

**CENTER OF
PROTECTIVE ENVIRONMENT, INC.
AUDITED FINANCIAL STATEMENTS
JUNE 30, 2021**

CENTER OF PROTECTIVE ENVIRONMENT, INC.
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JUNE 30, 2021

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**CENTER OF PROTECTIVE ENVIRONMENT, INC.
OFFICIAL ROSTER
JUNE 30, 2021**

BOARD OF DIRECTORS

Linda Carr	President
Judy Pingel	Vice-President
Kim Wing	Treasurer
Nadia Sikes	Secretary
Joanne Gronewold	Director
Glenda Mendoza	Director
Michelle Perry	Director
Warren Robinson	Director
Sheila Harrison	Director
Jeff Swanson	Director
Carol Teweleit	Director

EXECUTIVE DIRECTOR

Kay Gomolak

FINANCIAL SECTION



SCOTT NORTHAM, CPA, PC
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Center of Protective Environment, Inc.
Alamogordo, New Mexico

Report on the Financial Statements

We have audited the accompanying financial statements of Center of Protective Environment, Inc (COPE, a nonprofit corporation), which comprise the statements of financial position as of June 30, 2021, and the related statements of activities, functional expenses, 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Center of Protective Environment, Inc. as of June 30, 2021, 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.

Report on Summarized Comparative Information

We have previously audited the Center of Protective Environment, Inc.'s fiscal year 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 1, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 16, 2021, on our consideration of Center of Protective Environment, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Center of Protective Environment, Inc.'s internal control over financial reporting and compliance.



Scott Northam, CPA, PC
Ruidoso, New Mexico
August 16, 2021

CENTER OF PROTECTIVE ENVIRONMENT, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021

ASSETS

	Without Donor Restrictions	With Donor Restrictions Temporarily Restricted	Total	2020 (Memorandum)
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 592,564	\$ 4,164	\$ 596,728	\$ 407,057
Grants Receivable	263,591	-	263,591	90,651
Deposits	250	-	250	750
Total Current Assets	856,405	4,164	860,569	498,458
NONCURRENT ASSETS				
Investments	612,543	-	612,543	521,455
Capital Assets, Net	1,357,693	-	1,357,693	876,253
Total Noncurrent Assets	1,970,236	-	1,970,236	1,397,708
TOTAL ASSETS	\$ 2,826,641	\$ 4,164	\$ 2,830,805	\$ 1,896,166

LIABILITIES AND NET ASSETS

LIABILITIES				
Accounts Payable	\$ 397,663	\$ -	\$ 397,663	\$ -
Accrued Payroll Liabilities	10,293	-	10,293	2,752
Accrued Vacation	61,242	-	61,242	54,688
Paycheck Protection Program Payable	240,700	-	240,700	-
CDBG Grant Payable to City of Alamogordo	-	-	-	37,920
TOTAL LIABILITIES	709,898	-	709,898	95,360
NET ASSETS				
Without Donor Restrictions				
Unrestricted	2,116,743	-	2,116,743	1,798,168
With Donor Restrictions				
Temporarily Restricted	-	4,164	4,164	2,638
TOTAL NET ASSETS	2,116,743	4,164	2,120,907	1,800,806
TOTAL LIABILITIES AND NET ASSETS	\$ 2,826,641	\$ 4,164	\$ 2,830,805	\$ 1,896,166

