

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN
FINANCIAL STATEMENTS
JUNE 30, 2020 and 2019
TOGETHER WITH INDEPENDENT AUDITOR'S REPORTS

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

FINANCIAL STATEMENTS
JUNE 30, 2020 and 2019

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INDEPENDENT AUDITOR'S REPORT

To The Board of Directors
Connections for Abused Women and their Children
Chicago, Illinois

Report on the Financial Statements

We have audited the accompanying statements of financial position of Connections for Abused Women and their Children (the Organization), which comprise the financial statements of financial position as of June 30, 2020 and 2019 a 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 audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Connections for Abused Women and their Children as of June 30, 2020 and 2019, 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.

Summarized Comparative Information

We have previously audited the Connections for Abused Women and their Children's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 18, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019 is consistent, in all material respects, with the audited financial statements from it has been derived.

Other reporting required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2020, on our consideration of Connections for Abused Women and Their Children's internal control over financial reporting and 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 Connections for Abused Women and their Children's internal control over financial reporting and compliance.

Chicago, Illinois
November 6, 2020

Mirza Baig & Company

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

STATEMENTS OF FINANCIAL POSITION
As of June 30, 2020 and 2019

	Without Donor Restricted	With Donor Restricted	2020	2019
ASSETS:				
Current Assets:				
Cash and cash equivalents	\$ 1,784,128	\$ 550,679	\$2,334,807	\$ 1,994,748
Investments	929,897	23,115	953,012	994,321
Grant and Contract receivable	335,590	-	335,590	184,186
Unconditional promise to give	598	-	598	35,500
Prepaid and Deposits	118,199	-	118,199	61,716
Total current assets	3,168,412	573,794	3,742,206	3,270,471
Fixed assets - at cost (net of accumulated depreciation and amortization of \$720,366 and \$716,656)				
	19,321	-	19,321	23,031
Total assets	<u>\$ 3,187,733</u>	<u>\$ 573,794</u>	<u>\$3,761,527</u>	<u>\$ 3,293,502</u>
LIABILITIES AND NET ASSETS:				
Current liabilities:				
Accounts payable	\$ 7,456	\$ -	\$ 7,456	\$ 6,738
Accrued expenses	68,173	-	68,173	29,136
PPP Loan	238,895	-	238,895	-
Total current liabilities	<u>314,524</u>	<u>-</u>	<u>314,524</u>	<u>35,874</u>
Net assets:				
Without donor restricted	1,873,209	-	1,873,209	1,825,009
Board designated	1,000,000	-	1,000,000	1,000,000
With donor restricted	-	573,794	573,794	432,619
Total net assets	<u>2,873,209</u>	<u>573,794</u>	<u>3,447,003</u>	<u>3,257,628</u>
Total liabilities and net assets	<u>\$ 3,187,733</u>	<u>\$ 573,794</u>	<u>\$3,761,527</u>	<u>\$ 3,293,502</u>

The accompanying notes are an integral part of the financial statements

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

STATEMENTS OF ACTIVITIES
For the Years Ended June 30, 2020 and 2019

	Without Donor Restricted	With Donor Restricted	2020	2019
SUPPORT AND REVENUE:				
Support:				
Government Grants and Contracts	\$ 1,219,705	\$ -	\$ 1,219,705	\$ 970,326
Contributions	696,328	195,212	891,540	689,272
United Way of Chicago	38,950	-	38,950	47,500
PPP Funds	48,205	-	48,205	-
Special events (net)	42,531	131,862	174,393	277,589
Net assets released from restrictions	185,899	(185,899)	-	-
	<u>2,231,618</u>	<u>141,175</u>	<u>2,372,793</u>	<u>1,984,687</u>
Revenue:				
Interest/Dividend income	35,624	-	35,624	38,831
Unrealized (loss)gain on investments	(48,349)	-	(48,349)	17,485
In-kind contributions	58,419	-	58,419	65,600
Miscellaneous revenue	9,378	-	9,378	7,163
	<u>55,072</u>	<u>-</u>	<u>55,072</u>	<u>129,079</u>
Total revenue	<u>\$ 2,286,690</u>	<u>\$ 141,175</u>	<u>\$ 2,427,865</u>	<u>\$2,113,766</u>
EXPENSES:				
Program services:				
Greenhouse Shelter	1,036,154	-	1,036,154	766,137
Hospital Crisis Intervention Project	252,791	-	252,791	273,686
Domestic Violence Services at Haymarket	82,659	-	82,659	53,166
Humboldt Park Outreach Program	363,572	-	363,572	371,137
	<u>1,735,176</u>	<u>-</u>	<u>1,735,176</u>	<u>1,464,126</u>
Supporting services:				
Management and general	388,238	-	388,238	361,786
Fund-raising/special events	115,411	-	115,411	147,923
Total supporting services	<u>503,649</u>	<u>-</u>	<u>503,649</u>	<u>509,709</u>
Total expenses	<u>2,238,825</u>	<u>-</u>	<u>2,238,825</u>	<u>1,973,835</u>
Changes in unrestricted net assets	47,865	141,175	189,040	139,931
Net assets, beginning of year	2,825,009	432,619	3,257,628	3,096,101
Prior period adjustment	335	-	335	21,596
Net assets, beginning of year as restated	<u>2,825,344</u>	<u>432,619</u>	<u>3,257,963</u>	<u>3,117,697</u>
Net assets, end of year	<u>\$ 2,873,209</u>	<u>\$ 573,794</u>	<u>\$ 3,447,003</u>	<u>\$3,257,628</u>

