

**REGIONAL CRIME VICTIM
CRISIS CENTER dba
REGIONAL VICTIM CRISIS
CENTER**

FINANCIAL STATEMENTS

AND

**INDEPENDENT AUDITOR'S
REPORT**

SEPTEMBER 30, 2016 and 2015

**Roberts & McGee, CPA
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(325) 701-9502**

REGIONAL CRIME VICTIM CRISIS CENTER

dba REGIONAL VICTIM CRISIS CENTER

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Regional Crime Victim Crisis Center
dba Regional Victim Crisis Center
Abilene, Texas

We have audited the accompanying financial statements of the **Regional Crime Victim Crisis Center dba Regional Victim Crisis Center** (a nonprofit organization) which comprise the statements of financial position as of September 30, 2016 and 2015, and the related statements of activities, cash flows, and functional expenses 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.

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 **Regional Crime Victim Crisis Center dba Regional Victim Crisis Center** as of September 30, 2016 and 2015, 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.

Roberts + McGee, CPA
ROBERTS & MCGEE, CPA

Abilene, Texas
February 27, 2017

REGIONAL CRIME VICTIM CRISIS CENTER
dba REGIONAL VICTIM CRISIS CENTER
STATEMENTS OF FINANCIAL POSITION
September 30, 2016 and 2015

Assets	2016	2015
Current Assets:		
Cash and cash equivalents	\$ 65,627	\$ 78,908
Investments	57,230	57,150
Grants and contract receivables	40,573	56,051
Receivable - other	2,448	
Prepaid expenses	15,243	12,669
Total Current Assets	181,121	204,778
Capital Assets:		
Furniture and equipment	20,239	33,451
Accumulated depreciation	(11,058)	(31,764)
Total Capital Assets	9,181	1,687
Total Assets	\$ 190,302	\$ 206,465
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 4,834	\$ 3,270
Compensated absences	8,961	6,026
Deferred revenue	9,769	6,054
Total Current Liabilities	23,564	15,350
Net assets:		
Unrestricted		
Undesignated	148,993	163,370
Designated by Board-Jay Hatcher Fund	4,745	4,745
Temporarily restricted	13,000	23,000
Total Net Assets	166,738	191,115
Total Liabilities and Net Assets	\$ 190,302	\$ 206,465

The accompanying notes are an integral part of these financial statements.

REGIONAL CRIME VICTIM CRISIS CENTER
dba REGIONAL VICTIM CRISIS CENTER
STATEMENTS OF ACTIVITIES
For the Years Ended September 30, 2016 and 2015

	2016	2015
UNRESTRICTED NET ASSETS:		
Revenues, Gains, and Other Support:		
Grants\contract support	\$ 466,028	\$ 527,141
Contributions	128,359	130,381
Special events	28,368	20,469
Interest income	1,209	938
Other income	545	331
Net assets released from restrictions	15,000	42,366
Total Revenues, Gains, and Other Support	639,509	721,626
Expenses:		
Program services	456,646	526,970
Support services:		
Management and general	147,260	108,907
Fund-raising	49,980	47,464
Total support services	197,240	156,371
Total Expenses	653,886	683,341
Increase (Decrease) in Unrestricted Net Assets	(14,377)	38,285
TEMPORARILY RESTRICTED NET ASSETS:		
Contributions	5,000	47,366
Net assets released from restrictions	(15,000)	(42,366)
Increase (Decrease) in Temporarily Restricted Net Assets	(10,000)	5,000
Total Change in Net Assets	(24,377)	43,285
Net Assets at Beginning of Year	191,115	147,830
Net Assets at End of Year	\$ 166,738	\$ 191,115

The accompanying notes are an integral part of these financial statements.

