

UNALASKANS AGAINST SEXUAL
ASSAULT AND FAMILY VIOLENCE

Financial Statements
(With Independent Auditor's Report Thereon)

Years Ended June 30, 2019 and 2018

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Independent Auditor's Report

Members of the Board of Directors
Unalaskans Against Sexual Assault and Family Violence
Unalaska, Alaska

We have audited the accompanying financial statements of Unalaskans Against Sexual Assault and Family Violence (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, 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 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Members of the Board of Directors
Unalaskans Against Sexual Assault and Family Violence

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 Unalaskans Against Sexual Assault and Family Violence as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Sincerely,

A handwritten signature in cursive script that reads "Altman, Rogers & Co.".

Anchorage, Alaska
December 27, 2019

UNALASKANS AGAINST SEXUAL ASSAULT AND FAMILY VIOLENCE

Statements of Financial Position

June 30, 2019 and 2018

<u>Assets</u>	<u>2019</u>	<u>2018</u>
Current assets:		
Cash and cash equivalents	\$ 387,091	392,706
Accounts receivable - State of Alaska	38,118	19,352
CURRENT ASSETS	<u>425,209</u>	<u>412,058</u>
Property and equipment, net of accumulated depreciation of \$371,073 for 2019 and \$335,617 for 2018	104,405	110,722
TOTAL ASSETS \$	<u><u>529,614</u></u>	<u><u>522,780</u></u>
 <u>Liabilities and Net Assets</u>		
Liabilities:		
Payroll liabilities	9,188	5,633
Unearned revenue	5,522	11,233
TOTAL LIABILITIES	<u>14,710</u>	<u>16,866</u>
Net assets - without donor restrictions	514,904	505,914
TOTAL LIABILITIES AND NET ASSETS \$	<u><u>529,614</u></u>	<u><u>522,780</u></u>

See accompanying notes to financial statements.

UNALASKANS AGAINST SEXUAL ASSAULT AND FAMILY VIOLENCE

Statements of Activities

Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
NET ASSETS - without donor restrictions		
Operating activities:		
Support:		
Individuals	\$ 15,857	15,804
Grants	526,305	504,097
In-kind	53,770	62,094
TOTAL SUPPORT	<u>595,932</u>	<u>581,995</u>
Revenues:		
Membership	8,500	6,430
Auction and raffle	23,762	20,900
TOTAL REVENUES	<u>32,262</u>	<u>27,330</u>
TOTAL SUPPORT AND REVENUES	<u>628,194</u>	<u>609,325</u>
Expenses:		
Program services:		
Services to victims of domestic violence, sexual assault and others in crisis	<u>532,087</u>	<u>483,786</u>
Support services:		
Management and general	76,901	96,542
Fundraising	12,429	9,274
TOTAL SUPPORT SERVICES	<u>89,330</u>	<u>105,816</u>
TOTAL EXPENSES	<u>621,417</u>	<u>589,602</u>
CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES	<u>6,777</u>	<u>19,723</u>
Non-operating activities:		
Refunds	1,618	7,218
Interest income	595	548
CHANGE IN NET ASSETS FROM NON OPERATING ACTIVITIES	<u>2,213</u>	<u>7,766</u>
Change in net assets	8,990	27,489
NET ASSETS, beginning of the year	<u>505,914</u>	<u>478,425</u>
NET ASSETS, end of the year	<u>\$ 514,904</u>	<u>505,914</u>

See accompanying notes to financial statements.

UNALASKANS AGAINST SEXUAL ASSAULT AND FAMILY VIOLENCE

Statements of Functional Expenses

Years Ended June 30, 2019 and 2018

2019						
	Program Services					
	Services to Victims of Domestic Violence, Sexual Assault and Others in Crisis	Support Services			Total Program and Support Services	
		Management and General	Fundraising			Total Support Services
EXPENSES:						
Personnel	\$ 255,937	52,113	6,282	58,395	314,332	
Travel	25,465	977	-	977	26,442	
Facilities	45,985	-	-	-	45,985	
Supplies	84,505	-	-	-	84,505	
Equipment	7,459	-	-	-	7,459	
Insurance	7,281	-	-	-	7,281	
Donations	53,771	-	-	-	53,771	
Dues, fees & subscriptions	5,828	-	-	-	5,828	
Other contractual	1,849	23,811	-	23,811	25,660	
Advertising	-	-	6,147	6,147	6,147	
Homeless prevention	6,212	-	-	-	6,212	
Depreciation	15,455	-	-	-	15,455	
Training	15,474	-	-	-	15,474	
Other	6,866	-	-	-	6,866	
TOTAL EXPENSES	\$ 532,087	76,901	12,429	89,330	621,417	