The accompanying notes are an integral part of the financial statements

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
(Decrease)Increase in net assets	\$ 189,040	\$ 139,931
Adjustments to reconcile increase in net assets to net cash		
Provided by operating activities:		
Depreciation	3,709	2,761
Prior period adjustment	335	21,596
(Increase)/decrease in operating assets:		
Decrease /(Increase) in grant receivable	(151,404)	(71,464)
Decrease/(increase) in Pledges receivable	34,902	(27,423)
(Increase)/Decrease in prepaid and deposits	(56,483)	8,675
(Decrease) in accounts payable	719	998
Increase/(Decrease) accrued expenses	39,037	714
Net cash provided/(used) from operating activities	<u>59,855</u>	<u>75,788</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions of property and equipment	-	(11,026)
Net (Increase) in investments	41,309	(917)
Net cash used by investing activities	<u>41,309</u>	<u>(11,943)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
PPP Loan	238,895	-
Net cash provided from operating activities	<u>238,895</u>	<u>-</u>
Net (Decrease) Increase in Cash and Cash Equivalents	340,059	63,845
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,994,748</u>	<u>1,930,903</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 2,334,807</u></u>	<u><u>\$ 1,994,748</u></u>

The accompanying notes are an integral part of the financial statements

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

STATEMENTS OF FUNCTIONAL EXPENSES
For the Years Ended June 30, 2020 and 2019

	PROGRAM SERVICES					TOTAL PROGRAM SERVICES	SUPPORTING SERVICES		TOTAL EXPENSES	
	Greenhouse Shelter	Hospital Crisis Intervention Project	Domestic Violence Services at Haymarket	Humboldt Park Outreach Program	Management and General		Fundraising	2020	2019	
Salaries and related expenses:										
Salaries	\$ 683,589	\$ 172,012	\$ 56,133	\$ 241,683	\$ 237,473	\$ 1,153,417	\$ 83,778	\$ 1,474,668	\$ 1,285,564	
Employee benefits	85,276	21,458	7,003	30,150	29,625	143,887	10,451	183,963	171,529	
Payroll taxes	62,355	15,690	5,120	22,046	21,662	105,211	7,642	134,515	132,325	
Total salaries and related expenses	831,220	209,160	68,256	293,879	288,760	1,402,515	101,871	1,793,146	1,589,418	
Professional fees	5,485	1,200	300	1,400	24,540	8,385	-	32,925	27,644	
Office supplies and Expense	40,329	2,987	2,240	7,185	7,137	52,741	-	59,878	20,465	
Telephones	14,654	3,687	1,203	5,181	5,091	24,725	1,796	31,612	32,479	
Postage and Deliveries	-	-	-	-	1,160	-	-	1,160	2,005	
Occupancy	56,113	14,638	4,879	19,518	19,518	95,148	7,319	121,985	121,643	
Insurance	8,694	2,268	756	3,024	3,024	14,742	1,134	18,900	19,241	
Printing and Stationary	-	-	-	-	2,228	-	-	2,228	3,432	
Travel	6,814	1,714	559	2,409	2,367	11,496	835	14,698	17,206	
Conference,Meetings and Staff Development	5,120	1,289	421	1,811	1,779	8,641	628	11,048	7,146	
Subscriptions and Publications	145	335	181	350	11,411	1,011	-	12,422	14,089	
Client assistance	40,256	-	-	-	-	40,256	-	40,256	7,323	
Furniture and Equipment rentals/Maintenance	13,194	3,320	1,083	4,665	4,584	22,262	1,617	28,463	30,164	
Procurement	-	-	-	-	25	-	-	25	2,575	
Bank charges	-	-	-	-	6,438	-	-	6,438	7,350	
Miscellaneous	-	-	-	-	1,513	-	-	1,513	3,294	
In-kind contributions	12,411	11,760	2,640	23,542	8,066	50,353	-	58,419	65,600	
Total expenses before depreciation	1,034,435	252,358	82,518	362,964	387,641	1,732,275	115,200	2,235,116	1,971,074	
Depreciation	1,719	433	141	608	597	2,901	211	3,709	2,761	
TOTAL EXPENSES	\$ 1,036,154	\$ 252,791	\$ 82,659	\$ 363,572	\$ 388,238	1,735,176	\$ 115,411	\$ 2,238,825	\$ 1,973,835	