CENTER OF PROTECTIVE ENVIRONMENT, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions Temporarily Restricted	Total	2020 (Memorandum)
SUPPORT AND OTHER REVENUES				
<u>Public Support and Other Revenue</u>				
Thrive in Southern New Mexico	\$ 25,403	\$ -	\$ 25,403	\$ 15,704
Donations	25,530	6,250	31,780	20,409
Client Assessments and Support	17,677	-	17,677	13,290
In-kind Media Donations	189,877	-	189,877	211,472
Fundraising	21,809	-	21,809	51,122
Investment Income, Net	91,088	-	91,088	6,043
Interest Income	343	-	343	596
Other Income	45,908	-	45,908	5,954
Total Public Support and Other Revenue	417,635	6,250	423,885	324,590
<u>Government Agency Grants</u>				
Small Business Administration				
Payroll Protection Program	-	-	-	240,700
SBA Economic Relief	-	-	-	10,000
NM Children, Youth and Families Department				
Survivor Services	768,461	-	768,461	747,326
Domestic Violence Offender Treatment & Intervention	121,834	-	121,834	128,260
Children Capacity Building Project	49,600	-	49,600	-
Domestic Violence Flex Funds	20,000	-	20,000	-
NM Crime Victim Reparation Commission				
VOCA Grants	629,231	-	629,231	506,769
VAWA Grant	22,500	-	22,500	22,500
CARES Act Grants				
New Mexico Mortgage Finance Authority	147,158	-	147,158	-
New Mexico Finance Authority	30,000	-	30,000	-
Children, Youth and Families Department	13,700	-	13,700	-
FEMA Emergency Food and Shelter Program	15,457	-	15,457	-
Otero County	100,000	-	100,000	-
Village of Ruidoso	15,069	-	15,069	-
FEMA Emergency Food and Shelter Program	8,631	-	8,631	28,334
New Mexico Mortgage Finance Authority	50,766	-	50,766	53,072
Total Government Agency Grants	1,992,407	-	1,992,407	1,736,961
Assets Released from Restriction	4,724	(4,724)	-	-
Total Revenues and Support	2,414,766	1,526	2,416,292	2,061,551
OPERATING EXPENSES				
Program Services	1,950,425	-	1,950,425	1,727,528
Management and General	145,329	-	145,329	92,333
Fundraising	437	-	437	5,405
Total Expenses	2,096,191	-	2,096,191	1,825,266
CHANGE IN NET ASSETS	318,575	1,526	320,101	236,285
BEGINNING NET ASSETS	1,798,168	2,638	1,800,806	1,564,521
NET ASSETS, END OF YEAR	\$ 2,116,743	\$ 4,164	\$ 2,120,907	\$ 1,800,806

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

CENTER OF PROTECTIVE ENVIRONMENT, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021

	Program Services									
	CARES ACT GRANTS									
	New Mexico Mortgage Finance Authority	New Mexico Finance Authority	Children, Youth and Families Dept.	FEMA Emergency Shelter	Otero County	Village of Ruidoso	Violence Against Women Legal Fund	FEMA Emergency Shelter	NMMFA Emergency Shelter	
FUNCTIONAL EXPENSES										
Salaries and Wages	\$ 6,466	\$ 7,303	\$ -	\$ 11,191	\$ 34,200	\$ 10,410	\$ 19,276	\$ 6,485	\$ 23,290	
Payroll Taxes	495	-	-	502	-	-	1,394	499	1,805	
Employee Benefits	-	886	-	-	-	-	-	-	-	
Public Education and Advertising	-	-	-	-	806	-	-	-	-	
Direct Client Services	-	-	-	-	-	-	-	-	-	
Food	12,422	-	-	-	-	-	-	-	1,061	
Supplies	19,543	1,852	3,631	2,323	443	-	-	10	1,322	
Insurance	106	-	-	109	9,004	3,567	40	128	5,649	
Office Expense	-	2,450	5,799	-	-	-	741	283	-	
Postage	-	-	-	-	-	-	15	-	-	
Printing	-	1,351	3,310	-	-	-	-	-	-	
Professional Fees	15,747	7,467	-	-	4,808	-	-	-	12,896	
Shelter and Office Rent	78,835	145	100	-	-	925	-	-	-	
Repairs and Maintenance	4,595	2,653	-	1,118	-	-	-	578	2,778	
Staff Training and Development	-	575	-	-	-	-	807	-	-	
Auto	-	113	-	22	-	-	-	-	213	
Travel	-	-	416	-	-	-	-	-	-	
Security	-	4,135	-	-	-	-	-	648	1,352	
Telephone	-	428	444	-	-	167	83	-	-	
Utilities	-	642	-	192	484	-	-	-	-	
Capital Outlay	8,948	-	-	-	50,255	-	-	-	400	
Other	-	-	-	-	-	-	144	-	-	
Expenses before Depreciation	147,157	30,000	13,700	15,457	100,000	15,069	22,500	8,631	50,766	
Depreciation	-	-	-	-	-	-	-	-	-	
TOTAL EXPENSES	147,157	30,000	13,700	15,457	100,000	15,069	22,500	8,631	50,766	
In-kind Services	-	-	-	-	-	-	-	-	-	
Less Capital Outlay Capitalized	(24,697)	-	-	-	(54,690)	-	-	-	(12,896)	
NET EXPENSES	\$ 122,460	\$ 30,000	\$ 13,700	\$ 15,457	\$ 45,310	\$ 15,069	\$ 22,500	\$ 8,631	\$ 37,870	

