

Transitions of PA

Financial Statements and
Supplementary Information

June 30, 2018

Transitions of PA

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June 30, 2018

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Independent Auditors' Report

Board of Directors
Transitions of PA

Report on the Financial Statements

We have audited the accompanying financial statements of Transitions of PA (a non-profit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and cash flows for the year 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 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 Transitions of PA as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in conformity 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 supplementary information on pages 12-25 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards on page 26 is presented for purposes of additional analysis 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* (Uniform Guidance), and is not a required part of the financial statements. The supplementary information and the Schedule of Expenditures of Federal Awards 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 supplementary information and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The budgetary information within the supplementary schedules on pages 12-25 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2018 on our consideration of Transitions of PA'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Transitions of PA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Transitions of PA's internal control over financial reporting and compliance.

Baker Tilly Virchow Krause, LLP

State College, Pennsylvania
October 30, 2018

Transitions of PA

Statement of Financial Position

June 30, 2018

Assets

Current Assets

Cash and cash equivalents	\$	853,696
Unconditional promises to give		9,773
Accounts receivable		138,775
Employee receivable		400
Prepaid expenses		3,061

Total current assets 1,005,705

Property and Equipment, net

381,049

Total assets \$ 1,386,754

Liabilities and Net Assets

Current Liabilities

Accounts payable	\$	30,640
Payroll liabilities		12,701
Accrued compensation		26,780

Total current liabilities 70,121

Net Assets

Unrestricted		1,211,666
Temporarily restricted		104,967

Total net assets 1,316,633

Total liabilities and net assets \$ 1,386,754

See notes to financial statements

Transitions of PA

Statement of Activities
Year Ended June 30, 2018

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue			
Public Support			
Grants	\$ 1,353,991	\$ -	\$ 1,353,991
Contributions	114,478	8,810	123,288
Fundraising	85,132	-	85,132
Total public support	<u>1,553,601</u>	<u>8,810</u>	<u>1,562,411</u>
Other Revenue			
Insurance refund	67,198	-	67,198
Interest income	861	30	891
Total other revenue	<u>68,059</u>	<u>30</u>	<u>68,089</u>
Total public support and other revenue	<u>1,621,660</u>	<u>8,840</u>	<u>1,630,500</u>
Net assets released from restrictions	<u>964</u>	<u>(964)</u>	<u>-</u>
Total public support and revenue and net assets released from restrictions	<u>1,622,624</u>	<u>7,876</u>	<u>1,630,500</u>
Expenses			
Salaries and wages	794,019	-	794,019
Employees benefits	283,917	-	283,917
Grants and other assistance to local governments	154,727	-	154,727
Building maintenance	77,888	-	77,888
Professional fees	52,721	-	52,721
Travel	31,218	-	31,218
Depreciation	26,131	-	26,131
Office supplies	26,019	-	26,019
Utilities	23,851	-	23,851
Relocation	23,514	-	23,514
Fundraising	18,187	-	18,187
Equipment maintenance and rent	17,176	-	17,176
Insurance	16,846	-	16,846
Telephone	16,756	-	16,756
Program supplies	13,168	-	13,168
Food and shelter	13,002	-	13,002
Training	9,674	-	9,674
Rent	8,300	-	8,300
Outreach	7,757	-	7,757
Advertising	7,342	-	7,342
Printing and duplicating	7,164	-	7,164
Miscellaneous	4,960	-	4,960
Membership dues	4,945	-	4,945
Books and publications	3,427	-	3,427
Loss on disposal of assets	2,091	-	2,091
Housekeeping supplies	2,007	-	2,007
Postage	1,516	-	1,516
Interest	160	-	160
Total expenses	<u>1,648,483</u>	<u>-</u>	<u>1,648,483</u>
(Decrease) increase in net assets	<u>(25,859)</u>	<u>7,876</u>	<u>(17,983)</u>
Net Assets, Beginning	<u>1,237,525</u>	<u>97,091</u>	<u>1,334,616</u>
Net Assets, Ending	<u>\$ 1,211,666</u>	<u>\$ 104,967</u>	<u>\$ 1,316,633</u>

