



SINGLE AUDIT REPORTING PACKAGE

YEAR ENDED JUNE 30, 2018

COMMUNITY ALLIANCE AGAINST FAMILY ABUSE

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of Community Alliance Against Family Abuse
Apache Junction, Arizona

Report on the Financial Statements

We have audited the accompanying financial statements of Community Alliance Against Family Abuse (CAAF), a nonprofit organization, which comprise the statement of financial position as of June 30, 2018, and the related statements of activities 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 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 of 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.

We believe that the 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 CAAFA 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.

Other Matters

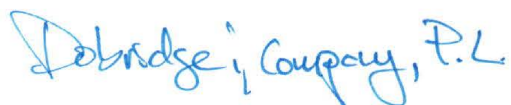
Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) 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.

Report on Other Legal and Regulatory Requirements

Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2018, on our consideration of CAAFA'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 the 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 CAAFA's internal control over financial reporting and compliance.



Certified Public Accountants
Mesa, Arizona

December 10, 2018

**COMMUNITY ALLIANCE AGAINST FAMILY ABUSE
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2018**

ASSETS

Current assets:

| | |
|----------------------|------------|
| Cash | \$ 150,279 |
| Due from government | 139,710 |
| Total current assets | 289,989 |

Fixed assets:

| | |
|-----------------------------------|------------|
| Land | 161,680 |
| Leasehold improvements | 20,049 |
| Land improvements | 32,385 |
| Buildings and improvements | 373,490 |
| Vehicles, furniture and equipment | 148,634 |
| Less: accumulated depreciation | (242,277) |
| Total fixed assets | 493,961 |
| Total assets | \$ 783,950 |

LIABILITIES AND NET ASSETS

Current liabilities:

| | |
|---------------------------------------------|----------|
| Accounts payable | \$ 5,553 |
| Accrued payroll, taxes and related benefits | 33,636 |
| Total current liabilities | 39,189 |
| Total liabilities | 39,189 |

Unrestricted net assets

| | |
|----------------------------------|------------|
| | 744,761 |
| Total liabilities and net assets | \$ 783,950 |

The accompanying notes are an integral part of this statement.

**COMMUNITY ALLIANCE AGAINST FAMILY ABUSE
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018**

| | |
|--------------------------------------|------------------------|
| Revenue and support: | |
| Government grants | \$ 1,104,028 |
| Contributions | 229,548 |
| In-kind revenue | 26,695 |
| Special events | 23,074 |
| | <hr/> |
| Total revenue and support | 1,383,345 |
| Expenses: | |
| Payroll | 720,585 |
| Payroll related taxes and benefits | 168,466 |
| Legal | 3,500 |
| Accounting | 9,902 |
| Other purchased service fees | 33,121 |
| Shelter activities | 56,156 |
| General supplies | 8,437 |
| Administrative supplies | 4,097 |
| Printing and postage | 30,523 |
| Dues and fees | 6,176 |
| Special events | 12,321 |
| Rent and related | 35,622 |
| Repairs and maintenance | 31,729 |
| Utilities | 36,270 |
| Travel | 14,091 |
| Transportation | 1,696 |
| Advertising and promotion | 295 |
| Information technology | 10,053 |
| Insurance | 18,752 |
| In-kind donation | 26,695 |
| Depreciation | 25,730 |
| Miscellaneous | 2,801 |
| | <hr/> |
| Total expenses | 1,257,018 |
| Change in net assets | 126,327 |
| Net assets, beginning of year | <hr/> 618,434 |
| Net assets, end of year | <hr/> <hr/> \$ 744,761 |

The accompanying notes are an integral part of this statement.

