



The YWCA of Eastern Union County, Inc.
Financial Statements and Supplementary Information
For the Year Ended December 31, 2015
(with comparative totals for 2014)

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Independent Auditor's Report

To the Board of Directors
The YWCA of Eastern Union County, Inc.
Elizabeth, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the YWCA of Eastern Union County, Inc. (a non-profit organization), which comprise the statement of financial position as of December 31, 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.

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 misstatements 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 the YWCA of Eastern Union County, Inc., as of December 31, 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.

Report on Summarized Comparative Information

We have previously audited the YWCA of Eastern Union County's Inc.'s 2014 financial statements, and our report dated May 7, 2015, 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 December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state financial assistance, 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* and the State of New Jersey Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, No. 15-08-OMB, is presented for purposes of additional analysis and is 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 May 9, 2016, on our consideration of the YWCA of Eastern Union County, Inc.'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 YWCA of Eastern Union County, Inc.'s internal control over financial reporting and compliance.

zbt

Certified Public Accounting & Consulting, LLC
Clark, New Jersey
May 9, 2016

ZBT CPA & Consulting, LLC

YWCA of Eastern Union County, Inc.
Statement of Financial Position
December 31, 2015
(with comparative totals for 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Cash and Cash Equivalents	\$ 362,327	\$ 340,640
Grants and Contracts Receivable	313,413	256,361
Prepaid Expenses	17,193	14,647
Temporarily Restricted Cash	13,900	143,803
Investments at Market	371,740	370,658
Property and Equipment - Net of Depreciation	1,188,337	1,234,230
Other Assets	<u>32,478</u>	<u>32,658</u>
TOTAL ASSETS	<u>\$ 2,299,388</u>	<u>\$ 2,392,997</u>
Liabilities and Net Assets		
LIABILITIES:		
Accounts Payable and Accrued Liabilities	\$ 56,305	\$ 29,761
Deferred Revenue	57,031	156,645
Accrued Payroll	<u>6,619</u>	<u>61,996</u>
TOTAL LIABILITIES	<u>119,955</u>	<u>248,402</u>
NET ASSETS:		
Temporarily Restricted	308,861	373,480
Unrestricted	<u>1,870,572</u>	<u>1,771,115</u>
TOTAL NET ASSETS	<u>2,179,433</u>	<u>2,144,595</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,299,388</u>	<u>\$ 2,392,997</u>

YWCA of Eastern Union County, Inc.
Statement of Activities and Net Assets
for the Year Ended December 31, 2015
(with comparative totals for 2014)

SUPPORT AND REVENUE:	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2015</u>	<u>2014</u>
Government Grants and Contracts	\$ 1,812,224	\$ -	\$ 1,812,224	\$ 1,737,472
Donations, Contributions and In-Kind	333,729	-	333,729	342,932
United Way Service Allocations	36,393	-	36,393	32,965
Program Service Fees	39,977	-	39,977	68,294
Other Income	340	-	340	1,672
Special Events, Net of Expenses	129,525	-	129,525	35,504
Realized Gains/(Losses)	(5,806)	-	(5,806)	-
Unrealized Gains/(Losses)	(27,822)	-	(27,822)	(6,456)
Investment Income	35,135	-	35,135	31,669
	<u>2,353,695</u>	<u>-</u>	<u>2,353,695</u>	<u>2,244,052</u>
Net Assets Released for Restrictions	64,619	(64,619)	-	-
Total Support and Revenue	<u>2,418,314</u>	<u>(64,619)</u>	<u>2,353,695</u>	<u>2,244,052</u>
EXPENSES:				
Program Services	2,094,681	-	2,094,681	2,032,034
Management and General	56,038	-	56,038	66,402
Fundraising	168,138	-	168,138	155,523
	<u>2,318,857</u>	<u>-</u>	<u>2,318,857</u>	<u>2,253,959</u>
Increase (Decrease) in Net Assets	99,457	(64,619)	34,838	(9,907)
Net Assets - Beginning of Year	1,771,115	373,480	2,144,595	2,154,502
Net Assets - End of Year	<u>\$ 1,870,572</u>	<u>\$ 308,861</u>	<u>\$ 2,179,433</u>	<u>\$ 2,144,595</u>

YWCA of Eastern Union County, Inc.
Statement of Functional Expenses
for the Year Ended December 31, 2015
(with comparative totals for 2014)