(continued)

UNALASKANS AGAINST SEXUAL ASSAULT AND FAMILY VIOLENCE

Statements of Functional Expenses, Continued

2018						
	Program Services					
	Services to Victims of Domestic Violence, Sexual Assault and Others in Crisis	Support Services			Total Program and Support Services	
		Management and General	Fundraising			Total Support Services
EXPENSES:						
Personnel	\$ 223,047	66,299	5,905	72,204	295,251	
Travel	23,352	-	-	-	23,352	
Facilities	35,798	6,317	-	6,317	42,115	
Supplies	53,412	-	-	-	53,412	
Equipment	9,124	-	-	-	9,124	
Insurance	6,581	962	-	962	7,543	
Donations	57,295	-	-	-	57,295	
Dues, fees & subscriptions	4,253	-	-	-	4,253	
Other contractual	2,320	22,964	-	22,964	25,284	
Homeless prevention	6,392	-	-	-	6,392	
Depreciation	17,202	-	-	-	17,202	
Community outreach	15,973	-	-	-	15,973	
Training	18,898	-	-	-	18,898	
Other	10,139	-	3,369	3,369	13,508	
	<u>483,786</u>	<u>96,542</u>	<u>9,274</u>	<u>105,816</u>	<u>589,602</u>	
TOTAL EXPENSES	\$ <u>483,786</u>	<u>96,542</u>	<u>9,274</u>	<u>105,816</u>	<u>589,602</u>	

See accompanying notes to financial statements.

UNALASKANS AGAINST SEXUAL ASSAULT AND FAMILY VIOLENCE

Statements of Cash Flows

Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 8,990	27,489
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	15,455	17,202
(Increase) decrease in assets:		
Accounts receivable	(18,766)	26,054
Increase (decrease) in liabilities:		
Payroll liabilities	3,555	(5,238)
Unearned revenue	(5,711)	(4,941)
Net cash provided by operating activities	<u>3,523</u>	<u>60,566</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(9,138)</u>	<u>-</u>
INCREASE IN CASH AND CASH EQUIVALENTS	(5,615)	60,566
CASH AND CASH EQUIVALENTS, beginning of year	<u>392,706</u>	<u>332,140</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 387,091</u>	<u>392,706</u>
Supplemental disclosures of non-cash operating activities		
In-kind	<u>\$ 53,770</u>	<u>62,094</u>

See accompanying notes to financial statements.

UNALASKANS AGAINST SEXUAL ASSAULT AND FAMILY VIOLENCE

Notes to Financial Statements

Years Ended June 30, 2019 and 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Operations

Unalaskans Against Sexual Assault & Family Violence (USAFV) is an organization that serves the needs of those impacted by sexual and domestic violence by providing crisis intervention, shelter, personal support, systems advocacy, and other services. USAFV also provides advocacy, support, and other services to people experiencing other types of life crisis. USAFV is incorporated in the State of Alaska as a non-profit organization.

The major sources of support are renewable grants from the State of Alaska and the City of Unalaska.

Basis of Presentation

Financial statement presentation follows the recommendation of the Financial Accounting Standards Board. Under generally accepted accounting principles, net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue Recognition

Unconditional promises to give cash and other assets to USAFV are reported at fair value at the date the promise is received. Conditional promises to give and indicators of intentions to give are reported at the fair value at the date the contribution is received. Contributions received are recorded as net assets with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. If a restriction is met in the same period that the contribution is received, the contribution is recorded as net assets without donor restrictions.

UNALASKANS AGAINST SEXUAL ASSAULT AND FAMILY VIOLENCE

Notes to Financial Statements, Continued

USAFV did not receive any promises to give during the years ended June 30, 2019 or 2018 and had no receivable for contributions at year end.

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

Grant awards that are contributions – Grants that qualify as contributions are recorded as revenue under the same criteria as other contributions described above.

Grant awards that are exchange transactions – Revenue from exchange transactions is recognized to the extent of allowable costs incurred.

Program income is recognized at the time the services are provided by USAFV and represents income for specific charges related to program activities.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, USAFV considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash includes amounts in demand deposits.

