
SEXUAL ASSAULT RESOURCE AGENCY, INC.

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2020

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Table of Contents

	<u>Page</u>
Independent Auditors' Report.....	1
<i>Financial Statements:</i>	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements.....	6-10



Independent Auditors' Report

**To the Board of Directors
Sexual Assault Resource Agency, Inc.
Charlottesville, Virginia**

We have audited the accompanying financial statements of Sexual Assault Resource Agency, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sexual Assault Resource Agency, Inc. as of June 30, 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.

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
April 8, 2021

- Financial Statements -

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Statement of Financial Position
As of June 30, 2020

ASSETS

Current assets:

Cash and cash equivalents	\$ 427,487
Grants receivable	132,489
Prepaid expenses	3,448
Security deposit	3,069
Total current assets	<u>\$ 566,493</u>

Property and equipment (Note 3):

Furniture and fixtures	\$ 22,320
Accumulated depreciation	<u>(15,241)</u>
Net property and equipment	<u>\$ 7,079</u>
Total assets	<u><u>\$ 573,572</u></u>

LIABILITIES AND NET ASSETS

Liabilities

Current liabilities:

Accounts payable	\$ 3,250
Accrued expenses	8,114
Payroll protection loan	162,500
Compensated absences	25,794
Total current liabilities	<u>\$ 199,658</u>
Total liabilities	<u>\$ 199,658</u>

Net assets:

Net assets without donor restrictions	\$ 360,507
Net assets without donor restrictions - Board Designated Reserve	<u>13,407</u>
Total net assets	<u>\$ 373,914</u>
Total liabilities and net assets	<u><u>\$ 573,572</u></u>

The accompanying notes to financial statements are an integral part of this statement.

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Statement of Activities
For the Year Ended June 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, gains, and other support:			
Grants from government agencies:			
State VOCA	\$ -	\$ 476,535	\$ 476,535
State FACT	-	7,486	7,486
State V-STOP	-	31,525	31,525
State SASP	-	8,961	8,961
State VDH	-	83,759	83,759
City of Charlottesville	23,113	-	23,113
County of Albemarle	21,855	-	21,855
University of Virginia	20,000	-	20,000
County of Fluvanna	1,050	-	1,050
County of Nelson	1,000	-	1,000
Total grants from government agencies	<u>\$ 67,018</u>	<u>\$ 608,266</u>	<u>\$ 675,284</u>
Contributions	111,554	-	111,554
Fundraising income	177,934	-	177,934
In-kind donations	7,959	-	7,959
Investment income	11,060	-	11,060
Net assets released from restrictions	<u>608,266</u>	<u>(608,266)</u>	<u>-</u>
Total revenues, gains, and other support	<u>\$ 983,791</u>	<u>\$ -</u>	<u>\$ 983,791</u>
Expenses:			
Program services:			
Crisis and direct services	\$ 444,990	\$ -	\$ 444,990
Prevention programs	177,538	-	177,538
Outreach services	143,581	-	143,581
Supporting services:			
Management and general	158,883	-	158,883
Fundraising	<u>38,713</u>	<u>-</u>	<u>38,713</u>
Total expenses	<u>\$ 963,705</u>	<u>\$ -</u>	<u>\$ 963,705</u>
Change in net assets	\$ 20,086	\$ -	\$ 20,086
Net assets, beginning of year	<u>353,828</u>	<u>-</u>	<u>353,828</u>
Net assets, end of year	<u>\$ 373,914</u>	<u>\$ -</u>	<u>\$ 373,914</u>

The accompanying notes to financial statements are an integral part of this statement.

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Statement of Functional Expenses
For the Year Ended June 30, 2020

