

Houston Area Women's Center

FINANCIAL STATEMENTS AND SINGLE AUDIT REPORTS


December 31, 2015 and 2014



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Houston Area Women's Center
Houston, Texas

We have audited the accompanying financial statements of Houston Area Women's Center (a Texas non-profit corporation), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities and changes in net assets, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Houston Area Women's Center as of December 31, 2015 and 2014, 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.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information included in the schedules of expenditures of federal awards and state awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, Audits of State and Local Governments, and Non-Profit Organizations* and the *State of Texas Single Audit Circular* is presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2016, on our consideration of Houston Area Women's Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Houston Area Women's Center's internal control over financial reporting and compliance.

Carly Riggs & Ingram, L.L.C.

Houston, Texas
June 7, 2016

Houston Area Women's Center Statements of Financial Position

<i>December 31,</i>	2015	2014
Assets		
Cash and cash equivalents	\$ 484,327	\$ 553,462
Government contracts receivable	457,166	556,903
Pledges receivable, United Way allocation	698,038	727,122
Pledges receivable, other	642,727	536,248
Prepaid expenses	87,718	80,201
Long-term investments	6,147,068	6,303,191
Property and equipment, net	7,377,092	7,408,727
Total assets	\$ 15,894,136	\$ 16,165,854
Liabilities and net assets		
Liabilities		
Accounts payable	\$ 163,837	\$ 110,195
Accrued expenses	320,354	290,106
Deferred revenue	32,432	-
Total liabilities	516,623	400,301
Commitments and contingencies		
Net assets		
Unrestricted	13,003,602	13,445,059
Temporarily restricted	1,799,718	1,746,301
Permanently restricted	574,193	574,193
Total net assets	15,377,513	15,765,553
Total liabilities and net assets	\$ 15,894,136	\$ 16,165,854

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

Houston Area Women's Center Statement of Activities and Changes in Net Assets

For the year ended December 31, 2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and support				
Government contracts	\$ 3,424,085	\$ -	\$ -	\$ 3,424,085
Contributions	1,446,758	708,017	-	2,154,775
United Way contributions	-	698,038	-	698,038
Special events	764,059	226,466	-	990,525
Less: Direct donor benefit costs	(170,271)	-	-	(170,271)
Investment income	51,680	7,580	-	59,260
Other income	170,239	-	-	170,239
Total revenue and support	5,686,550	1,640,101	-	7,326,651
Restrictions released				
Time restrictions	230,204	(230,204)	-	-
Program expenditures	1,356,480	(1,356,480)	-	-
Total revenue and support	7,273,234	53,417	-	7,326,651
Expenses				
Program services				
Direct services	5,608,222	-	-	5,608,222
Education and training	638,883	-	-	638,883
Total program services	6,247,105	-	-	6,247,105
Support services				
Management and general	832,808	-	-	832,808
Fundraising	634,778	-	-	634,778
Total support services	1,467,586	-	-	1,467,586
Total expenses	7,714,691	-	-	7,714,691
Change in net assets	(441,457)	53,417	-	(388,040)
Net assets at beginning of year	13,445,059	1,746,301	574,193	15,765,553
Net assets at end of year	\$ 13,003,602	\$ 1,799,718	\$ 574,193	\$ 15,377,513

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

Houston Area Women's Center Statement of Activities and Changes in Net Assets

For the year ended December 31, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and support				
Government contracts	\$ 3,255,126	\$ -	\$ -	\$ 3,255,126
Contributions	1,583,699	714,351	-	2,298,050
United Way contributions	-	727,122	-	727,122
Special events	816,754	130,604	-	947,358
Less: Direct donor benefit costs	(179,011)	-	-	(179,011)
Investment income	538,871	97,725	-	636,596
Other income	137,158	-	-	137,158
Total revenue and support	6,152,597	1,669,802	-	7,822,399
Restrictions released				
Time restrictions	306,747	(306,747)	-	-
Program expenditures	1,113,576	(1,113,576)	-	-
Total revenue and support	7,572,920	249,479	-	7,822,399
Expenses				
Program services				
Direct services	5,561,815	-	-	5,561,815
Education and training	610,376	-	-	610,376
Total program services	6,172,191	-	-	6,172,191
Support services				
Management and general	878,958	-	-	878,958
Fundraising	562,641	-	-	562,641
Total support services	1,441,599	-	-	1,441,599
Total expenses	7,613,790	-	-	7,613,790
Change in net assets	(40,870)	249,479	-	208,609
Net assets at beginning of year	13,485,929	1,496,822	574,193	15,556,944
Net assets at end of year	\$ 13,445,059	\$ 1,746,301	\$ 574,193	\$ 15,765,553

