)
Payroll processing	6,982	5,194	1,788
Employee benefits	<u>72,326</u>	<u>78,182</u>	<u>(5,856)</u>
	862,657	829,349	33,308
SANE	48,163	-	48,163
In-kind	<u>305,219</u>	<u>256,714</u>	<u>48,505</u>
	1,216,039	1,086,063	129,976
Operating expenses:			
Advertising and promotional	3,869	2,497	1,372
Auditing	10,456	10,278	178
Misc	3,123	2,672	451
Bank fees	-	2	(2)
Awards	92	238	(146)
Child supplies	9,893	3,492	6,401
Client assistance	22,075	20,106	1,969
Conference/training	2,135	4,469	(2,334)
Community outreach	106	-	106
Dues	5,880	6,775	(895)
Depreciation	19,331	16,603	2,728
Fundraising	2,522	523	1,999
Meals and entertainment	5,124	5,043	81
Marketing	650	-	650
Insurance	8,592	10,284	(1,692)
Interest expense	18	-	18
Grant refunds	78	-	78
Maint/repair-bldg	14,155	8,911	5,244
Maint/repair IT	11,098	10,058	1,040
Permits/fees	940	50	890
Postage/delivery	229	422	(193)
Printing/duplication	8,680	9,176	(496)
Professional-accounting	4,808	3,735	1,073
Professional-counselors	22,976	35,169	(12,193)
Rent-equipment	-	172	(172)
Building expenses	1,736	27,179	(25,443)
Security	324	1,751	(1,427)
Training	5,978	3,837	2,141
Computer supply	108	1,103	(995)
Shelter-food	6,994	8,974	(1,980)
Shelter-supplies	17,953	31,755	(13,802)
Office supplies	13,119	16,646	(3,527)
Capital expenditures	850	6,287	(5,437)
Telephone/comms	9,956	10,023	(67)
Training	2,693	4,113	(1,420)
Travel	14,657	16,543	(1,886)
Utilities	<u>18,615</u>	<u>17,012</u>	<u>1,603</u>
	249,813	295,898	(46,085)
	<u>\$ 1,465,852</u>	<u>1,381,961</u>	<u>83,891</u>