SALARIES, WAGES, AND EMPLOYEE BENEFITS

Salaries and Wages	Shelter Outreach and Childcare Programs	Management and General	Fund Raising	2015 Total	2014 Total
Payroll Taxes	\$ 1,245,495	\$ 17,950	\$ 122,494	\$ 1,385,939	\$ 1,314,563
Health Benefits	129,402	1,519	11,702	142,623	136,734
Pension and Workers Compensation Insurance	121,886	1,085	15,331	138,302	150,495
	37,902	845	4,941	43,688	35,715
	<u>1,534,685</u>	<u>21,399</u>	<u>154,468</u>	<u>1,710,552</u>	<u>1,637,507</u>
Professional and Consulting	11,444	19,763	2,578	33,785	35,721

FACILITY COST

Occupancy Rent and Supportive Housing Units	199,024	-	-	199,024	195,267
Occupancy-Utilities	57,550	-	-	57,550	56,074
Insurance Services and Supplies	14,678	-	-	14,678	17,723
Insurance General Liability	23,304	-	-	23,304	21,823
Repairs and Maintenance	46,466	1,163	1,063	48,692	41,629
Equipment Rental	4,227	-	-	4,227	2,840
	<u>345,249</u>	<u>1,163</u>	<u>1,063</u>	<u>347,475</u>	<u>335,356</u>

OPERATING COST

Telephone and Answering Service	17,145	-	-	17,145	17,816
Advertising and Printing	1,584	611	3,038	5,233	6,272
Training and Developmental Fees	4,568	143	879	5,590	6,108
Investment, Bank and Interest Fees	488	3,785	255	4,528	4,570
Dues and Subscriptions	16,157	2,077	-	18,234	18,241
Vehicle Expense	7,580	-	-	7,580	4,915
Donated and Inkind Services	525	-	-	525	2,104
Insurance	14,092	508	370	14,970	14,254
Travel Cost	5,152	4,272	559	9,983	6,034
	<u>67,291</u>	<u>11,396</u>	<u>5,101</u>	<u>83,788</u>	<u>80,314</u>

MATERIAL AND SUPPLIES

Office Supplies and Equipment	11,565	1,904	2,515	15,984	14,059
Postage	1,030	413	1,931	3,374	2,844
Program	12,656	-	482	13,138	10,340
Client Assistance	32,143	-	-	32,143	61,619
	<u>57,394</u>	<u>2,317</u>	<u>4,928</u>	<u>64,639</u>	<u>88,862</u>
Depreciation and Amortization	78,618	-	-	78,618	76,199
	<u>2,094,681</u>	<u>56,038</u>	<u>168,138</u>	<u>2,318,857</u>	<u>2,253,959</u>

See accompanying accountant's audit report and notes to financial statements.

YWCA of Eastern Union County, Inc.
Statement of Cash Flows
for the Year Ended December 31, 2015
(with comparative totals for 2014)

	<u>2015</u>	<u>2014</u>
Cash Flows From Operating Activities:		
Increase/Decrease in net assets	\$ 34,838	\$ (9,907)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	78,618	76,199
Grants and contracts receivable	(57,051)	(39,051)
Prepaid expenses	(2,545)	(7,243)
Deferred income	(99,614)	117,345
Other assets	182	65
Accounts payable and accrued liabilities	26,544	(18,345)
Accrued payroll and related	<u>(55,377)</u>	<u>7,067</u>
Net cash provided by operating activities	<u>(74,405)</u>	<u>126,130</u>
Cash Flows From Investing Activities:		
Acquisition of property and equipment	(32,726)	(55,537)
Investment income	35,135	(24,393)
Temporarily restricted	129,903	-
Gain (loss) on sales on Investments	(5,806)	-
Unrealized gain (loss) on investments	<u>(30,414)</u>	<u>(69,642)</u>
Net cash provided by (used in) investing activities	<u>96,092</u>	<u>(149,572)</u>
Cash Flows From Financing Activities:		
	<u>-</u>	<u>-</u>
Net cash provided by (used in) financing activities	<u>-</u>	<u>-</u>
Net increase (decrease) in cash	21,687	(23,442)
Cash and cash equivalents - beginning	<u>340,640</u>	<u>364,082</u>
Cash and cash equivalents - ending	<u>\$ 362,327</u>	<u>\$ 340,640</u>
Supplementary Information:		
Net cash paid for interest	\$ -	\$ -
Net cash paid for income taxes	\$ -	\$ -

The YWCA of Eastern Union County, Inc.
Notes to Financial Statements
December 31, 2015 with comparative totals for 2014

NOTE 1: ORGANIZATION

The YWCA of Eastern Union County, Inc. (YWCA EUC) is a non-profit organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. The YWCA EUC offers shelter for women and children, outreach services, a 24-hour hotline and child services for clients. Program emphasis is on victims of domestic violence.