Program Services

Children, Youth and Families Dept.				Victims of Crime Act				Paycheck Protection Program	Total	Management and General	Fundraising	Total
Survivor Services	Children Capacity Bldg Project	DV Offender Treatment & Intervention	DV Flex Fund	19/20	20/21	Local Grants						
\$ 534,391	\$ 35,419	\$ 53,206	\$ -	\$ 115,850	\$ 307,618	\$ 16,987	\$ 16,471	\$ 1,198,563	\$ 47,785	\$ -	\$ 1,246,348	
41,176	2,710	4,097	-	8,984	24,232	937	-	86,831	7,426	-	94,257	
27,523	-	152	-	8,941	30,230	-	-	67,732	444	-	68,176	
-	-	-	-	-	39	-	-	845	321	-	1,166	
-	-	-	-	-	-	4,728	-	4,728	-	-	4,728	
3,687	-	-	-	103	4,036	-	-	21,309	3,173	-	24,482	
4,242	2,262	300	6,833	297	237	-	-	43,295	1,608	437	45,340	
6,788	892	875	-	10,063	4,433	194	-	41,848	2,926	-	44,774	
10,545	-	2,105	120	1,383	2,609	1,038	-	27,073	899	-	27,972	
-	-	-	-	-	110	-	-	125	1,137	-	1,262	
415	-	332	-	887	1,443	196	-	7,934	616	-	8,550	
1,183	400	733	2,955	544	-	343	-	47,076	2,125	-	49,201	
14,559	-	-	7,430	9,605	12,092	-	-	123,691	63	-	123,754	
-	-	624	-	45,802	622	665	212	59,647	6,181	-	65,828	
-	-	45	-	-	5,681	-	-	7,108	850	-	7,958	
-	-	-	1,212	-	-	-	-	1,560	175	-	1,735	
-	351	92	285	-	372	-	-	1,516	-	-	1,516	
-	-	41	-	-	-	-	-	6,176	235	-	6,411	
5,313	-	405	1,019	492	7,524	-	342	16,217	-	-	16,217	
4,330	-	1,974	-	1,302	5,483	257	364	15,028	2	-	15,030	
-	-	-	-	17,741	-	-	-	77,344	52,193	-	129,537	
-	-	-	146	30	445	-	-	765	5,084	-	5,849	
654,152	42,034	64,981	20,000	222,024	407,206	25,345	17,389	1,856,411	133,243	437	1,990,091	
-	-	-	-	-	-	-	-	-	65,851	-	65,851	
654,152	42,034	64,981	20,000	222,024	407,206	25,345	17,389	1,856,411	199,094	437	2,055,942	
144,571	-	-	-	45,306	-	-	-	189,877	-	-	189,877	
-	-	-	-	(3,580)	-	-	-	(95,863)	(53,765)	-	(149,628)	
\$ 798,723	\$ 42,034	\$ 64,981	\$ 20,000	\$ 263,750	\$ 407,206	\$ 25,345	\$ 17,389	\$ 1,950,425	\$ 145,329	\$ 437	\$ 2,096,191	

CENTER OF PROTECTIVE ENVIRONMENT, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021

	2021	2020 (Memorandum)
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 320,101	\$ 236,285
CDBG Grant Payable to City of Alamogordo Forgiven	(37,920)	-
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities		
Unrealized Gain on Investments	(91,088)	(6,043)
Depreciation	65,851	50,941
Change in Operating Assets and Liabilities		
Grants Receivable	(172,940)	96,446
Deposits	500	-
Accrued Payroll Liabilities	7,541	1,995
Accrued Vacation	6,554	10,277
Cash Provided by Operating Activities	<u>98,599</u>	<u>389,901</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net Cash Transfer from Investments	-	160,528
Purchase of Capital Assets	<u>(149,628)</u>	<u>(256,066)</u>
Cash Used by Investing Activities	<u>(149,628)</u>	<u>(95,538)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Paycheck Protection Program Payable Proceeds	240,700	-
CDBG Grant Payments	<u>-</u>	<u>(37,920)</u>
Cash Used by Financing Activities	<u>240,700</u>	<u>(37,920)</u>
NET CHANGE IN CASH	<u>189,671</u>	<u>256,443</u>
CASH AT BEGINNING OF YEAR	<u>407,057</u>	<u>150,620</u>
CASH AT END OF YEAR	<u>\$ 596,728</u>	<u>\$ 407,063</u>
Supplemental Cash Flow Disclosures		
Capital Assets Recorded as Accounts Payable	\$ 397,663	\$ -
In-kind Donated Services	189,877	211,472

CENTER OF PROTECTIVE ENVIRONMENT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities - The Center of Protective Environment, Inc. (Organization) operates as a not-for-profit organization incorporated under the laws in the State of New Mexico. The Organization is established to provide shelter, counseling and legal and advocacy services to individuals and families who have experienced domestic violence and other forms of abuse in the Otero and Lincoln County regions. The Organization is supported primarily through federal, state and local grants, local contributions, and volunteers.

