

**CENTER FOR WOMEN IN TRANSITION**  
**AUDIT REPORT**  
**SEPTEMBER 30, 2016**  
**(WITH COMPARATIVE TOTALS FOR 2015)**

# Tibbitts & Associates, PLC

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

The Board of Directors  
Center for Women in Transition  
Holland, Michigan

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Center for Women in Transition (a nonprofit organization), which comprise the statement of financial position as of September 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Center for Women in Transition as of September 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***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Grants – Governmental Agencies is presented for purposes of additional analysis and is not a required part of the financial statements. 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*, is presented for purposes of additional analysis and is also 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.

#### **Report on Summarized Comparative Information**

We have previously audited Center for Women in Transition's September 30, 2015, financial statements and, our report dated January 11, 2016, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2017, on our consideration of Center for Women in Transition'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 Center for Women in Transition's internal control over financial reporting and compliance.



TIBBITTS & ASSOCIATES, PLC

Allegan, Michigan  
January 11, 2017

**CENTER FOR WOMEN IN TRANSITION  
STATEMENT OF FINANCIAL POSITION  
ASSETS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016  
(WITH COMPARATIVE TOTALS FOR 2015)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2016</u>	<u>2015</u>
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 325,885	92,800	418,685	564,391
Investments	395,701		395,701	351,111
Grants receivable	152,123		152,123	141,840
Promises to give		85,541	85,541	84,660
Other receivables	8,101		8,101	10,409
Prepaid expenses	<u>82,688</u>		<u>82,688</u>	<u>69,788</u>
<b>TOTAL CURRENT ASSETS</b>	<b>\$ <u>964,498</u></b>	<b><u>178,341</u></b>	<b><u>1,142,839</u></b>	<b><u>1,222,199</u></b>
<b>PROPERTY AND EQUIPMENT</b>				
Land	\$ 524,910		524,910	524,910
Buildings	622,116		622,116	622,116
Land and building improvements	1,855,250		1,855,250	1,842,049
Office furniture and equipment	498,736		498,736	491,763
Transportation equipment	<u>91,676</u>		<u>91,676</u>	<u>73,497</u>
	3,592,688		3,592,688	3,554,335
Less accumulated depreciation	<u>(1,551,991)</u>		<u>(1,551,991)</u>	<u>(1,488,845)</u>
<b>NET PROPERTY &amp; EQUIPMENT</b>	<b>\$ <u>2,040,697</u></b>		<b><u>2,040,697</u></b>	<b><u>2,065,490</u></b>
<b>OTHER ASSETS</b>				
Beneficial interest in assets held at Community Foundations	\$ <u>36,964</u>		<u>36,964</u>	<u>34,641</u>
<b>TOTAL ASSETS</b>	<b>\$ <u><u>3,042,159</u></u></b>	<b><u><u>178,341</u></u></b>	<b><u><u>3,220,500</u></u></b>	<b><u><u>3,322,330</u></u></b>

See accompanying notes

**CENTER FOR WOMEN IN TRANSITION  
STATEMENT OF FINANCIAL POSITION  
LIABILITIES AND NET ASSETS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016  
(WITH COMPARATIVE TOTALS FOR 2015)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2016</u>	<u>2015</u>
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 44,025		44,025	46,756
Accrued wages and vacation pay	89,414		89,414	80,506
Accrued payroll liabilities	7,057		7,057	7,197
Accrued retirement plan	8,665		8,665	5,417
Deferred revenue	1,852		1,852	
MSHDA mortgages payable				111,100
	<u>151,013</u>		<u>151,013</u>	<u>250,976</u>
<b>NET ASSETS</b>				
Unrestricted	\$ 2,486,070		2,486,070	2,502,251
Board designated funds	405,076		405,076	360,486
Temporarily restricted		178,341	178,341	208,617
	<u>2,891,146</u>	<u>178,341</u>	<u>3,069,487</u>	<u>3,071,354</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>				
	<u>\$ 3,042,159</u>	<u>178,341</u>	<u>3,220,500</u>	<u>3,322,330</u>