The principal sources of support for the YWCA EUC programs are funds received from non-profits and foundations as well as state, local and federal governments in the form of grants and contracts.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivable, payables and other liabilities in accordance with U.S. generally accepted accounting principles.

Basis of Presentation

Under the accounting standards relating to financial statements for non-profit organizations, the Organization is required to report information regarding its financial position and activities according to three classes of net assets. Financial resources are classified for accounting and reporting purposes as unrestricted, temporarily restricted, or permanently restricted according to the nature and/or existence of donor restrictions. The YWCA EUC has no permanently restricted net assets. Temporarily restricted net assets are entirely of a special purpose nature.

Revenue and Support Recognition

The Organization recognizes contributions as revenue when they are received or unconditionally pledged, and records these revenues as unrestricted or restricted support according to donor stipulations that limit the use of these assets due to time or purpose restrictions. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities and changes in net assets as net assets released from restrictions.

The Organization generally accounts for contract and grant revenues as exchange transactions in the statements of activities and changes in net assets. In applying this concept, the legal and contractual requirements of each program are used as guidance. Unexpended contract funds are recorded as grant or contract payables at the end of the contract period. Funds received in advance of their use are accounted for as deferred revenue in the statements of financial position.

Program service fees are earned and recorded monthly from fees charged to program participants. Additional revenues are obtained from various fundraising projects and public contributions. These revenues are not restricted in their use and are used to offset management and general expenses and client expenses which are not funded by contract budgets. Revenues from these sources are recognized at the time the donation is received.

The Organization also receives donated services from volunteers and officers to support fundraising and other efforts. The value of these donated services is not included in these financial statements as they do not meet the criteria for recognition under non-profit accounting standards. For donated services meeting the criteria, they have been recorded as revenue with a corresponding expense.

Prior Year Summarized Financial Information

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 December 31 of the prior year, from which the summarized information was derived.

Donated Material and Services

Donated services are reflected as contributions in the accompanying statements at their estimated values at the date of service. Donated services were utilized in the following areas:

	<u>2015</u>	<u>2014</u>
Gift Cards	\$ 1,100	\$ 1,165
Volunteer Services and Training	1,950	2,104
Food	<u>8,511</u>	<u>4,300</u>
	<u>\$ 11,561</u>	<u>\$ 7,569</u>

Grants and Contracts Receivable

Grants and contracts receivable reflect program service receivable and grants receivable as of December 31, 2015. Management regularly reviews receivables to determine collectability, and writes off those deemed uncollectible. Management has determined that all receivables as of December 31, 2015 are collectible.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly no provision for income taxes has been recorded in the statements of activities and change in net assets. The Organization has adopted the interpretation of the accounting pronouncement for accounting for uncertainty in income taxes. There are no significant uncertain tax positions requiring recognition in the financial statements as of December 31, 2015.

Property and Equipment

Property and equipment are stated at cost or, if donated, at approximately fair market value. Expenditures for equipment whose cost is under \$500 have been charged to expense as period costs in the statement of activities. Depreciation is computed using the straight-line method over the estimated useful life of the related assets, which are as follows:

- Equipment - 5 Years
- Furniture – 7 Years
- Building and Improvements – 10 to 30 years

Investments

Investments in equity securities with readily determinable values are recorded at fair value in the statement of financial position and any unrealized gain or loss on investments is recorded in the statements of activities and changes in net assets.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, management considers cash in bank and liquid investments with maturities of three months or less to be cash equivalents. Cash equivalents consist of money market accounts maintained at a brokerage company.