The accompanying notes are an integral part of the financial statements

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

Notes to Financial Statements
Years Ended June 30, 2020 and 2019

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

(a) Nature of Activities:

Connections for Abused Women and their Children (the Organization) formerly Chicago Abused Women Coalition, Inc. is a nonprofit social service organization that is exempt from income taxes under Section 501(C)(3) of the Internal Revenue Code and applicable state law. On March 18, 2008 by affirmative vote of the majority, the board of directors approved changing the Organization's name as above, and filed an Articles of Amendment with the State of Illinois Office of the Secretary of State in accordance with Section 110.15.

The Organization is committed to ending violence against individuals. The Organization strives to empower individuals so they can live free of domestic violence, by providing victims of Domestic Violence with support services including safe and emergency shelter, counseling, advocacy and a 24 -hour hotline. The Organization strives to be leaders and to create programs that serve as models to the community, and to work for social change through awareness, education, service collaboration, and legislative advocacy.

Summaries of the Organization's service sites are as follows:

Greenhouse Shelter

Opened in 1979 as Chicago's first safe house for battered women and their children, Greenhouse provides emergency shelter and support services to approximately 350 in person adults and children, and counsels more than 3,450 hotline callers each year. Services include a 24-hour hotline, a TDD hotline; crisis intervention; shelter, food and clothing; counseling; support groups; Illinois Domestic Violence Act (IDVA) and non-legal advocacy; information and referral; family trauma therapy; substance abuse counseling; transportation and housing assistance.

Hospital Crisis Intervention Project (HCIP)

HCIP opened in 1992 and is located on-site at John H. Stroger Hospital of Cook County and in 2014 expanded to Northwestern Memorial Hospital. HCIP staff provides on-going training for Hospital personnel on the appropriate identification, assessment and referral of patients who are victims of abuse; advocacy, information and referrals for extended services; and on-site crisis intervention and counseling services to victims of domestic violence referred by medical staff. Each year HCIP serves approximately 150 individuals and provides training to more than 1750 health providers.

Humboldt Park Outreach Program (HPOP)

In 2000, CAWC initiated a new service site at 1116 N. Kedzie. HPOP provides individual and group counseling, family trauma therapy and advocacy services. HPOP collaborates with other agencies for mental health services, substance abuse treatment and employment training. HPOP serves approximately 400 adults and children each year.

Domestic Violence Services at Haymarket Center

CAWC is collaborating with Haymarket Center, Illinois' 3rd largest organization for alcohol and substance addictions treatment, in providing comprehensive domestic violence services to individuals who are identified as victims of domestic abuse. Opened in 1998, the project is staffed

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

Notes to Financial Statements Years Ended June 30, 2020 and 2019

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

by a full-time CAWC "Program Services Coordinator" who provides counseling and support services to approximately 160 adults on-site at Haymarket Center each year.

(b) Significant Accounting Policies:

CAWC prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for not-for-profit entities. The significant accounting and reporting policies used by the Organization are described subsequently to enhance the usefulness and understandability of the financial statements.

Basis of Accounting

CAWC prepares its financial statements using the accrual basis of accountings and accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the CAWC's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. CAWC's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net Assets without Donor Restrictions

Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the board limits resulting for the nature of the organization, the environment in which it operates, the purpose specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net Assets with Donor Restrictions

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature, the organization must continue to use the resources in accordance with the donor's instructions.