	Program Services				Supporting Services				Total
	Crisis and Direct Services	Prevention Programs	Outreach Services	Total Program Services	Management and General	Fundraising	Total Support Services		
Salaries and wages	\$ 344,134	\$ 134,759	\$ 98,258	\$ 577,151	\$ 75,638	\$ 20,718	\$ 96,356	\$ 673,507	
Employee benefits	22,660	12,076	15,503	50,239	15,723	1,090	16,813	67,052	
Payroll taxes	24,949	10,081	7,120	42,150	5,355	1,387	6,742	48,892	
Accounting fees	-	-	-	-	16,850	-	16,850	16,850	
Advertising	404	-	-	404	-	-	-	404	
Bank and merchant fees	7	-	-	7	700	-	700	707	
Depreciation	-	-	-	-	2,952	-	2,952	2,952	
Dues and subscriptions	1,746	709	369	2,824	1,660	1,075	2,735	5,559	
Education and training	7,110	3,173	1,493	11,776	185	1,131	1,316	13,092	
Insurance	-	-	-	-	10,108	-	10,108	10,108	
In-kind	2,653	2,653	2,653	7,959	-	-	-	7,959	
Meals	-	45	-	45	-	-	-	45	
Mileage and subsistence	4,226	3,345	1,434	9,005	396	184	580	9,585	
Office expense	976	390	925	2,291	10,744	366	11,110	13,401	
Postage	-	-	8	8	452	495	947	955	
Printing/awareness materials	104	-	923	1,027	-	-	-	1,027	
Rent	18,521	6,207	9,517	34,245	6,207	828	7,035	41,280	
Repair and maintenance	-	-	-	-	2,220	-	2,220	2,220	
Supplies	4,121	3,694	4,956	12,771	1,836	208	2,044	14,815	
Supervision	10,631	-	-	10,631	-	-	-	10,631	
Special event expense	-	-	-	-	-	11,231	11,231	11,231	
Telephone	301	-	-	301	4,325	-	4,325	4,626	
Therapeutic horseback	2,000	-	-	2,000	-	-	-	2,000	
Translation services	437	-	422	859	-	-	-	859	
Travel	10	406	-	416	459	-	459	875	
Utilities	-	-	-	-	3,073	-	3,073	3,073	
Total	\$ 444,990	\$ 177,538	\$ 143,581	\$ 766,109	\$ 158,883	\$ 38,713	\$ 197,596	\$ 963,705	

The accompanying notes to financial statements are an integral part of this statement.

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Statement of Cash Flows
For the Year Ended June 30, 2020

Cash flows from operating activities:

Change in net assets	\$	20,086
Adjustments to reconcile net assets to net cash provided by (used for) operating activities:		
Depreciation		2,952
(Increase) decrease in assets:		
Accounts receivable		(12,607)
Prepaid expenses		(100)
Increase (decrease) in liabilities:		
Accrued expenses		844
Compensated absences		10,219
Net cash provided by (used for) operating activities	\$	<u>23,894</u>
Cash flows provided by (used for) financing activities:		
Payroll protection loan		<u>162,500</u>
Net cash provided by (used for) financing activities	\$	<u>162,500</u>
Net increase (decrease) in cash and cash equivalents	\$	186,394
Cash and cash equivalents, beginning of year		<u>241,093</u>
Cash and cash equivalents, end of year	\$	<u><u>427,487</u></u>

The accompanying notes to financial statements are an integral part of this statement.

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Notes to Financial Statements
As of June 30, 2020

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Background:

Sexual Assault Resource Agency, Inc. (SARA or the Organization) provides crisis intervention, support, advocacy, and companion services to the survivors of sexual violence. SARA also provides education and prevention programs to the City of Charlottesville, the University of Virginia, and the counties of Albemarle, Fluvanna, Greene, Louisa, and Nelson.

SARA's crisis and direct services include a 24-hour hotline and 24/7/365 response to the University of Virginia Emergency Department to support survivors. Services at the office include therapy and advocacy. Advocacy includes psycho-educational support, support with law enforcement and the legal system, and referrals to other community resources. Services are provided to men, women, and children, both as survivors of assaults when children and as adults.

SARA's prevention programs work to build protective factors in our community. We work with area high schools using the Green Dot program to build a supportive culture within the school. We support area churches with the Safe Church program. We work with a local restaurant coalition to help restaurant staff create a safe environment for themselves and customers.

Outreach services are provided in multiple ways. SARA ~~participates~~ ^{participates} in area Multi-Disciplinary Teams working to support child abuse victims. SARA is actively involved with area Sexual Assault Response Teams which work to coordinate the criminal justice response to adult survivors. Community outreach and training is provided with activities throughout the area as well with an active social media presence.

The Organization receives its funds primarily from state, city, and county governments and through private donations and fundraising.

Basis of Accounting:

The financial statements of the Organization have been prepared on the accrual basis of accounting. Under the accrual basis, revenues are recognized in the period in which they are earned, while expenses are recognized in the accounting period in which the related liability is incurred.

Financial Statement Presentation:

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

Net assets without donor restrictions: Net assets that are not subject to donor-imposed stipulations. At June 30, 2020, the Organization had net assets without donor restrictions of \$373,914.

Net assets with donor restrictions: Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. At June 30, 2020, the Organization had no net assets with donor restrictions.

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Notes to Financial Statements
As of June 30, 2020 (continued)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Grants Receivable:

The Organization has historically collected substantially all of its receivables. Grants receivable are primarily made up of receivables for grants from governmental agencies. At June 30, 2020, the Organization did not have any receivables outstanding over 90 days.

Contributions:

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence or nature of any donor restrictions.

Contributions are recognized when the donor makes a promise to give. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

NOTE 2 - CASH AND CASH EQUIVALENTS:

The Organization considers all highly liquid investments with a maturity of three months or less at the date of acquisition to be “cash equivalents.”