See accompanying notes

**CENTER FOR WOMEN IN TRANSITION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2016  
(WITH COMPARATIVE TOTALS FOR 2015)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2016</u>	<u>2015</u>
<b>REVENUES, GAINS, AND SUPPORT</b>				
Grants - governmental agencies	\$ 1,055,406		1,055,406	1,049,718
Other grants		14,380	14,380	82,988
Contributions	545,108	127,044	672,152	652,220
United Way	54,589	119,106	173,695	182,813
Donated services/Gifts-In-Kind	171,045		171,045	184,253
Transitional Housing Program income	1,224		1,224	204
Program fees	7,038	480	7,518	2,835
Girls on the Run - Registrations	166,911		166,911	165,604
MSHDA debt forgiveness	111,100		111,100	
Miscellaneous	12,613		12,613	8,582
Special events	140,124		140,124	160,853
Victim's compensation	15,537		15,537	11,630
Building rent	6,000		6,000	5,400
Investment income (loss)	48,477		48,477	(15,091)
Net assets released from restrictions	291,286	(291,286)		
<b>TOTAL REVENUES, GAINS, AND SUPPORT</b>	<b>\$ 2,626,458</b>	<b>(30,276)</b>	<b>2,596,182</b>	<b>2,492,009</b>
<b>EXPENSES</b>				
Program	\$ 2,102,568		2,102,568	2,065,258
Management and general	206,472		206,472	190,639
Fundraising	289,009		289,009	251,892
<b>TOTAL EXPENSES</b>	<b>\$ 2,598,049</b>		<b>2,598,049</b>	<b>2,507,789</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ 28,409</b>	<b>(30,276)</b>	<b>(1,867)</b>	<b>(15,780)</b>
<b>NET ASSETS, October 1</b>	<b>2,862,737</b>	<b>208,617</b>	<b>3,071,354</b>	<b>3,087,134</b>
<b>NET ASSETS, September 30</b>	<b>\$ 2,891,146</b>	<b>178,341</b>	<b>3,069,487</b>	<b>3,071,354</b>

See accompanying notes

**CENTER FOR WOMEN IN TRANSITION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2016  
(WITH COMPARATIVE TOTALS FOR 2015)**

	Program Services	Management and General	Fundraising	2016	2015
Salaries & wages	\$ 865,260	102,675	126,765	1,094,700	1,052,036
Fringe benefits	158,224	26,189	22,862	207,275	196,370
Assistance to individuals	270,458			270,458	257,743
Travel	17,942	2,545	1,986	22,473	20,828
Dues & publications	9,139	2,473	408	12,020	14,185
Supplies	106,658	1,959	1,067	109,684	98,328
Insurance	19,656	4,120	1,493	25,269	23,838
Seminars & training	4,102	270	378	4,750	4,485
Professional services	156	11,844		12,000	12,000
Communications	36,410	8,324	5,918	50,652	55,761
Miscellaneous	38,132	6,650	890	45,672	43,151
Service charges	5,581	204	2,193	7,978	7,888
Contributed services/Gifts in-kind	167,564	198	1,283	169,045	184,253
Special events/fundraising			102,014	102,014	50,220
Printing		865	1,663	2,528	1,821
Depreciation	82,292	4,352	5,715	92,359	84,311
Occupancy	108,082	4,308	5,388	117,778	113,932
Equipment rental & maintenance	18,484	7,217	4,948	30,649	30,209
(Gain)Loss on disposition of assets	(4,200)			(4,200)	
Contracted services	197,935	22,079	4,038	224,052	237,865
Advertising	693	200		893	588
Program match					17,977
<b>TOTAL</b>	<b>\$ 2,102,568</b>	<b>206,472</b>	<b>289,009</b>	<b>2,598,049</b>	<b>2,507,789</b>

See accompanying notes

**CENTER FOR WOMEN IN TRANSITION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016  
(WITH COMPARATIVE TOTALS FOR 2015)**

	<u>2016</u>	<u>2015</u>
FROM OPERATING ACTIVITIES		
Change in net assets	\$ (1,867)	(15,780)
Adjustment to reconcile net assets to net cash provided by operating activities:		
Depreciation	92,359	84,311
(Increase) Decrease in agency endowments	(2,323)	1,833
Unrealized investment (income) loss	(27,978)	30,141
MSHDA debt forgiveness	(111,100)	
From change in assets and liabilities		
(Increase) decrease in:		
Grants receivable	(10,283)	(37,105)
Promises to give	(881)	(6,081)
Prepaid expenses/other receivables	(10,592)	45,898
Increase (decrease) in:		
Accounts payable	(2,731)	13,792
Accrued wages	8,908	(30,633)
Other current liabilities	4,960	(10,710)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ <u>(61,528)</u>	<u>75,666</u>
FROM INVESTING ACTIVITIES		
Purchase of property and equipment, net of disposals	\$ (67,566)	(42,524)
Purchase of investments	(16,612)	(102,489)
Sale of investments		<u>25,000</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	\$ <u>(84,178)</u>	<u>(120,013)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (145,706)	(44,347)
CASH AND CASH EQUIVALENTS, October 1	<u>564,391</u>	<u>608,738</u>
CASH AND CASH EQUIVALENTS, September 30	\$ <u><u>418,685</u></u>	<u><u>564,391</u></u>