See notes to financial statements

Transitions of PA

Statement of Cash Flows

June 30, 2018

Cash Flows from Operating Activities

Cash received from the public and governmental units	\$ 1,735,937
Interest income	891
Cash payments to employees and vendors	<u>(1,646,098)</u>
Net cash provided by operating activities	90,730

Cash Flows Used in Financing Activities

Payments on mortgage payable	<u>(45,385)</u>
Increase in cash	45,345

Cash, Beginning

808,351

Cash, Ending

\$ 853,696

Reconciliation of Decrease in Net Assets to Net Cash Provided by Operating Activities

Decrease in net assets	\$ (17,983)
Adjustments to reconcile decrease in net assets to net cash provided by operating activities:	
Depreciation	26,131
Loss on disposal of assets	2,091
Changes in assets and liabilities:	
Unconditional promises to give	19,620
Accounts receivable	86,608
Employee receivable	100
Prepaid expenses	(2,521)
Accounts payable	1,606
Payroll liabilities	8,689
Accrued compensation	<u>(33,611)</u>

Net Cash Provided by Operating Activities

\$ 90,730

Transitions of PA

Notes to Financial Statements

June 30, 2018

1. Summary of Significant Accounting Policies

Nature of Entity

Transitions of PA (the "Organization") was chartered in 1976 by the Commonwealth of Pennsylvania as a non-profit organization for the purpose of providing support services to individuals of Snyder, Northumberland, and Union Counties who are in transitions in their lives. These services include an emergency shelter, education, information and referral, support groups, crisis intervention, and counseling. The program's major funding sources are the Pennsylvania Coalitions against Domestic Violence and Rape ("PCADV", "PCAR") and Pennsylvania Commission on Crime and Delinquency ("PCCD").

The Organization evaluated subsequent events for recognition or disclosure through October 30, 2018, the date the financial statements were available to be issued.

The accounting policies are the principles of accounting and the methods of applying those principles which are utilized in preparing the financial statements. The accounting policies adopted can significantly affect the reported results of the operations. To facilitate an understanding of the information presented in the financial statements, the significant accounting policies followed in the preparation of the accompanying financial statements are summarized as follows:

Use of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Income Taxes

The Organization is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and, accordingly, no provision for income taxes has been recorded in the accompanying financial statements. The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b).

The Organization accounts for uncertainty in income taxes using a recognition threshold of more-likely-than-not to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold has been met. Management has determined that there were no tax uncertainties that met the recognition threshold at June 30, 2018.

Promises to Give

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Contributions restricted by the donor are reported as increases in unrestricted net assets if the restrictions are satisfied in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When restriction expires, temporarily restricted net assets are released to unrestricted net assets.

Transitions of PA

Notes to Financial Statements

June 30, 2018

Cash and Cash Equivalents

Cash includes checking accounts and variable rate and fixed rate certificates of deposit at local banks. All cash accounts are insured up to \$250,000 per depository. Amounts in excess of \$250,000 are not insured. At June 30, 2018, there was \$408,940 on deposit in excess of the FDIC insurance limit.

Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$2,000. Purchased property and equipment is carried at cost. Depreciation is computed using primarily the straight-line method over the estimated useful lives of the respective assets. These useful lives are in accordance with applicable Department of Human Services guidelines. Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Assets donated with specific restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Under such method, revenues are recognized when earned, with contribution revenues being recognized when pledged. Expenses are recognized when incurred.

Basis of Presentation

The Organization is required to report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted Net Assets - Net assets not subject to donor-imposed restrictions.

Temporarily Restricted Net Assets - Net assets which are subject to donor-imposed restrictions that will be met when expenditures are made for the designated purposes or with passage of time. The expiration of temporary restrictions on net assets is reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets - Net assets which are subject to donor-imposed restrictions that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

Transitions of PA

Notes to Financial Statements

June 30, 2018

New Accounting Standards Not Yet Adopted

During May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU 2014-09 establishes principles for recognizing revenue upon the transfer of promised goods or services to customers, in an amount that reflects the expected consideration received in exchange for those goods or services. ASU 2014-09 is effective for fiscal years beginning after December 15, 2020. The Organization is currently assessing the effect that Topic 606 (as amended) will have on its results of operations, financial position and cash flows.