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

Houston Area Women's Center Statement of Functional Expenses

For the year ended December 31, 2015

	Program Services			Supporting Services		
	Direct services	Education and training	Total program services	Management and general	Fundraising	Total
Salaries	\$ 2,903,647	\$ 452,657	\$ 3,356,304	\$ 521,034	\$ 410,976	\$ 4,288,314
Employee health and other benefits	362,822	45,457	408,279	29,237	46,069	483,585
Payroll taxes	241,380	36,254	277,634	37,313	30,693	345,640
Total salaries and related expenses	3,507,849	534,368	4,042,217	587,584	487,738	5,117,539
Conferences and meetings	8,556	3,355	11,911	3,098	9,587	24,596
Depreciation	357,926	20,536	378,462	43,347	14,101	435,910
Direct assistance to individuals	969,950	-	969,950	-	-	969,950
Insurance	88,298	4,530	92,828	15,728	1,443	109,999
Membership	11,575	132	11,707	1,333	553	13,593
Occupancy	279,403	13,976	293,379	25,796	6,675	325,850
Postage and shipping	3,824	969	4,793	2,041	16,871	23,705
Printing and publications	14,458	18,505	32,963	3,613	39,709	76,285
Professional fees and contract services	114,677	12,148	126,825	110,825	13,621	251,271
Rental and maintenance equipment	47,694	6,777	54,471	4,782	1,437	60,690
Supplies	108,980	8,368	117,348	6,302	7,850	131,500
Telephone	70,503	5,428	75,931	10,875	2,718	89,524
Travel	16,904	4,420	21,324	3,071	568	24,963
Other	7,625	5,371	12,996	14,413	31,907	59,316
Total expenses	\$ 5,608,222	\$ 638,883	\$ 6,247,105	\$ 832,808	\$ 634,778	\$ 7,714,691

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

Houston Area Women's Center Statement of Functional Expenses

For the year ended December 31, 2014

	Program Services			Supporting Services		
	Direct services	Education and training	Total program services	Management and general	Fundraising	Total
Salaries	\$ 2,967,076	\$ 392,857	\$ 3,359,933	\$ 562,841	\$ 357,333	\$ 4,280,107
Employee health and other benefits	388,862	45,448	434,310	51,069	36,885	522,264
Payroll taxes	252,425	32,215	284,640	37,232	27,927	349,799
Total salaries and related expenses	3,608,363	470,520	4,078,883	651,142	422,145	5,152,170
Conferences and meetings	13,918	3,215	17,133	2,759	9,326	29,218
Depreciation	342,169	20,671	362,840	42,514	13,655	419,009
Direct assistance to individuals	837,584	-	837,584	-	-	837,584
Insurance	84,747	5,381	90,128	16,002	1,860	107,990
Membership	10,965	1,115	12,080	2,145	320	14,545
Occupancy	274,132	14,605	288,737	23,785	5,973	318,495
Postage and shipping	4,016	274	4,290	2,638	22,172	29,100
Printing and publications	18,773	27,205	45,978	3,157	24,960	74,095
Professional fees and contract services	77,666	31,146	108,812	78,019	13,200	200,031
Rental and maintenance equipment	64,920	12,644	77,564	21,994	2,379	101,937
Supplies	112,197	9,469	121,666	7,469	8,148	137,283
Telephone	79,186	4,847	84,033	11,101	2,654	97,788
Travel	27,310	6,545	33,855	2,293	501	36,649
Other	5,869	2,739	8,608	13,940	35,348	57,896
Total expenses	\$ 5,561,815	\$ 610,376	\$ 6,172,191	\$ 878,958	\$ 562,641	\$ 7,613,790

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

Houston Area Women's Center Statements of Cash Flows

<i>For the years ended December 31,</i>	2015	2014
Operating activities		
Change in net assets	\$ (388,040)	\$ 208,609
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Depreciation	435,910	419,009
Net realized and unrealized gain on investments	110,542	(495,182)
Change in operating assets and liabilities		
Government contracts receivable	99,737	(106,882)
Pledges receivable	(77,395)	(180,352)
Prepaid expenses	(7,517)	31,435
Accounts payable	53,642	10,236
Accrued expenses	30,248	5,663
Deferred revenue	32,432	-
Net cash provided by (used in) operating activities	289,559	(107,464)
Investing activities		
Purchases of property and equipment	(404,275)	(95,194)
Purchases of investments and reinvestment of income	(319,802)	(341,415)
Proceeds from sales of investments	365,383	639,252
Net cash (used in) provided by investing activities	(358,694)	202,643
Net change in cash and cash equivalents	(69,135)	95,179
Cash and cash equivalents at beginning of year	553,462	458,283
Cash and cash equivalents at end of year	\$ 484,327	\$ 553,462

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

Houston Area Women's Center

Notes to Financial Statements

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Houston Area Women's Center (the Women's Center) helps individuals affected by domestic and sexual violence in their efforts to move their lives forward. The Women's Center provides shelter, counseling and advocacy to support them in building lives free from the effects of violence. The organization also seeks social change to end domestic and sexual violence through community awareness and education. All services are confidential and available to everyone.

