



**SafeHaven of Tarrant County**

**Financial Statements with Compliance Reports  
and Supplemental Information  
September 30, 2018 and 2017**

# SafeHaven of Tarrant County

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## **Independent Auditors' Report**

Board of Directors  
SafeHaven of Tarrant County

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

We have audited the accompanying financial statements of SafeHaven of Tarrant County (a nonprofit organization), which comprise the statements of financial position as of September 30, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years 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 U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards 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 audits 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 SafeHaven of Tarrant County as of September 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

### ***Other Matters***

#### ***Supplementary 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 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 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 records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. 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 February 18, 2019, on our consideration of SafeHaven of Tarrant County'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 the effectiveness of SafeHaven of Tarrant County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering SafeHaven of Tarrant County's internal control over financial reporting and compliance.



A Limited Liability Partnership

Arlington, Texas  
February 18, 2019

**SafeHaven of Tarrant County**  
**Statements of Financial Position**  
**September 30, 2018 and 2017**

	2018	2017
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 1,209,017	\$ 1,385,640
Investments	294,134	84,967
Grants receivable	390,788	257,406
Prepaid expenses	84,370	145,495
<b>Total current assets</b>	1,978,309	1,873,508
Property and equipment, net	3,953,588	4,032,351
<b>Other assets:</b>		
Investments	747,357	747,357
Endowment investments	1,573,397	1,471,767
<b>Total other assets</b>	2,320,754	2,219,124
<b>Total assets</b>	\$ 8,252,651	\$ 8,124,983
<b>Liabilities and Net Assets</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 72,294	\$ 80,401
Accrued expenses	171,052	229,256
Deferred revenue	202,146	95,241
Current maturities of long-term debt	42,334	40,475
<b>Total current liabilities</b>	487,826	445,373
Long-term debt, net of current maturities	365,721	267,744
<b>Total liabilities</b>	853,547	713,117
<b>Net assets:</b>		
<b>Unrestricted:</b>		
Board designated endowment	1,573,397	1,471,767
Undesignated	5,725,707	5,631,401
<b>Total unrestricted net assets</b>	7,299,104	7,103,168
Temporarily restricted	100,000	308,698
<b>Total net assets</b>	7,399,104	7,411,866
<b>Total liabilities and net assets</b>	\$ 8,252,651	\$ 8,124,983

See notes to financial statements.

**SafeHaven of Tarrant County**  
**Statements of Activities**  
**Years Ended September 30, 2018 and 2017**

	2018	2017
<b>Unrestricted net assets:</b>		
<b>Unrestricted support:</b>		
Public contributions	\$ 1,731,743	\$ 2,056,801
Government grants and contracts	4,459,921	4,177,717
United Way	232,768	234,922
Special events	207,633	282,344
<b>Total unrestricted support</b>	6,632,065	6,751,784
<b>Revenue:</b>		
Thrift store sales	544,279	640,327
Program service fees	54,943	50,336
Interest and dividend income	113,441	80,912
Net unrealized gains on investments	23,582	62,170
Oil and gas receipts	1,321,276	799,579
<b>Total unrestricted support and revenue</b>	8,689,586	8,385,108
<b>Net assets released from restrictions -</b>		
Satisfaction of program restrictions	208,698	46,833
<b>Total unrestricted support, revenue and releases</b>	8,898,284	8,431,941
<b>Expenses:</b>		
<b>Program services:</b>		
Shelter and transitional services	4,263,092	3,795,026
Children and youth programs	429,811	390,355
Clinical intervention services	859,023	744,200
Victims assistance and legal services	854,330	828,020
Community services and volunteer programs	529,097	680,888
Thrift store	352,987	335,324
<b>Total program services</b>	7,288,340	6,773,813
<b>Supporting services:</b>		
Fundraising	478,901	396,138
Management and general	935,107	828,602
<b>Total expenses</b>	8,702,348	7,998,553
<b>Change in unrestricted net assets</b>	195,936	433,388
<b>Temporarily restricted net assets:</b>		
Public contributions	-	308,698
Net assets released from restrictions	(208,698)	(46,833)
<b>Change in temporarily restricted net assets</b>	(208,698)	261,865
<b>Change in net assets</b>	(12,762)	695,253
<b>Net assets at beginning of year</b>	7,411,866	6,716,613
<b>Net assets at end of year</b>	\$ 7,399,104	\$ 7,411,866

See notes to financial statements.