The Organization is governed by a Board of Directors, which has the responsibility for determining policy and for the execution and evaluation of programs and activities conducted by the Organization. The Board is limited to a minimum of five members and a maximum of fifteen members. The term served by a Board member is two years.

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, and accordingly reflect all significant receivables, payables, and other liabilities.

Income Tax Status - The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

The Organization annually evaluates all federal and state income tax positions. This process includes an analysis of whether these tax positions the Organization takes meet the definition of an uncertain tax position under the Income Taxes Topic of the Financial Accounting Standards Codification. As of June 30, 2021 there were no uncertain tax positions noted. The Organization's policy is to classify income tax penalties and interest, when applicable, according to their natural classification. Under the statute of limitations, the Organization's tax returns are no longer subject to examination by tax authorities for years prior to 2018.

Net Asset Presentation - The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions. FASB ASC 958-210-45-1 requires the total amount for each of the two classes of net assets and the total of net assets to be presented in the statement of financial position.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be permanent in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity. The Organization does not have any permanently restricted net assets restricted by the donor.

The Organization's unspent contributions are reported in net assets with donor contributions if the donor limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

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 without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes 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.

CENTER OF PROTECTIVE ENVIRONMENT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Cash and Cash Equivalents - For purposes of the statement of cash flows, the Organization considers all unrestricted highly liquid investments to be cash equivalents, including those deposits in interest-bearing and non-interest-bearing accounts..

Use of Restricted Cash - When the Organization incurs an expense for which it may use either restricted or unrestricted assets, it uses the restricted assets first whenever the assets have to be returned if not used.

Investments - In accordance with FASB ASC 958, the Organization's investments in marketable securities with readily determinable fair values and all investments in debt securities are stated at their fair value in the statement of financial position. Unrealized gains and losses are included in the changes in net assets. Gains and losses recognized upon the sale or redemption of securities are based upon the difference between the purchase price and sales proceeds.

Fair Value Measurements - The Organization applies the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures*, for fair value measurements of financial assets and financial liabilities that are recognized at fair value in the financial statements on a recurring basis. ASC 820 defines fair value as the price that would be received to sell an asset or would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs, and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the pricing of the asset or liability developed based on the best information available.

The Organization has determined that there was no material difference between the carrying value and fair value of its financial assets and liabilities as of June 30, 2021, therefore no adjustment for the effect of FASB ASC 820 was made to the Organization's financial statements at June 30, 2021.

Contributions and Unconditional Promises to Give - Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. The Organization follows ASC 958-605-25, *Accounting for Contributions Received and Contributions Made*. In accordance with the codification standard, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted, depending on the existence or nature of any donor restrictions.

Grants Receivable - The Organization receives grant funding from state and local government agencies. Grants receivable represent receivables from the funding entities that have been recorded when the expenses to be reimbursed were incurred or the units of service under contract have been provided. No allowance for bad debts is computed as the amounts represent valid receivables from the respective agencies.

Allowance for Uncollectible Receivables - The Organization uses the direct method to determine uncollectible unconditional promises to give or grants receivable, therefore no allowance account has been set up in the financial statements.

Restricted and Unrestricted Revenue - Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the reporting period in which the revenue is 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 a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

CENTER OF PROTECTIVE ENVIRONMENT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Accrued Vacation - The Organization allows employees to earn annual leave based on stated policies. Annual leave is payable to the employee upon termination. These accrued amounts are shown as a liability on the statement of financial position and the related change in liability is reflected as an expense for the year in which the change occurs.

Functional Allocation of Expenses - The cost of providing services as well as supporting activities is summarized on a functional expense basis in the statement of functional expenses. Expenses directly attributable to a specific program or supporting activity of the Association are reported expenses of those functional activities. Costs are allocated between program services and support services based on management's judgment considering space used, time spent or direct relation to the program or support service benefited. Costs specifically identifiable to only one function are charged 100% to that function. Expenses not directly chargeable to one functional category are allocated based upon percentage of time, purpose, square footage, or other reasonable method of allocation approved by management.

Advertising - The Organization uses advertising, promotion and community education to promote its programs. Advertising, promotion and community education expenses are expensed when incurred.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Risk Management - The Organization is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Organization has obtained insurance through various underwriters to insure against these potential losses. The premiums are not directly related to claims filed.

Subsequent Events - FASB ASC 855-10-50-1 requires reporting entities to disclose the date through which subsequent events have been evaluated and whether that date is the date the financial statements were issued or available to be issued. Management has evaluated subsequent events through the date of the auditor's report, which is the date the financial statements were available to be issued.