Program Descriptions

Direct services provide a continuum of support services including shelter, counseling, and 24-hour hotline services to survivors of domestic and sexual violence, their family and friends, and the community at large. All services are provided free of charge and are provided in English and Spanish. All other languages are accommodated, including sign language, through translation services.

Shelter and Support Services provides a 120-bed shelter and support services, for up to ninety days, to adult women and women with children who are domestic and sexual violence survivors.

- Shelter services include meeting basic daily needs, such as clothing, transportation, meals, and a safe place to stay.
- Support services include counseling, advocacy, case management, mentoring and parenting education, and a monthly legal clinic.
- The on-site career development program includes career/vocational counseling, educational services, access to ESL and GED tutoring, employment assistance, and life skills classes.
- Services for families include on-site daycare, an on-site Early Childhood Center for infants and children (ages 6 weeks to 5 years), on-site HISD school (kindergarten through 5th grade), and enrichment services, including on-site after school and summer programs.

Non-Residential Services provide services at the Education and Counseling building for adult and child survivors of domestic and sexual violence, and their non-offending family members. Non-Residential Services consists of Hotline Services, Counseling and Advocacy Services, Housing Services, Children's Court Services and Outreach Counseling programs.

- Hotline Services provide crisis intervention, emotional support, information, and referrals to survivors of domestic and sexual violence through two 24-hour hotlines. The hotline also oversees the hospital accompaniment program that dispatches an advocate to hospital emergency rooms to provide crisis intervention and advocacy.
- Counseling and Advocacy Services provide individual and group counseling for survivors of domestic and sexual violence and their families and friends. Counselors advocate for clients who are trying to navigate social services and help complete Crime Victims Compensation applications. Counselors also provide expert testimony in both civil and criminal cases.

Houston Area Women's Center Notes to Financial Statements

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Housing Services provides housing options and client advocacy for both shelter and non-residential clients. Housing advocacy assesses clients' housing needs and provides them with appropriate information and referrals, self-sufficiency planning workshops, tenant education sessions, access to transitional housing, and short-term and long-term rental/utility assistance. Client advocacy provides case management for housing clients and informs clients on legal rights and options, protective orders, and other legal services. A legal clinic is conducted for non-residential clients on a quarterly basis.
- Children's Court Services provides education, support, and witness preparation to children who are witnesses and/or victims of a violent crime and their non-offending family members. Court Advocates also provide court accompaniment to the children and their families once they are involved in the criminal court system.
- Outreach Counseling provides community-based counseling services for African-American, Hispanic, and disabled survivors of domestic and/or sexual violence. Outreach efforts include sites at health clinics and social service agencies.

Violence Prevention & Community Education provides education to community members about the dynamics of domestic and sexual violence, including the root causes, in the efforts to prevent these forms of violence.

- *Educational Programming* - The educational programming's goal is to bring awareness to the issue of domestic and sexual violence and the dynamics of these forms of violence is focused around three distinct target groups: (a) middle and high school youth, (b) low-income African American adults, and Hispanic adults with low English proficiency.
- *Professional Training* - The professional training programming's goal is to teach skill-based training to first responders within the community. These groups include medical/nursing students, child protective services, school administration within the Houston and Alief Independent School Districts, university students/faculty/staff, law enforcement, legal professional, special advocate groups, and community organizations that work primarily with low-income African American and Hispanic youth populations.
- *Primary Prevention* - Primary prevention seeks to reduce the overall likelihood that anyone will become a victim or a perpetrator by creating conditions that make violence less likely to occur. Our comprehensive approach utilizes educational seminars, training programs for professionals, and community mobilization to prevention domestic, sexual, and teen dating violence.
- *Communications* - The communications department provides information to the public on domestic and sexual violence issues and services via website, social media, public service announcements, brochures targeting special populations, interviews in the media, and collateral materials.

Houston Area Women's Center Notes to Financial Statements

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

The Women's Center's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Women's Center's resources are reported for accounting purposes in separate classes of net assets based on the existence or absence of donor imposed restrictions. Accordingly, net assets of the Women's Center and changes therein are classified and reported as follows:

Unrestricted – Net assets that are 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 whose use by the Women's Center is subject to donor imposed stipulations that can be fulfilled by action of the Women's Center pursuant to those stipulations or that expire by the passage of time.

Permanently Restricted – Net assets subject to donor imposed stipulations that assets be maintained permanently by the Women's Center. Generally, the donor of these assets permits the Women's Center to use all or part of the investment income on these assets.

Support that is restricted by the donor and is to be used in future periods or for a specific purpose is reported as an increase in temporarily restricted or permanently restricted net assets in the reporting period in which the support is recognized. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities and changes in net assets as net assets released from restrictions.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Women's Center considers all highly liquid investments with initial maturities of three months or less at the time of purchase to be cash equivalents.