**COMMUNITY ALLIANCE AGAINST FAMILY ABUSE
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2018**

| | |
|---------------------------------------------------------------------------------------------|--------------------------|
| Cash flows from operating activities: | |
| Change in net assets | \$ 126,327 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | |
| Depreciation | 25,730 |
| Changes in: | |
| Due from government | (27,588) |
| Prepaid expenses | 6,217 |
| Deposits | 2,800 |
| Accounts payable | 1,527 |
| Accrued payroll, taxes and related benefits | 15,698 |
| Net cash provided by operating activities | <u>150,711</u> |
| Cash flows from investing activities: | |
| Purchases of land improvements | (6,100) |
| Purchases of leasehold improvements | (20,049) |
| Net cash used by investing activities | <u>(26,149)</u> |
| Cash flows from financing activities: | |
| Proceeds from short-term debt | 13,000 |
| Proceeds from line of credit | 12,517 |
| Principal payments on short-term debt | (13,000) |
| Principal payments on line of credit | (12,517) |
| Net cash used by financing activities | <u>-</u> |
| Net increase in cash | 124,562 |
| Cash, beginning of year | <u>25,717</u> |
| Cash, end of year | <u><u>\$ 150,279</u></u> |
| <u>Supplemental disclosure of cash flow information</u> | |
| Cash paid for interest | <u><u>\$ 367</u></u> |

The accompanying notes are an integral part of this statement.

COMMUNITY ALLIANCE AGAINST FAMILY ABUSE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization: Community Alliance Against Family Abuse (CAAFa) is an Arizona nonprofit corporation, incorporated on April 27, 1998, and provides domestic abuse relief services in Northern Pinal County. CAAFA is based in Apache Junction, Arizona, and operates under numerous contracts with governmental agencies and other not-for-profit organizations. CAAFA's mission is to empower individuals, families, and communities to be free from abuse through collaboration, prevention, awareness, and support.

The significant accounting policies of CAAFA are as follows:

Basis of Presentation: Financial statement presentation follows the recommendations of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) topic of *Not-for-Profit Entities*. CAAFA 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. CAAFA had no temporarily restricted or permanently restricted net assets at June 30, 2018.

Contributions: CAAFA follows the FASB ASC subtopic of revenue recognition for Not-for-Profit Entities. Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support based on the existence and/or nature of any donor restrictions. All donor restricted support is reported as an increase in temporarily restricted or permanently restricted net assets depending on the nature of the restriction. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Use of Estimates: In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of any contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Due from Government: Due from government consists mainly of approved payments to CAAFA for the performance of services under grant contracts. Historically, CAAFA has never experienced any losses due to non-payment and, due to the nature of the contracts, an allowance for doubtful accounts has not been established.

COMMUNITY ALLIANCE AGAINST FAMILY ABUSE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

**NOTE 1 - BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -
Concluded**

Fixed Assets: Assets purchased with a cost of \$1,000 or more and an estimated useful life of one year or more are recorded and stated at cost if purchased, or at their estimated fair value if donated. Donations of property and equipment are recorded at fair value as of the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, CAAFA reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. CAAFA reclassifies temporarily restricted net assets to unrestricted net assets at that time. Depreciation and amortization is provided on the straight-line basis over the estimated useful lives of the respective assets.

The estimated useful lives used in determining depreciation and amortization are:

| | |
|-----------------------------------|-------------|
| Leasehold improvements | 5 years |
| Land improvements | 5-25 years |
| Buildings and improvements | 20-40 years |
| Vehicles, furniture and equipment | 3-10 years |

Advertising: Advertising costs are expensed as incurred.

Income Taxes: CAAFA is exempt from Federal income taxes as an organization other than a private foundation under Section 501(c)(3) of the Internal Revenue Code, and from Arizona income taxes under Section 43-1201(a)(4) of the Arizona Revised Statutes. However, income from certain activities not directly related to CAAFA' tax-exempt purpose is subject to taxation as unrelated business income.

Expense Allocation: The costs of providing various programs and other activities have been summarized on a functional basis in note 6. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 2 - CONCENTRATION OF CREDIT RISK

The Federal Deposit Insurance Corporation (FDIC) secures accounts in insured institutions up to \$250,000 per depositor. The account balances may exceed FDIC insured limits at various times throughout the year. CAAFA's cash account balances were fully insured by the FDIC at June 30, 2018. CAAFA has never experienced any losses in such accounts and believes that it is not exposed to any significant credit risk on cash balances.

**COMMUNITY ALLIANCE AGAINST FAMILY ABUSE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 3 - LINE OF CREDIT

CAAFa has a \$12,000 unsecured, variable interest rate line of credit with a bank. Payments of all accrued unpaid interest are due monthly. At June 30, 2018, there was no outstanding balance.

NOTE 4 - SHORT-TERM DEBT

During the year ended June 30, 2018, CAAFA received and paid back fully a \$13,000 loan of personal funds from the Executive Director. The loan was to cover temporary cash shortfalls.

