

**Pennsylvania Coalition
Against Domestic Violence**

Financial Statements and
Supplementary Information

Years Ended June 30, 2022 and 2021
with Independent Auditor's Report

MaherDuessel

A horizontal bar is positioned below the company name. The left portion of the bar is black, and the right portion is blue, matching the color of the 'D' in the company name.

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

YEARS ENDED JUNE 30, 2022 AND 2021

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YEARS ENDED JUNE 30, 2022 AND 2021

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Independent Auditor's Report

**Board of Directors
Pennsylvania Coalition Against Domestic Violence**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Pennsylvania Coalition Against Domestic Violence (Coalition), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, 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 the Coalition as of June 30, 2022 and 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and 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 the Coalition 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the Coalition's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole 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 is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *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, including omissions, 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 the Coalition'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 the Coalition'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 audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary 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 January 3, 2023 on our consideration of the Coalition'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 the Coalition'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 Coalition's internal control over financial reporting and compliance.

Maher Duessel

Harrisburg, Pennsylvania
January 3, 2023

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

STATEMENTS OF FINANCIAL POSITION

YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash and cash equivalents	\$ 3,048,031	\$ 1,834,081
Investments	964,416	1,128,856
Accounts receivable	20,655	22,300
Contracts receivable	8,729,647	7,491,803
Prepaid expenses	95,621	74,401
Security deposit	21,851	21,851
Total Assets	<u>\$ 12,880,221</u>	<u>\$ 10,573,292</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 102,401	\$ 72,566
Accrued expenses	316,690	283,882
Refundable advances	462,477	217,376
Subrecipients payable	10,278,068	7,314,425
Due to Commonwealth of Pennsylvania	26,209	82,687
Loans payable	-	497,205
Total Liabilities	11,185,845	8,468,141
Net Assets:		
Without donor restrictions, undesignated	724,320	965,946
Without donor restrictions, Board-designated	966,615	1,133,353
Total Net Assets Without Donor Restrictions	1,690,935	2,099,299
With donor restrictions	3,441	5,852
Total Net Assets	<u>1,694,376</u>	<u>2,105,151</u>
Total Liabilities and Net Assets	<u>\$ 12,880,221</u>	<u>\$ 10,573,292</u>

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

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Other Support:			
Contracts with government agencies	\$ 38,209,270	\$ -	\$ 38,209,270
Contract administration	530,194	-	530,194
Other grants	468,229	-	468,229
Contributions	120,338	-	120,338
Investment income (loss), net	(157,118)	-	(157,118)
Interest	849	-	849
Training	7,393	-	7,393
Miscellaneous income	7,177	-	7,177
Net assets released from restrictions	2,411	(2,411)	-
Total revenues, gains, and other support	<u>39,188,743</u>	<u>(2,411)</u>	<u>39,186,332</u>
Expenses:			
Program services	37,471,277	-	37,471,277
Management and general	1,929,073	-	1,929,073
Fundraising	196,757	-	196,757
Total expenses	<u>39,597,107</u>	<u>-</u>	<u>39,597,107</u>
Changes in Net Assets	(408,364)	(2,411)	(410,775)
Net Assets:			
Beginning of year	2,099,299	5,852	2,105,151
End of year	<u>\$ 1,690,935</u>	<u>\$ 3,441</u>	<u>\$ 1,694,376</u>

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

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Other Support:			
Contracts with government agencies	\$ 40,415,664	\$ -	\$ 40,415,664
Contract administration	513,864	-	513,864
Other grants	286,875	-	286,875
Contributions	87,074	-	87,074
PPP Loan forgiveness	208,695	-	208,695
Investment income (loss), net	206,168	-	206,168
Interest	1,486	-	1,486
Training	20,545	-	20,545
Miscellaneous income	16,357	-	16,357
Net assets released from restrictions	20,055	(20,055)	-
Total revenues, gains, and other support	<u>41,776,783</u>	<u>(20,055)</u>	<u>41,756,728</u>
Expenses:			
Program services	39,820,666	-	39,820,666
Management and general	1,735,797	-	1,735,797
Fundraising	162,927	-	162,927
Total expenses	<u>41,719,390</u>	<u>-</u>	<u>41,719,390</u>
Changes in Net Assets	57,393	(20,055)	37,338
Net Assets:			
Beginning of year	<u>2,041,906</u>	<u>25,907</u>	<u>2,067,813</u>
End of year	<u>\$ 2,099,299</u>	<u>\$ 5,852</u>	<u>\$ 2,105,151</u>