Government Contracts and Pledges Receivable

The Women's Center considers all government contracts and pledges receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established. If amounts become uncollectible, they will be charged to operations when that determination has been made.

Pledges receivable consist of unconditional promises to give. Unconditional promises to give expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are recorded discounted to estimate the present value of future cash flow, if material.

Houston Area Women's Center

Notes to Financial Statements

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and Investment Return

Investments are recorded at fair value. Investment return includes interest, dividends, capital gain distributions and realized and unrealized gains and losses. Investment return is reported in the statements of activities and changes in net assets as an increase in unrestricted net assets unless the use of the income is limited by donor imposed restrictions. Investment return whose use is restricted by the donor is reported as an increase in temporarily restricted net assets until expended in accordance with donor imposed restrictions.

Property and Equipment

Property and equipment are stated at cost or, if donated, at the approximate fair value at the date of donation. The Women's Center capitalizes all expenditures for furniture and equipment in excess of \$1,000. Depreciation is computed using straight-line basis over estimated useful lives of 4 to 30 years. Routine maintenance and repair costs are charged to expense in the year incurred.

Government Contracts

Revenue is recognized when the related services are provided. Grant and contract amounts received in advance and have been earned are shown as deferred revenue.

Contributions

Contributions are recognized as revenue at fair value when an unconditional commitment is received from the donor. Contributions received with donor stipulations that limit their use are classified as restricted support. Conditional contributions are recognized in the same manner when the conditions are substantially met.

Donated Materials, Use of Facilities and Services

Donated materials, use of facilities and of services are recognized at fair value as unrestricted contributions when an unconditional commitment is received from the donor. The related expense is recognized as the item is used. Contributions of services are recognized when services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. A substantial number of volunteers have contributed approximately 5,760 and 4,531 hours for the years ended December 31, 2015 and 2014, respectively, in connection with programs for which no amount has been recognized in the financial statements because the services do not meet the criteria for recognition under general accepted accounting principles.

Functional Expenses

The majority of expenses can generally be directly identified with the program or supporting services to which they relate and are charged accordingly. Other expenses have been allocated among the programs and supporting services benefited based on various determinations by management.

Houston Area Women's Center Notes to Financial Statements

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Federal Income Taxes

The Women's Center is exempt from federal income tax under §501(c)(3) of the Internal Revenue Code and is classified as a public charity under §509(a)(1) and §170(b)(1)(A)(vi). Therefore, no provision for federal income tax has been made in these financial statements.

The Women's Center has determined there are no uncertain tax positions that require recognition of disclosures in the accompanying financial statements.

Concentration of Credit Risk

At various times during the years, the Women's Center's cash balances may exceed federally insured limits. The Women's Center has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents, due to the financial strength of the financial institutions where deposits are held.

Credit risk for pledges receivable is concentrated as well because substantially all of the balances are receivables from foundations and agencies located within the same geographic region.

Use of Estimates

In preparing the financial statements in conformity with accounting principles generally accepted in the United States of America, management is required 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 estimates. Estimates that have the most impact on financial position and results of operations primarily relate to the collectability of government contract and pledges receivable, useful lives of property and equipment, certain accrued liabilities and allocation of expense by function. Management believes these estimates and assumptions provide a reasonable basis for the fair presentation of the financial statements.

Subsequent Events

The Women's Center has evaluated subsequent events through the time the financial statements are available for issuance on June 7, 2016. No other matters were identified affecting the accompanying financial statements or related disclosures that have not been disclosed elsewhere.

Houston Area Women's Center Notes to Financial Statements

NOTE 2: FAIR VALUE MEASUREMENTS

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value three tier hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair value are as follows:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Inputs other than Level 1 inputs that are either directly or indirectly observable such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable; or other inputs not directly observable, but derived principally from, or corroborated by, observable market data.

Level 3: Unobservable inputs that are supported by little or no market activity.

The Women's Center utilizes the market approach to measure fair value for its financial assets and liabilities. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. Investments in mutual funds are included in Level 1 as they are currently traded in active markets.

The value of assets and liabilities measured at fair value on a recurring basis are as follows:

	Quoted Market Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
December 31, 2015				
Investments				
Large-cap equity mutual funds	\$ 4,024,790	\$ -	\$ -	\$ 4,024,790
Intermediate-term bond mutual funds	2,122,278	-	-	2,122,278
Total investments measured at fair value	6,147,068	-	-	6,147,068
Total assets measured at fair value	\$ 6,147,068	\$ -	\$ -	\$ 6,147,068
December 31, 2014				
Investments				
Large-cap equity mutual funds	\$ 4,127,790	\$ -	\$ -	\$ 4,127,790
Intermediate-term bond mutual funds	2,175,401	-	-	2,175,401
Total investments measured at fair value	6,303,191	-	-	6,303,191
Total assets measured at fair value	\$ 6,303,191	\$ -	\$ -	\$ 6,303,191

Houston Area Women's Center Notes to Financial Statements

NOTE 2: FAIR VALUE MEASUREMENTS (Continued)

Mutual funds are valued at the net asset value of shares held at year end. This valuation method may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Women's Center believes its valuation method appropriate, the use of different methods or assumptions could result in a different fair value measurement at the reporting date.

