

CRISIS CENTER FOR SOUTH SUBURBIA

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

CRISIS CENTER FOR SOUTH SUBURBIA

TABLE OF CONTENTS

Year Ended June 30, 2021

	<u>Page(s)</u>
FINANCIAL SECTION:	
Independent Auditor's Report	1 – 3
Statements of Financial Position	4
Statements of Activities	5
Statement of Functional Expenses	6 – 8
Statements of Cash Flows	9
Notes to Financial Statements	10 – 20
SUPPLEMENTAL INFORMATION:	
Schedule of Expenditures of Federal Awards	21 – 22
Notes to Schedule of Expenditures of Federal Awards	23
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 <i>Government Auditing Standards</i>	24 – 25
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	26 – 27
Schedule of Findings and Questioned Costs	28 – 29
Corrective Action Plan	30
Summary Schedule of Prior Audit Findings	31

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
CRISIS CENTER FOR SOUTH SUBURBIA

Report on the Financial Statements

We have audited the accompanying financial statements of **CRISIS CENTER FOR SOUTH SUBURBIA** (the "Organization"), which comprise the statement of financial position as of June 30, 2021, 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization'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 Organization'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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Basis for Qualified Opinion

The Organization maintains two resale shops, which sell donated clothing and other items. Inventory consists of these donated items and is valued at estimated realizable sale value. The Organization conducted a year-end physical of the inventory in previous years to determine the quantities in inventory. The Organization was unable to perform a year-end physical inventory count for the year ended June 30, 2021 due to limited staff and volunteers caused by Covid-19. Therefore, the inventory reported at June 30, 2021 of \$128,678 is the same value reported at June 30, 2020. Consequently, we were unable to determine whether any adjustments to this inventory balance were necessary.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2021, 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.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2021 on our consideration of the Organization'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 Organization'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 Organization's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the Organization's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 18, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.



O'NEILL & GASPARDO, LLC
Mokena, Illinois
November 30, 2021

CRISIS CENTER FOR SOUTH SUBURBIA

STATEMENTS OF FINANCIAL POSITION

June 30, 2021 with Comparative Amounts for June 30, 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,491,149	\$ 1,577,369
Certificate of deposit	131,969	344,097
Grants receivable	459,955	446,504
Other receivables	14,003	7,200
Inventory - resale shops	128,678	128,678
Prepaid expenses	21,166	26,583
Total current assets	<u>2,246,920</u>	<u>2,530,431</u>
Fixed assets:		
Land	68,250	68,250
Buildings and improvements	2,445,391	2,426,282
Furniture and equipment	422,069	411,970
Vehicles	71,522	71,522
Less: accumulated depreciation	<u>(2,233,302)</u>	<u>(2,068,064)</u>
Net fixed assets	773,930	909,960
Other assets:		
Investments - Endowment Fund	125,365	108,059
Deposits	31,214	14,699
Total other assets	<u>156,579</u>	<u>122,758</u>
Total assets	<u>\$ 3,177,429</u>	<u>\$ 3,563,149</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 10,773	\$ 24,123
Accrued expenses	160,309	143,349
Deferred revenue - special events	14,846	10,477
Deferred rent	48,595	39,470
Note payable	15,208	375,149
Total current liabilities	<u>249,731</u>	<u>592,568</u>
Long-term liabilities:		
Note payable	<u>156,427</u>	<u>170,808</u>
Total liabilities	406,158	763,376
Net assets:		
Net assets without donor restrictions:		
Designated by Board for Endowment Fund	125,365	108,059
Undesignated by Board	<u>2,635,906</u>	<u>2,691,714</u>
Total unrestricted net assets	2,761,271	2,799,773
Net assets with donor restrictions (restricted with time restrictions)	<u>10,000</u>	<u>-</u>
Total net assets	<u>2,771,271</u>	<u>2,799,773</u>
Total liabilities and net assets	<u>\$ 3,177,429</u>	<u>\$ 3,563,149</u>

CRISIS CENTER FOR SOUTH SUBURBIA

STATEMENTS OF ACTIVITIES

Year Ended June 30, 2021 with Comparative Amounts for the Year Ended June 30, 2020