Concentration of Credit Risk

Financial instruments, which potentially expose the Organization to concentrations of credit risk, consist principally of cash and short-term investments. The Organization's policy is to place its cash investments with high credit quality financial institutions. Cash investments consist of bank deposits and money market funds. The Organization holds its cash and equivalents with institutions insured by the FDIC. These funds are insured up to \$250,000. At times throughout the year, the account balances may exceed the FDIC limit. Effective January 1, 2013, the standard insurance amount is \$250,000 per depositor per bank for each account ownership category.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Expense Allocation

Expenses are charged to programs on the basis of specific identification and periodic time and expense studies. Agency administration expenses include those not directly identifiable with any specific program and have been allocated in accordance with regulatory agency guidelines.

Subsequent Events

The Organization has evaluated events occurring after the balance sheet through the date of May 9, 2016 which is the date the financial statements were available to be issued. Based upon this evaluation, the Organization has determined that no subsequent events have occurred which require adjustments or disclosure in the financial statements.

NOTE 3: PROPERTY AND EQUIPMENT

The following is a summary of property and equipment at cost, less accumulated depreciation at December 31, 2015:

	<u>2015</u>	<u>2014</u>
Land	\$ 140,700	\$ 140,700
Furniture and Fixtures	122,949	122,950
Computer Equipment	115,952	99,123
Equipment	154,672	154,672
Buildings	657,036	657,036
Building Improvements	1,569,502	1,553,605
Vehicles	<u>64,417</u>	<u>64,417</u>
Total Cost	2,825,228	2,792,503
Accumulated Depreciation	<u>(1,636,891)</u>	<u>(1,558,273)</u>
Net Book Value	<u>\$1,188,337</u>	<u>\$ 1,234,230</u>

Depreciation expense was \$78,618 and \$76,199 for the years ended December 31, 2015 and 2014, respectively.

NOTE 4: 403(b) and RETIREMENT PLAN

403(b)

The YWCA EUC maintain a 403(b) pension plan covering all eligible employees. The employees may contribute up to 15% of the employee's salary through a payroll deduction.

YWCA Retirement Plan

The YWCA EUC provides a retirement plan through the YWCA Retirement Fund, Inc. employees who work 1,000 hours or more for two consecutive years are eligible and are required to participate. The employer contributes to this plan 3% of the employee's salary. The employer contribution rate is set annually. Contributions from the YWCA EUC amounted to \$20,906 and \$12,086 for the years ended December 31, 2015 and 2014, respectively.

NOTE 5: INVESTMENTS

Investments are held at a financial institution and consist of cash and mutual funds and other investments. All investments are measured at fair value in the statements of financial position. The change in fair value is reflected as unrealized gains or losses in the Statement of Activities. Donated investments are valued at fair market value as well.

At December 31, investment values included:

	<u>2015</u>	<u>2014</u>
Cost	\$ 347,839	\$ 318,935
Fair Value	<u>371,740</u>	<u>370,658</u>
Unrealized Gain (Loss)	<u>\$ 23,901</u>	<u>\$ 51,723</u>

During 2015, the YWCA EUC had a realized loss of \$5,806 and in 2014 the YWCA EUC had no realized gains or losses from the sales of investments. Investment income earned was \$35,135 and \$31,669 for December 31, 2015 and 2014, respectively. Investment fees were \$3,719 and \$3,518 for December 31, 2015 and 2014, respectively.

NOTE 6: REFUNDABLE ADVANCES PAYABLE TO STATE OF NEW JERSEY

Grants for the Project Protect: Shelter Program, consist of the following:

N.J Department of Community Affairs (as pass-through agency for U.S. Department of Housing and Urban Development) for acquisition and renovations	\$ 388,460
N.J. Department of Community Affairs - for acquisition	<u>145,750</u>
	<u>\$ 534,210</u>

In 2007, the YWCA EUC acquired a residence to serve as an emergency shelter facility for women and children victims of domestic violence. The transitional house was renovated from January to November, 2010. As of November 16, 2010, NJ Department of Community Affairs granted permission to use the property as a transitional house, and the advance from the State of New Jersey was recognized as revenue. The N.J. Department of Community Affairs – Division of Housing holds a mortgage, dated May 31, 2007. The note provides that the outstanding balance will be due and payable to the N.J. Department of Community Affairs upon the sale, termination, or transfer of the Organization's interest in the property, or upon the cessation of the use of the property as a shelter facility. The Organization must maintain the transitional house for a period of ten years from the date placed in service (November 16, 2010). The Organization has classified \$534,210 as temporarily restricted in net assets, and recognizes a release of \$53,421 of net assets each year until the 10-year period expires,