The following summarizes the investment return in the statements of activities and changes in net assets:

<i>For the years ended December 31,</i>	2015	2014
Dividends and interest income	\$ 7,580	\$ 97,725
Net realized and unrealized gains	51,680	538,871
	\$ 59,260	\$ 636,596

Investments are exposed to various risks such as interest rate, market and credit risks. Because of these risks, it is at least reasonably possible that changes in the fair values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of financial position and the statements of activities and changes in net assets.

The Women's Center's remaining financial instruments (primarily cash and cash equivalents, receivables, and payables) are carried in the financial statements at amounts that reasonably approximate fair value.

NOTE 3: PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost as follows:

<i>December 31,</i>	2015	2014
Land	\$ 1,905,383	\$ 1,905,383
Building and improvements	9,139,305	9,059,568
Furniture and equipment	2,340,879	2,016,341
	13,385,567	12,981,292
Less: accumulated depreciation	(6,008,475)	(5,572,565)
	\$ 7,377,092	\$ 7,408,727

Depreciation expense for the years ended December 31, 2015 and 2014 totaled \$435,910 and \$419,009, respectively.

Houston Area Women's Center Notes to Financial Statements

NOTE 4: COMPENSATED ABSENCES

Employees of the Women’s Center are entitled to paid vacation depending on job classification, length of service, and other factors. The Women’s Center has accrued approximately \$228,000 and \$243,000 at December 31, 2015 and 2014, respectively, related to accumulated earned vacation, which is included in accrued expenses in the accompanying statements of financial position.

NOTE 5: UNRESTRICTED NET ASSETS

Unrestricted net assets include the following:

<i>December 31,</i>	2015	2014
Board-designated reserve fund	\$ 5,316,551	\$ 5,460,763
Undesignated	309,959	575,569
Property and equipment	7,377,092	7,408,727
	\$ 13,003,602	\$ 13,445,059

NOTE 6: TEMPORARY RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets include the following:

<i>December 31,</i>	2015	2014
Direct services	\$ 970,247	\$ 907,880
Future periods	98,656	330,204
Accumulated endowment fund earnings		
Building maintenance	222,900	233,791
Direct services	29,782	30,688
Transportation	3,642	3,756
Other	474,491	239,982
	\$ 1,799,718	\$ 1,746,301

Houston Area Women's Center Notes to Financial Statements

NOTE 7: PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets are invested in perpetuity to support the following:

<i>December 31,</i>	2015	2014
Building maintenance	\$ 529,594	\$ 529,594
Direct services	39,929	39,929
Transportation	4,670	4,670
	\$ 574,193	\$ 574,193

NOTE 8: ENDOWMENT

The Women's Center has three donor-restricted endowments to support certain programs and building maintenance and are maintained in accordance with explicit donor stipulations. The Women's Center is subject to the Texas Uniform Prudent Management of Institutional Funds Act (TUPMIFA) which has been enacted by the state of Texas. The Board of Directors of the Women's Center has interpreted TUPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Women's Center classifies the original gifts donated to the permanent endowment as permanently restricted net assets. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Women's Center in a manner consistent with the standard of prudence prescribed by TUPMIFA.

In accordance with TUPMIFA, the Women's Center considers the following factors in making determination to appropriate accumulated donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Women's Center and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Women's Center
- (7) The investment policies and objectives of the Women's Center

Spending Policy

The Women's Center has a policy of appropriating for distribution each year an amount not to exceed 3% of the endowment fund's average fair value over the prior twelve quarters without specific Board of Directors approval. In establishing this policy, the Women's Center considered the long-term expected return on the endowments

Houston Area Women's Center Notes to Financial Statements

NOTE 8: ENDOWMENT (Continued)

Strategies Employed for Achieving Objectives

Endowment funds are maintained in investment accounts which are managed by independent financial firms that follow guidance provided in an investment policy approved by the Board of Directors. The Women's Center has adopted investment policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce annualized returns of at least 3% in excess of the Consumer Price Index over a five-year period. To satisfy its long-term rate-of return objectives, the Women's Center relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Women's Center targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Endowment funds by net asset classification are as follows:

<i>December 31,</i>	2015	2014
Temporarily restricted net assets	\$ 256,324	\$ 268,235
Permanently restricted net assets	574,193	574,193
	\$ 830,517	\$ 842,428

