

**NORTH CAROLINA COALITION AGAINST  
DOMESTIC VIOLENCE, INC.**

AUDITED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020



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## INDEPENDENT AUDITOR'S REPORT

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Board of Directors  
North Carolina Coalition Against  
Domestic Violence, Inc.

### ***Opinion***

We have audited the accompanying financial statements of North Carolina Coalition Against Domestic Violence, Inc., (a nonprofit organization) which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of North Carolina Coalition Against Domestic Violence, Inc., as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of North Carolina Coalition Against Domestic Violence, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibility of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about North Carolina Coalition Against Domestic Violence, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but it is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 North Carolina Coalition Against Domestic Violence, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about North Carolina Coalition Against Domestic Violence, Inc.'s ability to continue as a going concern for a reasonable period of time.

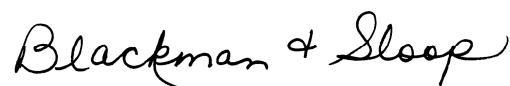
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Supplementary 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 schedule of expenditures of federal awards 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 September 27, 2022, on our consideration of North Carolina Coalition Against Domestic Violence, 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 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 North Carolina Coalition Against Domestic Violence, Inc.'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 the North Carolina Coalition Against Domestic Violence, Inc.'s internal control over financial reporting and compliance.



Chapel Hill, North Carolina  
September 27, 2022

## NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.

## STATEMENTS OF FINANCIAL POSITION

EXHIBIT A

December 31, 2021 and 2020

ASSETS

	<u>2021</u>	<u>2020</u>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 445,992	\$ 604,565
Grants and contracts receivable	410,104	656,165
Contributions receivable	210,066	48,200
Accounts and other receivables	28,502	19,752
Prepaid expenses	60,204	7,225
<b>TOTAL CURRENT ASSETS</b>	<u>1,154,868</u>	<u>1,335,907</u>
<b>PROPERTY AND EQUIPMENT:</b>		
Office furniture and fixtures	49,510	127,892
Less accumulated depreciation	<u>(36,244)</u>	<u>(101,562)</u>
<b>NET PROPERTY AND EQUIPMENT</b>	<u>13,266</u>	<u>26,330</u>
<b>OTHER ASSETS:</b>		
Security deposits	<u>8,637</u>	<u>5,287</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,176,771</u>	<u>\$ 1,367,524</u>
<u>LIABILITIES AND NET ASSETS</u>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued expenses	\$ 63,499	\$ 113,932
Accrued salaries and wages	32,670	46,220
Refundable grant advances	17,029	203,639
Paycheck Protection Program loan	-	338,793
Current portion of capital lease obligation	<u>-</u>	<u>16,702</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>113,198</u>	<u>719,286</u>
<b>NONCURRENT LIABILITIES:</b>		
Capital lease, net current maturity	<u>-</u>	<u>9,024</u>
<b>TOTAL LIABILITIES</b>	<u>113,198</u>	<u>728,310</u>
<b>NET ASSETS:</b>		
Without donor restrictions	776,140	321,028
With donor restrictions	<u>287,433</u>	<u>318,186</u>
<b>TOTAL NET ASSETS</b>	<u>1,063,573</u>	<u>639,214</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,176,771</u>	<u>\$ 1,367,524</u>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

## NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.

## STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

EXHIBIT B

For the Years Ended December 31, 2021 and 2020

Page 1 of 2

	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Totals	Totals
<b>OPERATING REVENUE:</b>				
Federal and state awards	\$ 2,706,289	\$ -	\$ 2,706,289	\$ 3,408,824
Grants and contributions	83,976	287,353	371,329	932,927
In-kind contributions	119,628	-	119,628	109,449
Membership dues	44,940	-	44,940	43,130
Program service fees	2,160	-	2,160	3,049
	<u>2,956,993</u>	<u>287,353</u>	<u>3,244,346</u>	<u>4,497,379</u>
Net assets released from restrictions	<u>318,106</u>	<u>(318,106)</u>	<u>-</u>	<u>-</u>
<b>TOTAL OPERATING REVENUE</b>	<u>3,275,099</u>	<u>(30,753)</u>	<u>3,244,346</u>	<u>4,497,379</u>
<b>OPERATING EXPENSES:</b>				
Program services to end domestic violence	2,595,677	-	2,595,677	3,718,554
Management and general	488,326	-	488,326	419,742
Fundraising	90,655	-	90,655	71,614
<b>TOTAL OPERATING EXPENSES</b>	<u>3,174,658</u>	<u>-</u>	<u>3,174,658</u>	<u>4,209,910</u>
<b>OPERATING REVENUE IN EXCESS OF OF OPERATING EXPENSES</b>	<u>100,441</u>	<u>(30,753)</u>	<u>69,688</u>	<u>287,469</u>
<b>NONOPERATING REVENUE:</b>				
Gain on forgiveness of Paycheck Protection Program loan	338,793	-	338,793	-
Net gain on disposal of property and equipment	15,878	-	15,878	-
<b>TOTAL NONOPERATING REVENUE</b>	<u>354,671</u>	<u>-</u>	<u>354,671</u>	<u>-</u>
<b>CHANGES IN NET ASSETS</b>	<u>455,112</u>	<u>(30,753)</u>	<u>424,359</u>	<u>287,469</u>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>321,028</u>	<u>318,186</u>	<u>639,214</u>	<u>351,745</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 776,140</u>	<u>\$ 287,433</u>	<u>\$ 1,063,573</u>	<u>\$ 639,214</u>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

## NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.

## STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

EXHIBIT B

For the Years Ended December 31, 2021 and 2020

Page 2 of 2

	2020		
	Without Donor Restrictions	With Donor Restrictions	Totals
<b>OPERATING REVENUE:</b>			
Federal and state awards	\$ 3,408,824	\$ -	\$ 3,408,824
Grants and contributions	664,846	268,081	932,927
In-kind contributions	109,449	-	109,449
Membership dues	43,130	-	43,130
Program service fees	3,049	-	3,049
	4,229,298	268,081	4,497,379
Net assets released from restrictions	270,841	(270,841)	-
<b>TOTAL OPERATING REVENUE</b>	<b>4,500,139</b>	<b>(2,760)</b>	<b>4,497,379</b>
<b>OPERATING EXPENSES:</b>			
Program services to end domestic violence	3,718,554	-	3,718,554
Management and general	419,742	-	419,742
Fundraising	71,614	-	71,614
<b>TOTAL OPERATING EXPENSES</b>	<b>4,209,910</b>	<b>-</b>	<b>4,209,910</b>
<b>CHANGES IN NET ASSETS</b>	<b>290,229</b>	<b>(2,760)</b>	<b>287,469</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>30,799</b>	<b>320,946</b>	<b>351,745</b>
<b>NET ASSETS</b>	<b>\$ 321,028</b>	<b>\$ 318,186</b>	<b>\$ 639,214</b>

The accompanying Notes to Financial Statements are an integral part of these financial statements.



## NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES

EXHIBIT C

For the Years Ended December 31, 2021 and 2020

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	2021			2020	
	Program Services to End Domestic Violence	Management and General	Fundraising	Total	Total
Salaries and wages	\$ 1,172,003	\$ 231,394	\$ 33,610	\$ 1,437,007	\$ 1,532,332
Program consultants	474,734	-	-	474,734	1,331,081
Employee benefits	205,736	35,011	5,114	245,861	276,170
Professional services	44,965	139,385	30,558	214,908	99,265
Supplies	120,938	22,384	4,903	148,225	68,690
Direct aid to survivors	144,331	-	-	144,331	291,303
Payroll taxes	94,491	16,080	2,349	112,920	115,796
Occupancy	64,813	13,773	2,431	81,017	91,918
Minor equipment & rentals	70,775	9,350	550	80,675	36,934
Subrecipient payments	79,718	-	-	79,718	210,456
Printing & publications	32,797	-	8,199	40,996	11,785
Lobbying	34,656	-	-	34,656	37,735
Communications	22,900	4,866	859	28,625	23,336
Staff development	9,458	2,010	355	11,823	9,908
Miscellaneous	-	9,132	878	10,010	5,083
Depreciation	7,557	1,606	283	9,446	16,769
Insurance	5,150	1,095	193	6,438	7,249
Postage	4,986	1,060	187	6,233	4,359
Dues & subscriptions	4,968	1,056	186	6,210	24,966
Travel	701	124	-	825	9,962
Interest	-	-	-	-	4,813
Total expenses	<u>\$ 2,595,677</u>	<u>\$ 488,326</u>	<u>\$ 90,655</u>	<u>\$ 3,174,658</u>	<u>\$ 4,209,910</u>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

## NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES

EXHIBIT C

For the Years Ended December 31, 2021 and 2020

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	2020			
	<b>Program Services to End Domestic Violence</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
Salaries and wages	\$ 1,227,294	\$ 259,122	\$ 45,916	\$ 1,532,332
Program consultants	1,331,081	-	-	1,331,081
Employee benefits	220,936	46,949	8,285	276,170
Professional services	53,401	43,709	2,155	99,265
Supplies	56,604	9,391	2,695	68,690
Direct aid to survivors	291,303	-	-	291,303
Payroll taxes	92,637	19,685	3,474	115,796
Occupancy	73,534	15,626	2,758	91,918
Minor equipment & rentals	32,796	4,005	133	36,934
Subrecipient payments	210,456	-	-	210,456
Printing & publications	9,428	-	2,357	11,785
Lobbying	37,735	-	-	37,735
Communications	18,669	3,967	700	23,336
Staff development	7,927	1,684	297	9,908
Miscellaneous	775	3,169	1,139	5,083
Depreciation	13,415	2,851	503	16,769
Insurance	5,800	1,232	217	7,249
Postage	3,487	741	131	4,359
Dues & subscriptions	19,973	4,244	749	24,966
Travel	8,468	1,494	-	9,962
Interest	2,835	1,873	105	4,813
	<u>\$ 3,718,554</u>	<u>\$ 419,742</u>	<u>\$ 71,614</u>	<u>\$ 4,209,910</u>
Total expenses	<u>\$ 3,718,554</u>	<u>\$ 419,742</u>	<u>\$ 71,614</u>	<u>\$ 4,209,910</u>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

## NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.

## STATEMENTS OF CASH FLOWS

EXHIBIT D

For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Changes in net assets	\$ 424,359	\$ 287,469
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	9,446	16,769
Gain on forgiveness of Paycheck Protection Program loan	(338,793)	-
Gain on capital lease disposal	32,538	-
Loss on disposal of property and equipment	(16,660)	-
Discount on contributions receivable	3,934	-
Changes in assets and liabilities:		
Grants and contracts receivable	246,061	(232,896)
Contribution receivable	(165,800)	36,800
Accounts and other receivables	(8,750)	(12,476)
Prepaid expenses	(52,979)	9,625
Security deposits	(3,350)	-
Bank overdraft	-	(58,889)
Accounts payable and accrued expenses	(50,433)	67,737
Accrued salaries and wages	(13,550)	8,313
Refundable grant advances	(186,610)	203,639
	<u>(120,587)</u>	<u>326,091</u>
<b>NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of office furniture and fixtures	(12,260)	(5,263)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Paycheck Protection Program loan proceeds	-	338,793
Payment of capital lease obligation	(25,726)	(15,056)
Payment on line of credit	-	(40,000)
	<u>(25,726)</u>	<u>283,737</u>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	(158,573)	604,565
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>604,565</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 445,992</u>	<u>\$ 604,565</u>
Supplemental Information:		
In-kind contributions - annual software maintenance and technology support	<u>\$ 119,628</u>	<u>\$ 109,449</u>
Interest paid	<u>\$ -</u>	<u>\$ 4,813</u>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

**NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.****NOTES TO FINANCIAL STATEMENTS**

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**NATURE OF ACTIVITIES**

The North Carolina Coalition Against Domestic Violence, Inc. (the “Coalition”) is a nonprofit organization incorporated in 1981. The Coalition leads the state’s movement to end domestic violence and to enhance work with survivors through collaborations, innovative technical assistance, state policy development, and legal advocacy.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****A. Basis of Accounting.**

The Coalition’s financial statements are presented on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”), which require the use of certain estimates made by the Coalition’s management. Accordingly, revenues are recognized when earned, and expenses are recognized when the obligation is incurred.

The Coalition reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions. If the Coalition receives and spends support with donor restrictions within the same year, it is treated as support without donor restrictions.

**B. Cash and Cash Equivalents.**

Cash and cash equivalents consist of monies on deposit at financial institutions, and other highly liquid investments with maturities of three months or less. At times, the Coalition places deposits with high-quality financial institutions that may be in excess of federally insured amounts. The Coalition has not experienced any financial loss related to such deposits. Additionally, as of December 31, 2021, and 2020, the Coalition had balances in excess of federally insured limits of \$248,048 and \$807,288, respectively.

**C. Grants, Contracts, Contributions, Accounts and Other Receivables.**

Grants, contracts, contributions, accounts and other receivables are recorded at net realizable value. The Coalition provides an allowance for doubtful accounts equal to the estimated losses that are expected to be incurred in collection. The allowance is based on historical collection experience and a review by management of the current status of the existing receivables. As of December 31, 2021 and 2020, all receivables were deemed collectible by management.