**SafeHaven of Tarrant County  
Statement of Functional Expenses  
Year Ended September 30, 2018**

	Program Services						Supporting Services				
	Shelter and Transitional Services	Children and Youth Programs	Clinical Intervention Services	Victims Assistance and Legal Services	Community Services and Volunteer Programs	Thrift Store	Total Program Services	Fundraising	Management and General	Total Supporting Services	Total
Salary and wages	\$ 1,952,615	\$ 317,930	\$ 623,404	\$ 586,997	\$ 390,506	\$ 150,916	\$ 4,022,368	\$ 263,293	\$ 632,351	\$ 895,644	\$ 4,918,012
Payroll taxes	141,856	22,899	45,652	41,762	28,821	10,789	291,779	31,349	46,434	77,783	369,562
Employer contributions	13,028	1,344	7,373	5,674	4,211	198	31,828	2,268	4,998	7,266	39,094
Other employee benefits	208,628	29,381	54,978	51,040	35,940	22,722	402,689	24,449	47,518	71,967	474,656
<b>Total compensation expense</b>	<b>2,316,127</b>	<b>371,554</b>	<b>731,407</b>	<b>685,473</b>	<b>459,478</b>	<b>184,625</b>	<b>4,748,664</b>	<b>321,359</b>	<b>731,301</b>	<b>1,052,660</b>	<b>5,801,324</b>
Food and household supplies	207,308	176	534	277	1,211	523	210,029	435	2,312	2,747	212,776
Program	22,498	12,940	671	465	2,635	807	40,016	-	-	-	40,016
Client assistance	608,439	1,670	-	-	-	-	610,109	-	-	-	610,109
Insurance	32,606	8,790	6,829	1,614	3,156	5,688	58,683	1,655	9,744	11,399	70,082
Maintenance	161,257	8,141	1,245	51	36	30,693	201,423	19	56	75	201,498
Utilities and telephone	135,850	5,292	10,009	5,360	4,498	14,826	175,835	2,556	5,047	7,603	183,438
Transportation	35,696	6,156	2,585	5,971	12,933	5,377	68,718	868	2,080	2,948	71,666
Dues, fees and subscriptions	4,719	830	984	2,453	824	1,900	11,710	7,467	22,897	30,364	42,074
Professional fees/outside services	59,494	5,162	11,790	60,610	25,623	11,454	174,133	3,010	39,766	42,776	216,909
Rent and office	28,015	5,555	87,020	30,556	11,174	43,125	205,445	20,170	64,909	85,079	290,524
Conferences and training	10,380	2,360	4,751	3,822	3,632	189	25,134	9,045	12,708	21,753	46,887
Special events	-	-	-	-	-	-	-	102,735	-	102,735	102,735
Interest	-	-	-	-	-	-	-	-	13,323	13,323	13,323
Other	-	-	-	-	-	5,986	5,986	8,995	6,151	15,146	21,132
Payments to subrecipients	218,506	-	-	53,829	3,897	-	276,232	-	-	-	276,232
<b>Total expenses before depreciation</b>	<b>3,840,895</b>	<b>428,626</b>	<b>857,825</b>	<b>850,481</b>	<b>529,097</b>	<b>305,193</b>	<b>6,812,117</b>	<b>478,314</b>	<b>910,294</b>	<b>1,388,608</b>	<b>8,200,725</b>
Depreciation	422,197	1,185	1,198	3,849	-	47,794	476,223	587	24,813	25,400	501,623
<b>Total expenses</b>	<b>\$ 4,263,092</b>	<b>\$ 429,811</b>	<b>\$ 859,023</b>	<b>\$ 854,330</b>	<b>\$ 529,097</b>	<b>\$ 352,987</b>	<b>\$ 7,288,340</b>	<b>\$ 478,901</b>	<b>\$ 935,107</b>	<b>\$ 1,414,008</b>	<b>\$ 8,702,348</b>

See notes to financial statements.