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

Notes to Financial Statements Years Ended June 30, 2020 and 2019

NOTE 1- OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

The organization's unspent contributions are included in this class if the donor limited their use, as are its donor-restricted endowment funds that its beneficial interest in a perpetual charitable trust held by a bank trustee.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the organization, unless the donor provides more specific directions about the period of its use.

Fair Value Measurements

The Organization reports its fair value measures using a three-level hierarchy that prioritizes the input used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The value of all of the Organization's assets and liabilities which are required to be carried at fair value are valued at quoted prices in active markets for identical assets and liabilities and therefore, considered Level I assets and liabilities. Level I Quoted process for identical assets and liabilities in active markets to which the organization has access at the measurement date.

Classification of Transactions

All revenues and net gains are reported as increase in net assets without donor restrictions in the statement of activities unless the donor specified the use of related resources for a particular purpose or in a future period. All expenses and net losses other than losses on endowment investments are reported as decreases in net assets without donor restrictions. Net gains on endowment investments increase net assets with donor restrictions, and net losses on endowment investments reduce that net asset class.

Cash and Cash Equivalents

Cash equivalents are short term, interest bearing, highly liquid investments with original maturities of three months or less, unless the investments are held for meeting restrictions of a capital or endowment nature. The organization maintains cash balances at a financial institution located in Chicago, IL. The balance is insured by the Federal Deposit Insurance Corporation (F.D.I.C.) up to \$250,000 per financial institution. The uninsured balances in two financial institutions were \$2,064,130 and 1,428,819.

Cash equivalents, other securities, and limited amounts of cash held in brokerage accounts are protected by the Securities investor Protection (SIPC) in the event of broker-dealer failure, up to \$500,000 of protection for each brokerage account with a limit of \$250,000 for claims of uninvested cash balances. Additional brokerage insurance in addition to SIPC protection is provided through underwriters in London. The SIPC insurance does not protect against market losses on investments.

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

Notes to Financial Statements Years Ended June 30, 2020 and 2019

NOTE 1- OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

Contributions Receivable

Contributions receivable are unconditional promises to give that are recognized as contributions when the promise is received. Contributions receivable that are expected to be collected in less than a year are recorded at fair value at the date of promise. That fair value is computed using technique applied to anticipated cash flows. Amortization of the resulting discount is recognized as additional contribution revenue. The allowance for uncollectible contributions receivable is a management's evaluation of the collectability of individual promises. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed.

Land, Buildings, and Equipment

Land, buildings and equipment are reported in the statement of financial position at cost, if purchased, and at fair value at the date of donation, if donated. All land and buildings are capitalized. Equipment is capitalized if it has a cost of \$500 or more and a useful life when acquired of more than 1 year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Building improvements	10 years
Furniture and Equipment	3-5 years

Land, building and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period.

Gifts-in-Kind Contributions

The organization periodically receives contributions in a form other than cash or investments. If the organization receives a contribution of land, buildings, or equipment, the contributed asset is recognized as an asset at its estimated fair value at the date of gift, provided that the value of the asset and its estimated useful life meets the organization's capitalization policy. Donated use of facilities is reported as contributions and as expenses at the estimated fair value of similar space for rent under similar conditions. If the use of the space is promised unconditionally for a period greater than one year, the contribution is reported as a contribution and an unconditional promise to give at the date of gift, and the expense is reported over the term of use. Donated supplies are recorded as contributions at the date of gift and as expenses when the donated items are placed into service or distributed.

The organization produces and distributes television and radio public service announcements for its services. These announcements are aired without charge. The organization recognizes contributed airtime as contributions at its estimated fair value, which it determines based upon the day, time, and market in which the public service announcements are broadcast.

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

Notes to Financial Statements Years Ended June 30, 2020 and 2019

NOTE 1- OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

The organization benefits from personal services provided by a substantial number of volunteers. Those volunteers have donated significant amounts of time and services in the organization's program operations and in its fund-raising campaigns. However, the majority of the contributed services do not meet the criteria for recognition in financial statements. GAAP allow recognition of contributed services only if (a) the services create or enhance nonfinancial assets or (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills.

Accounting for Contributions

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in unrestricted net assets unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in either with donor restricted or without donor restricted net assets, consistent. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as with donor restricted until the payment is due unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

Expense Recognition and Allocation

The cost of providing the organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited. General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the organization.

Subsequent Events

Subsequent events have been evaluated through November 6, 2020, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

Tax Status

The Organization is incorporated exempt from federal income taxation under Section 501(c) (3) of the Internal Revenue Code (IRC), though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). Contributions to the organization are tax deductible to donors under Section 170 of the IRC. The organization is not classified as a private foundation.

