

**Domestic Violence Project, Inc.
d/b/a SafeHouse Center**

Single Audit Report

September 30, 2013

CONTENTS

	<u>Page</u>
Single Audit Report	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133	3
Schedule of Expenditures of Federal Awards	6
Notes to the Schedule of Expenditures of Federal Awards	8
Schedule of Findings and Questioned Costs	9
Summary Schedule of Prior Audit Findings	11

**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***

Independent Auditors' Report

Management and the Board of Directors
Domestic Violence Project, Inc.
d/b/a SafeHouse Center

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 Domestic Violence Project, Inc. d/b/a SafeHouse Center, which comprise the balance sheet as of September 30, 2013, 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 February 5, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Domestic Violence Project, Inc., d/b/a Safehouse Center's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Domestic Violence Project, Inc. d/b/a SafeHouse Center's internal control. Accordingly, we do not express an opinion on the effectiveness of Domestic Violence Project, Inc. d/b/a SafeHouse Center's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Yeo & Yeo, P.C.
Ann Arbor, MI
February 5, 2014

Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

Independent Auditors' Report

Management and the Board of Directors
Domestic Violence Project, Inc.
d/b/a SafeHouse Center

Report on Compliance for Each Major Federal Program

We have audited Domestic Violence Project, Inc. d/b/a SafeHouse Center's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Domestic Violence Project, Inc. d/b/a SafeHouse Center's major federal programs for the year ended September 30, 2013. Domestic Violence Project, Inc. d/b/a SafeHouse Center's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Domestic Violence Project, Inc. d/b/a SafeHouse Center's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Domestic Violence Project, Inc. d/b/a SafeHouse Center's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Domestic Violence Project, Inc. d/b/a SafeHouse Center's compliance.

Opinion on Each Major Federal Program

In our opinion, Domestic Violence Project, Inc. d/b/a SafeHouse Center 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 September 30, 2013.

Report on Internal Control Over Compliance

Management of Domestic Violence Project, Inc. d/b/a SafeHouse Center is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Domestic Violence Project, Inc. d/b/a SafeHouse Center's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Domestic Violence Project, Inc. d/b/a SafeHouse Center's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of Domestic Violence Project, Inc. d/b/a SafeHouse Center as of and for the year ended September 30, 2013, and have issued our report thereon dated February 5, 2014, which contained an unmodified opinion on those financial statements. 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 is presented for purposes of additional analysis as required by OMB Circular A-133 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 expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Yeo & Yeo, P.C.

Ann Arbor, MI
February 5, 2014

**Domestic Violence Project Inc.
d/b/a SafeHouse Center
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2013**

Federal Agency/Pass-Through Agency/Program Title	CFDA Number	Pass-Through Entity Project/Grant Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
CDBG - Entitlements Grants Cluster			
Passed through Washtenaw County			
Community Development Block Grant 2012 - 2013	14.218	N/A	\$ 73,334
Community Development Block Grant 2013 - 2014	14.218	N/A	<u>24,245</u>
Total CDBG - Entitlements Grants Cluster			<u>97,579</u>
Passed through Washtenaw County			
Emergency Shelter	14.231	N/A	<u>31,277</u>
Passed through SOS Community Services			
Supportive Housing Program 12/13 Emergency Intake	14.235	MI0214B5F-091104	44,123
Supportive Housing Program 13/14 Follow-up	14.235	MI0214L5F-091205	2,918
Supportive Housing Program 12/13 Children's	14.235	MI0214B5F-091104	2,744
Supportive Housing Program 13/14 Emergency Intake	14.235	MI0214L5F-091205	41,669
Supportive Housing Program 13/14 Children's	14.235	MI0214L5F-091205	<u>1,742</u>
Total Supportive Housing program			<u>93,196</u>
Total U.S. Department of Housing and Urban Development			<u>222,052</u>
U.S. Department of Justice			
Passed through Michigan Department of Community Health			
Victims of Crime Act Victim Assistance - VOCA - Legal	16.575	2012-VA-GX-0020	235,034
Passed through the Michigan Department of Human Services			
Violence Against Women Formula Grants:			
DVPTB Comp	16.588	DV-11-81001	24,713
DVPTB -STOP	16.588	STOP-11-81001	<u>55,918</u>
Total Violence Against Women Formula Grants			<u>80,631</u>
Passed through Michigan Coalition to End Domestic and Sexual Violence			
PAVIM Project	16.529	2010-FW-AX-K002	1,188
Passed through the Office on Violence Against Women			
Legal Assistance for Victims Grant Program - LAV	16.524	2011-WL-AX-0018	13,101
Passed through Washtenaw County			
Grants to Encourage Arrest Policies and Enforcement of Protection Orders			
GTEAP - County	16.590	2011-WE-AX-0036	34,235
Passed through the City of Ann Arbor			
Grants to Encourage Arrest Policies and Enforcement of Protection Orders			
GTEAP - City of A2	16.590	2011-WE-AX-0033	<u>51,429</u>
Total GTEAP			<u>85,664</u>
Total U.S. Department of Justice			<u>415,618</u>

