

**SOUTH SUBURBAN FAMILY SHELTER, INC.**

**FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2015**

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**INDEPENDENT AUDITORS' REPORT**

Board of Directors  
**SOUTH SUBURBAN FAMILY SHELTER, INC.**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **SOUTH SUBURBAN FAMILY SHELTER, INC.** (the "Organization"), which comprise the statement of financial position as of June 30, 2015, 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 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.

*Members American Institute and Illinois Society of Certified Public Accountants*

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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 Organization as of June 30, 2015, 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 support and revenue and expenses - Illinois Coalition against Domestic Violence, and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 17, 2015, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



O'NEILL & GASPARDO, LLC  
Mokena, Illinois  
November 17, 2015

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2015**

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**ASSETS**

**Current Assets**

Cash and Cash Equivalents	\$ 1,019,000	
Certificate of Deposit	25,462	
Grants Receivable	48,424	
Other Receivables	16,750	
Property Held for Sale	55,000	
Prepaid Expenses	9,308	
Inventory	<u>12,740</u>	
Total Current Assets		\$ 1,186,684

**Fixed Assets**

Land, Buildings and Building Improvements	1,816,527	
Furniture and Equipment	83,130	
Less: Accumulated Depreciation	<u>(714,220)</u>	
Net Fixed Assets		1,185,437

**Other Assets**

Security Deposits	<u>2,385</u>	
Total Other Assets		<u>2,385</u>

TOTAL ASSETS		<u><u>\$ 2,374,506</u></u>
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**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accounts Payable	\$ 1,000	
Accrued Payroll and Withholdings	65,468	
Accrued Compensated Absences	59,426	
Client Deposits	2,619	
Grant Advances	<u>20,000</u>	
Total Current Liabilities		\$ 148,513

**Long-Term Liabilities**

Note Payable	<u>67,798</u>	
Total Long-Term Liabilities		67,798

**Net Assets**

Temporarily Restricted Net Assets	99,522	
Unrestricted Net Assets	<u>2,058,673</u>	
Total Net Assets		<u><u>2,158,195</u></u>

TOTAL LIABILITIES AND NET ASSETS		<u><u>\$ 2,374,506</u></u>
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See accompanying notes and auditors' report.

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2015**

	Unrestricted	Temporarily Restricted	Total
<u>Support and Revenue</u>			
Government Grants:			
IL Department of Human Services	\$ 493,083	\$ -	\$ 493,083
IL Attorney General	28,510	-	28,510
IL Coalition Against Domestic Violence	152,483	-	152,483
IL Criminal Justice Information Authority	85,222	-	85,222
IL Violence Prevention Authority	128,330	-	128,330
Cook County	87,029	-	87,029
U.S. Department of Homeland Security	1,557	-	1,557
U.S. Department of Housing and Urban Development	286,282	-	286,282
Contributions:			
Foundations and Corporations	192,407	99,522	291,929
United Way	42,454	-	42,454
Re-Sale Shop	123,963	-	123,963
Other	57,863	-	57,863
Fundraising Events	96,061	-	96,061
Program Fees	44,244	-	44,244
Interest	476	-	476
Other	1,194	-	1,194
Total Support and Revenue	1,821,158	99,522	1,920,680
<u>Expenses</u>			
Programs	1,556,834	-	1,556,834
Management and General	163,021	-	163,021
Fundraising	166,098	-	166,098
Total Expenses	1,885,953	-	1,885,953
Increase (Decrease) in Net Assets	(64,795)	99,522	34,727
Net Assets, Beginning	2,123,468	-	2,123,468
Net Assets, Ending	\$2,058,673	\$ 99,522	\$2,158,195

See accompanying notes and auditors' report.