REGIONAL CRIME VICTIM CRISIS CENTER
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STATEMENTS OF CASH FLOWS
For the Years Ended September 30, 2016 and 2015

	2016	2015
Cash flows from operating activities:		
Change in net assets	\$ (24,377)	\$ 43,285
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	1,573	1,122
(Gain) loss on disposal of assets	832	
(Increase) decrease in:		
Grants and contract receivables	13,030	(12,702)
Prepaid expenses	(2,574)	3,009
Increase (decrease) in:		
Accounts payable and accrued liabilities	1,564	(3,206)
Compensated absences	2,935	(1,100)
Deferred revenue	3,715	(2,546)
	(3,302)	27,862
Cash flows from investing activities:		
Acquisition of property and equipment	(9,899)	
Change in investments	(80)	(42)
	(9,979)	(42)
Net cash used by investing activities	(9,979)	(42)
Net change in cash and cash equivalents	(13,281)	27,820
Cash and cash equivalents at beginning of year	78,908	51,088
Cash and cash equivalents at end of year	\$ 65,627	\$ 78,908

The accompanying notes are an integral part of these financial statements.

REGIONAL CRIME VICTIM CRISIS CENTER
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STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended September 30, 2016

	2016			
	Program Services	Support Services		Total
		Management & General	Fund Raising	
Personnel costs:				
Salaries	\$ 262,114	\$ 104,128	\$ 32,714	\$ 398,956
Payroll taxes	20,874	8,292	2,605	31,771
Retirement plan	8,642	3,728	1,914	14,284
Health insurance\HSA	40,769	16,015	4,576	61,360
Depreciation	1,416	157		1,573
Dues and fees	508	57		565
Equipment lease	1,723	192		1,915
Insurance	10,737	1,193		11,930
Legal and accounting	10,418	1,158		11,576
Miscellaneous		579		579
Office supplies	6,034	670		6,704
Postage and freight	281	31		312
Printing	2,918	324		3,242
Professional services	20,246	2,250		22,496
Program supplies	1,992			1,992
Public relations		3,183		3,183
Rent	42,452	2,710		45,162
Seminars and training	5,622	625		6,247
Software and equipment	3,809	423		4,232
Special events and fund raising			8,171	8,171
Telephone, internet, pagers	5,135	328		5,463
Travel	10,956	1,217		12,173
Total expenses	\$ 456,646	\$ 147,260	\$ 49,980	\$ 653,886

The accompanying notes are an integral part of these financial statements.

REGIONAL CRIME VICTIM CRISIS CENTER
dba REGIONAL VICTIM CRISIS CENTER
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended September 30, 2015

	2015			
	Program Services	Support Services		Total
		Management & General	Fund Raising	
Personnel costs:				
Salaries	\$ 313,942	\$ 73,253	\$ 31,394	\$ 418,589
Contract labor		433		433
Payroll taxes	24,521	5,721	2,452	32,694
Retirement plan	15,299	3,570	1,530	20,399
Health insurance\HSA	38,011	8,869	3,801	50,681
Depreciation	1,010	112		1,122
Dues and fees	1,245	138		1,383
Equipment lease	3,714	413		4,127
Insurance	10,687	1,187		11,874
Legal and accounting	8,403	934		9,337
Miscellaneous		1,908		1,908
Office supplies	6,199	689		6,888
Postage and freight	511	57		568
Printing	4,864	541		5,405
Professional services	11,495	1,277		12,772
Program supplies	3,684			3,684
Public relations		2,753		2,753
Rent	39,421	2,516		41,937
Seminars and training	4,113	457		4,570
Software and equipment	14,399	1,598		15,997
Special events and fund raising			8,287	8,287
Telephone, internet, pagers	7,333	468		7,801
Travel	18,119	2,013		20,132
Total expenses	\$ 526,970	\$ 108,907	\$ 47,464	\$ 683,341

The accompanying notes are an integral part of these financial statements.

REGIONAL CRIME VICTIM CRISIS CENTER
dba REGIONAL VICTIM CRISIS CENTER
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended September 30, 2016 and 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of **Regional Crime Victim Crisis Center dba Regional Victim Crisis Center's** (the "Organization") significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Organization and Nature of Activities

Regional Crime Victim Crisis Center was incorporated in August 1997. The Organization had previously functioned, since 1977, as an operating segment of the Abilene Regional MH/MR Center. The Organization began receiving revenues in its own name under grant contracts effective September 1997. The Organization obtained an assumed name certificate for **Regional Victim Crisis Center** in November of 2012.