**SafeHaven of Tarrant County  
Statement of Functional Expenses  
Year Ended September 30, 2017**

	Program Services						Supporting Services				
	Shelter and Transitional Services	Children and Youth Programs	Clinical Intervention Services	Victims Assistance and Legal Services	Community Services and Volunteer Programs	Thrift Store	Total Program Services	Fundraising	Management and General	Total Supporting Services	Total
Salary and wages	\$ 1,864,833	\$ 290,643	\$ 536,332	\$ 582,420	\$ 424,124	\$ 176,574	\$ 3,874,926	\$ 242,151	\$ 508,067	\$ 750,218	\$ 4,625,144
Payroll taxes	135,746	20,964	39,646	41,603	31,107	12,921	281,987	17,626	36,855	54,481	336,468
Employer contributions	13,177	841	6,529	5,624	3,455	1,879	31,505	1,341	1,429	2,770	34,275
Other employee benefits	202,772	31,294	40,229	44,353	35,150	21,864	375,662	13,260	23,112	36,372	412,034
<b>Total compensation expense</b>	<b>2,216,528</b>	<b>343,742</b>	<b>622,736</b>	<b>674,000</b>	<b>493,836</b>	<b>213,238</b>	<b>4,564,080</b>	<b>274,378</b>	<b>569,463</b>	<b>843,841</b>	<b>5,407,921</b>
Food and household supplies	195,655	3,740	912	42	1,586	1,116	203,051	1,204	2,839	4,043	207,094
Program	17,591	8,160	1,681	1,085	1,068	939	30,524	-	-	-	30,524
Client assistance	461,866	580	-	400	-	-	462,846	-	-	-	462,846
Insurance	32,606	8,790	6,829	1,614	3,156	5,688	58,683	1,656	9,744	11,400	70,083
Maintenance	125,540	142	1,310	871	400	23,085	151,348	-	-	-	151,348
Utilities and telephone	170,489	4,785	9,824	5,580	4,304	14,870	209,852	3,607	4,849	8,456	218,308
Transportation	34,305	4,242	2,481	5,623	17,357	2,930	66,938	675	1,778	2,453	69,391
Dues, fees and subscriptions	6,789	742	1,438	6,312	5,801	875	21,957	5,459	26,537	31,996	53,953
Professional fees/outside services	47,510	4,702	11,192	57,500	18,378	9,538	148,820	3,222	55,582	58,804	207,624
Rent and office	22,412	3,687	76,889	25,939	7,635	20,627	157,189	25,595	99,583	125,178	282,367
Conferences and training	6,991	1,246	7,806	5,305	3,870	-	25,218	3,056	9,601	12,657	37,875
Special events	-	-	-	-	-	-	-	62,374	-	62,374	62,374
Interest	-	-	-	-	-	-	-	-	14,840	14,840	14,840
Other	8,584	904	100	655	230	292	10,765	12,887	3,328	16,215	26,980
Payments to subrecipients	-	-	-	40,013	120,267	-	160,280	-	-	-	160,280
<b>Total expenses before depreciation</b>	<b>3,346,866</b>	<b>385,462</b>	<b>743,198</b>	<b>824,939</b>	<b>677,888</b>	<b>293,198</b>	<b>6,271,551</b>	<b>394,113</b>	<b>798,144</b>	<b>1,192,257</b>	<b>7,463,808</b>
Depreciation	448,160	4,893	1,002	3,081	3,000	42,126	502,262	2,025	30,458	32,483	534,745
<b>Total expenses</b>	<b>\$ 3,795,026</b>	<b>\$ 390,355</b>	<b>\$ 744,200</b>	<b>\$ 828,020</b>	<b>\$ 680,888</b>	<b>\$ 335,324</b>	<b>\$ 6,773,813</b>	<b>\$ 396,138</b>	<b>\$ 828,602</b>	<b>\$ 1,224,740</b>	<b>\$ 7,998,553</b>

See notes to financial statements.



**SafeHaven of Tarrant County**  
**Statements of Cash Flows**  
**Years Ended September 30, 2018 and 2017**

	2018	2017
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (12,762)	\$ 695,253
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	501,623	534,745
Loss on retirement of property and equipment	-	7,770
Net unrealized gains on investments	(23,582)	(62,170)
Changes in assets and liabilities:		
Grants receivable	(133,382)	237,878
Prepaid expenses	61,125	(79,667)
Accounts payable and accrued expenses	(66,311)	36,521
Deferred revenue	106,905	(22,134)
<b>Net cash provided by operating activities</b>	<b>433,616</b>	<b>1,348,196</b>
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(422,860)	(143,512)
Purchases of investments	(287,215)	(89,129)
<b>Net cash used by investing activities</b>	<b>(710,075)</b>	<b>(232,641)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of long-term debt	140,000	-
Repayment of long-term debt	(40,164)	(38,648)
<b>Net cash provided (used) by financing activities</b>	<b>99,836</b>	<b>(38,648)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(176,623)</b>	<b>1,076,907</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>1,385,640</b>	<b>308,733</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 1,209,017</b>	<b>\$ 1,385,640</b>
Supplemental cash flow information - interest paid	\$ 13,323	\$ 14,840

See notes to financial statements.

# SafeHaven of Tarrant County

## Notes to Financial Statements

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### 1. Organization

SafeHaven of Tarrant County (Organization) is a Texas nonprofit corporation with a mission to end domestic violence through safety, support, prevention and social change. This is done through services which shelter victims, educate the community and support non-abusive, self-reliant families. Counseling services are also provided at the Organization's resource centers in Arlington and Fort Worth, Texas. The Organization is supported primarily by government and private grants and contributions from individuals and other organizations.

The Organization is the owner of Granville Haven, LLC, formed to serve as the non-managing general partner in one limited partnership (LP) and one limited liability corporation (LLC) as part of a low-income tax credit funded housing development. The partnership interests in the LP and LLC are 1% or less. The LP and LLC were formed to provide affordable supportive housing to low-income individuals. The Organization's equity in the LP and LLC is nominal.

#### ***Programs***

The Organization pursues its objectives through the execution of the following programs:

Shelter and Transitional Living – Residential programs provide victims fleeing domestic violence with case management, counseling, life skills training and specialized client assistance in addition to emergency shelter and longer term housing. The Organization operates two emergency shelters, one in Fort Worth and another in Arlington, where clients stay for up to 60 days. Transitional living provides supportive housing services, including rental assistance, at scattered sites for up to two years.