Accounts Receivable

Accounts receivable are recorded on the accrual basis when the goods and services are billed and are considered delinquent or uncollectible on a case-by-case basis by management. USAFV records an allowance for doubtful accounts for the estimated uncollectible portion of the accounts receivable. This estimate is based on management's historical collection experience and a review of current accounts receivable. Receivables are charged off when all collection efforts have been exhausted.

Management believes all amounts recorded as receivables are collectible; accordingly no allowance for uncollectible accounts has been established.

Property and Equipment

Purchased assets are recorded at cost or estimated cost when original cost is not available. Contributed assets are recorded at fair value at the date of receipt. Expenses for maintenance and repairs are charged to expense as incurred, and expenses for major renovations are capitalized. All purchases for equipment in excess of \$500 are capitalized. Depreciation is provided over the estimated useful lives of the assets on a straight-line basis. Useful lives of assets vary from 5 years for equipment to 20 years for buildings and building improvements.

UNALASKANS AGAINST SEXUAL ASSAULT AND FAMILY VIOLENCE

Notes to Financial Statements, Continued

Compensated Absences

Annual leave is accrued as earned and recorded as an expense in the period earned. Sick leave is accrued as earned by employees and recorded as an expense in the period used.

Donated Assets and Services

Donated services are recognized as contributions in accordance with FASB ASC 958, Accounting for Contributions Received and Contributions Made, if the services (1) create or enhance nonfinancial assets or (2) require specialized skills, are performed by people with those skills, and would otherwise be purchased by USAFV. In-kind contributions for space, supplies, and professional services are recorded in the statement of activities at market value and recognized as revenue and expenses in the period they are received, except for donated equipment, which is recorded as revenue in the period received and the asset is depreciated over its estimated useful life.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel, travel, facility, supplies, equipment, insurance, donations, dues, fees & subscriptions, other contractual, homeless prevention, depreciation, community outreach, training and other which are allocated on the basis of estimated time and effort.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as other assets.

Unearned Revenue

Unearned revenue represents amounts for which asset recognition criteria have been met but for which revenue recognition criteria have not been met.

Income Taxes

USAFV is a nonprofit corporation exempt from income taxation under Section 501(c)(3) of the Internal Revenue Code.

Although the organization is exempt from federal income taxes, any income derived from unrelated business activities is subject to the requirement of filing Federal Income Tax Form 990-T and a tax liability may be determined on these activities. USAFV had no income derived from unrelated business activities as of June 30, 2019 or 2018.

UNALASKANS AGAINST SEXUAL ASSAULT AND FAMILY VIOLENCE

Notes to Financial Statements, Continued

USAFV classifies all interest and penalties related to tax contingencies as income tax expense. As of June 30, 2019 and 2018, there is no accrued interest or penalties. As of June 30, 2019 and 2018 there were no uncertain tax positions or unrecognized tax benefits for which management believes it is reasonably possible that the total amounts of tax contingencies will significantly increase or decrease within 12 months of the reporting date. USAFV files tax returns in the U.S. Federal Jurisdiction and the State of Alaska. As of 2019, the tax years that remain subject to examination begins with 2016.

Fair Value of Financial Instruments

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following financial instruments are recorded at fair value or at amounts that approximate fair value: (1) cash and cash equivalents, (2) receivables, net, (3) certain other current assets, (4) accounts payable and (5) other current liabilities. The carrying amounts reported in the statements of financial position for the above financial instruments, closely approximates their fair value due to the short-term nature of these assets and liabilities.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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 estimates.

Description of Program and Supporting Services

Program services:

Services to Victims of Domestic Violence, Sexual Assault and Others in Crisis – USAFV serves those impacted by domestic and sexual violence by providing shelter, crisis intervention, personal support, systems advocacy, and other services. USAFV also provides advocacy, support, and other services to people experiencing other types of life crisis, and works to prevent domestic and sexual violence through outreach and education.

Supporting services:

Management and General – Includes the functions necessary to maintain an equitable employment program; ensure an adequate working environment; provide coordination and articulation of USAFV's program strategy through the Office of the Executive Director; secure proper administrative functioning of the Board of Directors; and manage the financial and budgetary responsibilities of USAFV.

Fundraising – Provides the structure necessary to encourage and secure private financial support from individuals, foundations and corporations.

UNALASKANS AGAINST SEXUAL ASSAULT AND FAMILY VIOLENCE

Notes to Financial Statements, Continued

NOTE 2 – CASH AND CASH EQUIVALENTS

At June 30, 2019 and June 30, 2018, balances up to \$250,000 were insured by the FDIC, the remaining \$28,660 and \$74,882 were insured and uncollateralized.