NOTE B - CASH AND CASH EQUIVALENTS

Custodial Credit Risk - In accordance with FDIC, time deposits, savings deposits and interest bearing NOW deposits held at each financial institution will be insured up to \$250,000 in aggregate at each financial institution. The Organization uses a single local financial institution for its banking purposes.

Carrying value of the cash and cash equivalents of the Organization's deposits at the financial institution during the fiscal year and as of June 30, 2021 was above the \$250,000 maximum covered by the federal depository insurance, therefore the Organization was subject to custodial credit risk at the end of fiscal year of approximately \$346,728. However, management feels the risk is minimal as the financial institution is not at risk for collapsing.

Temporarily Restricted Cash - The Organization received a \$25,000 donation during the 2017 fiscal year from an anonymous donor to assist clients with personal expenses to aid in establishing independence. During the 2021 fiscal year, the Organization received an additional \$6,250 for the assistance. As of June 30, 2021, the Organization has approximately \$4,164 of the funds remaining for use in the coming fiscal year.

CENTER OF PROTECTIVE ENVIRONMENT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE C - INVESTMENTS

Substantially all of the Organization's investments were determined as Tier 1 inputs in accordance with the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures*. The Organization reports the investments at market value for financial statement purposes, but records the investments at cost and adjusts for market with a valuation account. The schedule below illustrates the cost, market value and unrealized gains for each investment type as of June 30, 2021.

Investment	Market	Cost	Unrealized Gain/(Loss)
Mutual Funds	\$ 522,824	\$ 486,528	36,296
Other Traded Equities	86,422	82,022	4,400
Money Market	<u>3,297</u>	<u>3,297</u>	<u>-</u>
Total Investments	<u>\$ 612,543</u>	<u>\$ 571,847</u>	<u>\$ 40,696</u>

The Organization is reporting the following income and expenses related to the investments:

Interest and Dividends	\$ 22,353
Unrealized Loss on Investments	75,490
Brokerage and Investment Fees	<u>(6,755)</u>
Total Net Investment Income	<u>\$ 91,088</u>

NOTE D - GRANT RECEIVABLES AND REVENUE

The Organization contracts with various federal, state and local authorities to provide domestic abuse counseling and support services to the area. These grants are reimbursement type grants, whereby the Organization must first spend the necessary funds and the required matching portion and then request reimbursement from the grantor.

Detailed below are the grantors and programs for which the funds are designated.

Grantor Agency	Receivable
NM Children, Youth, & Family Department	\$ 7,544
NM Mortgage Finance Authority CARES Act	11,747
New Mexico Crime Victims Reparation Commission	
Victims of Crime Act (VOCA)	113,720
Survivor Services	108,627
Domestic Violence Offender Treatment & Intervention	10,857
Domestic Violence Flex Fund	6,545
Violence Against Women Act (VAWA)	<u>4,551</u>
Total Grants	<u>\$ 263,591</u>

The Organization receives multiple VOCA grants that have grant years which differ from the the Organization's fiscal year end. Below is a detail of the VOCA grants and amounts received during the fiscal year:

VOCA Grant	Total	Receivable
Grant 919	\$ 407,206	\$ 113,720
Grant 819	<u>222,025</u>	<u>-</u>
Total VOCA Grants	<u>\$ 629,231</u>	<u>\$ 113,720</u>

**CENTER OF PROTECTIVE ENVIRONMENT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE D - GRANT RECEIVABLES AND REVENUE (Cont.)

Contingency Risks – When the Organization participates in federal and state assisted grant programs, it is subject to program compliance audits by the grantors and/or its representatives. Compliance audits of these programs are conducted at various times during the contract year. In the case of future compliance audits, the amount of expenditures which may be disallowed and grant funds recalled, if any, is expected to be immaterial.

Concentration of Risk – Funding from governmental agencies constitute approximately 82% of the Organization revenue and support. Although there is no assurance the grant contracts with the state and local governmental agencies will be renewed in the future, management is confident in the continued funding due to the long-term relationships with these agencies. However, should the contracts be rescinded or reduced due to budget issues by the government agencies, the reduction of income would have a severe impact on the operation of the Organization.

Single Audit - The Organization followed the Uniform Guidance circular for the fiscal year ended June 30, 2021. That circular established the threshold of federal award funds needed to be expended in the fiscal year in order to conduct a Single Audit at \$750,000. The Organization's federal expenditures for the fiscal year exceeded the amount stipulated by the Uniform Guidance guidelines, and as a result, the Organization is required to conduct a Single Audit for the fiscal year.