Children's and Youth Programs – Specialized programming for children at the emergency shelters includes educational, recreational and therapeutic activities. Trained staff and volunteers provide therapeutic, educational childcare so mothers can attend work, seek employment or fulfill appointments. The Fort Worth shelter operates an onsite school using accredited teachers from Fort Worth ISD while the Arlington shelter enrolls children in Arlington ISD schools.

Clinical Intervention – Non-residential, outreach services provided at two resource centers in Fort Worth and Arlington. Masters-level counselors provide individual and group sessions for adults and children. The Organization also facilitates the rehabilitation of batterers through an evidence-based curriculum that reduces abuse recidivism. The state accredited batterer's intervention and prevention program is the only service for which the Organization charges participants a fee.

Victims Assistance and Legal Services – A 24-hour hotline provides immediate crisis intervention, safety planning and program referrals for victims. Hotline staff also coordinate with and train police departments, medical professionals and other victim service providers. Attorneys and legal advocates who are employees of the Organization provide pro bono civil legal representation, advocacy, paperwork preparation and other legal services.

# SafeHaven of Tarrant County

## Notes to Financial Statements

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Community Services and Volunteers – The Organization provides comprehensive educational programs in area schools and to companies and civic groups. Community presentations to groups educate about the cycle of violence, needs of victims and services available at the Organization. School presentations follow evidence-based curricula focusing on primary prevention, or stopping violence before it starts. The Organization engages community members as volunteers in client service programs, fundraising events and speaking opportunities that raise awareness of domestic violence.

Thrift Store – The Organization owns and operates Berry Good Buys (Store), a retail thrift store located in Fort Worth. The Store carries gently used clothing, furniture and household items donated by the community which are distributed free of charge to clients or resold at discounted and bargain prices. The Store also honors vouchers for clothing for clients of other human service agencies in Tarrant County. During the years ended September 30, 2018 and 2017, more than \$27,000 and \$24,000, respectively, in merchandise was given at no charge to victims of domestic violence as well as low-income and homeless individuals or families.

## 2. Summary of Significant Accounting Policies

### ***Basis of Accounting***

The accompanying financial statements are presented on the accrual basis of accounting, in accordance with U.S. generally accepted accounting principles (GAAP).

### ***Financial Statement Presentation***

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

*Unrestricted net assets* - Net assets not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the board of directors.

*Temporarily restricted net assets* - Net assets subject to donor stipulations that will be met by actions of the Organization and/or the passage of time.

*Permanently restricted net assets* - Net assets subject to donor-imposed stipulations that will never lapse thus requiring the funds to be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purpose. No permanently restricted net assets existed at September 30, 2018 or 2017.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

## **SafeHaven of Tarrant County**

### **Notes to Financial Statements**

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Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization chooses to show restricted contributions whose restrictions are met in the same reporting period as unrestricted contributions.

#### ***Financial Instruments and Credit and Market Risk Concentrations***

Financial instruments which are potentially subject to concentrations of credit and market risk consist principally of cash and cash equivalents, investments and grants receivable. The Organization places cash and money market accounts with creditworthy financial institutions. At times, amounts on deposit may exceed the federally insured limits or include uninsured investments in money market mutual funds. At September 30, 2018, the uninsured balance of these funds was \$1,055,359. The Organization has not experienced losses on such assets.

The Organization's investments are subject to various risks, such as interest rate, credit and overall market volatility risks. Further, because of the significance of the investments to the Organization's financial position and the level of risk inherent in most investments, it is reasonably possible that changes in the values of the investments could occur in the near term and such changes could materially affect the amounts reported in the financial statements. Management is of the opinion that the diversification of its invested assets among the various asset classes should mitigate the impact of changes.

Grants receivable are unsecured and are due from various grantor agencies under cost reimbursement grants. The Organization continually evaluates the collectability of grants receivable and maintains allowances, as considered necessary, for potentially uncollectible amounts.

#### ***Cash and Cash Equivalents***

The Organization considers all highly liquid investments available for current use with a maturity of three months or less when purchased to be cash equivalents. The Organization classifies cash and money market accounts held in the board designated endowment as investments as these funds are not readily available for operations.

#### ***Investments***

The investments of the Organization consist of money market funds, cash equivalents, bond funds, mutual funds and mineral rights and are stated at fair value in the statements of financial position.

#### ***Property and Equipment***

Property and equipment are recorded at cost or, if donated, at estimated fair market value at the date of the gift. Depreciation is computed using the straight-line method over estimated useful lives of 5 to 40 years for buildings and improvements and 2 to 20 years for equipment.

# SafeHaven of Tarrant County

## Notes to Financial Statements

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### ***Deferred Revenue***

Deferred revenue consists of cash received for a special event that will take place in the next year and funds received related to a conditional grant.

### ***Revenue Recognition***

Government grants are recognized as contract terms are fulfilled. Cost reimbursement contracts are recognized as contributions when the allowable costs are incurred. Fees for contract services are recognized as revenue when the contracted services are performed.