During February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. ASU 2016-02 requires lessees to recognize the assets and liabilities that arise from leases on the statement of financial position. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. ASU 2016-02 is effective for fiscal year beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted. The Organization is currently assessing the effect that ASU 2016-02 will have on its results of operations, financial position and cash flows.

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 was issued to improve presentation and disclosures to help not-for-profits provide more relevant information about their resources to donors, grantors, creditors, and other users. The provisions of ASU 2016-14 simplify and improve how a not-for-profit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance, and cash flows. ASU 2016-14 is effective in fiscal year 2019. The Organization has not yet determined the impact of adoption of ASU 2016-14 on its financial statements.

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. The amendments in this update require that a statement of cash flows explain the change during the period in total of cash, and cash equivalents. Amounts generally described as restricted cash or restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts showing on the statement of cash flows. ASU 2016-18 is effective for non-public entities for fiscal years beginning after December 15, 2018, with early adoption permitted. ASU 2016-18 is to be applied retroactively with transition provisions. The Organization is currently evaluating the effect that ASU 2016-18 will have on its financial statements.

During June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The new guidance is intended to clarify and improve accounting guidance for contributions received and contributions made. The amendments in this ASU should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. ASU 2018-08 is effective for fiscal years beginning after December 15, 2019. The Organization is currently assessing the impact that ASU 2018-08 will have on its results of operations, financial position and cash flows.

Transitions of PA

Notes to Financial Statements
June 30, 2018

2. Accounts Receivable

Accounts receivable consist of the following at June 30, 2018:

Victims of Crime Act	\$	62,718
Snyder County STOP Grant		27,589
Union County STOP Grant		15,428
PCADV		12,396
HUD		9,167
PCAR		7,433
Susquehanna University		3,372
YWCA		672
		<hr/>
Total	\$	<u>138,775</u>

3. Property and Equipment

Property and equipment consist of the following at June 30, 2018:

Land	\$	10,000
Building and improvements		241,250
Furniture		67,886
Equipment		307,337
Vehicles		41,508
		<hr/>
Total		667,981
Accumulated depreciation		<u>(286,932)</u>
Property and equipment, net	\$	<u>381,049</u>

4. Line of Credit

The Organization has a \$100,000 line of credit available from a bank which is secured by business assets. Interest is paid monthly at variable rate of 3.5% over prime. At June 30, 2018, the interest rate was 8.0%. At June 30, 2018, no amounts were outstanding under this line of credit.

5. Mortgage Payable

In February, 2014, the Organization purchased a shelter in the amount of \$80,100 located in lower Northumberland County. The Organization paid the note in full in July 2017.

Transitions of PA

Notes to Financial Statements
June 30, 2018

6. Leases

The Organization leases some of its program facilities and equipment, which are classified as operating leases. Total expense for the operating leases in 2018 was \$8,300. As of June 30, 2018, the future lease payments are as follows:

Years ending June 30:	
2019	<u>\$ 16,000</u>

7. Net Assets

Temporarily restricted net assets at June 30, 2018 are available for the following purposes:

Capital Campaign Funding	\$ 49,882
Shamokin Capital Campaign Funding	<u>55,085</u>
Total	<u>\$ 104,967</u>

8. Donated Services and Materials

Contributed professional services are recognized if the services received (a) create or enhance long-lived 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. Contributions of tangible assets are recognized at fair market value when received.

9. Third Party Reimbursement Arrangements

The Organization receives substantial support from third party reimbursement arrangements (PCAR, PCADV Contract #6040 and PCCD). Under these arrangements, the Organization is reimbursed for its actual costs of providing services. Without these arrangements, the Organization's ability to carry out its program services would be significantly reduced.

10. Pension Plan

The Organization adopted a SIMPLE IRA plan and matches employee contributions up to 3% of the eligible employee's earnings after one year of employment. For the year ended June 30, 2018, the amount of pension expense was \$17,636.

11. Economic Dependence on Major Revenue Sources

The Organization received revenue in excess of 10% of total revenues from two major funding sources representing 53% of revenues in 2018.

Transitions of PA

Notes to Financial Statements

June 30, 2018

12. Interest Income

No interest income was earned on the funds received from PCADV and PCAR.