NOTE 3 LIQUIDITY AND AVILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$	387,091
Accounts receivable		<u>38,118</u>
	\$	<u><u>425,209</u></u>

As part of their liquidity plan the USAVF maintains sufficient cash balance to meet current operating expenses.

NOTE 4 – PROPERTY AND EQUIPMENT

The following is a summary of property and equipment for the years ended June 30, 2019 and 2018:

	June 30, <u>2019</u>	June 30, <u>2018</u>
Building	\$ 341,979	332,840
Equipment	<u>133,499</u>	<u>133,499</u>
	475,478	466,339
Less accumulated depreciation	<u>(371,073)</u>	<u>(355,617)</u>
	<u>\$ 104,405</u>	<u>110,722</u>

Depreciation expense for the years ended June 30, 2019 and 2018 was \$15,474 and \$17,202 respectively.

NOTE 5 – LEASE

USAFV renewed into a five year lease with Ounalashka Corporation in January 2018 for land on which the building housing the administrative offices and temporary shelter is located. Payments on the lease are \$550 per month resulting in total lease payments of \$6,600 each for the years ended June 30, 2019 and 2018. The fair value of the lease for 2019 and 2018 is \$8,617 and the difference of \$2,617 is donated by Ounalashka Corporation.

UNALASKANS AGAINST SEXUAL ASSAULT AND FAMILY VIOLENCE

Notes to Financial Statements, Continued

Minimum annual lease payments are as follows:

	<u>Amount</u>	
	<u>2019</u>	<u>2018</u>
Years ending June 30:		
2019	\$ -	6,000
2020	<u>6,949</u>	<u>6,000</u>
Total	\$ <u>6,949</u>	<u>12,000</u>

USAFV entered into a one year lease with Dutch Properties, LLC, Alaska in May 2010 for property known as DH Intersea mall #214. During May 2011, the lease transitioned to a month to month basis. For the years ended June 30, 2019 and 2018, the monthly payments were \$579, which totaled to \$6,949 each year.

USAFV entered into a month to month basis lease with Ounalashka Corporation in March 2011 for mini-storage space. Rent payments per month were \$75 and \$65 resulting in total lease payments of \$900 and \$810 for the years ended June 30, 2019 and 2018, respectively.

NOTE 6 – CONTINGENCIES

Amounts received or receivable from grants are subject to audit and adjustment. Any disallowed claims, including amounts already collected, would become a liability of Unalaskans Against Sexual Assault and Family Violence. Management believes that the likelihood of such an event is remote.

NOTE 7 – GRANTS

A summary of government grant revenue for the years ended June 30 follows:

	<u>2019</u>	<u>2018</u>
Federal:		
U.S. DOJ through Alaska Institute for Justice	\$ 13,024	\$ 3,128
OVW though Alaska Network on Domestic Violence and Sexual Assault	-	30,655
State of Alaska:		
Council on Domestic Violence and Sexual Assault	229,959	208,061
Local:		
City of Unalaska Operating	223,984	218,273
Other:		
Aleutian Pribilof Islands Association	24,909	16,822
Alaska Housing Finance Corporation	28,831	27,158
Miscellaneous	5,600	-
	<u>\$ 526,306</u>	<u>\$ 504,097</u>

UNALASKANS AGAINST SEXUAL ASSAULT AND FAMILY VIOLENCE

Notes to Financial Statements, Continued

NOTE 8 – DONATED GOODS AND SERVICES

Donated personnel services of \$37,284 and \$30,850 were recognized as in-kind contributions and expenses during the fiscal years ended June 30, 2019 and 2018. Donated commodities are valued based on the fair value at the date of contribution and are recorded as in-kind goods in the financial statements. Donated goods and services of \$16,486 and \$31,244 were recognized as in-kind goods during the fiscal years ended June 30, 2019 and 2018. All donations benefited program services.

NOTE 9 – ECONOMIC DEPENDENCY

USAFV received 84% and 82% for the year ended June 30, 2019 and 2018, respectively, of its support and revenue from government grants. A significant reduction in this support would have a substantial impact on USAFV.

NOTE 10 RECLASSIFICATIONS

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets. The reclassifications related to the implementation of FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities and adjusted the presentation of net assets.

NOTE 11 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 27, 2019, the date which the financial statements were available for issue. No events were identified that would require disclosure according to generally accepted accounting principles.