Contributions are generally recorded only upon receipt, unless evidence of an unconditional promise to give (pledge) has been received. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected and reduced by an allowance for uncollectible amounts. Conditional promises to give are recognized when the conditions to which they are subject are met. If funds are received related to the conditional promise, the amounts received are accounted for as a refundable advance.

Donated goods are reflected as contributions at their estimated fair value at date of receipt. Donated use of facilities is reflected as a contribution at the estimated fair value of the rent. Contributions of services are recorded at estimated fair value if the services received create or enhance nonfinancial assets or require specialized skills and would typically need to be purchased if not provided by donation. Numerous individuals donate significant amounts of time to the Organization. No donated services were utilized that met the criteria to be recorded as revenue in the Organization's financial statements.

### ***Functional Allocation of Expenses***

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

### ***Estimates and Assumptions***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated.

### ***Contract Compliance***

The Organization is responsible for compliance with provisions of contracts and grant agreements. Noncompliance could result in the disallowance of expenditures and a request for reimbursement. In the opinion of the Organization's management, such disallowance, if any, would not be significant to the Organization's financial statements.

# SafeHaven of Tarrant County

## Notes to Financial Statements

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### ***Concentration***

At September 30, 2018, balances due from two governmental agencies totaled approximately 52% of total grants receivable. At September 30, 2017, balances due from two governmental agencies totaled approximately 56% of total grants receivable.

The Organization received funding from two state agencies during the years ended September 30, 2018 and 2017 totaling approximately 31% and 30% of total revenue, respectively.

### ***Federal Income Tax***

The Organization is a nonprofit publicly supported organization, as defined in Section 501(c)(3) of the Internal Revenue Service Code (IRC) that is exempt from federal income taxes under Section 501(a) of the IRC. For the years ended September 30, 2018 and 2017, the Organization did not conduct any unrelated business activities that would be subject to federal income taxes and had no uncertain tax positions. Therefore, no tax provision or liability has been reported in the accompanying financial statements.

GAAP requires the evaluation of tax positions taken in the course of preparing the Organization's tax returns and recognition of a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service (IRS). Management has analyzed the tax positions taken by the Organization, and has concluded that as of September 30, 2018 and 2017, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

### ***Reclassification***

Certain amounts in the 2017 financial statements have been reclassified to be consistent with the 2018 presentation.

### ***New Accounting Pronouncements***

Changes to GAAP are established by the Financial Accounting Standards Board (FASB) in the form of accounting standards updates (ASU's) to the FASB's Accounting Standards Codification.

The Organization considers the applicability and impact of all ASU's. ASU's not listed below were assessed and determined to be either not applicable or are expected to have minimal impact on the Organization's financial position and changes in net assets.

In 2016, the FASB issued ASU 2016-14 *Presentation of Financial Statements of Not-For-Profit Entities* to improve the presentation of financial statements of not-for-profit entities. The key qualitative and quantitative changes in the ASU address the following: net asset classification, information presented about a not-for-profit entity's liquidity and availability of resources, investment return presentation, expense allocation methodology, disclosure and presentation in the financial statements, and the presentation of the statement of cash flows.

## SafeHaven of Tarrant County

### Notes to Financial Statements

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The standard is effective for fiscal years beginning after December 15, 2017. The changes in this standard should generally be applied on a retrospective basis in the year that it is first applied.

In 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)* which is a comprehensive new revenue recognition standard that will supersede existing revenue recognition guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The entity should recognize revenue when (or as) the entity satisfies a performance obligation. Not-for-profit entities must consider whether certain arrangements are fully or partially subject to Topic 606. Examples include, but are not limited to memberships, sponsorships, grants and contracts. Further, judgment is required to bifurcate transactions between contribution and exchange components. The effective date of ASU 2014-09 is for annual periods beginning after December 15, 2018 for the majority of not-for-profit organizations.

In 2018, the FASB issued ASU 2018-08 *Clarifying the Scope and Accounting Guidance for Contributions Received and Made* to address difficulty and diversity in practice among not-for-profit entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) Subject to Topic 958, Not-for-Profit Entities or as exchanges (reciprocal transactions) subject to Topic 606 and (2) determining between conditional and unconditional contributions. This ASU applies to all entities that receive or make contributions. The term used in the presentation of financial statements to label revenue (for example, contribution, grant, donation) that is accounted for within Topic 958 is not a factor for determining whether an agreement is within the scope of that guidance. The standard is effective for annual periods beginning after December 15, 2018 for the majority of not-for-profit entities. The changes in this standard should generally be applied on a retrospective basis in the year that it is first applied.

In February 2016, the FASB issued new accounting guidance related to leases, which requires that the Organization recognize the assets and liabilities for the rights and obligations created by leased assets. The new guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018 for public companies and December 15, 2019 for all other entities.

The Organization is currently assessing the impact that adopting this new guidance will have on the financial statements.