13. Sexual Assault and Domestic Violence Budget

The Organization spent \$722,488 on domestic violence programs and \$244,352 on sexual assault programs for the year ended June 30, 2018. These amounts exceed the required match under Pennsylvania Coalition Against Rape ("PCAR") and Pennsylvania Coalition Against Domestic Violence ("PCADV") programs.

14. Contingencies

Under the terms of certain grants, periodic audits may occur and certain revenues and expenses may be questioned as not being appropriate under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. The Organization's management believes that disallowances for 2018 and 2017, if any, would be immaterial.

Transitions of PA

Schedule of Budgeted, Reported, and Allowable Costs - Act 44 PCAR
Year Ended June 30, 2018

	(Unaudited) Approved Budget	Reported Costs	Allowable Costs Per Audit		
			Total	(Over) Under Budget	Questioned Costs
Budget Categories					
Personnel:					
Salaries	\$ 87,158	\$ 84,197	\$ 84,197	\$ 2,961	\$ -
Payroll taxes and benefits	32,944	35,419	35,419	(2,475)	-
Total personnel	120,102	119,616	119,616	486	-
Operations:					
Audit	2,000	2,000	2,000	-	-
Office supplies	4,171	3,754	3,754	417	-
Printing and duplication	2,000	1,800	1,800	200	-
Telephone	3,800	3,420	3,420	380	-
Postage	500	460	460	40	-
Rent and maintenance of space	4,700	5,170	5,170	(470)	-
Utilities	6,000	6,600	6,600	(600)	-
Rent and maintenance of equipment	2,200	2,420	2,420	(220)	-
Travel	4,500	4,950	4,950	(450)	-
Advertising	1,879	2,067	2,067	(188)	-
Education/Library	1,000	900	900	100	-
Dues/Memberships	200	195	195	5	-
Insurance	700	700	700	-	-
Staff development	3,000	2,700	2,700	300	-
Total operations	36,650	37,136	37,136	(486)	-
Total expenses	\$ 156,752	\$ 156,752	\$ 156,752	\$ -	\$ -

Transitions of PA

Schedule of Budgeted, Reported, and Allowable Costs - Title XX PCAR
 Year Ended June 30, 2018

Budget Category	(Unaudited) Approved Budget	Reported Costs	Allowable Costs Per Audit		
			Total	(Over) Under Budget	Questioned Costs
Personnel:					
Salaries and wages	\$ 14,268	\$ 14,268	\$ 14,268	\$ -	\$ -
Payroll taxes and benefits	5,334	5,334	5,334	-	-
Total personnel	19,602	19,602	19,602	-	-
Operations,					
Staff development	757	757	757	-	-
Total expenses	\$ 20,359	\$ 20,359	\$ 20,359	\$ -	\$ -

Transitions of PA

Schedule of Budgeted, Reported, and Allowable Costs - Preventive Health and Health Services Block Grant PCAR
 Year Ended June 30, 2018

	(Unaudited) Approved Budget	10/01/16- 09/30/17 Reported Costs	10/01/17- 09/30/18 Reported Costs	Allowable Costs Per Audit		
				Contract Total	(Over) Under Budget	Questioned Costs
Contract Period: 10/01/16 - 9/30/17						
Budget Category						
Personnel:						
Salaries and wages	\$ 901	\$ 901	\$ -	\$ 901	\$ -	\$ -
Payroll taxes and benefits	62	62	-	62	-	-
Total expenses	<u>\$ 963</u>	<u>\$ 963</u>	<u>\$ -</u>	<u>\$ 963</u>	<u>\$ -</u>	<u>\$ -</u>
Contract Period: 10/01/17 - 9/30/18						
Budget Category						
Personnel:						
Salaries and wages	\$ 2,676	\$ -	\$ 2,676	\$ 2,676	\$ -	\$ -
Payroll taxes and benefits	212	-	212	212	-	-
Total expenses	<u>\$ 2,888</u>	<u>\$ -</u>	<u>\$ 2,888</u>	<u>\$ 2,888</u>	<u>\$ -</u>	<u>\$ -</u>

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Schedule of Budgeted, Reported, and Allowable Costs - Rape Prevention and Education PCAR
Year Ended June 30, 2018