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

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2022

	Program Services	Management and General	Fundraising	Total
Salaries	\$ 2,021,809	\$ 809,540	\$ 137,257	\$ 2,968,606
Employee benefits	512,958	219,389	42,171	774,518
Consultants	152,771	271,687	7,830	432,288
Advertising	54,201	105	-	54,306
Accounting and auditing fees	-	29,502	-	29,502
Equipment rental and maintenance	25,216	87,439	4,419	117,074
Business insurance	-	37,471	-	37,471
Memberships	50,337	62,902	254	113,493
Miscellaneous	4,695	3,370	787	8,852
Occupancy	-	333,402	-	333,402
Office supplies	53,714	13,150	17	66,881
Meeting expense	-	121	-	121
Postage	789	2,867	1,426	5,082
Printing	14,339	556	1,773	16,668
Scholarship expense	14,399	-	-	14,399
Staff development	18,482	9,242	-	27,724
Subrecipient expense	34,541,751	-	-	34,541,751
Telephone	-	33,669	-	33,669
Travel - staff	5,816	1,140	109	7,065
Travel and conferences	-	-	714	714
Interest	-	13,521	-	13,521
Total expenses	<u>\$ 37,471,277</u>	<u>\$ 1,929,073</u>	<u>\$ 196,757</u>	<u>\$ 39,597,107</u>

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

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2021

	Program Services	Management and General	Fundraising	Total
Salaries	\$ 1,767,369	\$ 640,203	\$ 85,896	\$ 2,493,468
Employee benefits	457,934	129,962	29,214	617,110
Consultants	264,794	330,302	41,800	636,896
Advertising	25,714	12,137	-	37,851
Accounting and auditing fees	-	7,891	-	7,891
Equipment rental and maintenance	20,640	105,547	2,280	128,467
Business insurance	-	24,319	-	24,319
Memberships	65,744	50,803	-	116,547
Miscellaneous	43,610	14,818	620	59,048
Occupancy	638	323,454	-	324,092
Office supplies	17,156	40,090	367	57,613
Meeting expense	9,690	-	-	9,690
Postage	773	3,223	448	4,444
Printing	14,273	1,794	2,302	18,369
Scholarship expense	28,283	-	-	28,283
Staff development	18,007	2,182	-	20,189
Subrecipient expense	37,085,796	-	-	37,085,796
Telephone	-	39,535	-	39,535
Travel - staff	-	147	-	147
Travel and conferences	245	-	-	245
Depreciation	-	7,350	-	7,350
Interest	-	2,040	-	2,040
	<u>\$ 39,820,666</u>	<u>\$ 1,735,797</u>	<u>\$ 162,927</u>	<u>\$ 41,719,390</u>
Total expenses	<u>\$ 39,820,666</u>	<u>\$ 1,735,797</u>	<u>\$ 162,927</u>	<u>\$ 41,719,390</u>

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

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ (410,775)	\$ 37,338
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	-	7,350
Net realized and unrealized (gain) loss on investments	180,856	(183,517)
Forgiveness of Paycheck Protection Program Loan	-	(208,595)
(Increase) decrease in assets:		
Accounts receivable	1,645	(16,172)
Contracts receivable	(1,237,844)	687,538
Promises to give	-	37,500
Prepaid expenses	(21,220)	(15,174)
Increase (decrease) in liabilities:		
Accounts payable	29,835	14,071
Accrued expenses	32,808	(4,310)
Refundable advances	245,101	217,376
Subrecipients payable	2,963,643	367,778
Due to Commonwealth of Pennsylvania	(56,478)	1,406
Net cash provided by (used in) operating activities	<u>1,727,571</u>	<u>942,589</u>
Cash Flows from Investing Activities:		
Purchase of investments	(1,266,754)	(507,506)
Sale of investments	1,250,338	536,552
Net cash provided by (used in) investing activities	<u>(16,416)</u>	<u>29,046</u>
Cash Flows from Financing Activities:		
Proceeds from line of credit	-	30,000
Payments on line of credit	-	(240,000)
Principal payments on Paycheck Protection Program Loan	(347,205)	-
Principal payments on Economic Injury Disaster Loan	(150,000)	-
Net cash provided by (used in) financing activities	<u>(497,205)</u>	<u>(210,000)</u>
Net Increase in Cash and Cash Equivalents	1,213,950	761,635
Cash and Cash Equivalents:		
Beginning of year	<u>1,834,081</u>	<u>1,072,446</u>
End of year	<u>\$ 3,048,031</u>	<u>\$ 1,834,081</u>

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

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

1. Nature of Activities

The Pennsylvania Coalition Against Domestic Violence (Coalition) was established in 1976 as the coordinating body of domestic violence programs in Pennsylvania. The objectives of the program are as follows:

- A. The development of a statewide network of direct service providing for the safety and welfare of domestic violence victims.
- B. The provision of advocacy efforts to improve specific systems and institutions that deal directly with victims of domestic violence within local communities and at the statewide level.
- C. The provision of community education and prevention programs on local and statewide levels.
- D. The provision of training of personnel within the statewide network and in specific systems and institutions, which deal directly with domestic violence victims.

