

**NETWORK FOR VICTIM RECOVERY OF DC  
(a nonprofit organization)**

**REPORTS RELATED TO FEDERAL AWARDS**

**Year Ended September 30, 2020**

## TABLE OF CONTENTS

	Page
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 <i>Government Auditing Standards</i>	1 - 2
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	3 - 5
Schedule of Expenditures of Federal Awards	6
Notes to Schedule of Expenditures of Federal Awards	7
Schedule of Findings and Questioned Costs	8 - 9
Summary of Prior Audit Findings	10

**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  
Network for Victim Recovery of DC  
Washington, DC

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 Network for Victim Recovery of DC (NVRDC), which comprise the statement of financial position as of September 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, and have issued our report thereon dated April 30, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered NVRDC's internal control over financial reporting (internal control) as a basis for designing 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 NVRDC's internal control. Accordingly, we do not express an opinion on the effectiveness of NVRDC'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 NVRDC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

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

*Renner and Company, CPA, P.C.*

Alexandria, Virginia

April 30, 2021

**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  
Network for Victim Recovery of DC  
Washington, DC

**Report on Compliance for Each Major Federal Program**

We have audited Network for Victim Recovery of DC's (NVRDC) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of NVRDC's major federal programs for the year ended September 30, 2020. NVRDC'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 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 NVRDC'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 NVRDC'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 NVRDC's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, NVRDC 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, 2020.

### **Report on Internal Control Over Compliance**

Management of NVRDC 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 NVRDC'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 NVRDC'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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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.

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of NVRDC as of and for the year ended September 30, 2020, and have issued our report thereon dated April 30, 2021, 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 the Uniform Guidance 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 expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

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.

*Renner and Company, CPA, P.C.*

Alexandria, Virginia  
April 30, 2021

**NETWORK FOR VICTIM RECOVERY OF DC**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended September 30, 2020**

<u>Federal Grantor/Pass-through Grantor/Programs or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Agency Award Number</u>	<u>Federal Expenditures</u>	<u>Awards to Subrecipients</u>
<b>United States Department of Justice</b>				
<b>Legal Assistance for Victims</b>				
The District's Comprehensive Response for Sexual Assault Services (DC RSAS) Project	16.524	2017-WL-AX-0037	<u>\$ 248,167</u>	<u>\$ -</u>
<b>Crime Victim Assistance (Amounts Passed Through from the Government of the District of Columbia)</b>				
Comprehensive Advocacy and Legal Services	16.575	2018-VOCA-06	1,274,968	-
DC Collaborative Training and Response to Older Victims (DC TROV) Project	16.575	2018-V2-GX-0028	<u>143,587</u>	<u>86,573</u>
			<u>1,418,555</u>	<u>86,573</u>
<b>Crime Victim Assistance/Discretionary Grants (Amounts Passed Through from the National Crime Victims Law Institute)</b>				
Rights in Systems Enforced	16.582	2018-V3-GX-K018	<u>348,945</u>	<u>-</u>
			<u>348,945</u>	<u>-</u>
<b>Crime Victim Assistance/Discretionary Grants (Amounts Passed Through from Equal Justice Works)</b>				
Crime Victims Justice Corps - Legal Fellows Program Purpose Area	16.582	2017-MU-MU-K131	<u>44,371</u>	<u>-</u>
<b>Crime Victim Assistance/Discretionary Grants (Amounts Passed Through from the National Association of VOCA Assistance Administration)</b>				
National Crime Victims' Rights Awareness Project	16.582	2018-V3-GX-K016	<u>5,000</u>	<u>-</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u><u>\$ 2,065,038</u></u>	<u><u>\$ 86,573</u></u>

See accompanying notes to Schedule of Expenditures of Federal Awards.



## **NETWORK FOR VICTIM RECOVERY OF DC**

### **NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Year Ended September 30, 2020**

#### **A. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Network for Victim Recovery of DC (NVRDC) under programs of the federal government for the year ended September 30, 2020. 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 NVRDC, it is not intended to and does not present the financial position, changes in net assets, or cash flows of NVRDC.

#### **B. 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 and/or OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

#### **C. INDIRECT COST RATE**

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

## NETWORK FOR VICTIM RECOVERY OF DC

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended September 30, 2020

#### A. SUMMARY OF AUDITORS' RESULTS

##### *Financial Statements*

- |  |            |
|--|------------|
| 1. Type of auditors' report issued:                      | Unmodified |
| 2. Internal control over financial reporting:            |            |
| Material weaknesses identified?                          | No         |
| Significant deficiencies identified?                     | No         |
| 3. Noncompliance material to financial statements noted? | No         |

##### *Federal Awards*

- |   |            |
|---|------------|
| 4. Internal control over major federal programs:  |            |
| Material weaknesses identified?   | No         |
| Significant deficiencies identified?  | No         |
| 5. Type of auditors' report issued on compliance for major federal programs:                                  | Unmodified |
| 6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? | No         |
| 7. Identification of major programs:  |            |

##### **United States Department of Justice**

CFDA

##### **Legal Assistance for Victims**

The District's Comprehensive Response for  
Sexual Assault Services (DC RSAS) Project

16.524

##### **Crime Victim Assistance/Discretionary Grants**

##### **(Amounts Passed Through from the National Crime Victims Law Institute)**

Rights in Systems Enforced

16.582

##### **Crime Victim Assistance/Discretionary Grants**

##### **(Amounts Passed Through from Equal Justice Works)**

Crime Victims Justice Corps -

Legal Fellows Program Purpose Area

16.582

##### **Crime Victim Assistance/Discretionary Grants**

##### **(Amounts Passed Through from the National Association of VOCA Assistance Administration)**

National Crime Victims' Rights Awareness Project

16.582

**NETWORK FOR VICTIM RECOVERY OF DC**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended September 30, 2020**

**A. SUMMARY OF AUDITORS' RESULTS (CONTINUED)**

- |   |           |
|---|-----------|
| 8. Dollar threshold used to distinguish between Type A and Type B programs: | \$750,000 |
| 9. Auditee qualified as a low-risk auditee?                                 | Yes       |

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None reported.