	(Unaudited) Approved Budget	02/01/17 - 01/31/18 Reported Costs	02/01/18 - 01/31/19 Reported Costs	Allowable Costs Per Audit		
				Contract Total	(Over) Under Budget	Questioned Costs
Contract Period: 02/01/17 - 01/31/18						
Budget Category						
Personnel:						
Salaries and wages	\$ 6,406	\$ 6,406	\$ -	\$ 6,406	\$ -	\$ -
Benefits	1,212	1,212	-	1,212	-	-
Total personnel	7,618	7,618	-	7,618	-	-
Operations:						
Office supplies	210	210	-	210	-	-
Travel	458	458	-	458	-	-
Total operations	668	668	-	668	-	-
Total expenses	<u>\$ 8,286</u>	<u>\$ 8,286</u>	<u>\$ -</u>	<u>\$ 8,286</u>	<u>\$ -</u>	<u>\$ -</u>
Contract Period: 02/01/18 - 01/31/19						
Budget Category						
Personnel:						
Salaries and wages	\$ 4,896	\$ -	\$ 4,896	\$ 4,896	\$ -	\$ -
Benefits	963	-	963	963	-	-
Total personnel	5,859	-	5,859	5,859	-	-
Total expenses	<u>\$ 5,859</u>	<u>\$ -</u>	<u>\$ 5,859</u>	<u>\$ 5,859</u>	<u>\$ -</u>	<u>\$ -</u>

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Schedule of Budgeted, Reported, and Allowable Costs - Sexual Assault Services Program PCAR
 Year Ended June 30, 2018

	(Unaudited) Approved Budget	08/01/16 - 07/31/17 Reported Costs	08/01/17 - 07/31/18 Reported Costs	Allowable Costs Per Audit		
				Total	(Over) Under Budget	Questioned Costs
Contract Period: 08/01/16 - 07/31/17						
Budget Category						
Personnel:						
Salaries and wages	\$ 187	\$ 187	\$ -	\$ 187	\$ -	\$ -
Payroll taxes and benefits	196	196	-	196	-	-
	-	-	-	-	-	-
Total expenses	<u>\$ 383</u>	<u>\$ 383</u>	<u>\$ -</u>	<u>\$ 383</u>	<u>\$ -</u>	<u>\$ -</u>
Contract Period: 08/01/17 - 07/31/18						
Budget Category						
Personnel:						
Salaries and wages	\$ 7,226	\$ -	\$ 7,226	\$ 7,226	\$ -	\$ -
Payroll taxes and benefits	911	-	911	911	-	-
	-	-	-	-	-	-
Total expenses	<u>\$ 8,137</u>	<u>\$ -</u>	<u>\$ 8,137</u>	<u>\$ 8,137</u>	<u>\$ -</u>	<u>\$ -</u>

Transitions of PA

Combined Schedule of Budgeted, Reported, and Allowable Costs with Funding Reconciliation - PCAR
 Year Ended June 30, 2018

	(Unaudited) Approved Budget	Reported Costs	Allowable Costs Per Audit		
			Total	(Over) Under Budget	Questioned Costs
Budget Categories					
Act 44					
Personnel	\$ 120,102	\$ 119,616	\$ 119,616	\$ 486	\$ -
Operations	36,650	37,136	37,136	(486)	-
Title XX					
Personnel	19,602	19,602	19,602	-	-
Operations	757	757	757	-	-
PHHSBG					
Personnel	3,851	3,851	3,851	-	-
Rape Prevention and Education					
Personnel	13,477	13,477	13,477	-	-
Operations	668	668	668	-	-
Sexual Assault Services Program					
Personnel	8,520	8,520	8,520	-	-
Total expenses	<u>\$ 203,627</u>	<u>\$ 203,627</u>	<u>\$ 203,627</u>	<u>\$ -</u>	<u>\$ -</u>
Funding Reconciliation					
Approved contract received as of June 30, 2018				\$ 196,194	
Approved contract receivable at June 30, 2018				7,433	
Total funding					<u>\$ 203,627</u>
Allowable costs				203,627	
Allowable costs					
Questioned costs				-	
Total allowable costs					<u>203,627</u>
Due to (from) PCAR					<u>\$ -</u>

Transitions of PA

Schedule of Budgeted, Reported, and Allowable Costs - ACT 44 PCADV - 6040
 Year Ended June 30, 2018