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

Notes to Financial Statements Years Ended June 30, 2020 and 2019

NOTE 1- OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- CONTINUED

NOTE 2 - CASH AND CASH EQUIVALENTS

Cash and cash equivalent consists of the following:

	<u>2020</u>	<u>2019</u>
Checking	\$1,301,797	\$1,034,021
Money Market	728,874	674,386
Petty Cash Fund	1,584	1,584
Savings Account	302,552	302,457
	-----	-----
	\$2,334,807 →	\$2,012,448
	=====	=====

NOTE 3 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of June 30, 2020 are:

Financial assets:

Cash and cash equivalents	\$2,334,807
Investments	953,012
Grants and contracts receivable	335,590
Contributions receivable	598

Total financial assets	3,624,007
Less: financial assets held to meet donor-imposed restrictions:	
Purpose-restricted net assets (note 8)	(573,794)
Time restricted net assets	-

Amount available for general expenditures within one year	\$3,050,213
	=====

NOTE 4 - COMPARATIVE TOTALS FOR PRIOR YEARS

The financial statements include certain prior-year summarized comparative information in total but not by fund class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2018, from which the summarized information was derived.

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

Notes to Financial Statements Years Ended June 30, 2020 and 2019

NOTE 5 - PROPERTY AND EQUIPMENT

Land, building and equipment are reflected at cost and consist of the following:

	<u>2020</u>	<u>2019</u>
Land	\$ 8,000	\$ 8,000
Building	72,000	72,000
Building Improvements	465,020	465,020
Furniture and equipment	194,667	194,667
	-----	-----
	739,687	739,687
Less: Accumulated depreciation	720,366	716,656
	-----	-----
	\$19,321	\$23,031
	=====	=====

NOTE 6 - INVESTMENTS ACCOUNT

Investments are composed of mutual funds investing in debt and equity securities and are measured at quoted prices in active markets for identical investments as of June 30, 2020, are summarized as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
With donor restrictions:			
Fidelity - Taylor Education fund	\$ 19,924	\$ 23,115	\$ 23,115
Board Designated Fund:			
Schwab - Quasi Endowment Fund	\$892,217	\$929,897	\$929,897

The following schedule summarizes investment return and the classification in the statement of activities for the year ended June 30, 2020:

	<u>With donor Restricted</u>	<u>Without donor Unrestricted</u>	<u>Board Designated</u>	<u>Total</u>
Interest and dividends	\$ -	\$ -	\$ 35,624	\$ 35,624
Unrealized Gain/ (Loss)	-	-	(49,113)	(53,003)
Realized Gain/ (Loss)	-	-	4,654	4,654
Less: Fees and charges	-	-	(3,890)	(3,890)
	-----	-----	-----	-----
Total Investment return	\$ -	\$ -	\$(12,725)	\$(12,725)
	=====	=====	=====	=====

The Organization uses the following ways to determine the fair value of its investments:

Money market funds: Determined by the published net asset value per unit at the end of the last trading day of the year, which is the basis for transactions at that date.

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

Notes to Financial Statements Years Ended June 30, 2020 and 2019

NOTE 6 - INVESTMENTS ACCOUNT - CONTINUED

U.S. Department of treasury Obligations: Determined by the closing bid price on the last business day of the fiscal year if actively traded.

Equity securities traded on national securities exchanges: Determined by the closing price on the last business day of the fiscal year.

Equity securities traded on the over-the-counter: Determined by the last reported bid price, if actively traded.

Open-end mutual funds: Determined by the published net assets value per unit at the end of the last trading day of the fiscal year, which is the basis for transactions at that date.

Exchange traded-funds: Determined by the published closing price on the last business day of the fiscal year.