NOTE E – LIQUIDITY AND AVAILABILITY

The Organization regularly monitors liquidity required to meet its operating needs and other financial commitments. The Organization has a goal to maintain cash on hand equal to approximately three months of operating expenses. The Organization considers all expenditures related to its ongoing activities of providing domestic violence services in Otero and Lincoln Counties as well as the conduct of activities that support these program services to be general expenditures. As part of its liquidity plan, the Organization continuously evaluates the amount of cash on hand and expected to be collected within 90 days, against current financial obligations.

Financial Assets at Year End	
Cash	\$ 592,564
Investments	612,543
Grant Receivables	<u>263,591</u>
Total Financial Assets Available to Meet General Expenditures	<u>\$ 1,468,698</u>

NOTE F - CAPITAL ASSETS

Purchased property in excess of \$1,000 is recorded at acquisition cost, while donated property is recorded at estimated fair market value at the date of donation. Depreciation shown is calculated using the straight-line method. Under this method an equal amount is charged to depreciation each year over the estimated useful life of an asset. Most grants and contracts do not require an accounting for depreciation by the Organization, however, for financial statement purposes, depreciation is recorded as a separate line item under Management and General. Depreciation expense was \$65,851 for the 2021 fiscal year.

**CENTER OF PROTECTIVE ENVIRONMENT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE F - CAPITAL ASSETS (Cont.)

Capital assets balances as of June 30, 2021, consisted of the following:

Buildings and Improvements	\$	1,558,144
Furniture and Equipment		167,778
Vehicles		<u>62,900</u>
		1,788,822
Less Accumulated Depreciation		<u>(431,129)</u>
Net Capital Assets		<u>\$ 1,357,693</u>

During the fiscal year, the Organization purchased office space in Ruidoso, NM to better facilitate services to the clients in the Lincoln County area. The office facility was purchased during the prior fiscal year and the Organization invested approximately \$91,630 of renovations in the Fall of 2020, and assumed occupancy in November 2020.

Commitment - The Organization is currently under contract to renovate and remodel the victim shelter. The original contracted amount is approximately \$452,081, barring any change orders. The Organization has paid approximately \$54,418, with the remaining \$397,663 in construction and architecture costs reported as accounts payable on the Statement of Financial Position.

NOTE G - CDBG GRANT PAYABLE

In May 2014, the Organization entered into a Memorandum of Understanding (MOU) with the City of Alamogordo (City) by which the City would apply for a Community Development Block Grant application to the State of New Mexico. The CDBG grant funds would be used for renovations and construction costs of the Organization's administration office facilities. To apply for the grant, the Organization was required to fund a ten percent (10%) cash match of the grant amount, as well as convey the title of the building and property to the City. The City would then lease back the building and property to the Organization, and would inkind donate the lease value of the property in exchange for services rendered to victims of domestic violence in the community. The inkind value of the lease donation to the Organization was approximately \$144,571 for the 2021 fiscal year.

The final cost of the renovations was approximately \$200,000 above the amount of the CDBG grant and related matching. The City paid the overage amount and requested reimbursement from the Organization. The Organization had approximately \$37,920 remaining on the CDBG obligation to the City as of June 30, 2020. The remaining balance was forgiven by the City during the fiscal year in lieu of improvements the Organization made to the building.

NOTE H - RETIREMENT PLAN

The Organization participates in a defined contribution retirement plan administered by the Symetra Life Insurance Company. This plan is for the benefit of all eligible staff of the Organization who qualify under applicable participation requirements. Under the terms of the plan, contributions are made under Section 403(b) of the Code and are invested, at the discretion of the plan participant, in one or more of the investment vehicles available under the plan. The plan currently does not provide for the Organization to match participant contributions.

CENTER OF PROTECTIVE ENVIRONMENT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE I - DONATED SERVICES

Donated services and other non-cash items are recorded as contributions at their estimated market value at the date of donation. Donated services are valued and amounts recorded in the financial statements for professional and skilled donated services if the ASC 958-605-25 recognition requirements are met. The Organization received \$189,877 of in-kind rental and radio and television public service announcement contributions that were recognized as income during the 2021 fiscal year. The Organization used \$144,571 of the donated media services for grant matching for shelter rental expense and the remaining \$46,306 for VOCA grant matching expenses.

No amounts have been reflected in the statements for other donated time and services if the ASC 958-605-25 recognition requirements were not met. However, a substantial number of other volunteers have donated significant amounts of their time to the Organization's program services.