The Organization's primary purpose is to provide emotional support and assistance to victims of violent crimes. Services are primarily provided to residents of the City of Abilene and the surrounding area. Many active volunteers who have been trained by the Organization are utilized in providing services. A 24-hour hotline is maintained, as well as in-person assistance, to provide information and support during times of crisis and trauma related to criminal activities. The Organization's educational activities include Sexual Assault Awareness seminars and in-school educational seminars. The Organization works closely with the Taylor County District Attorney's office, area law enforcement agencies, local trauma centers, and the state's Child Protective Services to provide the highest level of victim's assistance possible.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The focus of the financial statements is to present the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. The Organization is required to report information regarding its financial position and activities according to the three classes of net assets presented below.

Unrestricted net assets - Net assets that are not subject to donor-imposed restrictions.

Temporarily restricted net assets - Net assets subject to donor-imposed restrictions that may or will be met either by actions of the Organization and/or by the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Permanently restricted net assets - Net assets subject to donor-imposed restrictions that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use or expend part or all of the income (or other economic benefit) derived from the donated assets. There were no permanently restricted net assets at September 30, 2016 and 2015.

REGIONAL CRIME VICTIM CRISIS CENTER
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NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended September 30, 2016 and 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Revenue

The Organization receives substantially all of its grant and contract revenue from the State of Texas, Taylor County, the City of Abilene, and United Way. The Organization recognizes contract revenue (up to the contract ceiling) from its contracts either on a pro-rata basis over a 12-month period, which represents the service period for certain contracts, or to the extent of expenses incurred, depending on the contract. Interest income is recognized when earned.

Contributions and Recognition of Donor Restrictions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted support. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or stipulated time period has elapsed) are reported as reclassifications between applicable classes of net assets under the caption "Net assets released from restrictions."

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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 estimates.

Income Tax Status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Organization did not conduct unrelated business activities; therefore, the Organization has made no provision for federal income taxes in the accompanying financial statements. In addition, the Organization is not a "private foundation" within the meaning of Section 509(a) of the IRC.

Functional Allocation of Expenses

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

REGIONAL CRIME VICTIM CRISIS CENTER
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NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended September 30, 2016 and 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Organization considers all cash and cash investments with original maturities of three months or less to be cash equivalents.

Investments

Investments consist entirely of a certificate of deposit at September 30, 2016 and 2015. Investments are valued at estimated market value.

Grants and Contract Receivables

Grants receivables consist of amounts due from grantor agencies to reimburse the Organization for costs incurred that are reimbursable through federal or state grants. All amounts are deemed collectible and an allowance has not been established.

Capital Assets

Furniture and equipment additions are recorded at cost. Donated capital assets are capitalized at estimated fair value and recorded as contributions in the year received. Maintenance, repairs and renewals are expensed as incurred while additions and improvements in excess of \$1,000 are capitalized. Depreciation is computed using the straight-line method in amounts sufficient to amortize the cost of property and equipment over their estimated useful lives, which are as follows:

Furniture and equipment	3 - 10 years
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Subsequent Events

Management has evaluated subsequent events through February 27, 2017, the date the financial statements were available to be issued.

NOTE 2: INVESTMENTS

The Organization has invested in a certificate of deposit that renews annually with the earnings being reinvested. The market value of the certificate of deposit at September 30, 2016 and 2015 was \$57,230 and \$57,150.

NOTE 3: GRANTS AND CONTRACT RECEIVABLES

As of September 30, 2016 and 2015, receivables from grants and contracts consisted of balances due from the Office of the Attorney General of Texas of \$30,022 and \$23,379, respectively, and balances due from the Criminal Justice Division of the Office of the Governor of \$10,551 and \$15,193, respectively. At September 30, 2015, the balance due from the Texas CASA was \$17,479.