NOTE 7: CONTINGENT LIABILITY

As a condition to the State of New Jersey, Department of Human Services, Division of Youth and Family Services (now DCP&P) Capital Grants, the YWCA EUC has agreed to maintain a shelter as a facility for the Division's clients until August, 2023. The restriction is evidenced by promissory notes. Should the YWCA EUC cease providing its facility to the Organization's clients effective immediately, it would be obligated to pay a total of approximately \$13,996 back to the Division. The liability is decreased by \$1,207 each year.

NOTE 8: COMMITMENTS AND CONTINGENCIES

Pursuant to a new Transitional Housing Program being funded by both private sources and government grants, beginning in 2006, the YWCA EUC entered into firm agreements to lease several apartments for program participants. The lease agreements in effect as of December 31, 2015 expire at various times throughout 2015 and 2016 with a monthly aggregate rent of approximately \$8,687. Most of the leases are month to month. Rent expense pursuant to the program was \$104,240 and \$103,605 for the years ended December 31, 2015 and 2014 respectively. Security deposits pursuant to these leases were \$10,194 and \$12,192 as of December 31, 2015 and 2014, respectively. According to the program agreements, participating tenants shall contribute a participant fee to the YWCA EUC during the period of occupancy.

A program and outreach office was leased April, 2010. The monthly rent for 2015 was \$7,899 and \$7,685 for 2014. The rent expense pursuant to the lease was \$94,784 and \$91,661 for the years ended December 31, 2015 and 2014, respectively.

In June, 2013, the lease was extended from March, 2015 to March, 2020. The base rent will be \$5,964.67 per month. Future minimum lease payments through March 31, 2020 under all office and apartment leases in place at December 31, 2015 are as follows:

Year Ending	2016	\$ 87,284
	2017	71,576
	2018	71,576
	2019	71,576
	2020	<u>17,894</u>
Total		<u>\$319,906</u>

NOTE 9: DEPENDENCY FOR FUNDING

The organization receives most of its support in the forms of grants from the State of New Jersey, private foundations, and individuals. The continued operations of the Organization are contingent upon continued support from these sources. Government funding sources received in 2015 and 2014 were 76% and 79%, respectively, of total revenue. Contributions from individuals, private foundations and other program services received in 2015 and 2014 were 24% and 21%, respectively, of total revenue.

NOTE 10: FAIR VALUE MEASUREMENTS

The Organization has provided fair value disclosure information for relevant assets and liabilities on these financial statements. The following summarizes assets which have been accounted for at fair value on a recurring basis as of December 31, 2015, along with the basis for the determination of fair value:

	Total	(Level 1) Quoted Prices in Active Markets	(Level 2) Observable Measurement Criteria	(Level 3) Unobservable Measurement Criteria
Cash	\$ 362,327	\$362,327	-	-
Investments in Mutual Funds	<u>\$ 371,740</u>	<u>\$ -</u>	<u>\$371,740</u>	-
	<u>\$ 734,067</u>	<u>\$362,327</u>	<u>\$371,740</u>	

For applicable assets subject to this pronouncement, the Organization will value such assets using quoted market prices in active markets (Level 1) for identical assets to the extent possible. To the extent possible that such markets are not available, the Organization will next attempt to value such assets using observable measurement criteria (Level 2), including quoted market prices of similar assets in active and inactive markets and other corroborated factors. In the event that quoted market prices in active markets and other observable measurement criteria are not available, the Organization will develop measurement criteria based on the best information available (Level 3).