# SafeHaven of Tarrant County

## Notes to Financial Statements

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### 3. Investments

ASC 820-10 establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1      Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date;
  
- Level 2      Inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies;
  
- Level 3      Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates or assumptions related to the pricing of the asset or liability including assumptions regarding risk.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following is a description of the valuation methodology used for instruments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy:

#### ***Money Market Funds***

Money market funds and cash equivalents are valued using \$1 for the net asset value (NAV).

#### ***Bond Funds***

Bond funds are valued at the closing price reported on the active market on which the individual securities are traded.

#### ***Mutual funds***

Mutual funds are valued at the NAV of shares held by the Organization at year end. The NAV is a quoted price in an active market.

#### ***Mineral rights***

Mineral rights are valued using a periodic evaluation performed by professional engineers and also a multiple of annual revenues according to industry standards.



## SafeHaven of Tarrant County

### Notes to Financial Statements

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Below are the Organization's financial instruments as of September 30, 2018 carried at fair value on a recurring basis by the fair value hierarchy levels described above:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Investments:</b>				
Money market funds	\$ 61,852	\$ -	\$ -	\$ 61,852
Interest in mineral rights	-	-	747,357	747,357
Mutual funds:				
Foreign	43,411	-	-	43,411
Real estate	82,932	-	-	82,932
Growth	275,488	-	-	275,488
Value	169,140	-	-	169,140
Blend	232,302	-	-	232,302
Bond funds	1,002,406	-	-	1,002,406
	<u>\$ 1,867,531</u>	<u>\$ -</u>	<u>\$ 747,357</u>	<u>\$ 2,614,888</u>

Below are the Organization's financial instruments as of September 30, 2017 carried at fair value on a recurring basis by the fair value hierarchy levels described above:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Investments:</b>				
Money market funds	\$ 75,631	\$ -	\$ -	\$ 75,631
Interest in mineral rights	-	-	747,357	747,357
Mutual funds:				
Foreign	36,770	-	-	36,770
Real estate	70,557	-	-	70,557
Growth	265,846	-	-	265,846
Value	164,090	-	-	164,090
Blend	281,601	-	-	281,601
Bond funds	662,239	-	-	662,239
	<u>\$ 1,556,734</u>	<u>\$ -</u>	<u>\$ 747,357</u>	<u>\$ 2,304,091</u>

**SafeHaven of Tarrant County**  
**Notes to Financial Statements**

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**4. Property and Equipment**

Property and equipment consists of the following as of September 30:

	<u>2018</u>	<u>2017</u>
Land and improvements	\$ 498,850	\$ 498,850
Buildings and improvements	7,798,520	7,507,747
Furniture and equipment	3,258,964	3,231,649
Vehicles	158,653	158,653
Construction in progress	<u>104,772</u>	<u>-</u>
	11,819,759	11,396,899
Accumulated depreciation	<u>(7,866,171)</u>	<u>(7,364,548)</u>
	<u>\$ 3,953,588</u>	<u>\$ 4,032,351</u>

**5. Endowment**

As of September 30, 2018 and 2017, the board of directors had designated \$1,573,397 and \$1,471,767, respectively, of unrestricted net assets as a general endowment fund to support the mission of the Organization. Since that amount resulted from an internal designation and is not donor-restricted, it is classified and reported as unrestricted net assets.

The Organization has a spending policy of appropriating for distribution each year an amount deemed prudent to carry out the charitable purposes of the Organization.

To achieve that objective, the Organization has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk. Composition of and changes in endowment net assets for the years ended September 30, 2018 and 2017 are as follows:

	<u>2018</u>	<u>2017</u>
Board designated endowment net assets, beginning of year	\$ 1,471,767	\$ 1,336,638
Unrealized gain	27,787	62,354
Interest and dividends	77,797	77,259
Fees	<u>(3,954)</u>	<u>(4,484)</u>
Board designated endowment net assets, end of year	<u>\$ 1,573,397</u>	<u>\$ 1,471,767</u>

**SafeHaven of Tarrant County**  
**Notes to Financial Statements**

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**6. Temporarily Restricted Net Assets**

Temporarily restricted net assets are available for the following purposes as of September 30:

	2018	2017
Prevention project	\$ -	\$ 58,698
Software project	100,000	250,000
	\$ 100,000	\$ 308,698

**7. Long-Term Debt**

The Organization entered into a promissory note with a bank requiring monthly payments of principal and interest totaling \$4,457 through June 9, 2024. The note accrues interest at 4.5% and is collateralized by the Organization’s shelter in Fort Worth, Texas. The balances at September 30, 2018 and 2017 are \$268,055 and \$308,219, respectively.

The Organization entered into a promissory note dated July 11, 2017, with the City of Fort Worth that is structured as a forgivable deferred payment loan. The note earns 0% interest and is secured by a deed of trust. The principal amount will only be required to be repaid if the Organization does not comply with the terms of the loan during the five year compliance period ending on August 31, 2023. If principal is not forgiven, the interest rate on the unpaid principal will be 6%. The balance at September 30, 2018 was \$140,000.