See accompanying notes



**CENTER FOR WOMEN IN TRANSITION  
SUPPLEMENTAL INFORMATION  
SCHEDULE OF GRANTS - GOVERNMENTAL AGENCIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2016  
(WITH COMPARATIVE TOTALS FOR 2015)**

	<u>2016</u>	<u>2015</u>
FEDERAL GRANTS:		
Federal Department of Housing and Urban Development	\$ 167,704	201,956
Federal Emergency Management Agency	17,636	18,931
Michigan Department of Community Health: Crime Victims Assistance	147,000	112,816
State of Michigan Department of Human Services:		
Domestic Violence	294,118	288,781
STOP Violence Against Women	73,577	77,450
Domestic Violence Transitional Housing	209,895	199,297
Sexual Assault	<u>113,297</u>	<u>113,297</u>
TOTAL FEDERAL GRANTS	<u>\$ 1,023,227</u>	<u>1,012,528</u>
NON-FEDERAL GRANTS:		
State of Michigan Department of Human Services: Domestic Violence	<u>\$ 32,179</u>	<u>37,190</u>
TOTAL NON-FEDERAL GRANTS	<u>\$ 32,179</u>	<u>37,190</u>
TOTAL GRANTS - GOVERNMENTAL AGENCIES	<u>\$ 1,055,406</u>	<u>1,049,718</u>

See accompanying notes

**CENTER FOR WOMEN IN TRANSITION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Center for Women in Transition's mission is to respond to, reduce, and prevent domestic and sexual violence against women. This mission is achieved through education, collaboration, and advocacy with crisis and supportive services to victims and survivors. These services include providing information, referral services, emergency shelter, individual counseling, and twenty-four hour crisis response. Some of the topics of these services include domestic violence and rape, mid-life planning, assertiveness training, sexual harassment, divorce, and career development. Programs are available to anyone within the service district area.

The financial statements are prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Center for Women in Transition is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code.

Investments in marketable equity securities with readily determinable fair values are stated at market value.

Property and equipment are recorded at cost or fair market value if donated. Depreciation is computed using the straight-line method over the estimated lives of the assets placed into service. The Organization has adopted the policy of capitalizing assets costing \$5,000 or more.

Center for Women in Transition uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

The Organization follows net asset accounting methods whereby revenues are classified for accounting and reporting purposes into one of the three net asset classes as follows:

- Unrestricted net assets – net assets which are not subject to donor-imposed restrictions.
- Temporarily restricted net assets – net assets subject to donor-imposed restrictions that may or will be met either by actions of the Organization and/or the passage of time.
- Permanently restricted net assets – net assets subject to donor-imposed restrictions that they be maintained permanently by the Organization. The Organization has no permanently restricted net assets.

Grants and contributions are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. It is the policy of the Organization to spend donor restricted funds first when implementing projects or programs.

For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Advertising costs are expensed as incurred.

**CENTER FOR WOMEN IN TRANSITION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2015, from which the summarized information was derived.

FAIR VALUE MEASUREMENTS OF INVESTMENTS

Fair value of investments measured on a recurring basis at September 30, 2016, are as follows:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Total
	<u>                    </u>	<u>                    </u>
Insured deposits	\$ 44	\$ 44
Mutual funds	<u>395,657</u>	<u>395,657</u>
Total Assets at Fair Value	<u>\$395,701</u>	<u>\$395,701</u>

CONTRIBUTED SERVICES

Donated services totaling \$4,577 were recognized for the year ended September 30, 2016.

The Organization also receives additional volunteer services in conjunction with its exempt purpose which do not meet the criteria for recognition in the financial statements. Accordingly, no values have been recorded herein.

GIFTS-IN-KIND

Tangible personal property donated to the Organization for the benefit of clients or for fundraising purposes is valued at approximate fair market value and recorded in the financial statements. For the year ending September 30, 2016, \$166,468 of gifts-in-kind were recognized.

CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash accounts and certificates of deposit with several local financial institutions. Although such cash balances may have exceeded the federally insured limits at certain times during the year they are, in the opinion of management, subject to minimal risk. Interest bearing accounts are guaranteed by the Federal Deposit Insurance Corporation up to \$250,000 per financial institution. At September 30, 2016, cash balances in excess of insured limits were \$182,566.

