

**ANTI-VIOLENCE PARTNERSHIP
OF PHILADELPHIA**

**REPORT ON AUDIT OF
FINANCIAL STATEMENTS**

JUNE 30, 2018

ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA

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INDEPENDENT AUDITOR'S REPORT

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January 9, 2019

To the Board of Directors
Anti-Violence Partnership of Philadelphia
Philadelphia, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of the Anti-Violence Partnership of Philadelphia, a nonprofit organization, which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

To the Board of Directors
Anti-Violence Partnership of Philadelphia

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 the Anti-Violence Partnership of Philadelphia as of June 30, 2018, 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.

Report on Summarized Comparative Information

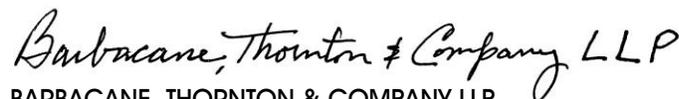
We have previously audited the Anti-Violence Partnership of Philadelphia's June 30, 2017 financial statements, and in our report dated November 14, 2017, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 2019, on our consideration the Anti-Violence Partnership of Philadelphia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Anti-Violence Partnership of Philadelphia's internal control over financial reporting and compliance.


BARBACANE, THORNTON & COMPANY LLP

**ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2018 AND 2017**

| | <u>2018</u> | <u>2017</u> |
|---|--------------------------|--------------------------|
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$ 82,942 | \$ 90,894 |
| Accounts receivable - contracts | 205,395 | 223,602 |
| Contributions receivable | 18,065 | 37,500 |
| Prepaid expenses | 12,190 | 8,514 |
| Total Current Assets | <u>318,592</u> | <u>360,510</u> |
| NONCURRENT ASSETS: | | |
| Contributions receivable - noncurrent | - | 14,450 |
| Security deposit | 16,356 | 7,476 |
| Property and equipment, net | - | - |
| Total Noncurrent Assets | <u>16,356</u> | <u>21,926</u> |
| TOTAL ASSETS | <u><u>\$ 334,948</u></u> | <u><u>\$ 382,436</u></u> |
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | \$ 7,454 | \$ 11,488 |
| Accrued wages and payroll taxes payable | 37,318 | 32,072 |
| Accrued vacation | 20,689 | 12,273 |
| Line of credit | - | 45,972 |
| Other accrued expenses | 148 | 1,208 |
| Total Current Liabilities | <u>65,609</u> | <u>103,013</u> |
| TOTAL LIABILITIES | <u>65,609</u> | <u>103,013</u> |
| NET ASSETS: | | |
| Unrestricted | 241,839 | 227,473 |
| Temporarily restricted | 27,500 | 51,950 |
| Total Net Assets | <u>269,339</u> | <u>279,423</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u><u>\$ 334,948</u></u> | <u><u>\$ 382,436</u></u> |

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

ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018
(With Summarized Totals for 2017)

| | Unrestricted | Temporarily Restricted | Totals | |
|---|-------------------|---------------------------|-------------------|-------------------|
| | | | 2018 | 2017 |
| PUBLIC SUPPORT AND REVENUE: | | | | |
| Contributions | \$ 31,992 | \$ - | \$ 31,992 | \$ 37,123 |
| Fees and grants | 1,149,140 | 13,050 | 1,162,190 | 982,351 |
| Donated facilities | 7,200 | - | 7,200 | 5,775 |
| Other revenue | 12 | - | 12 | 35 |
| Net assets released from restriction: | | | | |
| Satisfaction of program restrictions | 37,500 | (37,500) | - | - |
| TOTAL PUBLIC SUPPORT AND REVENUE | <u>1,225,844</u> | <u>(24,450)</u> | <u>1,201,394</u> | <u>1,025,284</u> |
| EXPENSES | | | | |
| Program services | 1,087,509 | - | 1,087,509 | 795,979 |
| Fund raising | 20,067 | - | 20,067 | 48,415 |
| Management and general | 103,902 | - | 103,902 | 103,837 |
| TOTAL EXPENSES | <u>1,211,478</u> | <u>-</u> | <u>1,211,478</u> | <u>948,231</u> |
| CHANGE IN NET ASSETS | 14,366 | (24,450) | (10,084) | 77,053 |
| NET ASSETS, BEGINNING OF YEAR | <u>227,473</u> | <u>51,950</u> | <u>279,423</u> | <u>202,370</u> |
| NET ASSETS, END OF YEAR | <u>\$ 241,839</u> | <u>\$ 27,500</u> | <u>\$ 269,339</u> | <u>\$ 279,423</u> |