NOTE 7 - GRANT AND CONTRACT RECEIVABLE

Grants and Contract receivable consisted of the following:

	<u>2020</u>	<u>2019</u>
Chicago Department of Family and Support Services - Homeless Services	\$42,935	\$82,618
Chicago Department of Family and Support Services - CDBG	37,780	3,645
Chicago Department of Family and Support Services - Corporate	90,868	12,947
Illinois Criminal Justice Information Authority - VAWA STOP	12,020	9,322
Illinois Criminal Justice Information Authority-VOCA	64,364	29,747
Illinois Department of Human Services - Domestic Violence Prevention	63,710	43,768
Other	23,913	2,139
	-----	-----
	\$335,590	\$184,186
	=====	=====

NOTE 8 - WITH DONOR RESTRICTED NET ASSETS

With Donor Restricted Net Assets consisted of the following:

	<u>2020</u>	<u>2019</u>
Fund raising Gala	\$131,862	\$ -
Michael Reese	1,213	-
Earling	205	2,105
Capital Campaign	410,590	410,590
Greer	10,000	-
Taylor Education Fund	19,924	19,924
	-----	-----
	\$573,794	\$432,619
	=====	=====

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

Notes to Financial Statements Years Ended June 30, 2020 and 2019

NOTE 11 - IMPAIRMENT LOSSES

The Organization reviews its investment in real estate for impairment whenever events or changes in circumstances indicated that the carrying value of such property might not be recoverable. There was no impairment losses recognized in the year ending June 30, 2020.

NOTE 12 - GRANTS/CONTRACTS FROM GOVERNMENTAL AGENCIES

Grants and Contracts revenue from Governmental Agencies consist of the following:

	<u>Federal</u>	<u>State /Local</u>	<u>Total</u>
Chicago Department family and Support Services	\$161,688	\$195,196	\$356,884
Illinois Department of Human Services	324,367	194,119	518,486
Attorney General's Office	-	39,069	39,069
Illinois Coalition Against Domestic Violence	240,940	-	240,940
US Department of Home Land Security	1,861	-	1,861
All Chicago		62,465	62,465
	-----	-----	-----
	\$728,856	\$490,849	\$1,219,705
	=====	=====	=====

NOTE 13 - BOARD DESIGNATED - QUASI ENDOWMENT FUND

In fiscal year 2006, the Organization received Domestic Violence Endowment Funds in the amount of \$1,000,000 from a Foundation for the benefit of long-term support to operations of CAWC. The grantor stipulated that the funds would be used for the Organization's mission and will support the ongoing operation of Greenhouse Shelter, the Hospital Crisis Intervention Project, the Humboldt Park Outreach Program, and Domestic Violence Services at Haymarket Center. According to the by-laws of CAWC funds donated for Domestic Violence Endowment may be maintained in the form of endowments, quasi-endowment, charitable trust or other forms as deemed appropriate. The CAWC Domestic Violence Endowment investment policy will necessitate distributing a significant portion of total assets each year and may occasionally require distributing capital. Currently, the Funds are invested in mutual funds and cash, as of June 30, 2018 the market value of investment amounted to \$ 974,397. The entire amount was classified as Board Designated Quasi-Endowment Fund. During fiscal year 2015, the Organization reclassified its Endowment Fund from permanently restricted net assets to Board designated Quasi-Endowment Fund per donor's stipulation. During fiscal year 2019 the Organization recognized net realized and unrealized gain of \$17,485 from mutual fund investments.

NOTE 14 - SPECIAL EVENTS

Special events reported include, but are not limited to, the Annual Gala, and other fundraising endeavors. Gross revenues from these events were \$181,615 and total expenses were \$7,222, yielding net proceeds from special events in the amount of \$174,393.

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

Notes to Financial Statements
Years Ended June 30, 2020 and 2019

NOTE 15 - DONATED SERVICES AND MATERIALS

The Organization receives donated services from a variety of unpaid volunteers assisting the agency and supporting services. The Organization also receives donated space, materials from various organizations. The amounts have been recognized at fair market value in the accompanying statement of activities as follows:

Space and materials	\$14,400
Volunteer Services	44,019

	\$58,419
	=====

SUPPLEMENTAL SCHEDULES

MIRZA BAIG & COMPANY

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL SCHEDULE

To The Board of Directors
Connections for Abused Women and Their Children
Chicago, Illinois

Our audit was conducted for the purpose of forming an opinion on the financial statements of Connections for Abused Women and their Children as a whole. The supplemental schedule of revenue and expenses by programs on page 19 through 20 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Chicago, Illinois
November 6, 2020