Budget Categories	(Unaudited) Approved Budget	Reported Costs	Allowable Costs Per Audit		
			Total	(Over) Under Budget	Questioned Costs
Personnel:					
Salaries	\$ 124,679	\$ 119,542	\$ 119,542	\$ 5,137	\$ -
Payroll taxes and benefits	41,404	45,260	45,260	(3,856)	-
Total personnel	166,083	164,802	164,802	1,281	-
Operations:					
Advertising	3,000	2,700	2,700	300	-
Communications	4,000	4,150	4,150	(150)	-
Equipment maintenance	2,500	2,250	2,250	250	-
Equipment rental	1,674	1,521	1,521	153	-
Food	8,000	8,800	8,800	(800)	-
Insurance	2,000	2,000	2,000	-	-
Library	500	450	450	50	-
Maintenance	5,000	5,500	5,500	(500)	-
Membership	500	450	450	50	-
Postage	245	268	268	(23)	-
Printing	750	825	825	(75)	-
Professional fees	4,800	5,017	5,017	(217)	-
Rent	900	900	900	-	-
Staff development	2,274	2,047	2,047	227	-
Supplies	7,107	6,722	6,722	385	-
Travel	7,000	6,931	6,931	69	-
Utilities	10,000	11,000	11,000	(1,000)	-
Total operations	60,250	61,531	61,531	(1,281)	-
Total expenses	\$ 226,333	\$ 226,333	\$ 226,333	\$ -	\$ -

Transitions of PA

Schedule of Budgeted, Reported, and Allowable Costs - ACT 44 Medical Advocacy PCADV - 6040
Year Ended June 30, 2018

	<u>(Unaudited) Approved Budget</u>	<u>Reported Costs</u>	<u>Allowable Costs Per Audit</u>		
			<u>Total</u>	<u>(Over) Under Budget</u>	<u>Questioned Costs</u>
Budget Category					
Personnel:					
Salaries and wages	\$ 17,732	\$ 17,732	\$ 17,732	\$ -	\$ -
Payroll taxes and benefits	1,794	1,794	1,794	-	-
Total expenses	<u>\$ 19,526</u>	<u>\$ 19,526</u>	<u>\$ 19,526</u>	<u>\$ -</u>	<u>\$ -</u>

Transitions of PA

Schedule of Budgeted, Reported, and Allowable Costs - ACT 44 Civil Legal Representative PCADV - 6040
 Year Ended June 30, 2018

	(Unaudited) Approved Budget	Reported Costs	Allowable Costs Per Audit		
			Total	(Over) Under Budget	Questioned Costs
Budget Categories					
Personnel:					
Salaries	\$ 91,183	\$ 91,183	\$ 91,183	\$ -	\$ -
Payroll taxes and benefits	29,452	29,452	29,452	-	-
Total personnel	120,635	120,635	120,635	-	-
Operations:					
Advertising	698	768	768	(70)	-
Communications	761	761	761	-	-
Insurance	500	550	550	(50)	-
Library	500	500	500	-	-
Maintenance	1,000	1,000	1,000	-	-
Membership	150	165	165	(15)	-
Postage	400	400	400	-	-
Printing	500	478	478	22	-
Professional fees	1,200	1,320	1,320	(120)	-
Staff development	500	450	450	50	-
Supplies	1,500	1,517	1,517	(17)	-
Travel	2,000	1,800	1,800	200	-
Utilities	2,000	2,000	2,000	-	-
Total operations	11,709	11,709	11,709	-	-
Total expenses	\$ 132,344	\$ 132,344	\$ 132,344	\$ -	\$ -

Transitions of PASchedule of Budgeted, Reported, and Allowable Costs - FVPS PCADV - 6040
Year Ended June 30, 2018

	<u>(Unaudited) Approved Budget</u>	<u>Reported Costs</u>	<u>Allowable Costs Per Audit</u>		
			<u>Total</u>	<u>(Over) Under Budget</u>	<u>Questioned Costs</u>
Budget Category					
Personnel:					
Salaries and wages	\$ 48,821	\$ 48,821	\$ 48,821	\$ -	\$ -
Payroll taxes and benefits	12,778	12,778	12,778	-	-
Total expenses	<u>\$ 61,599</u>	<u>\$ 61,599</u>	<u>\$ 61,599</u>	<u>\$ -</u>	<u>\$ -</u>