Concentration of Risk - The Organization is heavily dependent on the in-kind donations for advertising and public exposure of its programs and related community education. The value of the in-kind advertising is also used as matching funds on state and local grants. Should the in-kind donations be reduced or discontinued, the Organization's operations could be materially impacted.

NOTE J – PAYCHECK PROTECTION PROGRAM LOAN

In April 2021, the Organization received a second round of program loans of approximately \$240,700 of Paycheck Protection Program (PPP) funding from the Small Business Administration through a bank in response to the COVID-19 pandemic. Accordingly, the loan proceeds were recorded as a liability in the accompanying statements of financial position. The loan is scheduled to mature in April 2026, carries a 1.00% interest rate, and is subject to the terms and conditions applicable to loans administered by the U.S. Small Business Administration under the CARES Act. The loan may be prepaid by the Organization at any time prior to maturity with no prepayment penalties. The loan contains customary events of default relating to, among other things, payment defaults and breaches of representations and warranties.

Subject to certain conditions, the loan may be forgiven in whole or in part by applying for forgiveness pursuant to the CARES Act and the PPP. The amount of loan proceeds eligible for forgiveness is determined on a formula based on a number of factors, including the amount of loan proceeds used during the 24-week forgiveness period after the loan *origination for certain purposes, including payroll costs, interest on certain mortgage obligations, rent payments on certain leases, and certain qualified utility payments, provided that, among other matters, a least 60% of the loan amount is used for eligible payroll costs, the maintenance or rehiring of employees, and maintaining salaries at certain levels.* In accordance with the requirements of the CARES Act and the PPP, the Organization has used the proceeds from the loan primarily for payroll costs.

It is the opinion of management and the board of directors that all funds received will be forgiven under the present terms of PPP in the upcoming fiscal year. When forgiven, the Organization has elected to account for this transaction as a conditional contribution, pursuant to Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-605, Financial Statements for Not-For-Profit Organizations – Revenue Recognition. Accordingly, the Organization asserts that loan forgiveness pursuant to the CARES Act and the PPP constitute the condition placed on the funds to be met and therefore a contribution would be recorded at that time. As of June 30, 2021, the outstanding balance on the PPP advance was the initial loaned amount of \$240,700. Loan forgiveness had not been granted by the SBA as of the audit report date.

CENTER OF PROTECTIVE ENVIRONMENT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE K – COVID-19 RISK AND UNCERTAINTIES

In early March 2020, the COVID-19 virus was declared a global pandemic. Since then, business continuity, including supply chains and consumer demand across a broad range of industries and countries, has been and continues to be, severely impacted, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic.

The Secretary for the New Mexico Department of Health mandated temporary closing of businesses that were deemed non-essential and requested citizens of the State to adopt behavioral changes in response to the COVID-19 outbreak in the State. At a national and international level, government restrictions on travel and the behavioral changes by the public due to COVID-19 outbreaks across the globe are negatively impacting various industries and the related world markets. While the disruption is expected to extend through the 2021 calendar year and potentially into the 2022 calendar year, there is considerable uncertainty around the duration and ultimate financial impact of these actions.

The Organization is continuing to conduct its program activities and to monitor the ongoing impact of the pandemic response. At the date of the audit report, the cumulative financial impact of the pandemic on the Organization, if any, cannot be fully determined, therefore no related adjustment has been made to these financial statements.

SUPPLEMENTAL INFORMATION

**CENTER OF PROTECTIVE ENVIRONMENT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Program or Grant Number	Pass-through Identifying Number	Program or Award Amount	Expenditures
<u>US Department of Housing and Urban Development</u>					
Passed Through the New Mexico Mortgage Finance Authority					
Emergency Shelter Grants Program	14.231	-	20-02-COP-EHA-001	\$ 50,766	\$ 50,766
CARES Act Grant	14.231	-	20-02-COP-CAE-001	469,516	147,157
<u>US Department of Homeland Security</u>					
Passed Through United Way of America					
Emergency Food and Shelter Program	97.024	37-6086-00	LRO 608600-007	8,631	8,631
CARES Act Grant	97.024	CARES-6086-00	LRO 608600-007	15,457	15,457
<u>US Department of Housing and Urban Development</u>					
Passed Through the New Mexico Finance Authority					
CARES Act Grant	21.019	-	SBRG2169	30,000	30,000
<u>US Department of Health and Human Services</u>					
Passed Through New Mexico Children, Youth and Family Department					
Family Violence Prevention and Services Act	93.671	HHS-2018-ACF-ACYF-FVPS-1346	DV-FVSA10 (8580)	30,600	30,600
Family Violence Prevention and Services Act	93.671	HHS-2018-ACF-ACYF-FVPS-1346	DV-FVSA10 (8589)	39,400	39,400
CARES Act Grant	93.671	-	DV-FVSA10	13,700	13,700
<u>US Department of the Treasury</u>					
Passed Through Otero County, NM					
CARES Act Grant	21.019	-	OTERO-CARES-BUS-2011	100,000	100,000
<u>US Department of the Treasury</u>					
Passed Through Village of Ruidoso, NM					
CARES Act Grant	21.019	-	SBA-057	15,069	15,069
<u>US Department of Justice</u>					
Passed Through New Mexico Crime Victims Reparation Committee					
Violence Against Women Act	16.588	2019-WF-AX-0046	2021-WF-707	22,500	22,500
Victims of Crime Act	16.575 *	2018-V2-GX-0022	2021-VA-919	574,244	407,206
Victims of Crime Act	16.575 *	2017-VA-GX-0076	2020-VA-819	574,244	222,024
Totals for Federal Assistance				\$ 1,944,127	\$ 1,102,510