**CENTER FOR WOMEN IN TRANSITION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

**TEMPORARILY RESTRICTED NET ASSETS**

At September 30, 2016, the Organization's temporarily restricted net assets consisted of:

Unconditional promises to give from local United Ways which will be received and available for unrestricted purposes in the subsequent fiscal year	\$ 85,541
Capital campaign	18,513
Violence protection in schools	25,405
Other contributions which are donor-restricted for various uses	29,616
Vehicle funding	<u>19,266</u>
Total Temporarily Restricted Net Assets	<u>\$178,341</u>

**BOARD DESIGNATED FUNDS**

The Board of Directors has designated funds to be set aside as a "Future Fund." At September 30, 2016, there was \$9,375 in this fund. The Board of Directors has also designated the investment account as a board designated fund. The balance in the investment account was \$395,701 at September 30, 2016. Total board designated funds were \$405,076 at year end.

**RETIREMENT PLAN**

The Organization has adopted a 403(b) employer contributory plan. All employees are eligible to make employee elective deferral contributions. Employees age 21 and over who have completed one eligibility year of service, as defined by the Plan, are eligible for employer matching and employer discretionary contributions. For the year ended September 30, 2016, the Organization made discretionary contributions of 2% of compensation from October through February, and 3% of compensation for March through September. No matching contributions were made. The Organization's retirement contribution expense was \$24,458 for the year ended September 30, 2016.

**OPERATING LEASES**

The Organization conducts certain operations from facilities that are leased under operating leases. A total of \$22,800 was charged to expense under these leases during the year ended September 30, 2016.

The Organization also leases a copier under a 48 month lease. A total of \$7,548 was charged to expense under this lease during the year ended September 30, 2016.

Future minimum lease payments are \$23,787 for 2017.

**LINE OF CREDIT**

The Organization has a line of credit agreement that permits borrowing up to \$200,000 with a variable interest rate. The real property at 411 Butternut Drive in Holland serves as collateral. At September 30, 2016, there was no amount outstanding under the line of credit agreement.

**CENTER FOR WOMEN IN TRANSITION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

**MSHDA MORTGAGES/DEBT FORGIVENESS INCOME**

Two separate mortgages were obtained from Michigan State Housing Development Authority (MSHDA) for acquiring and renovating property. Both loans were secured by the related property and did not accrue interest. Principal repayment was required only if the property was sold, transferred, or otherwise conveyed, voluntarily or involuntarily, through foreclosure or other processes, or if the property no longer operated as a homeless facility prior to a lock-out date. After the lock-out date, there was no obligation to repay the mortgages. The mortgages were forgiven and reclassified to income as follows:

<u>Mortgage Amount</u>	<u>Lock-Out/Debt Forgiveness Date</u>
\$ 53,100	November 2, 2015
<u>58,000</u>	August 1, 2016
<u>\$111,100</u>	

**ACCRUED VACATION PAY**

The Organization has accrued vacation pay and paid time off earned by employees but unpaid as of September 30, 2016. The Organization's policy requires payment of unused vacation and paid time off upon termination of employment. The amount accrued at September 30, 2016, was \$47,864.

**FUNCTIONAL EXPENSES**

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**CONTINGENCIES**

Federal financial assistance grants are subject to review by the granting agencies and may be reviewed by the grantor for up to three years after the year of expenditure. Such grants have not been reviewed and approved, nor has any estimate been made for contingent liabilities, such as disallowed expenditures, arising out of any grantor review.

**BENEFICIAL INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATIONS**

When a not-for-profit organization establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund, the organization must account for the transfer of such assets as a beneficial interest in funds held by the community foundation. The community foundation refers to such funds as agency fund endowments.

The community foundation maintains variance power and legal ownership of agency endowment funds and, as such, continues to report the funds as assets of the community foundation. However, the organization also records the agency funds as an asset at the fair value of the fund, which is generally equivalent to the present value of future payments expected to be received by the organization.

At September 30, 2016, the balance of the agency fund endowments was \$36,964.

**CENTER FOR WOMEN IN TRANSITION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

**EVALUATION OF SUBSEQUENT EVENTS**

Subsequent events were evaluated through January 11, 2017, which is the date the financial statements were available to be issued.