The programs are funded primarily through contracts with the Pennsylvania Department of Human Services (DHS), the U.S. Department of Health and Human Services, the U.S. Department of Housing and Urban Development, and the U.S. Department of Justice. Programs are conducted primarily through contracts with various tax-exempt organizations throughout Pennsylvania.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized when incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents are defined as cash deposits, checking accounts, savings accounts, and certificates of deposit.

Investments

Investments are reported at fair value in the statements of financial position. Investment income and losses, including interest and dividends, are included in the statements of activities as increases or decreases in net assets without donor restrictions, unless the income or loss is restricted by donor or law.

Fair value is a market-based measurement, not an entity-specific measurement, and sets out a fair value hierarchy with the highest priority being quoted prices in active markets. Fair value measurements are disclosed by level within that hierarchy. The hierarchy is broken down into three levels based on the transparency of inputs as follows:

Level 1 – Quoted market prices in active markets for identical assets or liabilities as of the report date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the report date. The nature of these securities includes investments for which quoted prices are available, but traded less frequently, and investments that are fair valued using other securities, the parameters of which can be directly observed.

Level 3 – Securities that have little to no pricing observability as of the report date. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

In determining the appropriate levels, the Coalition performs a detailed analysis of the assets and liabilities that are subject to fair value measurement. At June 30, 2022 and 2021, the Coalition has no Level 2 or Level 3 investments.

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include money market funds, common stock, exchange traded funds, and mutual funds.

Accounts Receivable

Items recorded in accounts receivable consist of miscellaneous receivables. Amounts are considered by management to be fully collectible and, accordingly, no allowance for doubtful accounts is considered necessary.

Contracts Receivable

The Coalition records contracts receivable equal to the amount of unreimbursed expenses resulting from contracts. Amounts are considered by management to be fully collectible and, accordingly, no allowance for doubtful accounts is considered necessary. Receivables are charged to bad debt expenses when deemed uncollectible based upon review of individual amounts.

Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected over periods in excess of one year are recorded at the present value of the estimated cash flows beyond one year. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contributions revenue. Conditional promises to give are not included as support until the conditions are substantially met and the promised becomes unconditional.

Furniture and Equipment

Expenditures for the acquisition of furniture and equipment exceeding \$5,000 are capitalized at cost. The fair value of donated furniture and equipment at the date of the gift is similarly capitalized. Depreciation of furniture and equipment is calculated using the straight-line method over the estimated useful lives of the assets ranging from three to ten years.

Because certain furniture and equipment have been acquired for programs funded by federal or state contracts, proceeds from the sale or disposition of those assets may revert

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

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YEARS ENDED JUNE 30, 2022 AND 2021

to the funding agency, or the assets may be transferred to the funding agency, should the program be discontinued. The Coalition has not historically had any assets transferred back to the funding agency.

Maintenance and repairs of furniture and equipment are expensed as incurred, and major improvements are capitalized. Upon retirement, sale, or other disposition of furniture and equipment, the cost and accumulated depreciation are eliminated from the accounts, and a gain or loss is included in the statement of activities.

Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or circumstances indicate that the carrying amount of the assets may not be recoverable. An asset is considered to be impaired when the undiscounted estimated net cash flows to be generated by the asset are less than the carrying amount. The impairment recognized is the amount by which the carrying amount exceeds the fair value of the impaired asset. Fair value estimates are based on assumptions concerning the amount and timing of estimated future cash flows and discount rates reflecting varying degrees of perceived risk. Management has concluded that no impairment adjustments were required during the years ended June 30, 2022 and 2021.