Changes in endowment net assets are as follows:

	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, December 31, 2013	\$ 195,856	\$ 574,193	\$ 770,049
Investment return			
Investment and dividends	19,854	-	19,854
Net appreciation of investments	77,871	-	77,871
Amounts appropriated for expenditures	(25,346)	-	(25,346)
Endowment net assets, December 31, 2014	268,235	574,193	842,428
Investment return			
Interest and dividends	22,893	-	22,893
Net depreciation of investments	(15,313)	-	(15,313)
Amounts appropriated for expenditures	(19,491)	-	(19,491)
Endowment net assets, December 31, 2015	\$ 256,324	\$ 574,193	\$ 830,517

Houston Area Women's Center Notes to Financial Statements

NOTE 9: GOVERNMENT CONTRACTS

The Women's Center is the recipient of government contracts from federal, state, and local agencies. Should these contracts not be renewed, a replacement for this source of support may not be forthcoming and related expenses would not be incurred. Government contract revenue includes the following:

<i>December 31,</i>	2015	2014
U.S. Department of Housing and Urban Development	\$ 1,482,299	\$ 1,546,793
U.S. Department of Justice	473,194	350,786
U.S. Department of Health and Human Services	548,402	597,586
Texas Health and Human Services Commission	432,487	359,434
Office of the Attorney General - State of Texas	199,194	199,905
Various other government contracts	288,509	200,622
	\$ 3,424,085	\$ 3,255,126

The Women's Center receives grants from federal and state funding sources that require fulfillment of certain conditions as set forth in grant contracts and are subject to review and audit by the awarding agencies. Such reviews and audits could result in the discovery of unallowable activities and unallowable costs. Consequently, any of the funding sources may, at their discretion, request reimbursement for expenses or return of funds as a result of noncompliance by the Women's Center with the terms of the contracts. Management believes such disallowances, if any, would not be material to the Women's Center's financial position or changes in net assets.

NOTE 10: EMPLOYEE BENEFIT PLAN

The Women's Center participates in a §401(k) plan administered by American United Life Insurance Company. Each employee is permitted to contribute up to 19% of before-tax compensation. The Women's Center annually matches 125% of employee contributions up to 4% of compensation. Employees are fully vested in the Women's Center's contributions after five years of continuous service. The Women's Center contributed approximately \$113,000 and \$94,000 to the plan in 2015 and 2014, respectively.

Houston Area Women's Center Notes to Financial Statements

NOTE 11: OPERATING LEASES

The Women's Center is obligated through December 2017 under various noncancellable operating leases for office equipment. The minimum future lease payments as of December 31, 2015 as follows:

For the year ending December 31,

2016	\$ 26,297
2017	10,957
Total	\$ 37,254

Total rental expense for operating leases was \$37,898 and \$26,297 for the years ended December 31, 2015 and 2014, respectively.

Effective January 2016, the Women's Center entered into a lease agreement for two new telephone systems approximately \$90,000. Management has evaluated the lease agreement and has determined that it meets the criteria for classification as a capital lease. During 2015, the Women's Center paid a deposit of \$25,000, which is included in fixed assets at December 31, 2015.



SINGLE AUDIT REPORTS

Houston Area Women's Center Schedule of Expenditures of Federal Awards

For the year ended December 31, 2015

Grantor / Pass-through grantor / Program and Period	Contract Number	Program or Award Amount	Expenditures
U.S. Department of Housing and Urban Development			
Direct Funding			
Supportive Housing Program			
10/01/14 - 09/30/15	14.235 TX0179L6E001306	\$ 80,705	\$ 32,497
10/01/15 - 09/30/16	14.235 TX0179L6E001407	80,705	6,059
07/01/14 - 06/30/15	14.235 TX0202L6E001306	622,493	271,089
07/01/15 - 06/30/16	14.235 TX0202L6E001407	622,493	312,250
12/01/14 - 11/30/15	14.235 TX0169L6E001306	294,876	260,048
12/01/15 - 11/30/16	14.235 TX0169L6E001407	294,876	13,090
		1,996,148	895,033
Passed through City of Houston Child Care Council			
Community Development Block Grants / Entitlement Grants			
03/01/14 - 03/31/15	14.218 460-001-1946	20,957	3,112
05/01/15- 03/31/16	14.218 460-001-3220	36,440	22,528
		57,397	25,640
Emergency Solutions Grant Program			
03/01/14 - 03/31/15	14.231 460-001-1946	347,031	44,689
05/01/15 - 03/31/16	14.231 460-001-3220	316,186	168,548
Passed through Harris County Community Services Department (Office of Housing and Community Development)			
Emergency Solutions Grant Program			
03/01/14 - 02/28/15	14.231 C2014-0034c	181,364	67,628
03/01/15 - 02/28/16	14.231 2015-0032e	48,235	43,114
Passed through Texas Department of Housing and Community Affairs			
Emergency Solutions Grant Program			
Supportive Housing Program			
10/01/14 - 09/30/15	14.231 42110002077	120,752	82,318
10/01/14 - 09/30/15	14.231 42120002082	150,000	123,018
11/01/14 - 04/30/15	14.231 42120002083	29,248	14,874
10/01/15 - 09/30/16	14.231 42150002296	66,384	17,437
		1,259,200	561,626
Total U.S. Department of Housing and Urban Development		\$ 3,312,745	\$ 1,482,299

See independent auditor's report and accompanying note to the schedules of expenditures of federal and state awards.