	2021		2020	
	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total	Total
Support and revenue:				
Government grants and contracts	\$ 2,078,029	\$ -	\$ 2,078,029	\$ 1,839,217
Contributions	666,260	10,000	676,260	766,304
Neat Repeats Resale Shop:				
Revenues	880,006	-	880,006	976,766
Less: expenses	(607,917)	-	(607,917)	(638,173)
Net revenue	272,089	-	272,089	338,593
Special events:				
Revenue	298,397	-	298,397	399,677
Less: expenses	(45,243)	-	(45,243)	(107,855)
Net revenue	253,154	-	253,154	291,822
Fees - Choices program	40,860	-	40,860	59,433
Rental income	12,302	-	12,302	14,322
Investment income	23,709	-	23,709	13,751
Other	20,560	-	20,560	9,014
Total support and revenue	3,366,963	10,000	3,376,963	3,332,456
Expenses:				
Program services	2,847,500	-	2,847,500	2,345,826
Supporting services:				
General and administrative	509,564	-	509,564	516,851
Fundraising	448,937	-	448,937	432,126
Total supporting services	958,501	-	958,501	948,977
Total expenses	3,806,001	-	3,806,001	3,294,803
Change in net assets before effects of infrequent revenue	(439,038)	10,000	(429,038)	37,653
Infrequent revenue:				
Non-recurring contribution from an estate	40,000	-	40,000	325,000
Amortized PPP loan forgiveness	360,536	-	360,536	160,721
Total infrequent revenue	400,536	-	400,536	485,721
Change in net assets	(38,502)	10,000	(28,502)	523,374
Net assets:				
Beginning of year	2,799,773	-	2,799,773	2,276,399
End of year	\$ 2,761,271	\$ 10,000	\$ 2,771,271	\$ 2,799,773

CRISIS CENTER FOR SOUTH SUBURBIA

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2021 with Comparative Amounts for the Year Ended June 30, 2020

	Program Services					
	Residential Shelter	Community Counseling	Court Advocacy	Live Safe	Social Enterprise	Volunteer Services
Payroll:						
Salaries	\$ 449,725	\$ 206,332	\$ 303,774	\$ 71,317	\$ 44,380	\$ 46,531
Employee health insurance	33,087	15,180	22,349	5,247	3,265	3,423
Payroll taxes	29,393	14,526	21,940	4,557	2,637	3,490
Workers' compensation insurance	6,110	2,803	4,127	969	603	632
State unemployment insurance	-	5,918	-	-	-	-
Retirement plan contribution	335	110	228	77	52	15
Total payroll	518,650	244,869	352,418	82,167	50,937	54,091
Advertising	175	-	-	-	-	-
Bank/investment service charges	-	-	-	-	-	-
Client Rent, Medical and Other	26,811	-	-	-	-	-
Client Travel	5,019	-	-	-	-	-
Community education	-	-	-	-	-	-
Contractual services	25,495	7,314	14,713	5,129	4,204	2,102
Depreciation	94,186	16,524	3,305	-	-	-
Dues and subscriptions	112	-	-	-	-	-
Food	32,782	-	-	-	-	-
Housekeeping supplies	16,503	812	34	10	139	-
Insurance	7,309	3,654	5,279	812	406	812
Interest and investment expense	-	-	-	-	-	-
Legal and professional services	7,301	2,095	4,214	1,469	1,204	602
Maintenance and repairs	54,542	21	112	32	-	-
Meetings, conferences, seminars	2,621	752	1,513	527	432	216
Miscellaneous	-	-	-	-	-	-
Occupancy (rent)	4,797	10,128	-	-	21,381	-
Office supplies	1,772	795	984	-	-	21
Postage	3,076	-	335	-	-	253
Printing	185	183	183	329	-	185
Program supplies	8,318	1,325	65	-	-	631
Real estate taxes	-	-	-	-	-	-
Refuse, exterminating	3,698	74	1,132	30	-	-
Small equipment purchases	-	-	-	-	-	-
Staff travel	-	-	241	164	-	-
Telephone	16,357	2,004	1,621	474	759	128
Utilities	14,587	2,351	964	276	1,238	-
Vehicle maintenance	3,098	-	-	-	-	-
Volunteer / donor recognition	-	-	-	-	-	833
Totals - 2021	\$ 847,394	\$ 292,901	\$ 387,113	\$ 91,419	\$ 80,700	\$ 59,874
Totals - 2020	\$ 836,334	\$ 292,053	\$ 393,050	\$ 62,327	\$ -	\$ 62,993

CRISIS CENTER FOR SOUTH SUBURBIA

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2021 with Comparative Amounts for the Year Ended June 30, 2020