Subrecipients Payable

The Coalition provides private foundation, state, and federal awards to subrecipients to support domestic violence programs. In accordance with ASU 2018-08, if payment of a grant is conditional upon the recipient meeting certain criteria or barriers, the grant expense is not recognized until that barrier has been met. During the years ended June 30, 2022 and 2021, the Coalition provided private foundation, state, and federal awards to subrecipients of \$34,541,751 and \$37,085,796, respectively. Subrecipients submit requests for reimbursement to the Coalition for eligible program expenses. The Coalition had amounts payable to the subrecipients of \$10,278,068 and \$7,314,425 at June 30, 2022 and 2021, respectively. The amounts recorded as payable have been approved and barriers for payment have been met.

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

Net Assets

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

Without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

With donor restrictions – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Coalition and/or the passage of time or be maintained in perpetuity by the Coalition. The Coalition has no net assets with donor restrictions that are required to be maintained in perpetuity.

Government Contracts, Grants, Contributions and Refundable Advances

Conditional contributions received by the Coalition are recorded as refundable advances until the conditions are substantially met. When the conditions are substantially met, the contributions become unconditional.

Unconditional contributions are considered to be available for unrestricted use, unless specifically restricted by the donor. Amounts designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions.

When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Revenue Recognition

Revenue received from contract administration is recognized when the Coalition provides the administration services to each of the programs with respect to the grant agreements.

In-Kind Contributions

In-kind contributions are recorded at fair value at the time of receipt. Only those contributed services that create or enhance non-financial assets, require skills, and are provided by such individuals possessing those skills, and would typically need to be

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

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purchased, if not provided by donations, are recorded. The Coalition did not receive any in-kind contributions during the years ended June 30, 2022 and 2021.

Functional Allocation of Expenses

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

The Coalition charges direct expenses, those that can be identified as being incurred specifically for the activities of that program or supporting service, incurred for a specific function directly to the program or supporting service category. Salaries and related fringe benefits are allocated based on the time and effort spent on each function. Facility costs are allocated based on usable square footage. All other expenses are allocated on a reasonable basis that is consistently applied.

Income Taxes

As a not-for-profit organization, the Coalition is generally exempt from federal and state income taxes pursuant to section 501(c)(3) of the Internal Revenue Code. The Coalition is subject to federal and state income taxes on unrelated business income. There was no unrelated business income during the years ended June 30, 2022 and 2021.

The Coalition annually files Form 990 in the U.S. Federal jurisdiction. The Coalition's Form 990 is not subject to examination through the year ended June 30, 2019.

Pending Standards Update

ASU 2016-02, "*Leases (Topic 842)*," is effective for the Coalition's financial statements for the year ending June 30, 2023. This amendment will require lessees to recognize assets and liabilities on the statement of financial position for the rights and obligations created by all leases with terms of more than twelve months. Disclosures also will be required by lessees to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

Management has not yet determined the impact of this amendment on the Coalition's financial statements.

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

Subsequent Events

Subsequent events have been evaluated through the Independent Auditor's Report date, which is the date the financial statements were available to be issued.

3. Risks and Uncertainties

The Coalition maintains its cash in bank deposit accounts, which may exceed federally insured limits. The Coalition has not experienced any losses in such accounts. The Coalition believes it is not exposed to any significant credit risk on its cash and cash equivalents.

Investment securities are exposed to risks such as interest rate and market risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities will occur and that such changes could materially affect the amount reported on the statement of financial position.

4. Investments

The following is a summary of the Coalition's investments which are stated at fair value at June 30:

	<u>2022</u>	<u>2021</u>
Money market funds	\$ 20,648	\$ 12,922
Common stock	-	307,403
Exchange traded funds	943,768	568,446
Mutual funds	-	240,085
	<u>\$ 964,416</u>	<u>\$ 1,128,856</u>

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

Fair value measurements and hierarchy are as follows at June 30:

	Level	2022	2021
Money market funds	1	\$ 20,648	\$ 12,922
Common stock:			
Basic materials	1	-	9,311
Consumer cyclical	1	-	65,340
Consumer defensive	1	-	25,719
Financial services	1	-	20,118
Healthcare	1	-	40,545
Industrials	1	-	36,395
Technology	1	-	109,975
Exchange traded funds:			
Emerging markets	1	72,805	49,372
Tactical	1	-	276,725
Small blend	1	22,869	35,250
Mid-cap blend	1	45,813	30,472
Large blend	1	208,408	-
Foreign large blend	1	187,903	102,524
Intermediate government	1	61,225	74,103
Long government	1	158,027	-
Large growth	1	22,432	-
Corporate bond	1	73,339	-
Short term bond	1	52,588	-
High yield bond	1	38,359	-
Mutual funds:			
Emerging markets	1	-	42,766
International	1	-	47,956
Intermediate-term bond	1	-	149,363
		<u>\$ 964,416</u>	<u>\$ 1,128,856</u>

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. For the years ended June 30, 2022 and 2021, there were no significant transfers between fair value levels.