NOTE 11 TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are comprised of the following as of December 31:

	<u>2015</u>	<u>2014</u>
State of New Jersey/DCA	\$213,684	\$267,105
State of New Jersey/DCP&P	13,996	10,863
The Hyde & Watson Foundation	12,900	-
Union Foundation	7,500	-
Unearned	57,031	-
E.J. Grassman	3,750	-
Other	-	95,512
	<u>\$308,861</u>	<u>\$373,480</u>

YWCA of Eastern Union County, Inc.
 Supplementary Schedule of Federal State and Local Financial Assistance
 for the year ended December 31, 2015

	Federal CFDA Number	Pass-thru Grantor's Number	Grant Amount	Grant Period	A/R 12.31.14	Funds Received	Funds Expended	12.31.15 Receivable (Deferral)	(Memo Only) Cumulative Expenditures Through 12.31.15
US Department of Housing, Urban & Workforce Development									
Pass Through Union County:									
Supportive Housing Program	14.235	13-SUP-108	212,657	10/01/13 - 09/30/14	27,817	27,817	-	-	27,817
Supportive Housing Program	14.235	14-SUP115	212,657	10/01/14 - 09/30/15	49,698	157,098	158,483	51,083	208,182
Supportive Housing Program	14.235	15-SUP-116	222,483	10/01/15 - 9/30/16	-	-	56,537	56,537	56,537
Subtotal			647,797		77,515	184,915	215,020	107,620	292,536
HES Grant Program	14.231	14-HES-109	14,486	08/01/14 - 07/31/15	6,434	-	8,052	14,486	14,486
HES Grant Program	14.231	15-HES-109	15,572	08/01/15 - 07/31/16	-	-	8,322	8,322	8,322
Subtotal			30,058		6,434	-	16,374	22,808	22,808
Pass Through City of Elizabeth:									
Emergency Shelter Grant Program 40	14.231	ESG-40	10,000	07/01/14 - 06/30/15	5,265	10,000	4,735	-	10,000
Subtotal			10,000		5,265	10,000	4,735	-	10,000
Community Development Block Grant 40	14.218	CDBG 40	13,500	07/01/14 - 06/30/15	7,482	13,500	6,018	-	13,500
Community Development Block Grant 41	14.218	CDBG 41	10,000	07/01/15 - 06/30/16	-	-	4,228	4,228	4,228
Subtotal			23,500		7,482	13,500	10,246	4,228	17,728
Pass through United Way of Union County:									
Community Development Block Grant	14.218	CDBG YR 40	10,287	09/01/14 - 08/31/15	-	10,287	10,287	-	10,287
Subtotal US Dept of Housing, Urban & Workforce Development			721,642		96,696	218,702	256,662	134,656	353,359
US Department of Justice									
DOJ/Office on Violence Against Women	16.524	2013-WL-AX-0009	300,000	10/01/13 - 09/30/2016	25,185	100,542	103,208	27,851	128,393
Subtotal			300,000		25,185	100,542	103,208	27,851	128,393
Pass Through State of NJ									
State of NJ Div of Criminal Justice Court Advocate program	16.588	13-VAWA-24M	45,000	07/01/14 - 06/30/15	22,538	39,034	22,462	5,966	45,000
State of NJ Div of Criminal Justice Court Advocate program	16.588	14-VAWA-24M	45,000	07/01/15 - 06/30/16	-	-	13,215	13,215	13,215
State of NJ Div of Criminal Justice Bilingual DV Counselor	16.588	13-VAWA-26M	45,000	07/01/14 - 06/30/15	23,495	45,000	21,505	-	45,000
State of NJ Div of Criminal Justice Bilingual DV Counselor	16.588	14-VAWA-26M	45,000	07/01/15 - 06/30/16	-	-	24,250	24,250	24,250
State of NJ Div of Criminal Justice Bilingual Case Manager	16.588	13-VAWA25M	45,000	07/01/14 - 06/30/15	24,928	45,000	20,072	-	45,000
State of NJ Div of Criminal Justice Bilingual Case Manager	16.588	14-VAWA-25M	45,000	07/01/15 - 06/30/16	-	-	22,178	22,178	22,178
State of NJ Div of Criminal Justice Senior Shelter Adv	16.588	13-VAWA-27M	45,000	07/01/14 - 06/30/15	26,740	45,000	18,260	-	45,000
State of NJ Div of Criminal Justice Senior Shelter Adv	16.588	14-VAWA-27M	45,000	07/01/15 - 06/30/16	-	-	24,766	24,766	24,766
State of NJ Div of Criminal Justice DVRT-VAWA	16.588	12-VAWA-91	31,145	05/01/14 - 04/30/15	8,336	17,292	8,956	-	17,292
State of NJ Div of Criminal Justice DVRT-VAWA	16.588	13-VAWA-95	29,244	05/01/15 - 04/30/16	-	13,340	20,995	7,655	20,995
Subtotal			420,389		106,037	204,666	196,659	98,030	302,696
Subtotal US Department of Justice			720,389		131,222	305,208	299,867	125,881	431,089

See accompanying accountant's audit report.