**D. Property and Equipment.**

Property and equipment are stated at cost for purchased assets and at fair value on the date of the gift for donated assets. Property and equipment are capitalized if the life is expected to be greater than one year and if the cost exceeds \$2,000. Depreciation is calculated using the straight-line method over estimated lives of 3 to 7 years.

**NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Property and Equipment (Continued).

The Coalition reports gifts of land, buildings, and equipment as support and revenue without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support and revenue with donor restrictions.

E. Compensated Absences.

Employees of the Coalition vest in vacation pay earned but unused with a maximum of 80 hours that can be carried over to the next fiscal year. The aggregate amount of vacation pay due has been recorded in accrued salaries and wages on the statements of financial position.

F. Revenue Recognition.

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional contributions, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been substantially met.

G. Net Assets.

Net assets, support and revenue, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Coalition did not have any net assets to be maintained in perpetuity as of December 31, 2021 and 2020.

## NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.

## NOTES TO FINANCIAL STATEMENTS

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

## H. Income Taxes.

The Coalition is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and has been classified as an organization that is not a private foundation by the Internal Revenue Service (“IRS”).

If applicable, the Coalition reports interest and penalties related to unrecognized tax positions as miscellaneous expenses. Management has evaluated the effect of the guidance provided by the provisions of U.S. GAAP for uncertainty in income taxes. Management believes that the Coalition continues to satisfy the requirements of a tax exempt organization as of December 31, 2021 and 2020.

## I. Estimates.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

## J. Consideration of Future Accounting Principle Changes.

In February 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2016-02, *Leases*. The standard requires all leases with lease terms over 12 months to be capitalized as a right-of-use asset and lease liability on the balance sheet at the date of lease commencement. This standard will be effective for the calendar year ending December 31, 2022.

In September 2020, FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The standard increases the transparency of contributed nonfinancial assets through enhancements to presentation and disclosure of the amount of contributed nonfinancial assets recognized, as well as the amount of those contributions used in the entity’s programs and other activities. The standard will be effective for the calendar year ending December 31, 2022.

The Coalition is currently in the process of evaluating the impact of adoption of these ASU’s on the financial statements.

**NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

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**LIQUIDITY AND AVAILABILITY**

The Coalition's financial assets available within one year of the statements of financial position date for general expenditure (i.e., without donor or other restrictions limiting their use) comprise the following at December 31, 2021 and 2020:

	2021	2020
Cash and cash equivalents	\$ 445,992	\$ 604,565
Grants and contracts receivable	410,104	656,165
Contributions receivable	210,066	48,200
Accounts and other receivables	28,502	19,752
	1,094,664	1,328,682
Less amounts unavailable for general expenditures within one year, due to:		
Restrictions by donor for purpose or time	(217,367)	(269,986)
Financial assets available to meet cash needs for general expenditures within one year	\$ 877,297	\$ 1,058,696

As part of the Coalition's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Membership revenue and program service revenue received by the Coalition are considered income for general expenditure use. Additionally, the Coalition has a revolving line of credit available for use. When available, the Coalition may choose to invest cash in excess of daily requirements in short-term investments, CDs, and money market funds.

**GRANTS AND CONTRACTS RECEIVABLE**

Grants and contracts receivable at December 31, 2021 and 2020, consist of the following:

	2021	2020
Governor's Crime Commission	\$ 138,933	\$ 186,144
U.S. Department of Health and Human Services	146,209	227,296
U.S. Department of Justice	106,088	152,063
NC Department of Administration	14,974	11,001
Other	3,900	-
University of North Carolina - Greensboro	-	79,661
	\$ 410,104	\$ 656,165

**NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

Page 5 of 9

**CONTRIBUTIONS RECEIVABLE**

Contributions receivable at December 31, 2021 and 2020, were \$210,066, and \$48,200, respectively.

	2021	2020
Contributions receivable in less than one year	\$ 74,000	\$ 48,200
Contributions receivable in one to five years	140,000	-
	<u>214,000</u>	<u>48,200</u>
Less: Discount at rate of .95%	(3,934)	-
	<u>\$ 210,066</u>	<u>\$ 48,200</u>

**OPERATING LEASES**

The Coalition had a noncancelable operating lease for 3,630 square feet of office space. The lease initially had a monthly rental rate of \$4,538 that called for periodic increases over the lease term. The agreement terminated in March 2021 and was renewed through March 2022 with monthly payments of \$6,655. The Coalition executed a new lease in October 2021 with a commencement date of April 2022 with monthly payments of \$3,944 and periodic increases over the lease term. The new lease terminates in March 2029.