Houston Area Women's Center Schedule of Expenditures of Federal Awards

For the year ended December 31, 2015

Grantor / Pass-through grantor / Program and Period	Contract Number	Program or Award Amount	Expenditures
U.S Department of Justice			
Direct Funding			
Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking or Sexual Assault			
10/01/13 - 09/30/16	16.736	2013-WH-AX-0028 \$ 300,000	\$ 130,952
Passed through Office of Governor, Criminal Justice Division			
Crime Victim Assistance			
09/01/14 - 08/31/15	16.575	1346217	389,029 213,194
09/01/15 - 09/31/17	16.575	2857201	768,804 109,322
			1,157,833 322,516
Passed through Harris County Sheriff's Department			
PREA Program: Demonstration Projects to Establish Zero Tolerance Cultures for Sexual Assault in Correctional Facilities			
10/01/13 - 09/30/15	16.735	2013-RP-BX-0014	30,700 14,852
10/01/15 - 09/30/16	16.735	2013-RP-BX-0014	24,721 4,874
			55,421 19,726
Total U.S Department of Justice			1,513,254 473,194
U.S. Department of Health and Human Services			
Passed through Office of the Attorney General - State of Texas			
Preventive Health and Health Services Block Grant			
02/01/15 - 09/30/15	93.991	1557628	\$ 23,446 \$ 23,446
Injury Prevention and Control Research and State and Community Based Programs			
02/01/14 - 01/31/15	93.136	1449776	71,244 12,925
02/01/15 - 01/31/16	93.136	1558642	79,788 54,218
			151,032 67,143

See independent auditor's report and accompanying note to the schedules of expenditures of federal and state awards.

Houston Area Women's Center Schedule of Expenditures of Federal Awards

For the year ended December 31, 2015

Grantor / Pass-through grantor / Program and Period			Program or Award Amount	Expenditures
U.S. Department of Health and Human Services (Continued)				
Passed through Texas Health and Human Services Commission				
Family Violence Prevention and Services / Battered Women's Shelters - Grants to States and Indian Tribes				
09/01/14 - 08/31/15	93.671	529-15-0032-00011	152,604	103,957
09/01/15 - 08/31/16	93.671	529-15-0032-00011C	152,054	49,083
10/01/14 - 08/30/15	93.671	529-15-0006-00006	59,637	42,238
10/01/15 - 09/30/16	93.671	529-15-0006-00006A	62,413	15,288
			426,708	210,566
Temporary Assistance for Needy Families				
09/01/15 - 08/31/16	93.558	529-16-0015-00024	60,653	6,515
Social Services Block Grant				
09/01/14 - 08/31/15	93.667	529-15-0032-00011	\$ 333,043	\$ 226,876
09/01/15 - 08/31/16	93.667	529-15-0032-00011C	361,408	13,856
			694,451	240,732
Total U.S Department of Health and Human Services			1,356,290	548,402
U.S. Department of Agriculture				
Child and Adult Care Food Program				
10/01/14 - 09/30/15	10.558	2498	\$	43,934
10/01/15 - 09/30/16	10.558	2498		14,841
Total U.S Department of Agriculture				58,775
U.S. Department of Transportation				
Passed through Metropolitan Transit Authority of Harris County				
Job Access and Reverse Commute Program				
10/01/13 - 09/30/16	20.516	TX-37-X103-HAWC	419,090	191,662
U.S. Department of Homeland Security				
Passed through United Way of Texas Gulf Coast				
Emergency Food and Shelter Program				
01/01/15 - 12/31/15	97.024		12,820	12,820
Total Federal awards			\$	2,767,152

See independent auditor's report and accompanying note to the schedules of expenditures of federal and state awards.