	PAIP (Choices) Services	Transitional Housing	Community Education Services	Emergency Services	Total Program Services
Payroll:					
Salaries	\$ 64,932	\$ 143,810	\$ 88,189	\$ 163,299	\$ 1,582,289
Employee health insurance	4,777	10,580	6,488	12,014	116,410
Payroll taxes	4,680	9,258	6,184	6,303	102,968
Workers' compensation insurance	882	1,954	1,198	2,219	21,497
State unemployment insurance	-	-	-	-	5,918
Retirement plan contribution	23	113	54	472	1,479
Total payroll	75,294	165,715	102,113	184,307	1,830,561
Advertising	-	-	-	-	175
Bank/investment service charges	561	-	-	-	561
Client Rent, Medical and Other	-	257,888	-	193,257	477,956
Client Travel	-	200	-	900	6,119
Community education	-	-	2,045	-	2,045
Contractual services	2,648	4,876	4,204	4,204	74,889
Depreciation	-	-	4,957	-	118,972
Dues and subscriptions	-	-	675	-	787
Food	-	-	-	-	32,782
Housekeeping supplies	5	153	28	79	17,763
Insurance	812	2,436	1,624	1,624	24,768
Interest and investment expense	-	7,677	-	-	7,677
Legal and professional services	758	1,396	1,204	1,204	21,447
Maintenance and repairs	22	8,617	90	32	63,468
Meetings, conferences, seminars	272	501	432	432	7,698
Miscellaneous	-	-	-	-	-
Occupancy (rent)	-	8,440	2,251	3,939	50,936
Office supplies	305	-	209	-	4,086
Postage	-	-	-	-	3,664
Printing	-	-	-	-	1,065
Program supplies	92	6,924	-	53	17,408
Real estate taxes	-	4,881	-	-	4,881
Refuse, exterminating	21	4,397	82	541	9,975
Small equipment purchases	-	-	-	-	-
Staff travel	70	1,851	-	1,458	3,784
Telephone	283	1,391	927	763	24,707
Utilities	137	13,398	781	1,663	35,395
Vehicle maintenance	-	-	-	-	3,098
Volunteer / donor recognition	-	-	-	-	833
Totals - 2021	\$ 81,280	\$ 490,741	\$ 121,622	\$ 394,456	\$ 2,847,500
Totals - 2020	\$ 73,937	\$ 356,889	\$ 112,431	\$ 155,812	\$ 2,345,826

CRISIS CENTER FOR SOUTH SUBURBIA

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2021 with Comparative Amounts for the Year Ended June 30, 2020

	General and Admin. Expenses	Fundraising	Totals		Net Repeats & Special
			2021	2020	
Payroll:					
Salaries	\$ 322,820	\$ 322,683	\$ 2,227,792	\$ 2,071,292	\$ 319,105
Employee health insurance	23,751	23,741	163,902	176,208	23,477
Payroll taxes	36,138	23,762	162,868	151,170	22,422
Workers' compensation insurance	4,386	4,384	30,267	22,452	4,335
State unemployment insurance	-	-	5,918	15,270	-
Retirement plan contribution	4,305	813	6,597	7,325	99
Total payroll	391,400	375,383	2,597,344	2,443,717	369,438
Advertising	75	170	420	625	381
Bank/investment service charges	3,464	132	4,157	3,752	28,424
Client Rent, Medical and Other	-	-	477,956	245,490	-
Client Travel	-	-	6,119	10,070	-
Community education	-	-	2,045	731	-
Contractual services	33,945	10,509	119,343	43,950	13,515
Depreciation	28,090	18,176	165,238	142,890	-
Dues and subscriptions	3,346	1,235	5,368	5,922	815
Food	-	69	32,851	30,386	-
Housekeeping supplies	819	310	18,892	15,265	510
Insurance	8,819	4,060	37,647	38,045	5,278
Interest and investment expense	1,046	-	8,723	8,811	-
Legal and professional services	9,721	3,010	34,178	15,350	3,870
Maintenance and repairs	1,079	182	64,729	43,416	16,106
Meetings, conferences, seminars	3,490	1,081	12,269	18,730	1,390
Miscellaneous	280	-	280	1,263	-
Occupancy (rent)	-	10,128	61,064	25,638	138,655
Office supplies	5,913	891	10,890	10,055	1,089
Postage	2,819	5,483	11,966	9,883	150
Printing	1,229	11,480	13,774	13,423	947
Program supplies	1,300	1,052	19,760	43,287	12,110
Real estate taxes	-	-	4,881	4,435	33,968
Refuse, exterminating	979	166	11,120	9,248	6,830
Small equipment purchases	-	-	-	18,903	469
Staff travel	-	-	3,784	10,260	-
Telephone	8,094	2,584	35,385	25,019	4,860
Utilities	3,656	2,562	41,613	51,487	13,183
Vehicle maintenance	-	-	3,098	2,546	-
Volunteer / donor recognition	-	274	1,107	2,206	1,172
Totals - 2021	\$ 509,564	\$ 448,937	\$ 3,806,001		\$ 653,160
Totals - 2020	\$ 516,851	\$ 432,126		\$ 3,294,803	\$ 746,028