The Coalition had a noncancelable operating lease for an additional 1,335 square feet of office space for a total monthly rate of \$2,406. The agreement terminated in March 2021.

The Coalition entered into a noncancellable lease for copier equipment in March 2021. The lease has monthly payments of \$1,265 and terminates in March 2024.

Rent expense relating to the leases totaled \$93,336 and \$91,918, for the years ended December 31, 2021 and 2020, respectively.

Minimum lease payments are as follows:

<u>Year Ending December 31,</u>	
2022	\$ 82,473
2023	111,605
2024	102,613
2025	101,291
2026	103,818
Thereafter	<u>242,931</u>
Total	<u>\$ 744,731</u>

**LINE OF CREDIT**

In February 2021, the Coalition entered into an unsecured line of credit totaling \$70,000 with a financial institution with a maturity date of February 2022. Interest was payable monthly at the prime rate plus 1% with a minimum rate of 5.25%. There was no balance on the line of credit at December 31, 2021 and 2020, respectively.



**NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.****NOTES TO FINANCIAL STATEMENTS**

Page 6 of 9

**LINE OF CREDIT (CONTINUED)**

Upon termination, the Coalition entered into a new secured line of credit agreement totaling \$70,000 with a financial institution with a maturity date of February 2023. Interest is payable monthly at the lender's prime rate plus 1%, with a minimum rate of 4.25%.

**LONG-TERM DEBT**

Paycheck Protection Program Loan - In April 2020, the Organization was granted a loan (the "loan") from a financial institution in the amount of \$338,793, pursuant to the Small Business Administration's Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted in March 2020. The loan and accrued interest are forgivable after 24 weeks as long as the borrower uses the loan proceeds for qualifying expenses over the 24-week period. The Coalition spent all the proceeds on qualifying expenses and submitted their application for forgiveness in 2021. The Coalition was granted full forgiveness of the loan in May 2021 and was included in nonoperating revenue as gain on forgiveness of Paycheck Protection Program loan in the statements of activities and changes in net assets at December 31, 2021.

**CAPITAL LEASE OBLIGATIONS**

In February 2017, the Coalition entered into a capital lease agreement for copier equipment expiring in 2022. Capital lease obligations reflect the present value of future rental payments, less an interest amount implicit in the lease. A corresponding amount was capitalized as equipment totaling \$74,972. Accumulated amortization of the asset under the capital lease at December 31, 2020, totaled \$54,741. The Coalition terminated the contract during 2021 and recognized a gain on the disposal totaling \$32,538 included in nonoperating revenue in the net gain on disposal of property and equipment in the statements of activities of changes in net assets.

**DEFINED CONTRIBUTION PLAN**

The Coalition participates in a 403(b) defined contribution plan for all employees meeting minimum age requirements. Employer contributions are currently 3% of eligible compensation to an employee's qualified retirement account. Total employer contributions were \$40,314 and \$43,156, for the years ended December 31, 2021 and 2020, respectively.

**DONATED SERVICES**

The Coalition recognizes donated services that create or enhance nonfinancial assets or that require specialized skills and would typically need to be purchased if not provided by donation. The Coalition received donated services in the form of technical support for client management software licenses totaling \$119,628 and \$109,449, for the years ended December 31, 2021 and 2020, respectively.

**REVENUE FROM CONTRACTS WITH CUSTOMERS***Performance Obligations*

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in the new revenue standard. The contract transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The Coalition's contracts have obligations that are fulfilled at a point in time.

**NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.****NOTES TO FINANCIAL STATEMENTS**

Page 7 of 9

**REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)***Performance Obligations Satisfied at a Point in Time*

The Coalition enters into contracts on a milestone basis or a fixed fee for specific services done. For these contracts, the point in time, or various points in time if the contract specifies milestones, are identified and revenue is recognized when obligations are fulfilled at those identified points in time.

The Coalition receives membership dues for various benefits given by the Coalition throughout the year. No determinable market value is available for the member benefits. As such, the entire amount is recognized as a contribution when received.

The Coalition holds a biennial conference. Revenue is earned when the conference is held as the performance obligation is fulfilled.