* Indicates major federal assistance award

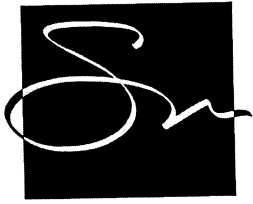
CENTER OF PROTECTIVE ENVIRONMENT, INC.
NOTES TO SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2021

Basis of Presentation - The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the Organization under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended and does not present the financial position or changes in net position of the Organization.

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. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Organization has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Subrecipients of Grant Awards – The Organization did not provide any federal awards to subrecipients during the fiscal year.

INTERNAL CONTROL AND COMPLIANCE



SCOTT NORTHAM, CPA, PC
Certified Public Accountants

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
Center of Protective Environment, Inc.
Alamogordo, New Mexico

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 Center of Protective Environment, Inc.. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 16, 2021.

Internal Control over Financial Reporting

In planning and performing our audits of the financial statements, we considered Center of Protective Environment, Inc.'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Center of Protective Environment, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Center of Protective Environment, Inc.'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.

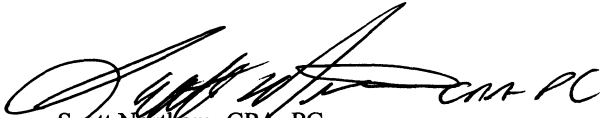
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

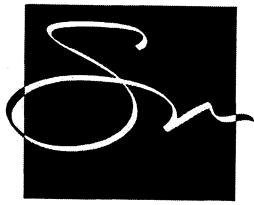
As part of obtaining reasonable assurance about whether Center of Protective Environment, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could 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 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 organization’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Scott Northam, CPA, PC
Ruidoso, New Mexico
August 16, 2021



SCOTT NORTHAM, CPA, PC
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE *UNIFORM
GUIDANCE***

Board of Directors
Center of Protective Environment, Inc.
Alamogordo, New Mexico

Report on Compliance for Each Major Federal Program

We have audited Center of Protective Environment, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Center of Protective Environment's major federal programs for the year ended June 30, 2021. Center of Protective Environment, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Center of Protective Environment, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 Center of Protective Environment's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Center of Protective Environment complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Other Matters

The results of our auditing procedures did not disclose instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance.

Report on Internal Control Over Compliance

Management of Center of Protective Environment 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 Center of Protective Environment's internal control over compliance with the types of requirements that could have a direct and material effect on each 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 major 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 Center of Protective Environment'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 a 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.



Scott Northam, CPA, PC
Ruidoso, New Mexico
August 16, 2021

**CENTER OF PROTECTIVE ENVIRONMENT, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2021**

SECTION I - SUMMARY RESULTS

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditor's report issued | Unmodified |
| 2. Internal control of financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified? | No |
| c. Noncompliance material to the financial statements noted? | No |

Federal Awards:

- | | | |
|---|------------------------|-----------------------|
| 1. Internal control over major programs: | | |
| a. Material weaknesses identified? | No | |
| b. Significant deficiencies identified? | No | |
| 2. Type of auditor's report issued on compliance for major programs | Unmodified | |
| 3. Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR Section 200.516(a)? | No | |
| 4. Identification of major program | | |
| CFDA | Federal Program | Funding Source |
| 16.575 | Victims of Crime Act | US Dept of Justice |
| 5. Dollar threshold to distinguish between Type A and Type B Programs: | \$750,000 | |
| 6. Auditee qualified as low-risk auditee? | No | |

SECTION II – FINANCIAL STATEMENT FINDINGS

CURRENT YEAR FINDINGS:

NONE

PRIOR YEAR FINDINGS:

NONE