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

5. Board-Designated Endowment Fund

The Coalition's investments and a portion of cash and cash equivalents are held in the Board-designated Dameron Stoddard Endowment Fund (endowment). The following is a rollforward of the endowment activity during the years ended June 30:

	<u>2022</u>	<u>2021</u>
Beginning of year	\$ 1,131,052	\$ 976,556
Contributions	2,301	8
Withdrawals	(9,623)	-
Investment income (loss), net	<u>(157,115)</u>	<u>154,488</u>
End of year	<u>\$ 966,615</u>	<u>\$ 1,131,052</u>

Return Objective and Risk Parameters

The endowment's return objectives are to maintain the real purchasing power of the assets after inflation, costs, and spending, and provide a stable source of liquidity and financial support for the mission of the Coalition. The endowment's assets are invested to assume a moderate level of investment risk.

Strategies for Achieving Return Objectives

The Coalition will invest in a diversified portfolio consisting of stocks, bonds, cash equivalents, alternative securities, and when deemed appropriate by the Investment Committee, illiquid investments, each of which may reflect varying rates of return. Mutual funds, exchange-traded funds, and individual securities are all acceptable forms of investing in the various asset classes.

Spending Policy

Up to four percent of the total market value of the endowment, as of December 31 of the prior year, may be distributed annually to support the Organization's ongoing operations, committed spending, and capital growth.

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

6. Furniture and Equipment

Furniture and equipment consist of the following at June 30:

	<u>2022</u>	<u>2021</u>
Furniture and equipment	\$ 217,022	\$ 217,022
Leasehold improvements	<u>146,928</u>	<u>146,928</u>
	363,950	363,950
Accumulated depreciation	<u>(363,950)</u>	<u>(363,950)</u>
Furniture and equipment, net	<u>\$ -</u>	<u>\$ -</u>

Depreciation expense was \$0 for the years ended June 30, 2022 and 2021.

7. Conditional Grants

At June 30, 2022, \$22,858,411 of conditional grants were awarded to the Coalition for which cash had not been received, and barriers have not been met at year end.

<u>Grantor</u>	
Pennsylvania Commission on Crime and Delinquency	\$ 934,306
Pennsylvania Department of Community and Economic Development	3,106,426
U.S. Department of Housing and Urban Development	2,241,589
U.S. Department of Justice	56,466
U.S. Department of Health & Human Services	966,944
Pennsylvania Department of Health	179,943
Pennsylvania Department of Human Services	<u>15,372,737</u>
	<u>\$ 22,858,411</u>

8. Line of Credit

The Coalition maintains a \$1,000,000 line of credit with a financial institution. As of June 30, 2022 and 2021, the balance was \$0. Borrowings under the line of credit bear interest at a rate equal to the Wall Street Journal's prime rate (4.75% and 3.25% at June 30, 2022 and 2021, respectively). Furniture and equipment, accounts receivable, and contract rights are

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

pledged as collateral. The line of credit automatically renews each year until terminated by either party.

9. COVID-19 Funding

Paycheck Protection Program Loan

In April 2020, the Coalition qualified for and received a loan pursuant to the Paycheck Protection Program (PPP Loan), a program implemented by the U.S. Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economic Security Act, from a qualified lender for an aggregate amount of \$555,900. The PPP Loan bears interest at a fixed rate of 1.0% per annum, with the first six months of interest deferred, has a term of five years, and is unsecured and guaranteed by the SBA. The principal amount of the PPP Loan is subject to forgiveness under the Paycheck Protection Program upon the Coalition's request to the extent that the PPP Loan proceeds are used to pay expenses permitted by the Paycheck Protection Program, including payroll costs, covered rent, and mortgage obligations, and covered utility payments incurred by the Coalition. On August 11, 2021, \$208,695 of the original PPP Loan was forgiven by the SBA and, the Coalition recorded forgiveness of the PPP Loan on the accompanying Statement of Activities. The remaining amount of the PPP Loan that was not forgiven totaled \$347,205. During the year ended June 30, 2022, the Coalition paid off in full the remaining amount of the PPP Loan.