Revenue totaling \$2,160 and \$3,049, at December 31, 2021 and 2020, respectively, represent performance obligations satisfied at a point in time. There are no contract assets or liabilities at December 31, 2021 and 2020, relating to this revenue.

*General*

The Coalition assesses certain economic factors, and the potential for significant changes in those economic factors, and its impact on the nature, amount, timing, and uncertainty of revenue and cash flows. Factors such as the status of the economy, especially as it has related to the COVID-19 pandemic, has been assessed, and management feels they have had limited impact on the Organization's overall performance. Additionally, some of the Coalition's programs rely on in-person meetings, and conferences are dependent on the availability of space as well as restrictions and limitations caused by the COVID-19 pandemic.

**REVENUE FROM GRANT AND CONTRACT AGREEMENTS**

The Coalition enters into agreements with government agencies and cost reimbursement grants and contracts. The agreements are considered nonreciprocal transactions and thus must be recognized in accordance with ASU 2018-08 as conditional contributions. Revenue received by these agreements are recognized when the Coalition incurs allowable expenses and therefore the conditions are considered to be met. Allowable expenses required to fulfill the grant or contract performance will be reimbursed by the awarding agency. Amounts received prior to incurring qualified expenditures are reported as refundable advances.

The Coalition has been awarded cost reimbursable grants and contracts of \$2,045,366 and \$2,923,262, that have not been recognized as of December 31, 2021 and 2020, respectively, because qualifying expenditures have not yet been incurred.

Total revenue from agreements with government agencies and cost reimbursement grant and contract agreements at December 31, 2021 and 2020, totaled \$2,706,289 and \$3,408,824, respectively. Grants and contract receivables at December 31, 2021 and 2020, includes \$410,104 and \$656,156, respectively, related to revenue from agreements with government agencies and cost reimbursement grants and contracts.

**NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

Page 8 of 9

**NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions for the years ended December 31, 2021 and 2020, consist of:

	<u>2021</u>	<u>2020</u>
Time restricted:	\$ 210,066	\$ 48,200
Purpose restricted:		
Economic Justice	47,118	36,028
Rural Healthcare and Domestic Violence	18,462	76,133
ABC Survivors	10,000	25,000
Direct Aid to Survivors	1,787	-
Peer Health Network	-	122,304
Legal Assistance and Domestic Violence	-	10,521
	<u>\$ 287,433</u>	<u>\$ 318,186</u>

**FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimates.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, some expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, employee benefits, payroll taxes, occupancy, minor equipment and rentals, insurance, depreciation, IT support (part of professional services), and communications which are allocated on the basis of estimates of time and effort. Other expense categories including dues and subscriptions and supplies, are allocated on the basis of estimates of usage.

**CONCENTRATIONS**

Approximately 63% and 91% of outstanding receivables are from Federal and State sources for the years ending December 31, 2021 and 2020, respectively.

Approximately 83% and 76% of total operating revenue are from Federal and State sources for the years ended December 31, 2021 and 2020, respectively. A significant decline in support and revenue from these sources could have a detrimental effect on the operations of the Coalition.

**NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.****NOTES TO FINANCIAL STATEMENTS**

Page 9 of 9

**COMMITMENTS AND CONTINGENCIES**

The Coalition receives significant financial assistance from its grantors. These contracts and grants normally provide for the recovery of direct and indirect costs. Entitlement to the recovery of the applicable direct and indirect costs is generally conditioned upon compliance with the terms and conditions of the grant agreements and applicable federal or state regulations, including the expenditure of the resources for eligible purposes. Substantially all grants and the Coalition's costs are subject to financial and compliance reviews and audits by grantors. In management's opinion, the likelihood of an adverse material outcome upon its financial position from those reviews and audits is remote.

The Coalition is under contract with a vendor to provide database services through September 30, 2022. The total amount to be paid for 2022 is \$31,482. The Coalition is under contract with a vendor to provide IT services with two agreements through September 2023 and September 2024, billed at monthly rates of \$3,606 and \$600, respectively.

The ongoing novel coronavirus ("COVID-19") pandemic and restrictions on non-essential businesses have caused disruption in the U.S. and global economies. Despite significant market rebounds across many asset classes, the continued rapid development of this situation and uncertainty regarding potential economic recovery precludes any prediction as to the ultimate adverse impact of COVID-19 on the financial market and economic conditions. The estimates and assumptions underlying these financial statements are based on the information available on December 31, 2021, including judgments about the financial market and economic conditions which may change over time.