CRISIS CENTER FOR SOUTH SUBURBIA

STATEMENTS OF CASH FLOWS

Year Ended June 30, 2021 with Comparative Amounts for the Year Ended June 30, 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ (28,502)	\$ 523,374
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	165,238	142,890
Unrealized (gain) on investments	(8,138)	(3,955)
Realized (gain)/loss on investments	(7,181)	410
Amortized PPP loan forgiveness	(360,536)	(160,721)
Changes in current assets and liabilities:		
Grants receivable	(13,451)	(210,803)
Other receivables	(6,803)	13,075
Inventory - resale shops	-	(12,358)
Prepaid expenses	5,417	(3,621)
Deposits	(16,515)	(520)
Accounts payable	(13,350)	(21,593)
Accrued expenses	16,960	35,489
Deferred revenue - special events	4,369	8,377
Deferred rent	9,125	8,896
Net cash provided by (used in) operating activities	<u>(253,367)</u>	<u>318,940</u>
Cash flows from investing activities:		
Proceeds from certificates of deposits	214,307	-
Purchases of certificates of deposit	(2,179)	(215,968)
Purchase of investments	(65,367)	(39,349)
Proceeds from sale of investments	63,379	27,917
Purchases of fixed assets	<u>(29,208)</u>	<u>(149,433)</u>
Net cash provided by (used in) investing activities	180,932	(376,833)
Cash flows from financing activities:		
Proceeds from note payable	-	521,258
Principal payments on note payable	<u>(13,785)</u>	<u>(13,987)</u>
Net cash provided by (used in) financing activities	<u>(13,785)</u>	<u>507,271</u>
Net change in cash and cash equivalents	(86,220)	449,378
Cash and cash equivalents, beginning	<u>1,577,369</u>	<u>1,127,991</u>
Cash and cash equivalents, ending	<u>\$ 1,491,149</u>	<u>\$ 1,577,369</u>
Supplemental cash flow information:		
Interest paid	<u>\$ 7,677</u>	<u>\$ 7,868</u>
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>

CRISIS CENTER FOR SOUTH SUBURBIA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Activities

CRISIS CENTER FOR SOUTH SUBURBIA (the "Organization") is a voluntary welfare service organization which provides temporary shelter for victims of domestic violence. Additionally, the Organization provides comprehensive social services to all victims of domestic violence. The Organization's programs are as follows:

- **Residential Shelter:** Individuals and families who are experiencing domestic violence receive emergency, short-term shelter at the Organization's 35 bed facility.
- **Community Counseling:** The Counseling Program provides both individual and group counseling services, free of charge to individuals and families victimized by domestic violence.
- **Court Advocacy:** Legal advocacy services to victims of domestic violence or dating violence are offered in the Markham and Bridgeview courthouses. Court advocates also provide legal advocacy services for residential clients of the Organization.
- **Live Safe (Previously Named Medical Advocacy):** This program works with hospitals providing domestic violence screening and identification services, as well as information, referrals and crisis services to patients in a medical setting. Staff also train hospital staff on the dynamics domestic violence and how to respond to victims in a medical setting.
- **Social Enterprise:** This program is a collaboration between our programs and our Neat Repeats stores to provide formal workforce development training and on the job retail service training in the form of an internship in our stores. The goal of this program is to be able to connect clients with a job placement opportunity at the end of the program.
- **Volunteer Services:** The Organization offers temporary and permanent volunteer opportunities. Volunteers provide the following services: answer crisis hotline calls; childcare; court and hospital advocacy support; clerical, gardening, and maintenance services; technical assistance; sales support at resale shops; assistance with special events and projects.
- **PAIP (Choices) Services:** The Partner Abuse Intervention Program (PAIP) or Choices Program is designed to assist batterers in ending abusive behavior in their intimate relationships.
- **Transitional Housing:** The Transitional Housing Program bridges the gap between emergency shelter and permanent housing for victims of domestic violence. This provides the opportunity for clients to learn and practice the skills needed to escape from violence and move towards safety and independence.

CRISIS CENTER FOR SOUTH SUBURBIA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

- **Community Education Services:** The Organization provides presentations to community and corporate groups, which focus on the complex issues of domestic violence. The services are offered at no charge.
- **Emergency Services:** The Organization provides limited resources for emergency assistance to help individuals and families flee from violence and move towards self-sufficiency. These services are based on need. Emergency Assistance is intended to give relief to individuals and families during times of crisis, not to provide for ongoing basic needs. Rent, utility, clothing, basic and household needs, food, transportation, relocation, prescription assistance and more can be provided using both financial and in-kind resources of the Organization.

In March 2020, the COVID-19 Coronavirus resulted in illnesses and government actions which disrupted economic activity across the United States. As a result of the spread of COVID-19 and the resulting stay-at-home orders issued by the state in which the Organization operates, the Organization anticipates disruptions to revenue, and its workforce. The extent and duration of these disruptions may be only temporary, however, the related financial impact and duration cannot be reasonably estimated at this time.

B. Basis of Accounting

The Organization uses the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

C. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Update (ASU) No. 2016-14 *Presentation of Financial Statements of Not-for-Profit Entities*. Under ASU No. 2016-14, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions, if applicable.

D. Cash and Cash Equivalents

The Organization considers all highly liquid short-term investment instruments purchased with a maturity of three months or less at acquisition date to be cash equivalents.

E. Investments

Investments are carried at the quoted market value of the securities. Realized gains and losses are based on specific identification of the security sold.

CRISIS CENTER FOR SOUTH SUBURBIA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

F. Grants and Other Receivables

Grants and other receivables arise in the normal course of business. Payment terms for grants and other receivables vary and are based on the underlying agreements. The Organization carries its grants and other receivables at cost less an allowance for doubtful accounts, which is estimated based on collection history. Grants and other receivables are written off against the allowance when management determines that recovery is unlikely, and the Organization ceases its collection efforts.