Houston Area Women's Center Schedule of Expenditures of State Awards

For the year ended December 31, 2015

Grantor / Pass-through grantor / and Period	Program Contract Number	Program or Award Amount	Expenditures
Texas Health and Human Services Commission			
General Revenue Crime Victims			
09/01/14 - 08/31/15	529-15-0032-00011	\$ 333,043	\$ 226,876
09/01/15 - 08/31/16	529-15-0032-00011c	636,966	205,611
Total Texas Health and Human Services Commission		970,009	432,487
Office of the Attorney General - State of Texas			
Sexual Assault Prevention Crisis Services Division			
09/01/14 - 08/31/15	1551175	156,416	102,164
09/01/15 - 08/01/16	1663087	156,416	55,977
		312,832	158,141
Compensation to Victims of Crime Fund			
09/01/14 - 08/31/15	1552660	42,000	26,635
09/01/15 - 08/31/16	1662444	42,000	14,418
		84,000	41,053
Total Office of the Attorney General - State of Texas		396,832	199,194
Harris County, Texas			
Youth and Family Services Division			
03/01/14 - 02/28/15	61115	17,500	1,412
03/01/15 - 02/29/16	61116	27,916	23,840
Total Harris County, Texas		45,416	25,252
Total State awards			\$ 656,933

See independent auditor's report and accompanying note to the schedules of expenditures of federal and state awards.



Houston Area Women's Center Note to Schedules of Expenditures of Federal and State Awards

NOTE 1: BASIS OF PRESENTATION OF SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE OF TEXAS AWARDS

The accompanying Schedules of Expenditures of Federal and State Awards (the "Schedules") present the Federal and State of Texas program fund expenditures of all Federal and State of Texas award programs of the Women's Center for the year ended December 31, 2015. The information in these Schedules is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost of Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State of Texas *Single Audit Circular*. Therefore, some amounts presented in these Schedules may differ from amounts presented in or used in the preparation of the Women's Center's financial statements.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedules are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles as found in the Uniform Guidance for federal awards and *Uniform Grant Management Standards* for state of Texas awards.

NOTE 3: RELATIONSHIP TO FINANCIAL REPORTS SUBMITTED TO GRANTOR AGENCIES

Amounts reflected in the financial reports filed with grantor agencies for the programs and the supplementary schedules may not agree because of accruals included in the next report filed with the agencies, matching requirements not included in the Schedules of Expenditures of Federal and State of Texas Awards and different program year ends.



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Houston Area Women's Center
Houston, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Houston Area Women's Center (the Women's Center), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities and changes in net assets, 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 June 7, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Women's Center'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 Women's Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Women's Center'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 Women's Center'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 Women's Center'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 Women's Center'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.

Cary Riggs & Ingram, L.L.C.

Houston, Texas
June 7, 2016



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND MAJOR STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

Board of the Board of Directors
Houston Area Women's Center
Houston, Texas

Report on Compliance for Each Major Federal and Major State Program

We have audited Houston Area Women's Center's compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and in the State of Texas *Single Audit Circular* that could have a direct and material effect on each of the Women's Center's major federal and state programs for the year ended December 31, 2015. The Women's Center's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Women's Center's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and in the State of Texas *Single Audit Circular*. Those standards, the Uniform Guidance, and the State of Texas *Single Audit Circular* 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 or state program occurred. An audit includes examining, on a test basis, evidence about the Women's Center's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and Major State Program

In our opinion, the Women's Center's complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2015.

Report on Internal Control over Compliance

Management of the Women's Center 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 Women's Center's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State of Texas *Single Audit Circular*, 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 Women's Center's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 or state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the State of Texas *Single Audit Circular*. Accordingly, this report is not suitable for any other purpose.

Carly Riggs & Ingram, L.L.C.

Houston, Texas
June 7, 2016

Houston Area Women's Center Schedule of Findings and Questioned Costs

SECTION I – SUMMARY OF AUDITORS' RESULTS

2015 Financial Statements

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
• Material weakness(es) identified?	_____yes	___X___no
• Significant deficiencies identified?	_____yes	___X___none reported
Noncompliance material to financial statements noted?	_____yes	___X___no

2015 Federal and State Awards

Internal control over major programs:		
• Material weakness(es) identified?	_____yes	___X___no
• Significant deficiencies identified?	_____yes	___X___none reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) and the State of Texas <i>Single Audit Circular</i> ?	_____yes	___X___no

Identification of major programs:

CFDA number
20.516
93.667
93.671

Name of Federal Programs
Job Access and Reverse Commute Program
Social Services Block Grant
Family Violence Prevention and Services /
Battered Women's Shelters – Grants to States
and Indian Tribes

Contract number
529-14-0032-00011
529-14-0032-00011c

Name of State Program or Cluster
General Revenue Crime Victims
General Revenue Crime Victims

**Houston Area Women's Center
Schedule of Findings and Questioned Costs (Continued)**

SECTION I – SUMMARY OF AUDITOR’S RESULTS (CONTINUED)

Dollar threshold used to distinguish between
Type A and Type B for both federal and state programs: \$750,000

Auditee qualified as low-risk federal auditee? X yes no

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported for the year ended December 31, 2015.

SECTION III – FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

None reported for the year ended December 31, 2015.

SCHEDULE OF PRIOR YEAR FINDINGS

None reported for the year ended December 31, 2014.