Economic Injury Disaster Loan

In June 2020, the Coalition received an Economic Injury Disaster Loan (Loan) in the amount of \$150,000 from the U.S. Small Business Association (SBA). The Loan bears interest at a fixed rate of 2.75%, and interest accrues only on funds actually advanced from the date of the advance. Monthly principal and interest payments of \$641 are required from twenty four months from the date of the Loan through thirty years from the date of the Loan. Each payment will be applied first to interest accrued to the date of receipt of each payment, and the balance, if any, will be applied to principal. The purpose of the Loan is to alleviate economic injury caused by disaster occurring in the month of January 31, 2020 and continuing thereafter. During the year ended June 30, 2022, the Coalition paid off in full the remaining amount of the Loan.

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

10. Net Assets

Net assets consist of the following as of June 30:

	2022		2021	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
Board-designated				
No More Campaign	\$ -	\$ -	\$ 2,301	\$ -
Dameron Stoddard Endowment	966,615	-	1,131,052	-
Alexy Fund	-	309	-	2,720
Heilner Fund	-	632	-	632
Pirates Fund	-	2,500	-	2,500
Other	724,320	-	965,946	-
Total	<u>\$ 1,690,935</u>	<u>\$ 3,441</u>	<u>\$ 2,099,299</u>	<u>\$ 5,852</u>

11. Retirement Plan

For the years ended June 30, 2022 and 2021, the Coalition contributed 4% of each full-time employee's salary to a tax-sheltered annuity. The annuity qualifies as tax deferred under Section 403(b) of the Internal Revenue Code. For the years ended June 30, 2022 and 2021, the Coalition contributed \$113,205 and \$82,728, respectively.

12. Lease Commitments

On January 1, 2011, the Coalition entered into a new lease agreement for a Harrisburg office that would expire on December 31, 2020. On July 23, 2019, the Coalition signed an addendum to extend the lease to December 31, 2025. Office rental expense under this lease agreement included in the financial statements totaled \$322,702 and \$314,831 for the years ended June 30, 2022 and 2021, respectively.

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

The Coalition is committed to lease agreements for the use of office space and office equipment. Future minimum annual lease payments under operating leases consist of the following for the years ending June 30:

2023	360,151
2024	358,615
2025	355,203
2026	175,903
	<hr/>
	\$ 1,249,872
	<hr/>

13. Contingencies

Regulated Environment

The Coalition operates in a heavily regulated environment, which is subject to directives, rules, and regulations of federal, state, and local regulatory agencies. Such directives, rules, and regulations are subject to change with little notice and sometimes funding is inadequate to pay for the related cost to comply with any additional burden.

Audit

The grants received by the Coalition are subject to audit by federal and state governments. As of the date of this report, management is unaware of any material adjustment that will be required as a result of such audits.

Litigation

The Coalition is involved in litigation arising in the course of business. Management believes that any total ultimate liability would not have a material effect on the Coalition's financial position.

14. Significant Funding Agencies

The Coalition's contract revenue for the years ended June 30, 2022 and 2021 includes \$38,209,270 and \$40,415,664, respectively, resulting from contracts with government agencies.

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

Revenues from the DHS totaled \$29,975,711 and \$28,944,406, which approximated 76% and 69% of total revenues, gains, and other support for the years ended June 30, 2022 and 2021, respectively. Contracts receivable from the DHS were \$5,604,746 and \$7,020,825 at June 30, 2022 and 2021, respectively. A significant reduction in the level of this support would have a material effect on the Coalition's programs.

15. Related Party Transactions

Various Board members work for the Coalition's subrecipients. Transactions with these related parties consisted of the following during the year ended and as of June 30, 2022:

<u>Subrecipient Organization</u>	<u>Expense</u>	<u>Payable</u>
Lutheran Settlement House	\$ 871,541	\$ 443,796
Transitions of PA	909,034	233,950
The Women's Center & Shelter of Greater Pittsburgh	1,710,017	750,920

Transactions with these related parties consisted of the following during the year ended and as of June 30, 2021:

<u>Subrecipient Organization</u>	<u>Expense</u>	<u>Payable</u>
SafeNet Domestic Violence Safety Network	\$ 463,575	\$ 146,224
Lutheran Settlement House	515,921	165,995
Centre County Women's Resource Center	280,308	105,714
Transitions of PA	712,081	272,093
The Women's Center & Shelter of Greater Pittsburgh	1,107,385	174,421

16. Liquidity and Availability

The Coalition regularly monitors liquidity in order to meet its operating needs and other contractual commitments, while striving to maximize the investment of its available funds. The Coalition has various financial assets at its disposal, including cash and cash equivalents, investments, receivables, and a line of credit. See Note 7 for more information about the line of credit.