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

ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018
(With Summarized Totals for 2017)

| | Program Services | Fund Raising | Support Services Management and General | Totals |
|-------------------------------------|---------------------|------------------|--|---------------------|
| | | | | 2018 |
| | | | | 2017 |
| Salaries | \$ 759,538 | \$ 14,078 | \$ 56,165 | \$ 829,781 |
| Employee benefits | 88,735 | 118 | 967 | 89,820 |
| Payroll taxes | 78,182 | 1,337 | 4,261 | 83,780 |
| Total Salaries and Related Expenses | 926,455 | 15,533 | 61,393 | 1,003,381 |
| Banking and finance charges | - | 708 | 848 | 1,556 |
| Depreciation | - | - | - | - |
| Equipment rental/maintenance | 3,807 | 62 | 419 | 4,288 |
| Fees and dues | 170 | - | 656 | 826 |
| Insurance | 4,880 | - | 542 | 5,422 |
| Interest expense | - | - | 1,968 | 1,968 |
| Miscellaneous | - | - | 2,004 | 2,004 |
| Occupancy | 96,965 | 1,834 | 6,229 | 105,028 |
| Office supplies | 6,572 | 568 | 2,335 | 9,475 |
| Postage | 723 | 453 | 562 | 1,738 |
| Printing | 16 | 250 | - | 266 |
| Professional services | 27,100 | 125 | 24,901 | 52,126 |
| Telephone and internet | 6,239 | 117 | 403 | 6,759 |
| Training | 3,778 | - | - | 3,778 |
| Travel and entertainment | 5,399 | 316 | 1,316 | 7,031 |
| Utilities | 5,405 | 101 | 326 | 5,832 |
| TOTAL EXPENSES | \$ 1,087,509 | \$ 20,067 | \$ 103,902 | \$ 1,211,478 |

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

**ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

| | <u>2018</u> | <u>2017</u> |
|---|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Change in net assets | \$ (10,084) | \$ 77,053 |
| Adjustments to reconcile change in net assets to net cash provided (used) by operating activities: | | |
| Depreciation | - | 384 |
| Decrease (Increase) in accounts receivable - contracts | 18,207 | (60,886) |
| Decrease (Increase) in contributions receivable | 33,885 | (51,950) |
| Increase in prepaid expenses | (3,676) | (1,588) |
| Increase in security deposits | (8,880) | - |
| (Decrease) Increase in accounts payable | (4,034) | 11,279 |
| Increase in accrued wages and payroll taxes payable | 5,246 | 14,316 |
| Increase in accrued vacation | 8,416 | 5,399 |
| Decrease in other accrued expenses | (1,060) | (1,094) |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | <u>38,020</u> | <u>(7,087)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from line of credit | - | 49,000 |
| Payments on line of credit | (45,972) | (3,028) |
| NET CASH (USED) PROVIDED BY FINANCING ACTIVITIES | <u>(45,972)</u> | <u>45,972</u> |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | (7,952) | 38,885 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | <u>90,894</u> | <u>52,009</u> |
| CASH AND CASH EQUIVALENTS, END OF YEAR | <u>\$ 82,942</u> | <u>\$ 90,894</u> |
| SUPPLEMENTAL INFORMATION: | | |
| Interest paid | <u>\$ 1,968</u> | <u>\$ 1,726</u> |
| Taxes paid | <u>\$ -</u> | <u>\$ -</u> |