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

**Domestic Violence Project Inc.
d/b/a SafeHouse Center
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2013**

Federal Agency/Pass-Through Agency/Program Title	CFDA Number	Pass-Through Entity Project/Grant Number	Federal Expenditures
U.S. Department of Health and Human Services			
Temporary Assistance for Needy Families (TANF) Cluster			
Passed through the Michigan Department of Health and Human Services			
Salvation Army	93.558	N/A	\$ 22,080
DVPTB COMP	93.558	DV-11-81001	<u>59,049</u>
Total expenditures for Temporary Assistance for Needy Families (TANF) Cluster			<u>81,129</u>
Family Violence Prevention Services			
DVPTB COMP	93.671	DV-11-81001	<u>45,043</u>
Total U.S. Department of Health and Human Services			<u>126,172</u>
U.S. Department of Homeland Security			
Emergency Food and Shelter Program Cluster			
Passed through Washtenaw County			
Washtenaw County - FEMA	97.024	483200-014	<u>10,658</u>
Total federal funds expended			<u>\$ 774,500</u>

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

Domestic Violence Project, Inc.
d/b/a SafeHouse Center
Notes to the Schedule of Expenditures of Federal Awards
September 30, 2013

1. The Schedule of Expenditures of Federal Awards was prepared using the accrual basis of accounting.
2. Management has reported the expenditures in the Schedule of Expenditures of Federal Awards equal to those amounts reported in the annual or final cost reports that have been submitted as of September 30, 2013.
3. The Federal revenues of \$774,500 are included in the Government grants line of the Statement of Activities and Changes in net Assets

**Domestic Violence Project, Inc.
d/b/a SafeHouse Center
Schedule of Findings and Questioned Costs
September 30, 2013**

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes X none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? _____ yes X no

Identification of major programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
16.575	Crime Victim Assistance
14.235	Supportive Housing Program
14.218	CDBG – Entitlement Grants

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

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

**Domestic Violence Project, Inc
d/b/a SafeHouse Center
Schedule of Findings and Questioned Costs
September 30, 2013**

SECTION II - GOVERNMENT AUDITING STANDARDS FINDINGS

There were no findings related to the financial statements which are required to be reported in accordance with government auditing standards generally accepted in the United States of America for the year ended September 30, 2013.

SECTION III - FEDERAL AWARD FINDINGS

There were no findings related to the federal awards which are required to be reported in accordance with government auditing standards generally accepted in the United States of America for the year ended September 30, 2013.

Domestic Violence Project, Inc.
d/b/a SafeHouse Center
Summary Schedule of Prior Audit Findings
September 30, 2013

2012-1 Significant Deficiency; Financial Statement Finding

Criteria:	Maintaining accurate financial information is a critical part of the financial reporting process. Such a process should include the accurate recording of promises to give, including reviewing and analyzing write-offs and allowances for doubtful accounts.
Condition:	The Organization did not consider prior year write-offs or consider potential for current year write offs when reconciling promises to give receivable balance at year end.
Context:	The promises to give balance was not properly reconciled, which caused an error of approximately \$12,000.
Cause/Effect:	The organization implemented a new tracking schedule for promises to give. However, in doing so, the amounts that were written off in the prior year and potential current year write-offs and allowances were not taken into consideration.
Effect:	The promises to give receivable balance at September 30, 2012 was overstated by approximately \$12,000
Current Status:	Management corrected the error and the promises to give receivable balance was properly reconciled in the current year.