

SOUTH SUBURBAN FAMILY SHELTER, INC.

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

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INDEPENDENT AUDITOR'S 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, 2016, 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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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, 2016, 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 Title 2 U.S. *Code of Federal Regulations* (CFR) 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 January 4, 2017, 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
January 4, 2017

SOUTH SUBURBAN FAMILY SHELTER, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2016

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 850,189	
Certificate of Deposit	25,577	
Grants Receivable	76,091	
Other Receivables	16,500	
Prepaid Expenses	747	
Inventory	<u>12,740</u>	
Total Current Assets		\$ 981,844

Fixed Assets

Land, Buildings and Building Improvements	1,843,125	
Furniture and Equipment	98,564	
Less: Accumulated Depreciation	<u>(796,534)</u>	
Net Fixed Assets		1,145,155

Other Assets

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

TOTAL ASSETS		<u><u>\$2,129,384</u></u>
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable	\$ 3,602	
Accrued Payroll and Withholdings	86,014	
Accrued Compensated Absences	56,225	
Other Accrued Expenses	3,957	
Client Deposits	<u>7,674</u>	
Total Current Liabilities		\$ 157,472

Net Assets

Temporarily Restricted Net Assets	47,397	
Unrestricted Net Assets	<u>1,924,515</u>	
Total Net Assets		<u>1,971,912</u>

TOTAL LIABILITIES AND NET ASSETS		<u><u>\$2,129,384</u></u>
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See accompanying notes and auditor's report.

SOUTH SUBURBAN FAMILY SHELTER, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>Support and Revenue</u>			
Government Grants:			
IL Department of Human Services	\$ 493,083	\$ -	\$ 493,083
IL Attorney General	31,500	-	31,500
IL Coalition Against Domestic Violence	153,836	-	153,836
IL Criminal Justice Information Authority	98,978	-	98,978
Cook County	97,757	-	97,757
U.S. Department of Homeland Security	20,000	-	20,000
U.S. Department of Housing and Urban Development	274,076	-	274,076
Contributions:			
Foundations and Corporations	283,902	47,397	331,299
United Way	40,251	-	40,251
Re-Sale Shop	92,529	-	92,529
Other	40,856	-	40,856
Special Events:			
Revenue	117,591	-	117,591
Less: Costs of Direct Benefits to Donors	<u>(15,673)</u>	<u>-</u>	<u>(15,673)</u>
Net Revenue from Special Events	101,918	-	101,918
Program Fees	62,170	-	62,170
Interest	242	-	242
Other	1,561	-	1,561
Net Assets Released from Restriction	<u>99,522</u>	<u>(99,522)</u>	<u>-</u>
Total Support and Revenue	1,892,181	(52,125)	1,840,056
<u>Expenses</u>			
Programs	1,651,363	-	1,651,363
Management and General	218,608	-	218,608
Fundraising	<u>156,368</u>	<u>-</u>	<u>156,368</u>
Total Expenses	<u>2,026,339</u>	<u>-</u>	<u>2,026,339</u>
Decrease in Net Assets	(134,158)	(52,125)	(186,283)
Net Assets, Beginning	<u>2,058,673</u>	<u>99,522</u>	<u>2,158,195</u>
Net Assets, Ending	<u>\$ 1,924,515</u>	<u>\$ 47,397</u>	<u>\$ 1,971,912</u>

See accompanying notes and auditor's report.

SOUTH SUBURBAN FAMILY SHELTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2016

	Program Services						Total Programs	Management and General	Fund-Raising	Total
	Hospital Advocacy	Court Advocacy	Counseling	Abuser Treatment	Emergency Shelter	Sanctuary				
Salaries	\$ 191,396	\$ 158,884	\$ 431,270	\$ 136,338	\$ 73,112	\$ 147,495	\$ 1,138,495	\$ 136,743	\$ 84,137	\$ 1,359,375
Fringe Ben. and Taxes	35,233	29,248	79,391	25,098	13,459	38,385	220,814	25,172	13,141	259,127
Conf. & Transportation	1,235	1,025	2,783	880	472	-	6,395	883	273	7,551
Professional Fees	-	-	33,230	-	-	-	33,230	38,536	7,343	79,109
Supplies	3,286	2,728	7,405	2,341	1,255	1,741	18,756	2,348	2,921	24,025
Postage and Printing	1,229	1,020	2,769	875	469	86	6,448	878	271	7,597
Communications	1,897	1,574	4,274	1,351	725	3,418	13,239	1,355	419	15,013
Insurance	2,157	1,791	4,860	1,536	824	2,343	13,511	1,541	476	15,528
Rent and Utilities	2,234	1,855	5,034	1,591	853	18,321	29,888	3,249	44,945	78,082
Building Maintenance	1,969	1,634	4,436	1,402	752	19,986	30,179	1,407	435	32,021
Dues and Subscriptions	772	641	1,739	550	295	45	4,042	551	170	4,763
Audit and Accounting	1,791	1,487	4,035	1,276	684	3,953	13,226	1,279	395	14,900
Client Expenses	-	-	4,196	-	28,650	13,539	46,385	-	-	46,385
Other	90	74	202	64	34	-	464	64	20	548
Depreciation	6,442	5,348	14,515	4,589	2,461	42,936	76,291	4,602	1,422	82,315
Total Expenses	<u>\$ 249,731</u>	<u>\$ 207,309</u>	<u>\$ 600,139</u>	<u>\$ 177,891</u>	<u>\$ 124,045</u>	<u>\$ 292,248</u>	<u>\$ 1,651,363</u>	<u>\$ 218,608</u>	<u>\$ 156,368</u>	<u>\$ 2,026,339</u>