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

ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA

NOTES TO FINANCIAL STATEMENTS

NOTE A THE ORGANIZATION

The Anti-Violence Partnership of Philadelphia (“the Organization”) is a nonprofit organization with the mission of addressing the cycle of violence in the Philadelphia area through intervention, prevention, and support programs. To fulfill this mission, the Organization is committed to advocacy and support of individual homicide co-victims, and violence prevention training for children and adults.

Some of the programs and services administered by the Organization are as follows:

Violence Intervention Prevention Program

Through the Violence Intervention Prevention (“VIP”) program, the Organization’s counselors assist school staff in responding to the short and long-term mental health needs of students after violent incidents affecting the school or community. In addition, a significant component of the project is to provide participatory anti-violence training and counseling aimed at helping students identify and choose positive alternatives to their disputes.

Counseling Center

The Organization offers free, professional counseling to adult and child co-victims of homicide and victims who have been traumatized by other forms of violence.

Families of Murder Victims

Families of Murder Victims (“FMV”) is a victim advocacy and services program under the auspices of the Organization. The primary goal of FMV is to help lessen the suffering and trauma of family members following the violent death of a loved one.

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting.

Recognition of Donor Restrictions

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily

ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA

NOTES TO FINANCIAL STATEMENTS

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

restricted net assets are reclassified to unrestricted net assets. Temporarily restricted support whose restrictions are met within the year received are considered unrestricted for financial reporting purposes.

Accounts and Contributions Receivable

Accounts and contributions receivable are stated at net realizable value. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms.

Management's estimate of the allowance for uncollectible receivables is based on historical collection rates and an analysis of the collectability of individual receivables. The allowance for uncollectible accounts was \$0 as of June 30, 2018.

Equipment

Equipment is stated at cost if purchased by the Organization. The Organization uses a capitalization threshold of \$5,000. Donated facilities and materials are capitalized at their fair value on the date of gift. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. When assets are sold or otherwise disposed of, the cost is removed from their respective accounts, and any gains or losses on such disposition are recognized in the statement of activities. Depreciation is provided on the straight-line method over the estimated useful lives of the assets. Estimated useful lives are as follows:

| | |
|-----------|-------------|
| Equipment | 3 - 5 years |
|-----------|-------------|

Compensated Absences

In accordance with the provisions of the Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") regarding compensated absences, the Organization has recorded a vacation accrual in the financial statements in the amount of \$20,689 as of June 30, 2018.

Financial Statement Presentation

In accordance with the FASB ASC regarding financial statements of not-for-profit organizations, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows.

ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA

NOTES TO FINANCIAL STATEMENTS

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Income Taxes

The Organization is exempt from federal income tax under Internal Revenue Code Section 501(c)(3). However, income from certain activities not directly related to the Organization's tax-exempt purpose may be subject to taxation as unrelated business income.

Generally accepted accounting principles prescribe rules for the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the Organization's tax returns. Management has determined that the Organization does not have any uncertain tax positions or associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Organization's tax returns will not be challenged by the taxing authorities and that the Organization will not be subject to additional tax, penalties, and interest as a result of such challenge.

Allocation of Functional Expenses

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

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE C EQUIPMENT

Equipment as of June 30, 2018 is classified as follows:

| | |
|---|-----------------|
| Equipment | \$ 26,735 |
| Less: accumulated depreciation | <u>(26,735)</u> |
| Property and equipment, net of depreciation | <u>\$ -</u> |

ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA

NOTES TO FINANCIAL STATEMENTS

NOTE C EQUIPMENT (cont'd)

Depreciation is provided for equipment over the estimated useful lives of the assets using the straight-line method. As of June 30, 2018, all equipment was fully depreciated.