NOTE 5 - OPERATING LEASE

CAAFa entered into leases for an administration and outreach office through the fiscal year ending June 30, 2023. For the fiscal year ended June 30, 2018, rental expense was \$30,932. Future minimum operating lease commitments are as follows:

| | | |
|----------------------|----|----------------|
| Year ending June 30: | | |
| 2019 | \$ | 34,524 |
| 2020 | | 35,554 |
| 2021 | | 36,630 |
| 2022 | | 37,710 |
| 2023 | | <u>3,150</u> |
| | \$ | <u>147,568</u> |

NOTE 6 - FUNCTIONAL EXPENSE CLASSIFICATION

The following is a summary of CAAFA' expenses by function for the year ended June 30, 2018.

| | | |
|--------------------------------|----|------------------|
| Domestic abuse relief services | \$ | 1,052,269 |
| General and administrative | | 174,658 |
| Fundraising | | <u>30,091</u> |
| | \$ | <u>1,257,018</u> |

**COMMUNITY ALLIANCE AGAINST FAMILY ABUSE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 7 - COMMITMENTS AND CONTINGENT LIABILITIES

Compliance: CAAFA's compliance with certain laws and regulations is subject to review by the granting agencies. Such reviews could result in adjustments or withholding of contract awards.

Operating Environment: CAAFA is subject to various claims, legal proceedings, and investigations covering a wide range of matters that arise in the ordinary course of business. In the opinion of management, all such matters are adequately covered by insurance or by accruals, and if not so covered, are without merit or are of such kind, or involve such amounts, as would not have a significant effect on the financial position or results of operations of CAAFA if disposed of unfavorably.

Forgivable Loan: On September 13, 2004, CAAFA entered into a promissory note with the State of Arizona, Department of Housing (DHS) to provide acquisition and development funds for a safe house totaling \$465,622. Interest is at zero percent (0%), no payments are due during the term of the note and all outstanding principal is due to DHS on January 31, 2025. The promissory note specifies that the note will be forgiven in its entirety at the end of the 20 year period, provided that CAAFA continually operates the property as a safe home for victims of domestic violence, does not dispose or encumber the property, have a judgment entered against CAAFA, or have unresolved non-compliance issues. The FASB ASC contributions section within the revenue recognition subsection of the not-for-profit topic considers conditional promises to give unconditional if the possibility that the condition will not be met is remote. Management of CAAFA has determined that not meeting the conditions contained within the promissory note is remote, therefore, the entire loan amount was reported as unrestricted revenue from government grants in fiscal year ending June 30, 2005.

NOTE 8 - ECONOMIC DEPENDENCY

Approximately 80% of CAAFA's revenue for the year ended June 30, 2018, was derived from government agencies. Funds that are paid from these agencies are subject to funding approval from their respective boards. Changes in funding levels for could have a significant impact on CAAFA's future revenues.

NOTE 9 - SUBSEQUENT EVENTS

CAAFA has evaluated subsequent events through December 10, 2018, the date which the financial statements were available to be issued and has concluded that no events have occurred since the year ended June 30, 2018, that would require an adjustment to or disclosure in the financial statements.

**COMMUNITY ALLIANCE AGAINST FAMILY ABUSE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2018**

| <u>Federal Grantor/Pass-Through Grantor/Program Title</u> | <u>CFDA Number</u> | <u>Pass-Through Grantor's Number</u> | <u>Expenditures</u> |
|-------------------------------------------------------------------------------------------|------------------------|---------------------------------------------------------------------------------------|---------------------|
| <u>U.S. Department of Justice</u> | | | |
| Passed through the State of Arizona | | | |
| Sexual Assault Services Formula Program | 16.017 | SASP-WSG-17-070117-03 | \$ 90,776 |
| Violence Against Women Formula Grants | 16.588 | ST-WSG-15-010115-9, ST-WSG-15-010115-10 | 87,796 |
| Passed through the Arizona Department of Public Safety | | | |
| Crime Victim Assistance | 16.575 | VOCA 2018-268, VOCA 2018-269, VOCA 2015-373, VOCA 2015-374, VOCA 2015-375 | 403,715 |
| Total U.S. Department of Justice | | | <u>582,287</u> |
| <u>U.S. Department of Health & Human Services</u> | | | |
| Passed through the Arizona Department of Economic Security | | | |
| Social Services Block Grant | 93.667 | DES12-025528, ADES17-178655 | 286,528 |
| Passed through the Arizona Department of Health Services | | | |
| Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services | 93.671 | ADHS12-020123, ADHS17-185596 | 187,150 |
| Total U.S. Department of Health & Human Services | | | <u>473,678</u> |
| <u>U.S. Department of Homeland Security</u> | | | |
| Emergency Food and Shelter National Board Program | 97.024 | 27600024 | 7,000 |
| Total U.S. Department of Homeland Security | | | <u>7,000</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 1,062,965</u> |