See accompanying notes to Schedule of Federal, State and Local Assistance

Federal CFDA Number	Pass-thru Grantor's Number	Grant Award Amount	Grant Period	A/R 12.31.14	Funds		12.31.15 Receivable (Deferral)	Cumulative Expenditures Through 12.31.15
					Received	Expended		
Pass Through State of NJ Department of Agriculture								
10.558	14-39-873	33,836	10/01/14 - 9/30/15	2,308	20,611	18,303	-	20,611
10.558	14-39-873	33,836	10/01/13 - 9/30/14	-	1,586	4,734	3,148	4,734
		67,672		2,308	22,197	23,037	3,148	25,345
US Department of Health and Human Service								
Pass Through State of NJ								
93.671	15-EFXP	84,000	1/01/15 - 09/31/15	-	84,000	84,000	-	84,000
		84,000		-	84,000	84,000	-	84,000
State of NJ Dept of Children & Families/DYFS/DCP&P 1/2								
93.667	14CDMZ	45,000	07/01/13 - 06/30/15	-	10,000	10,000	-	10,000
93.667	14CEMZ	4,540	07/01/13 - 06/30/15	(12,260)	(12,260)	-	-	(12,260)
93.667	14CFMZ	83,459	07/01/13 - 06/30/15	(50,214)	(22,515)	27,699	-	(22,515)
		132,999		(62,474)	(24,775)	37,699	-	(24,775)
		216,999		(62,474)	59,225	121,699	-	59,225
Subtotal State of NJ Dept of Children & Families								
		1,726,702		167,752	605,332	701,265	263,685	869,018
TOTAL FEDERAL								

See accompanying accountant's audit report.

See accompanying notes to Schedule of Federal, State and Local Assistance

YWCA of Eastern Union County, Inc.
Supplementary Schedule of State Financial Assistance
for the year ended December 31, 2015

		Federal CFDA Number	Pass-thru Grantor's Number	Grant Award Amount	Grant Period	A/R 12/31/14 (49,031)	Funds Received	Funds Expended	12/31/15 Receivable (Deferral)	Cumulative Expenditures Through 12/31/15 (49,031)
STATE OF NJ										
State of NJ Dept of Children & Families/DYFS/DCP&P 2/2			14-EFXP	990,864	01/01/14 - 12/31/14	(49,031)	-	-	(49,031)	(49,031)
State of NJ Dept of Children & Families/DYFS/DCP&P 2/2			15-EFXW	1,036,696	01/01/15 - 12/31/15	-	1,036,696	1,036,696	-	1,036,696
State of NJ Department of State						(49,031)	1,036,696	1,036,696	(49,031)	987,665.00
NJ State Council on the Arts										
Pass Through County of Union:										
Union County Office of Cultural & Heritage Affairs		N/A	N/A	2,300	01/01/14 - 12/31/14	575	575	-	-	575
Union County Office of Cultural & Heritage Affairs		N/A	N/A	2,300	01/01/15 - 12/31/15	-	1,725	2,300	575	2,300
Union County GAP		N/A	N/A	15,200	08/21/15 - 12/31/15	-	9,680	15,200	5,520	15,200
						575	11,980	17,500	6,095	18,075
TOTAL STATE						(48,456)	1,048,676	1,054,196	(42,936)	1,005,740

See accompanying accountant's audit report.

See accompanying notes to Schedule of Federal, State and Local Assistance



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**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**

Independent Auditor's Report

To the Board of Directors
The YWCA of Eastern Union County, Inc.
Elizabeth, New Jersey

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 the YWCA of Eastern Union County, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2015, 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 May 9, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered YWCA of Eastern Union County, Inc.'s ("YWCA EUC") internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the YWCA EUC'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, detect or 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, detected, or 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 the 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 YWCA EUC's financial statements are free of 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 did 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

This 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

zbt

Certified Public Accounting & Consulting, LLC
Clark, New Jersey
May 9, 2016

ZBT CPA & Consulting, LLC



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE AND NEW JERSEY OMB CIRCULAR LETTER 15-08

To the Board of Directors
YWCA of Eastern County, Inc.
Elizabeth, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited YWCA of Eastern Union County, Inc.'s ("YWCA EUC") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of YWCA EUC's major federal and state programs for the year ended December 31, 2015. YWCA EUC's major federal and state 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 the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of YWCA EUC's major federal and state 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) and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, and the Uniform Guidance and New Jersey OMB Circular 15-08 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 and state program occurred. An audit includes examining, on a test basis, evidence about YWCA EUC'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 and state program. However, our audit does not provide a legal determination of YWCA EUC's compliance.