Management determined that an allowance for doubtful accounts was not necessary at June 30, 2021.

G. Inventory

The Organization maintains two resale shops, which sell donated clothing and other items. Inventory consists of these donated items and is valued at estimated realizable sale value.

H. Fixed Assets

Fixed assets are recorded at cost if purchased, or fair value if contributed, using a capitalization threshold of \$1,000. Depreciation is computed on the straight-line method over 5-40 years for buildings and improvements, 3-7 years for furniture and equipment and 5 years for vehicles. Depreciation expense was \$165,238 in the year ended June 30, 2021.

I. Revenue Recognition

Contributions

Contributions are recognized as revenue in the period the promise is received, if determined collectible. Contributions of assets other than cash are recorded at their estimated fair value on the date contributed. All contributions are considered available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the Statement of Activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions. If the Organization receives a conditional contribution and does not meet the conditions, the contribution is returned based on the agreement.

Revenue from government grants and program services

The Organization recognizes government grant revenue either on a pro-rata basis over the service period for the grants or to the extent of expenses. Revenue from program services is recognized as the services are performed.

CRISIS CENTER FOR SOUTH SUBURBIA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Economic factors

The Organization operates in the south suburbs of Chicago, Illinois. Therefore, the Organization's financial condition is impacted by the economic and political status of this area and the State of Illinois.

J. Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions. Those expenses include general and administrative expenses necessary to support the Organization's mission. Wherever possible, expenses are charged directly to the program or supporting service that is generating the expense. Certain expenses are allocated to programs and supporting services using varying methods which estimate actual usage. Examples include building and grounds maintenance costs, which are allocated by square footage used, and contractual services, which are allocated by full-time equivalent employees.

K. Income Taxes

The Organization has been determined to be exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and therefore no provision for federal income taxes has been made on the accompanying financial statements. In addition, the Organization has been classified as an organization other than a private foundation under IRC Section 509(a)(1). As a result, donations or gifts to the Organization qualify for the charitable contribution deduction under IRC Section 170(b)(1)(A).

The Organization has adopted accounting principles related to uncertain tax positions and has evaluated its tax positions taken for all open tax years. Currently, the 2017, 2018 and 2019 tax years are open and subject to examination by the Internal Revenue Service, the Illinois Attorney General, and Illinois Department of Revenue. However, the Organization is not currently under audit nor has the Organization been contacted by any of these jurisdictions.

The Organization has evaluated its tax positions taken for all open tax years. Based on the evaluation of the Organization's tax positions, management believes all positions taken would be upheld under an examination. Therefore, no liability for the effects of uncertain tax positions was recorded at June 30, 2021. Any interest and penalties recognized and associated with a tax position would be classified as miscellaneous expenses on the Organization's financial statements. No such amounts were recognized in the year ended June 30, 2021.

CRISIS CENTER FOR SOUTH SUBURBIA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

L. Estimates

The preparation of financial statements in conformity with U.S. 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. Significant estimates of the Organization are as follows:

- Allowance for doubtful accounts: Management estimated no allowance for doubtful accounts based on payment history.
- Functional allocation of expenses: The costs of providing the various programs and other activities have been summarized on a functional basis on the Statement of Activities. Accordingly, certain costs have been allocated to the programs and supporting services based on various methods.
- The Organization maintains two resale shops, which sell donated clothing and other items. Inventory consists of these donated items and is valued at estimated realizable sale value.

M. Comparative Data

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2020, which includes the detail and from which the summarized information was derived.

NOTE 2. CONCENTRATION OF CREDIT RISK

The Organization maintains its cash and certificate of deposit at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization had \$798,799 in uninsured cash balances at June 30, 2021.

NOTE 3. INVESTMENTS – BOARD DESIGNATED ENDOWMENT

The Board of Directors designated \$75,000 of unrestricted cash/net assets as a general endowment fund to support the mission of the Organization in the year ended June 30, 2015. The Organization invested this \$75,000 of designated cash in various investments (see below for details). Since this endowment resulted from an internal designation and is not donor-restricted, it is classified and reported as unrestricted net assets.

CRISIS CENTER FOR SOUTH SUBURBIA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 3. INVESTMENTS – BOARD DESIGNATED ENDOWMENT - Continued

The Organization’s Endowment Policies and Procedures states the following:

- The overall objectives of endowment investments are:
 - Generation of a consistent and stable flow of income for ongoing operating and special programming purposes.
 - Appreciation and growth for the long-term benefit of the Organization as well as to protect endowment principal from erosion through inflation.
- No more than 10% of the total market value of endowment principal will be spent in any single fiscal year, in order to balance the effects of inflation as well as continue to build endowment principal.
- The original principal balance will not be invaded as well as subsequent basis donations to the endowment.
- Management of endowment principal and income will take into consideration the near and long-term financial needs of the Organization and will not be solely or primarily dictated by the Organization’s short-term spending needs.
- Composition of and changes in the endowment’s investments were as follows for the year ended June 30, 2021:

Board-designated endowment net assets, beginning	\$ 108,059
Interest, dividend and capital gain income	3,033
Investment fees	(1,046)
Realized gain	7,181
Unrealized gain	8,138
Purchases	-
Board-designated endowment net assets, ending	<u>\$ 125,365</u>

VALUATION OF INVESTMENTS – FASB ASC 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

CRISIS CENTER FOR SOUTH SUBURBIA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 3. INVESTMENTS – BOARD DESIGNATED ENDOWMENT – Continued

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for assets measured at fair value. There has been no change in the methodology used since June 30, 2020.