Transitions of PASchedule of Budgeted, Reported, and Allowable Costs - ACT 222 PCADV - 6040
Year Ended June 30, 2018

Budget Category	(Unaudited) Approved Budget	Reported Costs	Allowable Costs Per Audit		
			Total	(Over) Under Budget	Questioned Costs
Personnel:					
Salaries and wages	\$ 5,624	\$ 5,624	\$ 5,624	\$ -	\$ -
Payroll taxes and benefits	945	945	945	-	-
Total expenses	<u>\$ 6,569</u>	<u>\$ 6,569</u>	<u>\$ 6,569</u>	<u>\$ -</u>	<u>\$ -</u>

Transitions of PASchedule of Budgeted, Reported, and Allowable Costs - Title XX/SSBG PCADV - 6040
Year Ended June 30, 2018

Budget Category	(Unaudited) Approved Budget	Reported Costs	Allowable Costs Per Audit		
			Total	(Over) Under Budget	Questioned Costs
Personnel:					
Salaries and wages	\$ 24,422	\$ 24,422	\$ 24,422	\$ -	\$ -
Payroll taxes and benefits	2,523	2,523	2,523	-	-
Total expenses	<u>\$ 26,945</u>	<u>\$ 26,945</u>	<u>\$ 26,945</u>	<u>\$ -</u>	<u>\$ -</u>

Transitions of PA

Schedule of Budgeted, Reported, and Allowable Costs - SSBG - Relocation Funds PCADV - 6040

Year Ended June 30, 2018

Budget Category	(Unaudited) Approved Budget	Reported Costs	Allowable Costs Per Audit		
			Total	(Over) Under Budget	Questioned Costs
Operations	\$ 16,127	\$ 15,232	\$ 15,232	\$ 895	\$ -

Transitions of PA

Combined Schedule of Budgeted, Reported, and Allowable Costs with Funding Reconciliation - PCADV - 6040
Year Ended June 30, 2018

	(Unaudited) Approved Budget	Reported Costs	Allowable Costs Per Audit		
			Total	(Over) Under Budget	Questioned Costs
Budget Categories					
Act 44					
Personnel	\$ 166,083	\$ 164,802	\$ 164,802	\$ 1,281	\$ -
Operations	60,250	61,531	61,531	(1,281)	-
Act 44 Medical Advocacy					
Personnel	19,526	19,526	19,526	-	-
Act 44 Civil Legal Representative					
Personnel	120,635	120,635	120,635	-	-
Operations	11,709	11,709	11,709	-	-
FVPS					
Personnel	61,599	61,599	61,599	-	-
ACT 222					
Personnel	6,569	6,569	6,569	-	-
Title XX/SSBG					
Personnel	26,945	26,945	26,945	-	-
SSBG - Relocation Funds					
Operations	16,127	15,232	15,232	895	-
Total expenses	<u>\$ 489,443</u>	<u>\$ 488,548</u>	<u>\$ 488,548</u>	<u>\$ 895</u>	<u>\$ -</u>
Funding Reconciliation					
Approved contract received as of June 30, 2018			\$ 477,375		
Approved contract receivable at June 30, 2018			11,173		
Total funding					\$ 488,548
Allowable costs			488,548		
Questioned costs			-		
Total allowable costs					488,548
Due to (from) PCADV					\$ -