See accompanying notes and auditor's report.

SOUTH SUBURBAN FAMILY SHELTER, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2016

Cash Flows from Operating Activities

Decrease in Net Assets		\$ (186,283)
Adjustments to Reconcile Decrease in Net Assets to Net Cash Used in Operating Activities:		
Depreciation	\$ 82,315	
Loss on Disposal of Fixed Asset	3,525	
(Increase) Decrease in:		
Grants Receivable	(27,667)	
Other Receivables	250	
Prepaid Expenses	8,561	
Increase (Decrease) in:		
Accounts Payable	2,602	
Accrued Payroll and Withholdings	21,066	
Accrued Compensated Absences	(3,201)	
Other Accrued Expenses	3,437	
Client Deposits	5,055	
Grant Advances	<u>(20,000)</u>	
Total Adjustments		<u>75,943</u>
Net Cash Used in Operating Activities		(110,340)

Cash Flows from Investing Activities

Purchases of Fixed Assets	(45,558)	
Proceeds from Sale of Fixed Assets	55,000	
Purchases of Certificates of Deposit	<u>(115)</u>	
Net Cash Provided by Investing Activities		9,327

Cash Flows from Financing Activities

Principal Payments on Mortgage	<u>(67,798)</u>	
Net Cash Used in Financing Activities		<u>(67,798)</u>

Net Decrease in Cash		(168,811)
Cash, Beginning		<u>1,019,000</u>
Cash, Ending		<u>\$ 850,189</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Interest Paid		<u>\$ 1,653</u>
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See accompanying notes and auditor's report.

SOUTH SUBURBAN FAMILY SHELTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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 a successful transition from homelessness to permanent housing.

The Organization also manages a re-sale shop. Revenue from the re-sale shop was \$92,529 and expenses were \$100,165 for the year ended June 30, 2016. 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 three months 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, 2016

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, 2016.

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 45 days.

FIXED ASSETS - The Organization follows the practice of capitalizing, at cost, all disbursements for fixed assets in excess of \$1,500. Depreciation is computed on a straight-line basis over the useful lives of the assets. Depreciation expense was \$82,315 for the year ended June 30, 2016. Useful lives for each asset category are as follows:

<u>ASSET CATEGORY</u>	<u>LIFE</u>
Buildings	30 Years
Building Improvements	15 - 30 Years
Furniture and Equipment	5 - 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, Illinois (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 \$334,597 at June 30, 2016 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, 2016

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, 2016.

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 2012, 2013 and 2014 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, 2016.

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 \$248,168 at June 30, 2016.

NOTE 4. SUPPORT FROM GOVERNMENTAL AGENCIES

The Organization receives a major portion of its support from federal and state grants. 27% 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, 2016. In addition, 25%, 22% and 28% of grants receivable were due from DHS, Illinois Criminal Justice Information Authority and Cook County, respectively, at June 30, 2016. 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, 2016

NOTE 5. EMPLOYEE RETIREMENT PLAN

The Organization sponsors a 403(b) retirement plan covering substantially all full-time employees. The Organization made \$7,000 of contributions under this plan for the year ended June 30, 2016.

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, 2016 to May 31, 2017

Total Grant	\$ 278,708
Grant Revenue Earned as of June 30, 2016	<u>(10,222)</u>
Remaining Grant Funds to be Earned	<u>\$ 268,486</u>

NOTE 7. OPERATING LEASE

The Organization leases building space for its re-sale shop. The current lease has a term of January 1, 2016 to December 31, 2016 and requires monthly payments of \$2,457. Rent expense for this building was \$29,484 in the year ended June 30, 2016.