Fixed income and equity securities: Valued at the closing price as reported on the active market on which the securities are traded (level 1 inputs).

The endowment consisted of the following investments at June 30, 2021:

	Market Value	Cost	Unrealized Gain (Loss)
Fixed income securities	\$ 75,160	\$ 72,927	\$ 2,233
Equity securities	50,205	36,990	13,215
	<u>\$ 125,365</u>	<u>\$ 109,917</u>	<u>\$ 15,448</u>

NOTE 4. LAND DONATION

The Village of Tinley Park (the “Village”) donated land to the Organization in 2004. The Organization constructed a building on this land, which is used for administration and a majority of the Organization’s programs. The agreement with the Village states that should the property ever not be used by the Organization for public purposes, title shall revert back to the Village. The Organization has recorded \$1,856,992 of fixed assets for building and improvements (\$349,917 net of accumulated depreciation) on this property as of June 30, 2021.

NOTE 5. NOTES PAYABLE

The Organization has a mortgage payable with monthly principal and interest payments of \$1,821. The final payment is due in November 2030. The mortgage is collateralized by an apartment building. The net book value of the apartment building and improvements and land was \$235,574 at June 30, 2021. The interest rate was 4.00% and outstanding balance of the mortgage was \$171,635 at June 30, 2021.

CRISIS CENTER FOR SOUTH SUBURBIA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 5. NOTES PAYABLE - Continued

The Organization received a loan from PNC Bank in the amount of \$521,257 under the Paycheck Protection Program (PPP) as provided by the Coronavirus Aid, Relief, and Economic Security (CARES) Act in the year ended June 30, 2020. The loan was forgiven in full during the year ended June 30, 2021 based on eligible expenses incurred by the Organization consistent with the PPP program. The Organization recognized the revenue from this PPP debt forgiveness during the same period as the related expenses. PPP debt forgiveness totaled \$360,536 and \$160,721 in the years ended June 30, 2021 and 2020, respectively.

Future maturities of the notes payable as of June 30, 2021 are as follows, assuming an interest rate of 4.00% throughout the life of the mortgage payable:

2022	\$	15,208
2023		15,827
2024		16,472
2025		17,143
2026		17,841
Thereafter		89,144
Total	\$	<u>171,635</u>

NOTE 6. CONTRIBUTED SERVICES

Volunteers contributed 2,359 hours of program and clerical services to the Organization, and 19,483 hours working at the Organization's two resale shops in the year ended June 30, 2021. The value of these contributed services received is not included in the financial statements, since they do not meet requirements to be recorded under U.S. generally accepted accounting principles.

NOTE 7. LEASE COMMITMENTS

The Organization leases the Worth resale shop facility under an operating lease, which expires in March 2023. Monthly rent under the lease ranges from \$3,000 to \$6,788 plus increases in real estate taxes.

The Organization leases its Orland Park resale shop facility under an operating lease, which expires in August 2026. The lease includes two options to extend the lease for an additional five years. Monthly rent under the lease ranges from \$5,465 to \$5,915 plus common area maintenance charges and real estate taxes.

The Organization leases a facility in Tinley Park under an operating lease, which expires in August 2022. Monthly rent under the lease ranges from \$1,399 to \$4,070 plus charges for operating costs and real estate taxes.

The Organization leases copiers under an operating lease, which expires in August 2022. Monthly rent under this lease is \$1,157.

CRISIS CENTER FOR SOUTH SUBURBIA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 7. LEASE COMMITMENTS - Continued

Total rent expense for all leases was \$221,203 in the year ended June 30, 2021.

Future minimum rental payments required in the years ending June 30th are shown in the following table. Amounts do not include common area maintenance expenses for the Orland Park resale shop facility, charges for operating costs for the Tinley Park facility and real estate taxes for the Worth and Orland Park resale shop facilities and Tinley Park facility, since those amounts are unknown.

2022	\$	194,329
2023		149,293
2024		69,155
2025		69,360
2026		70,748
Thereafter		11,830
Total	\$	<u>564,715</u>

NOTE 8. CONCENTRATIONS

The Organization received 18% and 23% of its total support and revenue from the Illinois Department of Human Services (DHS) and Illinois Coalition Against Domestic Violence (ICADV) in the year ended June 30, 2021, respectively. In addition, grants receivable from DHS and ICADV were 31% and 32% of total grants receivable at June 30, 2021, respectively.