REGIONAL CRIME VICTIM CRISIS CENTER
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NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended September 30, 2016 and 2015

NOTE 4: PROPERTY AND EQUIPMENT

	2016	2015
Furniture and equipment	\$ 20,239	\$ 33,451
Accumulated depreciation	(11,058)	(31,764)
Net property and equipment	\$ 9,181	\$ 1,687

Depreciation expense for the years ended September 30, 2016 and 2015 was \$1,573 and \$1,122, respectively.

NOTE 5: TEMPORARILY RESTRICTED NET ASSETS

Net assets were temporarily restricted at September 30, 2016 and 2015 as follows:

	2016	2015
Temporarily Restricted For:		
Facilities expansion	\$ 13,000	\$ 8,000
Time		15,000
	\$ 13,000	\$ 23,000

NOTE 6: DESIGNATED NET ASSETS

The Organization raised funds in memory of Jay Hatcher, a former member of the Board of Directors. The Board designated the funds as a memorial to Jay to be used at the Board's discretion or as an endowment.

NOTE 7: DONATED SERVICES

The Organization receives a significant amount of donated services from unpaid volunteers who assist in providing program services, fund raising, and special projects. No amounts have been recognized in the statements of activities because the criteria for recognition have not been satisfied. Certain grant contracts require matching funds. A calculation of donated services at rates of \$15 to \$20 per hour is a specifically allowed match provided by the Organization.

REGIONAL CRIME VICTIM CRISIS CENTER
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NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended September 30, 2016 and 2015

NOTE 8: GRANTS, CONTRACTS, AND CONTRIBUTIONS

Funding Source	Grant Contract Period	Total Contract Amount	Support Recognized This Year
Office of the Attorney General of Texas SAPCS - State	09/01/15-08/31/16	\$ 82,893	\$ 77,737
	09/01/16-08/31/17	82,893	6,881
Office of the Attorney General of Texas SAPCS - Federal	03/01/15-01/31/16	35,372	15,126
	02/01/16-01/31/17	66,300	34,362
Office of the Attorney General of Texas SAPCS - Federal Block	02/01/16-01/31/17	18,700	18,700
Office of the Governor of Texas Criminal Justice Grant (CAAVVC)	09/01/15-09/30/17	260,566	125,242
Office of the Governor of Texas Criminal Justice Grant (CSVSA)	09/01/15-09/30/16	60,000	55,188
United Way of Abilene	01/01/15-12/31/15	50,000	9,167
	01/01/16-12/31/16	56,500	42,375
Taylor County, Texas	10/01/15-09/30/16	30,000	30,000
City of Abilene	10/01/15-09/30/16	51,250	<u>51,250</u>
			<u>\$ 466,028</u>

In addition to the grants and contracts summarized above, the Organization has also solicited and received other foundation grants and contributions. During the years ended September 30, 2016 and 2015, foundation grants and contributions totaling \$133,359 and \$177,747, respectively, were received. During the years ended September 30, 2016 and 2015, the organization also received \$28,368 and \$20,469, respectively, from special fund raising events.

NOTE 9: EMPLOYEE RETIREMENT PLAN

The Organization has a defined contribution retirement plan covering substantially all employees. The Organization contributes 6% of each eligible employee's salary to a 403(b) annuity plan. Individual accounts are maintained for each employee by the custodian, Edward Jones. All contributed amounts are 100% vested. Plan expenses incurred by the Organization during the years ended September 30, 2016 and 2015 were \$14,284 and \$20,399, respectively.

REGIONAL CRIME VICTIM CRISIS CENTER
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NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended September 30, 2016 and 2015

NOTE 10: CONCENTRATION OF CREDIT RISK

The Organization maintains its cash in bank accounts that are guaranteed by the Federal Deposit Insurance Corporation (FDIC). At September 30, 2016, the Organization's cash was fully secured by FDIC.

Any of the grant and contract funding sources may, at their discretion, request reimbursement for expenses or return of funds, or both, as a result of a failure by the Organization to comply with the terms of the grants\contracts.