The Organization entered into a revolving promissory note with a bank allowing the Organization to borrow up to \$500,000. The note earns interest at .75 percent over the bank’s prime rate (5.25% at September 30, 2018) with a final payment due on February 28, 2020. The note is collateralized by the Organization’s property in Fort Worth, Texas. At September 30, 2018 and 2017, no balances were outstanding on the revolving promissory note.

Principal payments for the years ending September 30 are as follows:

2019	\$ 42,334
2020	44,279
2021	46,313
2022	48,441
2023	50,666
Thereafter	176,022
	\$ 408,055

**SafeHaven of Tarrant County**  
**Notes to Financial Statements**

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**8. Donated Use of Facilities**

Effective November 30, 2016, under a special provision in their original lease the Organization was able to terminate their administrative office lease. The Organization’s administrative offices are currently housed in donated office space. The estimated fair value of the donated use of facilities for the year ended September 30, 2018 totaled \$35,000 and is included in contributions and expense in the accompanying 2018 statement of activities.

**9. Leases**

The Organization leases program facilities under non-cancelable operating lease agreements expiring July 2018 and July 2020. Rent expense totaled \$131,503 for the year ended September 30, 2018, and includes donated use of facilities of \$35,000. Rent expense totaled \$133,884 for the year ended September 30, 2017, and includes donated use of facilities of \$29,167. Future minimum lease payments due under these lease agreements are as follows for the years ending September 30:

2019	\$ 17,500
2020	<u>14,583</u>
	<u>\$ 32,083</u>

**10. Employee Benefit Plans**

In 2007 the Organization initiated a 403(b) plan for employees. Employees can make pre-tax salary reduction contributions to the plan, up to the allowed IRS limits.

Employees working more than 1,000 hours per year are eligible to receive employer matching and base contributions if they are 21 years of age after one year of service. The Organization makes matching contributions to the plan in an amount up to 2% of the employee’s compensation. Employees are immediately fully vested in their individual contributions and are fully vested in the employer contributions after 5 years of service or attainment of age sixty-five. The Organization’s contributions to the plan totaled \$39,094 and \$34,277 for the years ended September 30, 2018 and 2017, respectively.

**11. Subsequent Events**

The Organization evaluated subsequent events through the date the financial statements were issued and concluded that no additional disclosures are required.

## **Compliance Reports**

**Independent Auditors' Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards***

Board of Directors  
SafeHaven of Tarrant County

We have audited, in accordance with U.S. generally accepted auditing standards 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 SafeHaven of Tarrant County (Organization) (a nonprofit organization), which comprise the statement of financial position as of September 30, 2018, 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 February 18, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

  
A Limited Liability Partnership

Arlington, Texas  
February 18, 2019



Sutton Frost Cary LLP  
Certified Public Accountants

## **Independent Auditors' Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance**

Board of Directors  
SafeHaven of Tarrant County

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

We have audited SafeHaven of Tarrant County's (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 September 30, 2018. The Organization'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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with U.S generally accepted auditing standards; 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 Audits* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.



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

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2018.

### **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.

*Sutton Frost Cary*

A Limited Liability Partnership

Arlington, Texas  
February 18, 2019

**SafeHaven of Tarrant County**  
**Schedule of Findings and Questioned Costs**  
**Year Ended September 30, 2018**

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**Section I – Summary of Auditors’ Results**

*Financial Statements*

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified?  yes  no
- Significant deficiencies identified?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

*Federal Awards*

Internal control over major federal programs:

- Material weaknesses identified?  yes  no
- Significant deficiencies identified?  yes  none reported

Type of auditors’ report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  yes  no

Identification of major federal programs:

CFDA 16.575 Crime Victim Assistance

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?  yes  no

**Section II – Financial Statement Findings**

Audit Findings: None

**Section III – Federal Award Findings and Questioned Costs**

Audit Findings: None

**Section IV – Prior Federal Award Findings and Questioned Costs**

None reported.

**SafeHaven of Tarrant County**  
**Schedule of Expenditures of Federal and State Awards**  
**Year Ended September 30, 2018**