Transitions of PA

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2018

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Grant Period	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Justice					
Passed through Pennsylvania Commission on Crime and Delinquency:					
Passed through the County of Union, Pennsylvania, STOP Violence Against Women	16.588	26373	01/01/17 - 12/31/17	\$ 86,692	\$ -
Passed through the County of Northumberland, Pennsylvania, STOP Violence Against Women	16.588	26293	01/01/17 - 12/31/17	135,099	-
Total for STOP				<u>221,791</u>	<u>-</u>
Passed through SUN Counties VOCA:					
Victims of Crime Act 2016-2019	16.575	26597	07/01/16 - 06/30/19	299,187	-
Victims of Crime Act- Competitive 2016-2019	16.575	26855	07/01/16 - 06/30/19	64,748	-
Victims of Crime Act 2018-2020	16.575	28116	04/01/18 - 09/30/20	8,460	-
Total Victims of Crime Act				<u>372,395</u>	<u>-</u>
Passed through Pennsylvania Coalition Against Rape:					
Sexual Assault Service program	16.017	N/A	08/01/16 - 07/31/17	383	-
Sexual Assault Service program	16.017	N/A	08/01/17 - 07/31/18	8,137	-
Total Sexual Assault Service program				<u>8,520</u>	<u>-</u>
Passed through YMCA Harrisburg,					
Human Trafficking Response Grant	16.230	N/A	10/01/17 - 09/30/20	20,400	-
Passed through Susquehanna University,					
Campus Grant	16.525	N/A	10/01/17 - 09/30/20	7,276	-
Total U.S. Department of Justice				<u>630,382</u>	<u>-</u>
U.S. Department of Health and Human Services					
Passed through Pennsylvania Coalition Against Rape:					
Rape Prevention & Education	93.136	N/A	02/01/17 - 01/31/18	8,286	-
Rape Prevention & Education	93.136	N/A	02/01/18 - 01/31/19	5,859	-
Social Services Block Grant	93.667	1701PASOSR	07/01/17 - 06/30/18	20,359	-
Preventive Health and Health Services Block Grant	93.758	N/A	10/01/16 - 09/30/17	963	-
Preventive Health and Health Services Block Grant	93.758	N/A	10/01/17 - 09/30/18	2,888	-
Total Passed through Pennsylvania Coalition Against Rape				<u>38,355</u>	<u>-</u>
Passed through Pennsylvania Coalition Against Domestic Violence:					
Title XX/Social Services Block Grant	93.667	5214	07/01/17 - 06/30/18	26,945	-
Family Violence Prevention and Service Act	93.671	N/A	07/01/17 - 06/30/18	61,599	-
Social Services Block Grant/Relocation	93.667	5214	07/01/17 - 06/30/18	15,232	-
Total Passed through Pennsylvania Coalition Against Domestic Violence				<u>103,776</u>	<u>-</u>
Total U.S. Department of Health and Human Services				<u>142,131</u>	<u>-</u>
U.S. Department of Housing and Urban Development					
Passed through the Eastern PA Continuum of Care Funds,					
Continuum of Care	14.267	N/A	11/01/17 - 10/31/18	36,176	-
Federal Emergency Management Agency					
Passed through Northumberland County,					
Emergency Food and Shelter Program	97.024	730600-019	10/01/16 - 09/30/17	3,000	-
Total				<u>\$ 811,689</u>	<u>\$ -</u>

See notes to schedule of expenditures of federal awards

Transitions of PA

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2018

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") presents the federal award activity of Transitions of PA (the "Organization") under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a select portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Organization.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Cost Allocation Plan

The Organization's cost allocation plan is in compliance with the Uniform Guidance, Subpart E of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

4. Indirect Cost Rate

The Organization uses the 10 percent de minimis indirect cost rate for several of its grants that allow it and has elected not to use the 10% de minimis indirect cost rate for all other grants under Uniform Guidance.

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

Board of Directors
Transitions of PA

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 Transitions of PA (the "Organization") which comprise the statement of financial position as of June 30, 2018 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 October 30, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Baker Tilly Virchow Krause, LLP

State College, Pennsylvania
October 30, 2018

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

Board of Directors
Transitions of PA

Report on Compliance for the Major Federal Program

We have audited Transitions of PA's (the "Organization") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Organization's major federal program for the year ended June 30, 2018. Transitions of PA's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the Organization's major federal program 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; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the Major Federal Program

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

Report on Internal Control over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

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

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

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

Baker Tilly Virchow Krause, LLP

State College, Pennsylvania
October 30, 2018

Transitions of PA

Schedule of Findings and Questioned Costs
Year Ended June 30, 2018

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major federal program:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance for the major federal program: Unmodified

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

Identification of major federal program:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
16.575	Crime Victim Assistance

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

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

Transitions of PA

Schedule of Findings and Questioned Costs
Year Ended June 30, 2018

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.

Section IV - Summary Schedule of Prior Audit Findings

No single audit required for June 30, 2017.