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2015**

	Program Services									
	Hospital Advocacy	Court Advocacy	Counseling	Abuser Treatment	Emergency Shelter	Sanctuary	Total Programs	Management and General	Fund- Raising	Total
Salaries	\$ 154,226	\$ 149,858	\$ 395,387	\$ 128,919	\$ 71,811	\$ 165,919	\$ 1,066,120	\$ 102,098	\$ 74,403	\$ 1,242,621
Fringe Ben. and Taxes	28,584	27,774	73,280	23,893	13,309	44,845	211,685	18,923	9,576	240,184
Conf. & Transportation	1,291	1,254	3,310	1,079	601	383	7,918	855	341	9,114
Professional Fees	-	-	7,505	-	-	-	7,505	-	-	7,505
Supplies	3,024	2,938	7,752	2,527	1,408	5,057	22,706	2,002	6,188	30,896
Postage and Printing	1,397	1,358	3,582	1,168	651	380	8,536	925	369	9,830
Communications	1,800	1,749	4,614	1,504	838	3,182	13,687	1,191	475	15,353
Insurance	1,652	1,605	4,234	1,381	769	1,914	11,555	1,093	436	13,084
Real Estate Taxes	-	-	-	-	-	-	-	-	-	-
Rent and Utilities	2,305	2,240	5,910	1,927	1,073	17,641	31,096	1,526	50,598	83,220
Building Maintenance	2,818	2,738	7,224	2,356	1,312	30,624	47,072	1,866	744	49,682
Dues and Subscriptions	671	652	1,720	561	312	-	3,916	444	177	4,537
Audit and Accounting	2,391	2,323	6,130	1,999	1,113	1,400	15,356	1,583	631	17,570
Client Expenses	-	-	2,309	-	8,460	14,359	25,128	-	-	25,128
Special Activities	-	-	-	-	-	-	-	-	20,417	20,417
Other	821	802	2,117	690	384	-	4,814	547	218	5,579
Impairment Loss	-	-	-	-	-	-	-	26,143	-	26,143
Depreciation	5,778	5,614	14,813	4,830	2,690	46,015	79,740	3,825	1,525	85,090
<b>Total Expenses</b>	<b>\$ 206,758</b>	<b>\$ 200,905</b>	<b>\$ 539,887</b>	<b>\$ 172,834</b>	<b>\$ 104,731</b>	<b>\$ 331,719</b>	<b>\$ 1,556,834</b>	<b>\$ 163,021</b>	<b>\$ 166,098</b>	<b>\$ 1,885,953</b>

See accompanying notes and auditors' report.

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2015**

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Cash Flows from Operating Activities

Increase in Net Assets	\$	34,727
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	\$	85,090
Impairment Loss on Building Held for Sale		26,143
(Increase) Decrease in:		
Grants Receivable		25,817
Other Receivables		(16,750)
Promises to Give		14,292
Prepaid Expenses		(5,432)
Security Deposits		300
Increase (Decrease) in:		
Accounts Payable		(7,263)
Accrued Payroll and Withholdings		4,468
Client Deposits		(3,308)
Grant Advances		20,000
Total Adjustments		<u>143,357</u>
Net Cash Provided by Operating Activities		<u>178,084</u>

Cash Flows from Investing Activities

Purchases of Fixed Assets	(9,611)
Purchases of Certificates of Deposit	<u>(399)</u>
Net Cash Used in Investing Activities	(10,010)

Cash Flows from Financing Activities

Principal Payments on Mortgage	<u>(2,202)</u>
Net Cash Used in Financing Activities	<u>(2,202)</u>

Net Increase in Cash	165,872
Cash, Beginning	<u>853,128</u>
Cash, Ending	<u><u>\$ 1,019,000</u></u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Interest Paid	<u>\$ 3,142</u>
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See accompanying notes and auditors' report.

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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**NOTE 1. NATURE OF ACTIVITIES**

**SOUTH SUBURBAN FAMILY SHELTER, INC.** (the "Organization") is a not-for-profit organization that provides counseling and economic support to victims of domestic violence. Following are the Organization's programs:

**Hospital Advocacy** - Provides identification, treatment and referral to victims of domestic violence who come into the emergency rooms of area hospitals.

**Court Advocacy** - Provides domestic violence victims with information and support as they attempt to obtain relief from violence through the criminal or civil court system.

**Counseling** - Provides children and adults who have been abused or have witnessed abuse with the advocacy, support and skills that they need to recover from domestic violence.

**Abuser Treatment** - Provides re-learning opportunities for abusive individuals.

**Emergency Shelter** - Provides a safe place for domestic violence victims who are leaving their homes in fear of immediate physical harm.

**Sanctuary** - The purpose of the Sanctuary program is to assist homeless women with children in making successful transition from homelessness to permanent housing.