**SUBSEQUENT EVENTS**

Management has evaluated subsequent events for recognition or disclosure through September 27, 2022, the date the financial statements were available to be issued. Management did not identify any additional events that require disclosure in the financial statements.

## NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.

## SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the Year Ended December 31, 2021

Federal/State Grantor/ Pass-through Grantor/ Program Title	Federal Assistance Listing Number	Agency or Pass-through Number	Total Expenditures	Expenditures to Subrecipients
<b>FEDERAL EXPENDITURES:</b>				
U.S. Department of Health and Human Services:				
Family Violence Prevention and Services				
Statewide Domestic Violence Coalitions	93.591	2001NCSDVC,2101NCSDVC	\$ 306,402	\$ -
Grants for Battered Women's Shelters; Grants to State Domestic Violence Coalitions				
Covid 19 CARES Act Funding	Covid-19 93.591	2001NCSDC3	59,481	-
Statewide Domestic Violence Coalitions - Covid 19 American Rescue Plan Act of 2021	Covid-19 93.591	2101NCSDC6	68,093	-
			<u>433,976</u>	<u>-</u>
Injury Prevention and Control Research and State and Community				
Based Programs:				
DELTA Impact Project	93.136	NUS4CE002307-03-00, NUS4CE002307-04-01	391,577	73,680
DELTA Impact Project - COVID-19 Supplemental	Covid-19 93.136	NUS4CE002307-03-01CV	103,886	6,014
			<u>495,463</u>	<u>79,694</u>
Passed-through N.C. Department of Administration - N.C. Council for				
Women, Family Violence Prevention and Services/Domestic Violence:				
Shelter and Supportive Services	93.671	61-1077481	76,833	-
Shelter and Supportive Services - Supplemental COVID-19 CARES ACT	COVID-19 93.671	61-1077481	18,363	-
			<u>95,196</u>	<u>-</u>
Total U.S. Department of Health and Human Services			<u>1,024,635</u>	<u>79,694</u>
U.S. Department of Justice:				
State Domestic Violence and Sexual Assault Coalitions	16.556	2019-DW-AX-0020, 15JOVW- 21-GG-00721-STAT	80,555	-
Crime Victim Assistance/ Discretionary Grant	16.582	2018-V3-GX-0075	375,254	-
Rural Domestic Violence, Dating Violence, Sexual Assault and Stalking Assistance				
Program-Enhancing Services for Rural Underserved Populations	16.589	2020-WR-AX-0049	34,631	-
Passed-through N.C. Department of Public Safety -				
Division of Governor's Crime Commission				
Crime Victim Assistance:				
Statewide Data Collection System	16.575	PROJ14260	158,847	-
The African, Black, Caribbean (ABC) Services Program 2021	16.575	PROJ015097	30,984	-
Statewide Training	16.575	PROJ013922/PROJ015158	243,344	-
Housing Security & Access to Services Program	16.575	PROJ015151	203,460	-
			<u>636,635</u>	<u>-</u>
Passed-through N.C. Department of Public Safety -				
Division of Governor's Crime Commission				
Violence Against Women:				
Nia Program for ABC Survivors	16.588	PROJ013401	71,047	-
Statewide Awareness and Capacity Building	16.588	PROJ014472	190,251	-
Language Access	16.588	PROJ014528	51,851	-
			<u>313,149</u>	<u>-</u>
Passed-through the Center for Survivor Agency and Justice				
Office of Violence Against Women Technical Assistance Initiative				
	16.526	15JOVW-21-GK-02248-MUMU	3,900	-
Total U.S. Department of Justice			<u>1,444,124</u>	<u>-</u>
U.S. Department of Treasury:				
Passed-through N.C. Department of Administration -				
Coronavirus Relief Fund - COVID-19 Relief				
Total U.S. Department of Treasury	COVID-19 21.019	HB1105	154,866	-
			<u>154,866</u>	<u>-</u>
			<u>2,623,625</u>	<u>79,694</u>
<b>TOTAL FEDERAL EXPENDITURES</b>				
<b>STATE EXPENDITURES:</b>				
NC Council for Women:				
Domestic Violence Program		#61-1077481	40,032	-
Divorce Filing Fees		#61-1077481	25,946	-
Marriage License Fees		#61-1077481	16,686	-
			<u>82,664</u>	<u>-</u>
<b>TOTAL STATE EXPENDITURES</b>				
<b>TOTAL FEDERAL AND STATE EXPENDITURES</b>			<u>\$ 2,706,289</u>	<u>\$ 79,694</u>

## NOTES TO SCHEDULE OF FEDERAL AND STATE AWARDS

The accompanying schedule of expenditures of federal and state awards (the Schedule) includes the federal and state grant activity of North Carolina Coalition Against Domestic Violence, Inc., under programs of the federal and state governments for the year ended December 31, 2021. The information in this Schedule is presented in accordance with requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance). 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. Because the Schedule presents only a selected portion of the operations of North Carolina Coalition Against Domestic Violence, Inc., it is not intended and does not present the financial position, changes in net assets, or cash flows of the North Carolina Coalition Against Domestic Violence, Inc.