NOTE D NET ASSETS RELEASED FROM RESTRICTION

A summary of the net assets released from restriction for the year ended June 30, 2018 is as follows:

| | |
|------------------------------|------------------|
| Lincoln Financial Foundation | \$ 12,500 |
| Patricia Kind Foundation | 15,000 |
| PNC Charitable Trust | 5,000 |
| Philadelphia Foundation | <u>5,000</u> |
| Total | <u>\$ 37,500</u> |

NOTE E IN-KIND CONTRIBUTIONS

The Organization received donated office space from the Philadelphia District Attorney. This in-kind revenue and the corresponding expense is recognized in the financial statements at the estimated fair value of \$7,200.

NOTE F TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of June 30, 2018 consisted of the following:

| | |
|---------------------------------|------------------|
| Purpose Restriction: | |
| Violence Intervention | \$ 12,500 |
| Time Restriction: | |
| Patricia Kind Family Foundation | <u>15,000</u> |
| Total | <u>\$ 27,500</u> |

NOTE G OPERATING LEASES

The Organization has two operating leases for office space. The first lease is located at 2000 Hamilton Street, Philadelphia, Pennsylvania. This lease expires in February 2022. The second lease is located at 5548 Chestnut Street, Philadelphia, PA. This lease expires in May 2024. In addition, the Organization leases office space on a month-to-month basis at 5429 Chestnut Street, Philadelphia, Pennsylvania.

ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA

NOTES TO FINANCIAL STATEMENTS

NOTE G OPERATING LEASES (cont'd)

The Organization also has an equipment lease that expires in December 2022.

The following is a schedule of future minimum office rental payments required as of June 30, 2018:

| <u>Year Ending June 30,</u> | |
|-----------------------------|-------------------|
| 2019 | \$ 128,504 |
| 2020 | 136,405 |
| 2021 | 140,864 |
| 2022 | 115,535 |
| 2023 | 59,822 |
| Thereafter | <u>54,970</u> |
| | <u>\$ 636,100</u> |

Rent expense including the in-kind rent from the Philadelphia District Attorney was \$105,028 for the year ended June 30, 2018.

The following is a schedule of future minimum equipment lease payments required as of June 30, 2018:

| <u>Year Ending June 30,</u> | |
|-----------------------------|------------------|
| 2019 | \$ 3,743 |
| 2020 | 3,742 |
| 2021 | 3,743 |
| 2022 | 3,742 |
| 2023 | <u>1,560</u> |
| | <u>\$ 16,530</u> |

Total equipment lease expense for the year ended June 30, 2018 was \$3,611.

NOTE H LINE OF CREDIT

The Organization maintains a \$75,000 unsecured bank line of credit with PNC Bank. Interest at a variable rate (7 percent at June 30, 2018) is payable monthly. At June 30, 2018, the outstanding balance against the line of credit was \$0.

ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA

NOTES TO FINANCIAL STATEMENTS

NOTE I CONCENTRATIONS

The Organization received 68 percent of its total public support and revenue from the Pennsylvania Commission of Crime and Delinquency for the year ended June 30, 2018.

NOTE J GRANT FROM GOVERNMENT AGENCIES

The Organization, in the normal course of business, receives grant money for the performance of specific activities within certain budgetary constraints. Such projects are subject to various stipulations as to operating compliance and financial reporting. This grant money is the primary source of operating income for the Organization and is subject to review, audit, and final approval of the contracting agency.

NOTE K CONCENTRATION OF CREDIT RISK

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. The Organization has not experienced any losses in such accounts, and no funds were on deposit in excess of \$250,000 at June 30, 2018.

NOTE L SUBSEQUENT EVENTS

The Organization has evaluated all subsequent events through January 9, 2019, the date the financial statements were available to be issued.