The accompanying notes are an integral part of this schedule.

**COMMUNITY ALLIANCE AGAINST FAMILY ABUSE
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2018**

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Community Alliance Against Family Abuse (CAAFA), under programs of the federal government for the year ended June 30, 2018. 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 for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of CAAFA, it is not intended to and does not present the financial position, changes in net assets, or cash flows of CAAFA.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS

The program titles and CFDA numbers were obtained from the federal or pass-through grantors, or the 2018 Catalog of Federal Domestic Assistance Update.

NOTE 4 - INDIRECT COSTS RATE

CAAFA has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.



Independent Auditors' 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*

To the Board of Directors
of Community Alliance Against Family Abuse
Apache Junction, Arizona

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Community Alliance Against Family Abuse (CAAFAs), a nonprofit organization, which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 10, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered CAAFA'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CAAFA's internal control. Accordingly, we do not express an opinion on the effectiveness of CAAFA'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of CAAFA'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 the 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 CAAFA's financial statements are free of 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 CAAFA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Dobridge & Company, P.L." The signature is written in a cursive, flowing style.

Certified Public Accountants
Mesa, Arizona

December 10, 2018



**Independent Auditors' Report on Compliance For Each Major Program
and on Internal Control Over Compliance Required by The Uniform Guidance**

To the Board of Directors
of Community Alliance Against Family Abuse
Apache Junction, Arizona

Report on Compliance for Each Major Federal Program

We have audited Community Alliance Against Family Abuse's (CAAFAs), a nonprofit organization, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of CAAFA's major federal programs for the year ended June 30, 2018. CAAFA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of CAAFA'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 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 CAAFA'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 CAAFA's compliance.

Opinion on each Major Federal Program

In our opinion, CAAFA 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, 2018.


Report on Internal Control Over Compliance

Management of CAAFA 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 CAAFA'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 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 CAAFA'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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



***Certified Public Accountants
Mesa, Arizona***

December 10, 2018

**COMMUNITY ALLIANCE AGAINST FAMILY ABUSE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2018**

SUMMARY OF AUDITORS' RESULTS

Financial Statements

| | | |
|------------------------------------------------------------|------------|----------------|
| Type of auditors' report issued: | Unmodified | |
| | Yes | No |
| Is a material weakness in internal control disclosed? | _____ | _____ <u>X</u> |
| Is a significant deficiency in internal control disclosed? | _____ | _____ <u>X</u> |
| Is a material noncompliance disclosed? | _____ | _____ <u>X</u> |

Federal Awards

| | | |
|------------------------------------------------------------------------------------|------------|----------------|
| Is a material weakness in internal control over major programs disclosed? | _____ | _____ <u>X</u> |
| Is a significant deficiency in internal control over major programs disclosed? | _____ | _____ <u>X</u> |
| Type of auditors' report issued on compliance for major programs: | Unmodified | |
| Is an audit finding disclosed that is required to be reported under 2 CFR 200.516? | _____ | _____ <u>X</u> |

Identification of major programs:

| <u>CFDA Number</u> | <u>Name of Federal Program or Cluster</u> |
|--------------------|-------------------------------------------|
| 16.575 | Crime Victim Assistance |
| 93.667 | Social Services Block Grant |

| | |
|--------------------------------------------------------------------------|----------------|
| Dollar threshold used to distinguish between Type A and Type B programs: | \$ 750,000 |
| Auditee qualified as low-risk auditee? | _____ <u>X</u> |

**COMMUNITY ALLIANCE AGAINST FAMILY ABUSE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2018**

FINANCIAL STATEMENT FINDINGS

No matters were identified that were required to be reported.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were identified that were required to be reported.