NOTE 8. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets of \$47,397 at June 30, 2016 consisted of contributions received in the year ended June 30, 2016 that were not yet spent for the programs designated by the contributors.

NOTE 9. SUBSEQUENT EVENTS

The Organization has evaluated events subsequent to June 30, 2016 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.

The Organization closed its re-sale shop in December 2016.

SUPPLEMENTAL INFORMATION

SOUTH SUBURBAN FAMILY SHELTER, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2016

FEDERAL GRANTOR / PASS-THROUGH GRANT	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL EXPEND- ITURES
U.S. Department of Housing and Urban Development			
Direct Program:			
Supportive Housing Program	14.235	IL0276L5T111508	\$ 10,222
Supportive Housing Program	14.235	IL0276L5T111407	<u>263,854</u>
Total Direct Programs			<u>274,076</u>
Pass-Through Programs from:			
Cook County Dept. of Planning and Development			
Community Development Block Grant	14.218	1504-071	<u>40,000</u>
			40,000
Emergency Shelter Grants Program	14.231	E15-15	22,002
Emergency Shelter Grants Program	14.231	E14-15	<u>15,330</u>
			<u>37,332</u>
Total Pass-Through Programs			<u>77,332</u>
Total U.S. Department of Housing and Urban Development			351,408
U.S. Department of Health and Human Services			
Pass-Through Programs from:			
IL Department of Human Services			
M Title XX Block Grant	93.667	FCSUT01646 and FCSUT01916	<u>474,387</u>
Total U.S. Department of Health and Human Services			474,387

M = Major Federal Program

SOUTH SUBURBAN FAMILY SHELTER, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2016

FEDERAL GRANTOR / PASS-THROUGH GRANT	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL EXPEND- ITURES
U.S. Department of Justice			
Pass-Through Programs:			
IL Criminal Justice Information Authority			
Services to Victims of Domestic Violence	16.575	214013	24,042
Services to Victims of Domestic Violence	16.575	215013	73,901
IL Coalition Against Domestic Violence			
VOCA - Tech	16.575	214001 - TECH	1,035
VOCA - Child	16.575	215001 - CHILD	43,596
VOCA - Adult	16.575	215001 - ADULT	<u>75,348</u>
			217,922
IL Coalition Against Domestic Violence			
VAWA - Stop	16.588	614001	<u>34,892</u>
Total U.S. Department of Justice			<u>252,814</u>
Total Federal Expenditures			<u>\$ 1,078,609</u>

See accompanying notes to schedule of expenditures of federal awards.

SOUTH SUBURBAN FAMILY SHELTER, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2016

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 Title 2 *U.S. Code of Federal Regulations (CFR) Part 299, 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.

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.

NOTE 4. DE MINIMIS COST RATE

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

SOUTH SUBURBAN FAMILY SHELTER, INC.
SCHEDULE OF SUPPORT AND REVENUE AND EXPENSES
ILLINOIS COALITION AGAINST DOMESTIC VIOLENCE (ICADV)
YEAR ENDED JUNE 30, 2016

	VOCA Tech 214001 <u>(16.575)</u>	VOCA Child 215001 <u>(16.575)</u>	VOCA Adult 215001 <u>(16.575)</u>	VAWA STOP 614001 <u>(16.588)</u>
Support and Revenue:				
ICADV Grants	\$ 1,035	\$ 43,596	\$ 75,348	\$ 34,892
Match Funds	<u>259</u>	<u>10,899</u>	<u>18,837</u>	<u>-</u>
Total Support and Revenue	1,294	54,495	94,185	34,892
Expenses:				
Personnel	-	54,495	94,185	34,892
Other	<u>1,294</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>1,294</u>	<u>54,495</u>	<u>94,185</u>	<u>34,892</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying auditor's report.

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*

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, 2016, 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 January 4, 2017.

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.

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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*.

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
January 4, 2017

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

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 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, 2016. 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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the 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 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 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.

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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, 2016.

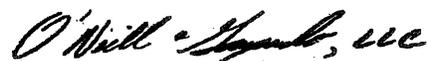
Report on Internal Control Over Compliance

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 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
January 4, 2017

SOUTH SUBURBAN FAMILY SHELTER, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2016

SUMMARY OF AUDITOR'S RESULTS

1. The Independent Auditor's 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 auditor's report on compliance for the major federal award programs for the Organization expresses an unmodified opinion on all major federal award programs.
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 programs tested as major programs included:
 93.667 - Title XX Block Grant
8. The threshold for distinguishing Type A and B programs was \$750,000.
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, 2016

FINDINGS - FINANCIAL STATEMENT AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None