Mirza Baig & Company

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

SCHEDULE OF REVENUE AND EXPENSES
For the year ended June 30, 2020

	Chicago DFSS	Chicago CDBG	Chicago Corporate	Illinois DHS	Illinois DHS Match	VOCA	VOCA MATCH	Haymarket VAWA S.T.O.P
REVENUE:								
Government Grants and Contracts	\$ 79,733	\$ 81,955	\$ 195,196	\$ 518,486	\$ -	\$ 224,950	\$ -	\$ 15,990
Contributions -Corporation/foundations	-	-	-	-	32,635	-	52,703	-
Contributions -Individuals	-	-	-	-	-	-	-	-
United Way of Chicago	-	-	-	-	-	-	-	-
Honorarium	-	-	-	-	-	-	-	-
Special events (net)	-	-	-	-	-	-	-	-
PPP Funds	-	-	-	-	-	-	-	-
Net Unrealized and Realized gain/loss	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
In-kind contribution	-	-	-	-	-	-	-	-
TOTAL REVENUES	\$ 79,733	\$ 81,955	\$ 195,196	\$ 518,486	\$ 32,635	\$ 224,950	\$ 52,703	\$ 15,990
EXPENSES:								
Salaries	\$ 79,733	\$ 81,955	\$ 157,345	\$ 326,156	\$ 10,143	\$ 190,859	\$ 37,986	\$ 12,431
Payroll taxes	-	-	5,023	7,491	22,492	7,211	5,318	1,091
Employee benefits	-	-	9,159	54,459	-	12,790	9,399	1,933
Total salaries and expenses	79,733	81,955	171,527	388,106	32,635	210,860	52,703	15,455
Consultants	-	-	-	-	-	-	-	-
Accounting and audit	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-
Utilities	-	-	-	49,631	-	-	-	-
Repairs & Maintenance - Buildings	-	-	-	22,122	-	-	-	-
Insurance	-	-	17,411	9,810	-	-	-	-
Office supplies	-	-	-	8,647	-	-	-	-
Program supplies	-	-	3,633	2,000	-	14,090	-	463
Travel - Staff	-	-	2,500	5,725	-	-	-	72
Travel - Client	-	-	-	5,007	-	-	-	-
Food	-	-	-	2,925	-	-	-	-
Client assistance	-	-	-	-	-	-	-	-
Furniture and Equipment Rentals	-	-	-	916	-	-	-	-
Furniture and Equipment Maint	-	-	-	4,000	-	-	-	-
Telecommunications	-	-	-	1,814	-	-	-	-
Postage and deliveries	-	-	-	17,409	-	-	-	-
Printing and Stationary	-	-	-	374	-	-	-	-
Conference and Meetings	-	-	-	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-
Staff development	-	-	125	-	-	-	-	-
Credit card fees	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
In-kind expenses	-	-	-	-	-	-	-	-
Depreciation expense	-	-	-	-	-	-	-	-
TOTAL EXPENSES	\$ 79,733	\$ 81,955	\$ 195,196	\$ 518,486	\$ 32,635	\$ 224,950	\$ 52,703	\$ 15,990

CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

SCHEDULE OF REVENUE AND EXPENSES

For the year ended June 30, 2020

	Attorney General	HCIP Attorney General	HPOP Corp	United way	HCIP Corp	Fund Raising	All Chicago	PPP Fund	Other Programs	TOTAL AGENCY
REVENUE:										
Government Grants and Contracts	\$ 19,534	\$ 19,535	\$ -	\$ -	\$ -	\$ -	\$ 62,465	\$ -	\$ 1,861	\$ 1,219,705
Contributions -Corporation/foundations	-	-	37,500	-	43,500	-	-	-	298,688	465,026
Contributions -Individuals	-	-	-	-	-	196,090	-	-	230,424	426,514
United Way of Chicago	-	-	-	38,950	-	-	-	-	-	38,950
Honorarium	-	-	-	-	-	-	-	-	5,460	5,460
Special events (net)	-	-	-	-	-	174,393	-	-	-	174,393
PPP Funds	-	-	-	-	-	-	-	48,205	-	48,205
Net Unrealized and Realized gain/loss	-	-	-	-	-	-	-	-	(48,349)	(48,349)
Interest income	-	-	-	-	-	-	-	-	35,624	35,624
Miscellaneous	-	-	-	-	-	-	-	-	3,918	3,918
In-kind contribution	-	-	10,943	-	5,880	-	-	-	41,596	58,419
TOTAL REVENUES	\$ 19,534	\$ 19,535	\$ 48,443	\$ 38,950	\$ 49,380	\$ 370,483	\$ 62,465	\$ 48,205	\$ 569,222	\$ 2,427,865
EXPENSES:										
Salaries	\$ 15,836	\$ 15,836	\$ 33,384	\$ 31,416	\$ 45,465	\$ -	\$ 15,283	\$ 32,509	\$ 388,331	1,474,668
Payroll taxes	1,402	1,402	3,713	2,717	3,986	-	-	-	54,158	116,004
Employee benefits	2,296	2,297	7,002	4,817	7,892	-	-	15,696	74,734	202,474
Total salaries and expenses	19,534	19,535	44,099	38,950	57,343	-	15,283	48,205	517,223	1,793,146
Consultants	-	-	-	-	-	-	-	-	9,130	9,130
Accounting and audit	-	-	1,400	-	600	-	-	-	21,194	23,194
Rent	-	-	91	-	-	-	-	-	22,119	71,841
Utilities	-	-	436	-	-	-	-	-	364	22,922
Repairs & Maintenance - Buildings	-	-	-	-	-	-	-	-	-	27,221
Insurance	-	-	-	-	-	-	-	-	10,253	18,900
Office supplies	-	-	992	-	495	-	-	-	12,077	33,750
Program supplies	-	-	648	-	126	-	14,502	-	2,555	26,128
Travel - Staff	-	-	-	-	746	-	-	-	2,327	8,080
Travel - Client	-	-	141	-	-	-	725	-	2,828	6,619
Food	-	-	-	-	-	-	10,100	-	5,865	15,965
Client assistance	-	-	-	-	-	-	21,855	-	1,519	24,290
Furniture and Equipment Rentals	-	-	2,434	-	910	-	-	-	9,224	16,568
Furniture and Equipment Maint	-	-	902	-	277	-	-	-	8,926	11,919
Telecommunications	-	-	1,242	-	4,319	-	-	-	8,642	31,612
Postage and deliveries	-	-	-	-	48	-	-	-	738	1,160
Printing and Stationary	-	-	-	-	-	-	-	-	2,228	2,228
Conference and Meetings	-	-	-	-	13	-	-	-	9,588	9,601
Dues and subscriptions	-	-	350	-	335	-	-	-	11,737	12,422
Advertising	-	-	-	-	-	-	-	-	385	385
Staff development	-	-	497	-	200	-	-	-	625	1,447
Credit card fees	-	-	-	-	-	-	-	-	6,438	6,438
Miscellaneous	-	-	-	-	-	-	-	-	1,732	1,732
In-kind expenses	-	-	-	-	-	-	-	-	41,595	58,418
Depreciation expense	-	-	10,943	-	5,880	-	-	-	3,709	3,709
TOTAL EXPENSES	\$ 19,534	\$ 19,535	\$ 64,175	\$ 38,950	\$ 71,292	\$ -	\$ 62,465	\$ 48,205	\$ 713,021	\$ 2,238,825

SUPPLEMENTARY INFORMATION

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To The Board of Directors
Connections for Abused Women and their Children
Chicago, Illinois

Our audit was made for the purpose of forming an opinion on the financial statements of Connections for Abused Women and their Children as a whole. The Grant Report for the State of Illinois fiscal year ended June 30, 2020 is presented for purposes of additional analysis, as required by the Illinois Department of Human Services, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, in our opinion, is fairly stated in all material respects in relation to the financial statements as a whole.

Chicago, Illinois
November 6, 2020

Mirza Baig & Company

ILLINOIS DEPARTMENT OF HUMAN SERVICES
GRANT REPORT for the period July 1, 2019 through June 30, 2020
 Grant Allowable Cost Summary

AGENCY NAME: CONNECTIONS FOR ABUSED WOMEN AND THEIR CHILDREN

FEIN: 36-2950380

		DHS GRANT-FUNDED SERVICES		All other Programs	Management General	Total
		Domestic Violence Prev. & Intervention FCSYT01493				
	Domestic Violence Prevention and Intervention Comprehensive and Collaborative Program					
A	Direct Program expenses	\$	518,486	\$ 1,332,101	\$ 388,238	\$ 2,238,825
B	Allocate Management and General Costs (Note1)		-	388,238	(388,238)	-
C	SUBTOTAL A+B	\$	518,486	\$ 1,720,339	\$ -	\$ 2,238,825
D	Subtract Unallowable costs per page 12		-			
E	Add other approved uses (attach documentation)		-			
F	TOTAL Allowable costs	\$	518,486			
G	Special provisions (see instructions)					
H	Interest Earned (see instructions)					

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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
Connections for Abused Women and their Children
Chicago, Illinois

We have audited, 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, the financial statements of Connections for Abused Women and their Children (the Organization) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 6, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Chicago, Illinois
November 6, 2020

Mirza Baig & Company