The Organization also manages a re-sale shop. Revenue from the re-sale shop was \$123,963 and expenses were \$91,121 for the year ended June 30, 2015. These expenses are included in fundraising expenses on the Statements of Activities and Functional Expenses.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

**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.

**BASIS OF PRESENTATION** - Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards Codification (ASC) No. 958-205 *Not-for-Profit Entities Presentation of Financial Statements*. Under ASC No. 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets, if applicable.

**CASH AND CASH EQUIVALENTS** - The Organization considers all highly liquid short-term investment instruments purchased with a maturity of one year or less at acquisition date, including repurchase agreements with financial institutions and money markets, to be cash equivalents. Cash equivalents are measured at fair value using level one inputs, as defined by the Financial Accounting Standards Board.

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES - Continued**

RECEIVABLES - The Organization carries its grants receivable at the amount of unreimbursed expenses from the grantor less an allowance for doubtful accounts, and other receivables are carried at amounts billed for services less an allowance for doubtful accounts. Receivables are written off against the allowance when management determines that recovery is unlikely and the Organization ceases its collection efforts. Management estimated no allowance for doubtful accounts was necessary at June 30, 2015.

INVENTORY - Inventory consists of items donated to the Organization's re-sale shop. Inventory is recorded at estimated fair market value based on sales for the fiscal year and estimated inventory turns of 12 during the fiscal year.

FIXED ASSETS - The Organization follows the practice of capitalizing, at cost, all disbursements for fixed assets in excess of \$500. Depreciation is computed on a straight-line basis over the useful lives of the assets. Depreciation expense was \$85,090 for the year ended June 30, 2015. Useful lives for each asset category are as follows:

<b><u>ASSET CATEGORY</u></b>	<b><u>LIFE</u></b>
Buildings	30 Years
Building Improvements	5 - 15 Years
Furniture and Equipment	3 - 7 Years

Fixed assets acquired by the Organization are considered owned by the Organization. However, federal and state funding sources may maintain equitable interest in the fixed assets purchased with grant monies as well as the right to determine the use of proceeds from the sale of those assets.

The U.S. Department of Housing and Urban Development (HUD) restricts the use of the Organization's apartment building in Matteson, IL (used by the Sanctuary program) for use as a homeless shelter. In previous years, HUD provided grant funds for the purchase and improvements of this building, which had a net book value of \$347,675 at June 30, 2015 on the Organization's Statement of Financial Position.

CONTRIBUTIONS - Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported on the Statement of Activities as Net Assets Released from Restrictions. The Organization has not adopted a policy for time restrictions on contributions for long-lived assets.

GRANT REVENUE - The Organization recognizes grant revenue as earned. Grant revenue is earned as the required services of the grant contract are performed or as the expenses being reimbursed by the granting agency are incurred.

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 estimated benefit received.

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES - Continued**

INCOME TAX STATUS - The Organization is exempt from federal 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 determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. As a result, donations or gifts to the Organization qualify for the charitable contribution deduction under IRC Section 170(b)(1)(A). There was no unrelated business income for the year ended June 30, 2015.

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 2011, 2012 and 2013 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. If any interest and penalties associated with tax positions are incurred, they are recorded in miscellaneous expenses in management and general expenses. Based on the evaluation of the Organization's tax positions, management believes all positions taken would be upheld under examination. Therefore, no provision for the effects of uncertain tax positions has been recorded as of June 30, 2015.

DONATED SERVICES - No amounts have been recorded for donated services, because they do not meet the requirement for inclusion in the financial statements.

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

**NOTE 3. CONCENTRATION OF CREDIT RISK**

The Organization maintains bank accounts at several banks. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The amount in excess of the FDIC limit totaled \$555,197 at June 30, 2015.

**NOTE 4. SUPPORT FROM GOVERNMENTAL AGENCIES**

The Organization receives a major portion of its support from federal and state grants. 26% and 15% of the total support and revenue was from the Illinois Department of Human Services (DHS) and U.S. Department of Housing and Urban Development (HUD), respectively, for the year ended June 30, 2015. In addition, 48% and 52% of grants receivable were due from HUD and Cook County, respectively, at June 30, 2015. A substantial reduction in the level of this support, if it were to occur, could have a significant effect on the Organization's programs and activities.

Many granting agencies reserve the right to review the Organization's records of program 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 immaterial.