Federal or State Agency/ Pass-through Grantor/Program Title	CFDA #	Pass-through Grantor's #	Federal Expenditures	State Expenditures	Payments to Subrecipients
<b>U.S. Department of Health and Human Services:</b>					
<b>Texas Health and Human Services Commission:</b>					
Social Services Block Grant (Family Violence Program)	93.667	529-15-0032-00021E	\$ 440,793	\$ 440,792	\$ -
Social Services Block Grant (Family Violence Program)	93.667	529-15-0032-00021F	4,259	39,926	-
			445,052	480,718	-
Social Services Block Grant (Family Violence Program)	93.558	529-15-0032-00021F	35,814	-	-
Family Violence Prevention and Services Grant	93.671	529-15-0006-000009C	65,025	-	-
Family Violence Prevention and Services Grant	93.671	529-15-0032-00021E	206,716	-	-
Family Violence Prevention and Services Grant	93.671	529-15-0032-00021F	18,938	-	-
			290,679	-	-
<b>Total U.S. Department of Health and Human Services</b>			771,545	480,718	-
<b>U.S. Department of Housing and Urban Development:</b>					
<b>City of Fort Worth:</b>					
Community Development Block Grant Program - Loan	14.218	-	140,000	-	-
<b>Tarrant County:</b>					
Community Development Block Grant Program	14.228	B-17-UC-48-0001	31,312	-	-
Community Development Block Grant Program	14.228	B-18-UC-48-0001	8,661	-	-
			39,973	-	-
<b>Tarrant County:</b>					
Emergency Shelter Grants Program	14.231	E17-UC-48-0001	27,423	-	-
<b>City of Arlington:</b>					
Emergency Shelter Grants Program	14.231	-	72,205	-	-
Emergency Shelter Grants Program	14.231	-	32,040	-	-
<b>City of Fort Worth:</b>					
Emergency Shelter Grants Program	14.231	49973-A1	75,975	-	-
<b>Texas Department of Housing and Community Affairs:</b>					
Emergency Shelter Grants Program	14.231	42170002825	312,851	-	218,506
			520,494	-	218,506
<b>Tarrant County:</b>					
Supportive Housing Program Grant	14.235	TX0113L6T011609	193,529	-	-
Supportive Housing Program Grant	14.235	TX0113L6T011710	77,559	-	-
			271,088	-	-
<b>Tarrant County:</b>					
Continuum of Care Program	14.267	TX0321L6T011503	10,743	-	-
Continuum of Care Program	14.267	TX0321L6T011604	111,040	-	-
Continuum of Care Program	14.267	TX0346L6T011603	40,695	-	-
Continuum of Care Program	14.267	TX0346L6T011704	64,878	-	-
			227,356	-	-
<b>Total U.S. Department of Housing and Urban Development</b>			1,198,911	-	218,506

See notes to schedule of expenditures of federal and state awards.

**SafeHaven of Tarrant County**  
**Schedule of Expenditures of Federal and State Awards**  
**Year Ended September 30, 2018**

Federal or State Agency/ Pass-through Grantor/Program Title	CFDA #	Pass-through Grantor's #	Federal Expenditures	State Expenditures	Payments to Subrecipients
<b>U.S. Department of Justice:</b>					
<b>Texas Department of Criminal Justice:</b>					
Crime Victim Assistance	16.575	2776203	\$ 1,250,176	\$ -	\$ -
Crime Victim Assistance	16.575	3411301	159,071	-	-
			1,409,247	-	-
<b>Direct Assistance:</b>					
Legal Assistance for Victims	16.524	2017-WL-AX-0009	210,743	-	53,829
<b>Direct Assistance:</b>					
Transitional Housing	16.736	2014-WH-AX-0017	101,782	-	1,897
Transitional Housing	16.736	2017-WH-AX-0016	48,558	-	2,000
			150,340	-	3,897
<b>Total U.S. Department of Justice</b>			<b>1,770,330</b>	<b>-</b>	<b>57,726</b>
<b>U.S. Department of Agriculture:</b>					
<b>Texas Department of Agriculture:</b>					
Child and Adult Care Food Program	10.588	03187	74,875	-	-
<b>U.S. Department of Homeland Security:</b>					
Emergency Food and Shelter Program	97.024	Phase 34	15,000	-	-
Emergency Food and Shelter Program	97.024	Phase 35	15,000	-	-
<b>Total U.S. Department of Homeland Security</b>			<b>30,000</b>	<b>-</b>	<b>-</b>
<b>Texas Department of Criminal Justice:</b>					
Diversion Program	-	220-007	-	40,054	-
<b>Office of Attorney General of Texas:</b>					
Other Victims Assistance Grants	-	1879949	-	39,467	-
Other Victims Assistance Grants	-	1988039	-	2,262	-
			-	41,729	-
<b>Total expenditures of federal and state awards</b>			<b>\$ 3,845,661</b>	<b>\$ 562,501</b>	<b>\$ 276,232</b>

See notes to schedule of expenditures of federal and state awards.

**SafeHaven of Tarrant County**  
**Notes to Schedule of Expenditures of Federal and State Awards**  
**Year Ended September 30, 2018**

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**1. Basis of Presentation**

The accompanying schedule of expenditures of federal and state awards (Schedule) includes the federal grant activity of SafeHaven of Tarrant County (Organization). The information in this schedule is presented in accordance with 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). Because the Schedule only presents a selected portion of the operations of the Organization, it is not intended and does not present the financial position, changes in net assets, or cash flows of the Organization.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Organization has elected to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

**2. Loan**

The Organization received a \$140,000 interest-free forgivable loan from the City of Fort Worth through a grant provided by the United States Department of Housing and Urban Development. The loan is forgivable at the end of the compliance period or August 31, 2023, provided that all program requirements are met and the Organization is not in default of the loan terms or the grant contract. The outstanding balance at September 30, 2018 is \$140,000.