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

The Coalition operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenses over the next 12 months.

The following reflects the Coalition's financial assets as of June 30 expected to be available to meet general expenses within one year.

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 3,048,031	\$ 1,834,081
Investments	964,416	1,128,856
Accounts receivable	20,655	22,300
Contracts receivable	8,729,647	7,491,803
Assets restricted by donors for specific purposes	(3,441)	(5,852)
Board-designated assets	<u>(966,615)</u>	<u>(1,133,353)</u>
Financial assets expected to be available to meet cash needs for general expenses within one year	<u>\$ 11,792,693</u>	<u>\$ 9,337,835</u>

SUPPLEMENTARY INFORMATION

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal ALN	Grantor/Pass-Through Grantor's Number	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Health and Human Services:				
Injury Prevention and Control Research and State and Community Based Programs	93.136	6NUS4CD002304-02-03	\$ 396,551	\$ 90,000
Family Violence Prevention and Services/State Domestic Violence Coalitions	93.591	C-2001-PASDVC	129,258	10,000
Family Violence Prevention and Services/State Domestic Violence Coalitions	93.591	C-2101-PASDVC	166,854	10,000
COVID-19 - Family Violence Prevention and Services/State Domestic Violence Coalitions	93.591	C-2001-PASDC3	28,567	-
COVID-19 - Family Violence Prevention and Services/State Domestic Violence Coalitions	93.591	2101PASDC6	24,681	-
COVID-19 - Family Violence Prevention and Services/State Domestic Violence Coalitions	93.591	2201PASTC6	25,976	-
Subtotal 93.591			<u>375,336</u>	<u>20,000</u>
Passed through Pennsylvania Department of Human Services:				
Social Services Block Grant	93.667	4100075536	5,541,764	4,965,145
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	4100075536	3,719,717	3,643,655
COVID-19 - Family Violence Prevention and Services	93.671	4100075536	648,365	645,063
COVID-19 - Family Violence Prevention and Services	93.671	4100075536	1,008,769	975,231
COVID-19 - Vaccines and Mobile Unit - Family Violence Prevention and Services	93.671	4100075536	298,608	288,835
Subtotal 93.671			<u>5,675,459</u>	<u>5,552,784</u>
Preventative Health and Health Services Block Grant	93.991	4100087516	99,740	60,003
Passed through Pennsylvania Department of Health:				
ACL - Traumatic Brain Injury Grant Program	93.234	4100090832	20,057	-
Total U.S. Department of Health and Human Services			<u>12,108,907</u>	<u>10,687,932</u>
U.S. Department of Housing and Urban Development:				
Continuum of Care Program	14.267	PA0926L3T091901	383,361	363,131
Continuum of Care Program	14.267	PA0926L3T092002	496,068	450,959
Continuum of Care Program	14.267	PA0967D3T091900	172,602	165,399
Continuum of Care Program	14.267	PA0967D3T092001	405,961	373,749
Continuum of Care Program	14.267	PA0980D3E011900	299,195	280,080
Continuum of Care Program	14.267	PA0980D3E012001	116,958	91,692
Continuum of Care Program	14.267	PA0809L3E091903	13,901	13,901
Continuum of Care Program	14.267	PA0809L3E092004	78,720	77,011
Subtotal 14.267			<u>1,966,766</u>	<u>1,815,922</u>
Passed through Pennsylvania Department of Community and Economic Development:				
COVID-19 - Emergency Solutions Grant Program	14.231	E-20-DW-42-0001	3,043,411	2,917,745
Total U.S. Department of Housing and Urban Development			<u>5,010,177</u>	<u>4,733,667</u>

(Continued)

See accompanying notes to schedule of expenditures of federal awards.

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal ALN	Grantor/Pass-Through Grantor's Number	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Justice:				
State Domestic Violence and Sexual Assault Coalitions	16.556	2019-DW-AX-0031	23,487	-
State Domestic Violence and Sexual Assault Coalitions	16.556	15-JOVW-21-GG-00737-STAT	42,240	-
Subtotal 16.556			65,727	-
Passed through Pennsylvania Commission on Crime and Delinquency:				
Crime Victim Assistance	16.575	2017/2018-VF-05-29280	22,650	-
Crime Victim Assistance	16.575	2018/2019/2020-VF-05-33159	172,667	-
Crime Victim Assistance	16.575	2017/2018-VF-05-29176	13,594	-
Subtotal 16.575			208,911	-
Violence Against Women Formula Grants	16.588	2021/2022/2023-VA-01/02/03-36163	80,858	-
Violence Against Women Formula Grants	16.588	2018/2019-VA-01/02/03-30270	95,963	-
Subtotal 16.588			176,821	-
Total U.S. Department of Justice			451,459	-
Total Expenditures of Federal Awards			<u>\$ 17,570,543</u>	<u>\$ 15,421,599</u>
				(Concluded)

See accompanying notes to schedule of expenditures of federal awards.