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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**NOTE 5. EMPLOYEE RETIREMENT PLAN**

The Organization sponsors a 403(b) retirement plan covering substantially all full-time employees. The Organization made no contributions under this plan during the year ended June 30, 2015.

**NOTE 6. GRANT COMMITMENT**

The Organization was awarded a grant from the U.S. Department of Housing and Urban Development (HUD) that reimburses expenses incurred in the Sanctuary program. The Sanctuary program provides assistance to homeless women with children in making a successful transition from homelessness to permanent housing. Revenue from this grant is recorded as reimbursable expenses are incurred. Grant terms include:

**Period Covered: June 1, 2015 to May 31, 2016**

Total Grant	\$ 287,328
Grant Revenue Earned as of June 30, 2015	<u>(23,474)</u>
Remaining Grant Funds to be Earned	<u>\$ 263,854</u>

**NOTE 7. OPERATING LEASE**

The Organization leases building space for its re-sale shop. The current lease has a term of January 1, 2015 to December 31, 2015 and requires monthly payments of \$2,457. Rent expense for this building was \$31,278 in the year ended June 30, 2015.

**NOTE 8. MORTGAGE PAYABLE**

The Organization entered into a \$220,000 mortgage agreement with a bank on May 15, 2012. The mortgage bears interest at 4.0%. A final payment of the remaining principal balance is due on June 1, 2019. The Organization made principal payments of \$2,202 and \$150,000 in the years ended June 30, 2015 and 2014, respectively. The note is collateralized by a first mortgage on a building purchased by the Organization on May 15, 2012. The net book value of this building and improvements was \$461,793 at June 30, 2015.

The future maturities of the mortgage note at June 30, 2015 were as follows:

<b><u>FISCAL YEARS ENDING JUNE 30,</u></b>	<b><u>AMOUNT</u></b>
2016	\$ -
2017	-
2018	-
2019	<u>67,798</u>
Total Maturities	<u>\$ 67,798</u>

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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**NOTE 9. PROPERTY HELD FOR SALE**

In March 2013, the Organization placed its new counseling building in service and placed its old counseling building up for sale. The Organization entered into a sales contract for this building on October 6, 2015 for \$55,000. The carrying value of this building at June 30, 2015 was adjusted to this amount, which was estimated to be the fair market value. The Organization expects to close on this sale in late November or in December 2015.

**NOTE 10. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets of \$99,522 at June 30, 2015 consisted of contributions received in the year ended June 30, 2015 that were not yet spent for the programs designated by the contributors.

**NOTE 11. SUBSEQUENT EVENTS**

The Organization has evaluated events subsequent to June 30, 2015 for possible adjustment or disclosure to the accompanying financial statements. This evaluation was done through the date of the Independent Auditors' Report, which is the date the financial statements were available to be issued.

See Note 9 for details on a sales contract entered into by the Organization on October 6, 2015 for the sale of one of its buildings.

*SUPPLEMENTAL INFORMATION*

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**SCHEDULE OF SUPPORT AND REVENUE AND EXPENSES**  
**ILLINOIS COALITION AGAINST DOMESTIC VIOLENCE (ICADV)**  
**YEAR ENDED JUNE 30, 2015**

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	<b>VOCA Child 214001 <u>(16.575)</u></b>	<b>VOCA Adult 214001 <u>(16.575)</u></b>	<b>VAWA STOP 613001 <u>(16.588)</u></b>
Support and Revenue:			
ICADV Grants	\$ 45,838	\$ 75,758	\$ 30,887
Match Funds	<u>11,460</u>	<u>18,940</u>	<u>10,296</u>
Total Support and Revenue	57,298	94,698	41,183
Expenses:			
Personnel	<u>57,928</u>	<u>94,698</u>	<u>41,183</u>
Total Expenses	<u>57,928</u>	<u>94,698</u>	<u>41,183</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying auditors' report.