Granting agencies reserve the right to review the Organization's records of performance and could require return of grant funds based on these reviews. The amount of expenses that may be disallowed by the government agencies cannot be determined at this time, although the Organization expects such amounts, if any, to be insignificant.

The Organization operates two resale shops. Net revenue at the resale shops comprised 7% of total support and revenue in the year ended June 30, 2021.

NOTE 9. RETIREMENT PLAN

The Organization has a 403(b) retirement plan covering all eligible employees. The plan provides for contributions by the Organization as annually determined by its Board of Directors. The Organization contributed \$6,696 in the year ended June 30, 2021.

CRISIS CENTER FOR SOUTH SUBURBIA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 10. OWNERSHIP OF FIXED ASSETS

Many of the fixed assets included in the financial statements have been acquired with government funds. The grants under which the funds were received require the return of these assets to the grantor governmental agency upon the termination of the grants or the termination of services for which the assets are used. Management considers the probability of this occurring to be remote. Therefore, these assets are included in the accompanying financial statements and no provision has been made for potential losses or possible reversions.

NOTE 11. LIQUIDITY

The Organization is substantially supported by restricted government grants and contributions. These grants and contributions require resources to be used in a particular manner or in a future period, so the Organization must maintain sufficient resources to meet those responsibilities to its grantors and donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Cash in excess of daily requirements is invested in various short-term investments with maturities designed to meet obligations as they come due.

The following table reports financial assets available to meet general expenditures within one year at June 30, 2021:

Cash and cash equivalents	\$ 1,491,149	
Certificate of deposit	131,969	
Grants receivable	459,955	
Other receivables	14,003	
Assets limited to use:		
Investments - Endowment Fund	<u>125,365</u>	
Total financial assets		\$ 2,222,441
Less amounts not available to be used within one year:		
Designated by Board for endowment fund		
for long term investing	(125,365)	
Temporarily restricted net assets		
(restricted by donors with time restrictions)	<u>(10,000)</u>	
Financial assets not available to be used within one year		<u>(135,365)</u>
Financial assets available to meet general expenditures within one year		<u>\$ 2,087,076</u>

CRISIS CENTER FOR SOUTH SUBURBIA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 12. RECENT ACCOUNTING PRONOUNCEMENTS

In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)* to increase the transparency and comparability about leases among entities. The new guidance requires lessees to recognize a lease liability and a corresponding lease asset for virtually all lease contracts. It also requires additional disclosures about leasing arrangements. ASU No. 2016-02 is effective for nonpublic entities for fiscal years beginning after December 15, 2021 and interim periods within fiscal years beginning after December 15, 2022. ASU No. 2016-02 originally specified a modified retrospective transition method which requires the entity to initially apply the new leases standard at the beginning of the earliest period presented in the financial statements.

In July 2018, FASB issued ASU No. 2018-11, *Leases (Topic 842: Targeted Improvements)*, providing a second, optional transition method which allows the entity to apply the new standard at the adoption date and recognize a cumulative-effect adjustment to the opening balance of net assets in the period of adoption. The Organization is currently assessing the impact of this new standard, including the two optional transition methods.

NOTE 13. SUBSEQUENT EVENTS

The Organization has evaluated events subsequent to June 30, 2021 for possible adjustment or disclosure to the accompanying financial statements. This evaluation was done through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

CRISIS CENTER FOR SOUTH SUBURBIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grantor's/Contract Number	Disbursements/ Expenditures
U.S. Department of Housing and Urban Development (HUD):			
Pass-through from Cook County Department of Planning and Development: Emergency Shelter Grants Program	14.231	E20-06	\$ 45,510
Community Development Block Grant	14.218	2004-042	20,235
Pass-through from South Suburban Family Shelter: HUD - Rapid Re-Housing	14.267	IL1643D5T111901	286,797
Pass-through from Housing Forward: HUD - Coordinated Entry	14.267	IL1646D5T111800	<u>47,047</u>
Total U.S. Department of Housing and Urban Development (HUD)			<u>333,844</u> 399,589
U.S. Department of Health and Human Services (HHS):			
Pass-through from Illinois Dept. of Human Services: Title XX Block Grant	93.667	FCSYT01493	295,601
Family Violence Prevention and Services	93.671	FCSYT01493	<u>118,082</u>
Total U.S. Department of Health and Human Services (HHS)			413,683
Department of Homeland Security (DHS):			
Emergency Food and Shelter Program	97.024	2374-00 020	25,359
Emergency Food and Shelter Program	97.024	2580-00 023	<u>10,750</u>
Total Emergency Food and Shelter Program			<u>36,109</u>
Total Department of Homeland Security (DHS)			36,109