SINGLE AUDIT

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

January 9, 2019

To the Board of Directors
Anti-Violence Partnership of Philadelphia
Philadelphia, Pennsylvania

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 Anti-Violence Partnership of Philadelphia ("the Organization"), a nonprofit organization, which comprise the statement of financial position as of June 30, 2018, 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 9, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization'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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 Organization'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.

To the Board of Directors
Anti-Violence Partnership of Philadelphia

Compliance and Other Matters

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

Purpose of This Report

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

Barbacane, Thornton & Company LLP
BARBACANE, THORNTON & COMPANY LLP

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

January 9, 2019

To the Board of Directors
Anti-Violence Partnership of Philadelphia
Philadelphia, Pennsylvania

Report on Compliance for Major Federal Program

We have audited the Anti-Violence Partnership of Philadelphia's ("the Organization") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Compliance Supplement* that could have a direct and material effect on the Organization's major federal program for the year ended June 30, 2018. The Organization's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and recommendations.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Organization's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization'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 of the major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

To the Board of Directors
Anti-Violence Partnership of Philadelphia

Opinion on Major Federal Program

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of the Organization 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 the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Barbacane, Thornton & Company LLP
BARBACANE, THORNTON & COMPANY LLP

**ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2018**

| FEDERAL GRANTOR/PROJECT TITLE | SOURCE CODE | FEDERAL CFDA NUMBER | GRANT PERIOD BEGINNING / ENDING DATES | EXPENDITURES | PASSED THROUGH TO SUBRECIPIENTS |
|---|----------------|---------------------------|---|-------------------|---------------------------------------|
| U.S. Department of Justice | | | | | |
| Office of Victims of Crime (OVC) | | | | | |
| Crime Victim Assistance/Discretionary Grant | D | 16.582 | 10/1/16 - 9/30/18 | \$ 166,308 | \$ - |
| Passed Through Pennsylvania Commission on Crime and Delinquency | | | | | |
| Crime Victims Assistance | I | 16.575 | 07/0/16 - 06/30/18 | 609,054 | - |
| Crime Victims Assistance | I | 16.575 | 10/1/16 - 09/30/19 | 207,122 | - |
| Total CFDA #16.575 | | | | <u>816,176</u> | <u>-</u> |
| Total U.S. Department of Justice | | | | <u>982,484</u> | <u>-</u> |
| Total Expenditures of Federal Awards | | | | <u>\$ 982,484</u> | <u>\$ -</u> |

Source Codes:

- I - Indirect
- D - Direct

ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A BASIS OF ACCOUNTING

All expenditures included in the schedule of expenditures of federal awards are presented on the basis that expenditures are reported to the respective federal grantor agencies. Accordingly, expenditures are recorded when the federal obligation is determined.

NOTE B FEDERAL EXPENDITURES

The schedule of expenditures of federal awards reflects federal expenditures for all individual grants which were active during the fiscal year.

NOTE C INDIRECT COST RATES

The Organization did not use the federal de minimis indirect cost rate of 10 percent on their federal grants for the year ended June 30, 2018.

ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS

PART A - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued [*unmodified, qualified, adverse, or disclaimer*]:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified? Yes X None reported
- Noncompliance material to financial statements noted? Yes X No

Federal Awards

Internal control over major program:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified? Yes X None reported

Type of auditor's report issued on compliance for major program [*unmodified, qualified, adverse, or disclaimer*]:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?

 Yes X No

Identification of major program:

CFDA Number
16.575

Name of Federal Program or Cluster
Crime Victims Assistance

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 Yes X No

ANTI-VIOLENCE PARTNERSHIP OF PHILADELPHIA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS

PART B - FINDINGS RELATED TO FINANCIAL STATEMENTS

STATUS OF PRIOR YEAR FINDINGS

None.

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None.

PART C - FINDINGS RELATED TO FEDERAL AWARDS

STATUS OF PRIOR YEAR FINDINGS

None.

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None.