**CENTER FOR WOMEN IN TRANSITION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

Federal Grantor/Pass-through Grantor/ Program	Federal CFDA #	Pass-through Entity Identifying #	Passed Through to Subrecipients	Total Federal Expenditures
<b>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
Direct Award:				
Continuum of Care Program	14.267		\$	\$ 103,205
Passed through Good Samaritan Ministries for Transitional Housing: 7/1/15 to 6/30/16	14.267	MI0272L5F191407		<u>64,499</u>
Total Continuum of Care Program			\$	<u>\$ 167,704</u>
<b>TOTAL UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			\$	<u>\$ 167,704</u>
<b>UNITED STATES DEPARTMENT OF JUSTICE</b>				
Passed through Michigan Department of Community Health:				
Victims of Crime Assistance	16.575	20160045	\$	<u>\$ 147,000</u>
Passed through State of Michigan Department of Human Services:				
Stop Violence Against Women	16.588	STOP 16-70001	\$	\$ 73,577
Violence Against Women	16.588	DV 16-70001		<u>17,792</u>
Total Violence Against Women			\$	<u>\$ 91,369</u>
<b>TOTAL UNITED STATES DEPARTMENT OF JUSTICE</b>			\$	<u>\$ 238,369</u>

See accompanying notes to the schedule of expenditures of federal awards

**CENTER FOR WOMEN IN TRANSITION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

Federal Grantor/Pass-through Grantor/ Program	Federal CFDA #	Pass-through Entity Identifying #	Passed Through to Subrecipients	Total Federal Expenditures
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through Michigan Department of Human Services:				
Temporary Assistance to Needy Families	93.558	DV 16-70001	\$ 121,450	\$ 229,852
Temporary Assistance to Needy Families	93.558	TSH 15-70001		209,895
Temporary Assistance to Needy Families	93.558	SA 15-70001		<u>113,297</u>
Total Temporary Assistance to Needy Families			\$ 121,450	\$ 553,044
Family Violence Preventative Services	93.671	DV 16-70001		<u>46,474</u>
TOTAL UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$ <u>121,450</u>	\$ <u>599,518</u>
FEDERAL EMERGENCY MANAGEMENT AGENCY				
Emergency Food and Shelter National Board Program Phase 33	97.024	456100-003		\$ <u>17,636</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ <u><u>121,450</u></u>	\$ <u><u>1,023,227</u></u>

See accompanying notes to the schedule of expenditures of federal awards



**CENTER FOR WOMEN IN TRANSITION  
NOTES TO SCHEDULE OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

**BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Center for Women in Transition under programs of the federal government for the year ended September 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Center for Women in Transition, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Center for Women in Transition.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**MATCHING CONTRIBUTIONS**

In accordance with the terms of the Crime Victim Assistant grant, Center for Women in Transition received in-kind matching contributions consisting of donated services. These services are valued at \$36,748.

# Tibbitts & Associates, PLC

CERTIFIED PUBLIC ACCOUNTANTS

## 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  
Center for Women in Transition  
Holland, Michigan

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 Center for Women in Transition (a nonprofit organization), which comprise the statement of financial position as of September 30, 2016, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 11, 2017.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Center for Women in Transition'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 Center for Women in Transition'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 Center for Women in Transition'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.

*Tibbitts & Associates PLLC*

TIBBITTS & ASSOCIATES, PLC

Allegan, Michigan  
January 11, 2017

# Tibbitts & Associates, PLC

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Directors  
Center for Women in Transition  
Holland, Michigan

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

We have audited Center for Women in Transition's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Center for Women in Transition's major federal programs for the year ended September 30, 2016. Center for Women in Transition's major federal programs are 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 for each of Center for Women in Transition'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 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 Center for Women in Transition'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 each major federal program. However, our audit does not provide a legal determination of Center for Women in Transition's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Center for Women in Transition 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 September 30, 2016.

### **Report on Internal Control Over Compliance**

Management of Center for Women in Transition 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 Center for Women in Transition'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 Center for Women in Transition'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.

A handwritten signature in black ink that reads "Tibbitts & Associates PLC". The signature is written in a cursive, flowing style.

TIBBITTS & ASSOCIATES, PLC

Allegan, Michigan  
January 11, 2017

**CENTER FOR WOMEN IN TRANSITION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

**SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion.
2. No significant deficiencies relating to the audit of the financial statements of Center for Women in Transition are reported.
3. No instances of noncompliance material to the financial statements of Center for Women in Transition were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award program of Center for Women in Transition are reported.
5. The auditor's report on compliance for the major federal award program for Center for Women in Transition expresses an unqualified opinion.
6. No audit findings relative to the major federal award program for Center for Women in Transition are reported.
7. The major program tested was Temporary Assistance to Needy Families, CFDA #93.558.
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. Center for Women in Transition was determined to be a low-risk auditee.

**FINDINGS – FINANCIAL STATEMENT AUDIT**

None

**FINDINGS AND QUESTIONED COST – MAJOR FEDERAL AWARDS PROGRAM AUDITS**

None

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

There were no audit findings noted in the prior year audit.