North Carolina Coalition Against Domestic Violence, Inc., has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

North Carolina Coalition Against Domestic Violence, Inc. did not receive any donated personal protective equipment (Unaudited).



**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**

Page 1 of 2

Board of Directors  
North Carolina Coalition Against  
Domestic Violence, Inc.

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 North Carolina Coalition Against Domestic Violence, Inc., which comprise the statement of financial position as of December 31, 2021, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 27, 2022.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered North Carolina Coalition Against Domestic Violence, Inc.’s internal control over financial reporting (“internal control”) as a basis for designing 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 North Carolina Coalition Against Domestic Violence, Inc.’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Coalition’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.

**BLACKMAN & SLOOP, CPAS, P.A.**

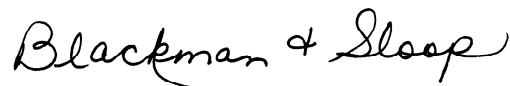
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***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether North Carolina Coalition Against Domestic Violence, Inc.'s financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 Coalition'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 Coalition's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Blackman & Sloop".

Chapel Hill, North Carolina  
September 27, 2022



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

Page 1 of 3

Board of Directors  
North Carolina Coalition Against  
Domestic Violence, Inc.

***Report on Compliance for Each Major Federal Program***

***Opinion on the Major Federal Program***

We have audited North Carolina Coalition Against Domestic Violence, Inc.’s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each North Carolina Coalition Against Domestic Violence, Inc.’s major federal programs for the year ended each of December 31, 2021. North Carolina Coalition Against Domestic Violence, Inc.’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, North Carolina Coalition Against Domestic Violence, Inc., 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 December 31, 2021.

***Basis for Opinion on Each Major Federal Program***

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of North Carolina Coalition Against Domestic Violence, Inc., and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of North Carolina Coalition Against Domestic Violence, Inc.’s compliance with the compliance requirements referred to above.

**BLACKMAN & SLOOP, CPAS, P.A.**

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### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to North Carolina Coalition Against Domestic Violence, Inc.'s federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on North Carolina Coalition Against Domestic Violence, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about North Carolina Coalition Against Domestic Violence, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding North Carolina Coalition Against Domestic Violence, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of North Carolina Coalition Against Domestic Violence, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 North Carolina Coalition Against Domestic Violence, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

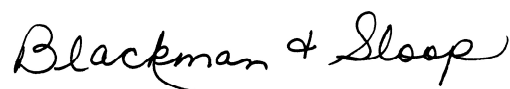
***Report on Internal Control over Compliance***

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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.



Chapel Hill, North Carolina  
September 27, 2022

**NORTH CAROLINA COALITION AGAINST DOMESTIC VIOLENCE, INC.****SCHEDULE OF FINDINGS AND  
QUESTIONED COSTS**

Year Ended December 31, 2021

**A. Summary of Auditor's Results**

1. The auditor's report expresses an unmodified opinion on the financial statements of North Carolina Coalition Against Domestic Violence, Inc.
2. No material weaknesses or significant deficiencies relating to the audit of the financial statements are reported in the "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*."
3. No instances of noncompliance, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No material weaknesses or significant deficiencies relating to the audit of the major federal award program are reported in the "Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance."
5. The auditor's report on compliance for the major federal award program for North Carolina Coalition Against Domestic Violence, Inc., expresses an unmodified opinion on its major federal programs.
6. No audit findings that are required to be reported in accordance with 2 CFR Section 200.5516(a) are reported in this schedule.
7. The Crime Victim Assistance Program (Assistance Listing 16,575) was tested as a major program.
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. North Carolina Coalition Against Domestic Violence, Inc., qualified as a low-risk auditee.

**B. Findings - Financial Statements Audit**

None.

**C. Findings and Questioned Costs - Major Federal Award Programs Audit**

None.