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2015**

FEDERAL GRANTOR / PASS-THROUGH GRANT	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL EXPEND- ITURES
<b>U.S. Department of Housing and Urban Development</b>			
Direct Program:			
Supportive Housing Program	14.235	IL0276L5T111306	\$ 262,808
Supportive Housing Program	14.235	IL0276L5T111407	<u>23,474</u>
Total Direct Programs			<u>286,282</u>
Pass-Through Programs from:			
Cook County Dept. of Planning and Development			
Community Development Block Grant	14.218	1404-054	<u>40,000</u>
			40,000
Emergency Shelter Grants Program	14.231	E14-15	22,670
Emergency Shelter Grants Program	14.231	E13-13	<u>4,757</u>
			<u>27,427</u>
Total Pass-Through Programs			<u>67,427</u>
Total U.S. Department of Housing and Urban Development			353,709
<b>U.S. Department of Homeland Security</b>			
Emergency Food and Shelter Program	97.024	Phase 31	<u>1,557</u>
			<u>1,557</u>
Total U.S. Department of Homeland Security			1,557

**M** = Major Federal Program

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2015**

FEDERAL GRANTOR / PASS-THROUGH GRANT	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL EXPEND- ITURES
<b>U.S. Department of Justice</b>			
Pass-Through Programs:			
IL Criminal Justice Information Authority			
Services to Victims of Domestic Violence	16.575	213013	13,096
Services to Victims of Domestic Violence	16.575	214013	72,126
IL Coalition Against Domestic Violence			
VOCA - Child	16.575	214001 - CHILD	45,838
VOCA - Adult	16.575	214001 - ADULT	<u>75,758</u>
			206,818
IL Coalition Against Domestic Violence			
VAWA - Stop	16.588	613001	30,887
			<u>237,705</u>
<b>U.S. Department of Health and Human Services</b>			
Pass-Through Programs from:			
IL Department of Human Services			
<b>M</b> Title XX Block Grant	93.667	FCSST01646	36,140
<b>M</b> Title XX Block Grant	93.667	FCSST01646 and FCSST01916	<u>413,247</u>
			<u>449,387</u>
<b>Total Federal Expenditures</b>			<b><u>\$ 1,042,358</u></b>

**M** = Major Federal Program

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2015**

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**NOTE 1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of **SOUTH SUBURBAN FAMILY SHELTER, INC.** (the "Organization") and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 2. SUBRECIPIENTS**

The Organization provided no federal awards to subrecipients.

**NOTE 3. NON-CASH ASSISTANCE, INSURANCE, LOANS OR GUARANTEES**

The Organization received no federal awards in the form of non-cash assistance, insurance, loans or guarantees.

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

Board of Directors  
**SOUTH SUBURBAN FAMILY SHELTER, 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 **SOUTH SUBURBAN FAMILY SHELTER, INC.** (the "Organization"), which comprise the statement of financial position as of June 30, 2015, 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 17, 2015.

**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. 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.

**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*.

### **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 17, 2015

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH  
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Board of Directors  
**SOUTH SUBURBAN FAMILY SHELTER, INC.**

**Report on Compliance for Each Major Federal Program**

We have audited **SOUTH SUBURBAN FAMILY SHELTER, INC.'s** (the "Organization") compliance with the types of compliance requirements described in the *OMB Circular A-133 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, 2015. The Organization'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

*Auditors' Responsibility*

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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.

*Members American Institute and Illinois Society of Certified Public Accountants*

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### *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 each of its major federal programs for the year ended June 30, 2015.

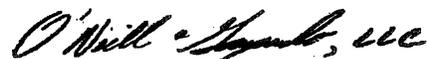
### *Report on Internal Control Over Compliance*

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 OMB Circular A-133, 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 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



O'NEILL & GASPARDO, LLC  
Mokena, Illinois  
November 17, 2015

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2015**

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**SUMMARY OF AUDITORS' RESULTS**

1. The Independent Auditors' Report expresses an unmodified opinion on the financial statements of **SOUTH SUBURBAN FAMILY SHELTER, INC.** (the "Organization").
2. No material weaknesses or significant deficiencies in internal controls were identified 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 financial statement audit of the Organization.
5. The auditors' report on compliance for the major federal award programs for the Organization expresses an unmodified opinion on all major federal award programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this Schedule.
7. The programs tested as major programs included:  
93.667 - Title XX Block Grant
8. The threshold for distinguishing Type A and B programs was \$300,000.
9. The Organization was determined to be a low-risk auditee.

**FINDINGS - FINANCIAL STATEMENT AUDIT**

None

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None

**SOUTH SUBURBAN FAMILY SHELTER, INC.**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**YEAR ENDED JUNE 30, 2015**

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**FINDINGS - FINANCIAL STATEMENT AUDIT**

None

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None