CRISIS CENTER FOR SOUTH SUBURBIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grantor's/Contract Number	Disbursements/ Expenditures
U.S. Department of Justice (DOJ):			
Direct Award:			
OVW Expanded Transitional Housing Services for Chicago Southland	16.736	2019-WH-AX-0024	150,137
Pass-through from Illinois Coalition Against Domestic Violence:			
VOCA - Domestic Violence	(M) 16.575	218001	498,530
Pass-through from Illinois Criminal Justice Information Authority:			
VOCA - Transitional Housing	(M) 16.575	218079	<u>289,965</u>
Total pass-through from ICJIA			788,495
Total U.S. Department of Justice (DOJ)			938,632
U.S. Department of Agriculture:			
Passed through Illinois State Board of Education:			
Child and Adult Care Food Program	10.558	07-016-083P-00	<u>29,558</u>
Total U.S. Department of Agriculture			29,558
Total federal expenditures			<u><u>\$1,817,571</u></u>

(M) Major programs

CRISIS CENTER FOR SOUTH SUBURBIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2021

NOTE 1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **CRISIS CENTER FOR SOUTH SUBURBIA** and is presented on the accrual basis of accounting. The information presented 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*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Pass-through entity identifying numbers are presented when available.

NOTE 2. NON-CASH ASSISTANCE

None of the federal awards were expended in the form of non-cash assistance in the year ended June 30, 2021.

NOTE 3. LOANS AND LOAN GUARANTEES

There were no loans or loan guarantees made with any federal award money received in the year ended June 30, 2021.

NOTE 4. INSURANCE IN EFFECT

There was no federal insurance in effect in the year ended June 30, 2021.

NOTE 5. SUBRECIPIENTS

No amounts of the federal awards were provided to subrecipients in the year ended June 30, 2021.

NOTE 6. DE MINIMIS COST RATE

The Organization has elected the 10% de minimis cost rate for indirect costs.

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

To the Board of Directors of
CRISIS CENTER FOR SOUTH SUBURBIA

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 **CRISIS CENTER FOR SOUTH SUBURBIA** (the "Organization"), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 30, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as items 2021-1 that we consider to be a material weakness.

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Compliance and Other Matters

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

The Organization's Response to Findings

The Organization's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



O'NEILL & GASPARDO, LLC
Mokena, Illinois
November 30, 2021

**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 of
CRISIS CENTER FOR SOUTH SUBURBIA

Report on Compliance for Each Major Federal Program

We have audited **CRISIS CENTER FOR SOUTH SUBURBIA's** (the "Organization") 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 Organization's major federal programs for the year ended June 30, 2021. The Organization's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance of the Organization'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 Organization'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 Organization's compliance.

Opinion on Each Major Federal Program

In our opinion, the Organization 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, 2021.

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Report on Internal Control Over Compliance

Management of the Organization 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 Organization'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 Organization'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.



O'NEILL & GASPARDO, LLC
Mokena, Illinois
November 30, 2021

CRISIS CENTER FOR SOUTH SUBURBIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2021

A. Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on the financial statements of **CRISIS CENTER FOR SOUTH SUBURBIA** (the "Organization").
2. One material weaknesses was disclosed during the financial statement audit of the Organization.
3. No instances of noncompliance material to the financial statements of the Organization, which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No material weaknesses or significant deficiencies related to internal controls over major programs were identified during the audit of the Organization.
5. The auditor's report on compliance for the major federal award program for the Organization expresses an unmodified opinion on the major federal award program.
6. There were no audit findings that are required to be reported in accordance with 2 CFR 200.516(a) in this schedule.
7. The program tested as major program:

Crime Victim Assistance	16.575
-------------------------	--------
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The Organization was determined to be a low-risk auditee.

B. Findings – Financial Statement Audit:

Finding 2020-01: Annual Physical of Inventory

Criteria: The Organization maintains two resale shops, which sell donated clothing and other items. Inventory consists of these donated items and is valued at estimated realizable sale value. The Organization should conduct a year-end physical count of inventory to determine the quantities of inventory.

Condition: The Organization was unable to perform such a year-end physical for the year ended June 30, 2021.

CRISIS CENTER FOR SOUTH SUBURBIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2021

Effect: The inventory reported at June 30, 2021 of \$128,678 is the same value reported at June 30, 2020.

Cause: The Organization was unable to perform a year-end physical of inventory for the year ended June 30, 2021 due to limited staff and volunteers caused by the Covid-19 pandemic.

Recommendation: The Organization should have procedures in place, so a year-end physical of inventory is always conducted.

Views of Organization's management and corrective action: The Organization agrees with the recommendation. The Organization will implement procedures to ensure that a year-end physical of inventory is taken.

C. Findings – Major Federal Award Programs Audit:

None noted

CRISIS CENTER FOR SOUTH SUBURBIA

CORRECTIVE ACTION PLAN

June 30, 2021

Material Weakness

Finding 2020-01: Annual Physical of Inventory

Name of contact person: Pam Kostecki (Executive Director).

Corrective Action: The Organization will implement procedures to ensure that a year-end physical of inventory is taken.

Proposed Completion Date: A year-end physical of inventory will be taken for the year ended June 30, 2022.

CRISIS CENTER FOR SOUTH SUBURBIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

June 30, 2021

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