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2022

1. General

The accompanying schedule of expenditures of federal awards (Schedule) reflects the activity of all federal awards programs of the Coalition.

The Coalition has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

2. Basis of Accounting

The accompanying Schedule is prepared using the accrual basis of accounting, which is described in Note 2 to the financial statements. 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 of Federal Awards* (Uniform Guidance).

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.

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

TITLE XX - WOMEN SERVICES PROGRAM, REVENUES AND EXPENDITURES, BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2022

	Actual	Budget
Revenues:		
Act 44	\$ 19,087,677	\$ 19,364,134
Medical Advocacy (Act 44)	615,496	728,866
F.V.P.S.	3,719,717	3,810,338
Act 222	826,182	833,000
PHHSBG	99,740	100,000
SSBG	5,541,764	5,705,000
OIM	85,135	90,000
	29,975,711	30,631,338
Total revenues		
Expenditures:		
Administrative salaries	1,668,141	1,668,401
Administrative benefits	436,345	442,697
Audit	14,667	13,519
Consultant and professional fees	164,847	160,326
Equipment and furniture	40,790	39,322
Membership	41,183	39,730
Postage	1,733	1,671
Printing and photocopy	346	547
Professional development	10,881	13,458
Space costs	201,470	200,789
Supplies	34,713	45,471
Telephone	18,268	18,270
Travel	2,471	7,154
Prevention subrecipient passthrough	60,000	60,000
Economic Justice subrecipient passthrough	100,000	100,000
DEI subrecipient passthrough	155,837	165,034
	2,951,692	2,976,389
Total expenditures before subcontractor costs		
Subcontractor costs	27,024,019	27,654,949
Total expenditures	29,975,711	30,631,338
Excess of revenues over expenditures	\$ -	\$ -

**Pennsylvania Coalition
Against Domestic Violence**

Independent Auditor's Reports
Required by the Uniform Guidance

Year Ended June 30, 2022

**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
Pennsylvania Coalition Against Domestic Violence**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Pennsylvania Coalition Against Domestic Violence (Coalition), which comprise the statement of financial position as of June 30, 2022, 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 January 3, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Coalition’s internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Coalition’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 Coalition’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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Coalition’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 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.

Mahe Duessel

Harrisburg, Pennsylvania

January 3, 2023

Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

**Board of Directors
Pennsylvania Coalition Against Domestic Violence**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Pennsylvania Coalition Against Domestic Violence (Coalition)’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 of the Coalition’s major federal programs for the year ended June 30, 2022. The Coalition’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Coalition 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, 2022.

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 the Coalition 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 the Coalition’s compliance with the compliance requirements referred to above.

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 the Coalition'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 the Coalition'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 the Coalition'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 the Coalition'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 the Coalition'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 the Coalition's internal control over compliance. Accordingly, no such opinion is expressed.

Board of Directors
Pennsylvania Coalition Against Domestic Violence
Independent Auditor's Report on Compliance for Each Major
Program and on Internal Control over Compliance

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.

Maher Duessel

Harrisburg, Pennsylvania
January 3, 2023

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2022

I. Summary of Audit Results

1. Type of auditor's report issued: Unmodified, prepared in accordance with Generally Accepted Accounting Principles

2. Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiencies identified that are not considered to be material weakness(es)? yes none reported

3. Noncompliance material to financial statements noted? yes no

4. Internal control over major programs:

Material weakness(es) identified? yes no

Significant deficiencies identified that are not considered to be material weakness(es)? yes none reported

5. Type of auditor's report issued on compliance for major programs: Unmodified

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

7. Major Programs:

Federal ALN(s)

14.231

93.667

Name of Federal Program or Cluster

COVID-19 - Emergency Solutions Grant Program

Social Services Block Grant

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

9. Auditee qualified as low-risk auditee? yes no

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2022

- II. Findings related to the financial statements which are required to be reported in accordance with GAGAS.

No matters were reported.

- III. Findings and questioned costs for federal awards.

No matters were reported.

PENNSYLVANIA COALITION AGAINST DOMESTIC VIOLENCE

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2022

NONE