Opinion on Each Major Federal and State Program

In our opinion, YWCA EUC 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 and state programs for the year ended December 31, 2015.

Report on Internal Control Over Compliance

Management of YWCA EUC 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 YWCA EUC's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state 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 and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of YWCA EUC'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 or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a type of compliance requirement of a federal or state 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 and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

zbt

Certified Public Accounting & Consulting, LLC
Clark, New Jersey
May 9, 2016

ZBT CPA & Consulting, LLC

The YWCA of Eastern Union County, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2015

Section 1 – Summary of Auditor's Results

Financial Statements

- 1) Type of Auditor's Report Issued Unqualified
- 2) Internal Control Over Financial Reporting
- Material weakness(es) identified? _____Yes ___x___No
 - Significant deficiency (ies) identified that are not considered material weaknesses? _____Yes ___x___No
- 3) Noncompliance material to the financial statements noted during the audit: _____Yes ___x___No

Federal Programs

- 1) Internal Control over Major Federal Programs:
- Material weakness(es) identified? _____Yes ___x___No
 - Significant deficiency(ies) identified that are not considered material weakness? _____Yes ___x___No
- 2) Type of Auditor's Report Issued on Compliance for Major Federal Programs: Unqualified
- 3) Any audit findings disclosed that are required to be Reported in accordance with the Uniform Guidance _____Yes ___x___No
- 4) Identification of Major Federal Programs: N/A
- 5) Program Threshold Determination:
Type A Federal Program Threshold > \$750,000
Type B Federal Program Threshold ≤ \$750,000
- 6) Auditee qualified as a low-risk auditee under the Uniform Guidance Yes

Section 1- Summary of Auditor's Results (continued)

State Programs

1) Internal Control Over Major State Programs:

- Material weakness(es) identified? ____ Yes ___x___ No
- Significant deficiency(ies) identified that are not considered material weakness? ____ Yes ___x___ No

2) Type of Auditor's Report issued on compliance for Major state programs:

Unqualified

3) Findings disclosed that are required to be reported in Accordance with N.J. OMB Circular 15-08

____ Yes ___x___ No

Identification of Major State Programs:

<u>Program</u>	<u>Identification Number</u>	<u>Grant Period From/To</u>	<u>Type</u>
Dept. Children and Family - Project Protect Div. of Family and Community Partn.	15-EFXW	1.1.15-12.31.15	A

* Family Violence Prevention and Services
\$216,999 of grant is from Family Violence Prevention and Service (CFDA 93.667 and 93.671) via the U.S. Department of Health and Human Services

- 5) Program Threshold Determination:
Type A State Program Threshold > \$750,000
Type B State Program Threshold ≤ \$750,000

- 6) Auditee qualified as a low-risk auditee Yes

Section 2 – Financial Statement Audit Findings

None

Federal Programs

None

State Programs

None

Section 3 – Summary Schedule of Prior Audit Findings

None

Section 4 – Findings and Questioned Costs

Federal Programs

None

State Programs

None

The YWCA of Eastern Union County, Inc.
Notes to Schedule of Federal and State Financial Assistance
For the year ended December 31, 2015

1. General Information

The accompanying schedule of expenditures of federal and state financial assistance presents the activities in all the federal and state awards of the YWCA EUC. Some financial awards are fee for service contracts received directly from state agencies as well as financial awards passed through other governmental agencies or non-profit organizations which are included on the schedule. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget the Uniform Guidance, *Audits of States, Local Governments and Non-Profit Organizations* and the State of New Jersey Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, No. 15-08-OMB.

2. Basis of Accounting

The accompanying schedule of expenditures of state financial assistance is presented using the accrual basis of accounting. The amounts reported in this schedule as expenditures may differ from certain financial reports submitted to state funding agencies due to those reports being submitted on either a cash or modified accrual basis of accounting.