The Organization maintains its deposits in two financial institutions. At June 30, 2020, ~~none~~ ^{approximately \$228,000} of the Organization’s cash equivalents were held in investments not covered by FDIC.

NOTE 3 - PROPERTY AND EQUIPMENT:

Purchased property and equipment costing in excess of \$250 are recorded at cost. Donated property and equipment are recorded at the estimated fair market value at the date of the gift. Depreciation is provided over the estimated useful lives of the asset on a straight-line basis. Estimated useful lives range from 5 to 7 years for furniture and fixtures. Depreciation expense for property and equipment was \$2,952 for the year.

NOTE 4 - PREPAID EXPENSES:

Prepaid expenses consists entirely of prepaid rent.

NOTE 5 - SECURITY DEPOSIT:

Security Deposit consists entirely of one deposit made at lease inception for the Organization’s lease of the Greenbrier Drive location.

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Notes to Financial Statements
As of June 30, 2020 (continued)

NOTE 6 - USE OF ESTIMATES:

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

NOTE 7 - INCOME TAX STATUS:

The Organization is a not-for-profit organization exempt from income taxes under 501(c) (3) of the Internal Revenue Code. The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170 (b)(1)(A)(vi).

NOTE 8 - DONATED MATERIALS AND CONTRIBUTED SERVICES:

Contributions of donated noncash assets are recorded at their fair market values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation, are recorded at their fair values in the year received. Donated materials and services of \$7,959 were received during the year.

NOTE 9 - 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 activities. Some categories of expenses are attributed to more than one program or supporting function. Accordingly, certain costs have been allocated among the programs and supporting services benefited on a reasonable basis that is consistently applied. Allocation of expenses such as salaries and wages, education and training, and supplies are allocated based on time, effort, and usage.

NOTE 10 - RETIREMENT PLAN:

The Organization has a defined contribution retirement plan under Section 403(b) of the Internal Revenue Code. All full-time employees are eligible to participate in the plan on the first day of their second year of employment. Contributions of \$12,397 were made by SARA on behalf of its employees for the year ended June 30, 2020.

NOTE 11 - COMPENSATED ABSENCES:

The Organization has a policy which allows ~~for~~ employees to accumulate a maximum for 80 vacation hours and 200 sick leave hours. The Organization has compensated absences totaling \$25,794 at June 30, 2020.

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Notes to Financial Statements
As of June 30, 2020 (continued)

NOTE 12 - NET ASSETS WITH DONOR RESTRICTIONS:

Net assets were released from restrictions by incurring expenditures satisfying the following restricted purpose:

State VOCA	\$	476,535
State FACT		7,486
State V-STOP		31,525
State SASP		8,961
State VDH		<u>83,759</u>
Total	\$	<u><u>608,266</u></u>

NOTE 13 - LEASE COMMITMENTS:

Need to be updated for current lease terms. Option periods and amounts included as an attachment.

On August 1, 2016, the Organization undertook a five-year lease for new office space at a new location. Rent expense for the fiscal year 2020 was \$41,280. Below are the future lease payments:

<u>Year Ending</u> <u>June 30,</u>	<u>Future Lease</u> <u>Payments</u>
2021	\$ <u>3,448</u>
Total	\$ <u><u>3,448</u></u>

NOTE 14 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The Organization monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. The Organization has the following financial assets that could readily be made available within one year of the statement of financial position to fund expenses without limitations:

Cash and cash equivalents	\$	427,487
Grants receivable		<u>132,489</u>
	\$	<u><u>559,976</u></u>

NOTE 15 - PAYROLL PROTECTION LOAN:

April 17, 2020

On ~~June 16, 2020~~, the Organization received a Payroll Protection Loan from the Small Business Administration as created by the Coronavirus Aid, Relief, and Economic Security Act (the "CARES" Act) in the amount of \$162,500. According to the rules of the program, the loan will be forgiven if it is spent on allowable costs (i.e. Payroll, rent and utilities payments, and interest payments on mortgages.) ~~During 2020, the Organization received forgiveness for the full amount of the loan.~~

"The Organization anticipates that approximately \$133,000 of the \$162,500 will ultimately qualify for forgiveness. The remainder is expected to be paid back in full, with accrued interest, when forgiveness is finalized"

SEXUAL ASSAULT RESOURCE AGENCY, INC.

Notes to Financial Statements
As of June 30, 2020 (continued)

NOTE 16 - SUBSEQUENT EVENTS:

The Organization evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through April 8, 2021, which is the date financial statements were available to be issued.

Given the daily evolution of the COVID-19 outbreak and global responses to curb its spread, the Organization is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2021.