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None reported.

**NETWORK FOR VICTIM RECOVERY OF DC**

**SUMMARY OF PRIOR AUDIT FINDINGS**

**Year Ended September 30, 2020**

**A. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No findings were reported for the prior year.

**NETWORK FOR VICTIM RECOVERY OF DC**  
**(a nonprofit organization)**

**FINANCIAL STATEMENTS**

**Year Ended September 30, 2020**  
**with Summarized Comparative Information for the year ended**  
**September 30, 2019**

## **TABLE OF CONTENTS**

	<b>Page</b>
<b>INDEPENDENT AUDITORS' REPORT</b>	1 - 2
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6 - 7
Notes to Financial Statements	8 - 18

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors  
Network for Victim Recovery of DC  
Washington, D.C.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Network for Victim Recovery of DC (NVRDC), which comprise the statement of financial position as of September 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 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 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 NVRDC as of September 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.

## ***Emphasis of Matter - Contingencies***

As noted in Note 12 to the financial statements, economic uncertainties have arisen as a result of the spread of the novel coronavirus which are likely to negatively impact NVRDC's operations. Our opinion is not modified with respect to this matter and no pandemic implications are accounted for in these financial statements.

## ***Report on Summarized Comparative Information***

We have previously audited NVRDC's 2019 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated April 14, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2021, on our consideration of NVRDC'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 effectiveness of NVRDC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering NVRDC's internal control over financial reporting and compliance.

*Renner and Company, CPA, P.C.*

Alexandria, Virginia  
April 30, 2021



**NETWORK FOR VICTIM RECOVERY OF DC****STATEMENT OF FINANCIAL POSITION****September 30, 2020 (with Comparative Information as of September 30, 2019)**

<b>ASSETS</b>			
		<u>2020</u>	<u>2019</u>
<b>CURRENT ASSETS</b>			
Cash, including board-designated amounts of \$52,459 and donor restricted amounts of \$61,469		\$ 555,538	\$ 408,211
Grants and other receivables		226,350	204,974
Prepaid expenses		<u>29,223</u>	<u>23,903</u>
<b>TOTAL CURRENT ASSETS</b>		<u>811,111</u>	<u>637,088</u>
<b>PROPERTY AND EQUIPMENT, net</b>		<u>23,578</u>	<u>32,278</u>
<b>INTANGIBLE ASSETS, net</b>			
Website development costs		<u>-</u>	<u>1,250</u>
<b>OTHER ASSETS</b>			
Deposits		<u>20,841</u>	<u>16,116</u>
<b>TOTAL ASSETS</b>		<u><u>\$ 855,530</u></u>	<u><u>\$ 686,732</u></u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and accrued expenses		\$ 147,457	\$ 165,889
Paycheck Protection Program loan payable		30,000	-
Deferred rent - current portion		14,950	9,143
Deferred revenue		<u>57,000</u>	<u>5,000</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>249,407</u>	<u>180,032</u>
<b>OTHER LIABILITIES</b>			
Deferred rent - net of current portion		<u>1,938</u>	<u>16,507</u>
<b>TOTAL LIABILITIES</b>		<u>251,345</u>	<u>196,539</u>
<b>NET ASSETS</b>			
Without donor restrictions		490,257	381,616
Without donor restrictions - board designated		52,459	52,384
With donor restrictions		<u>61,469</u>	<u>56,193</u>
<b>TOTAL NET ASSETS</b>		<u>604,185</u>	<u>490,193</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<u><u>\$ 855,530</u></u>	<u><u>\$ 686,732</u></u>

See Notes to Financial Statements.

# **NETWORK FOR VICTIM RECOVERY OF DC**

## **STATEMENT OF ACTIVITIES**

**Year Ended September 30, 2020 (with Summarized Comparative Information for the year ended September 30, 2019)**

	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>REVENUE AND SUPPORT</b>				
Government grants	\$ 2,261,459	\$ -	\$ 2,261,459	\$ 1,952,251
Foundation grants	-	160,050	160,050	109,500
Donated facilities and services	2,658,480	-	2,658,480	1,012,801
Other contributions	190,137	-	190,137	157,900
Interest income	75	-	75	97
Other income	3,360	-	3,360	1,464
Releases from restriction	154,774	(154,774)	-	-
<b>TOTAL REVENUE AND SUPPORT</b>	<b>5,268,285</b>	<b>5,276</b>	<b>5,273,561</b>	<b>3,234,013</b>
<b>EXPENSES</b>				
Program	4,651,261	-	4,651,261	2,775,423
Management and general	491,087	-	491,087	342,510
Fundraising	17,221	-	17,221	29,120
<b>TOTAL EXPENSES</b>	<b>5,159,569</b>	<b>-</b>	<b>5,159,569</b>	<b>3,147,053</b>
<b>CHANGE IN NET ASSETS</b>	<b>108,716</b>	<b>5,276</b>	<b>113,992</b>	<b>86,960</b>
<b>NET ASSETS, beginning of year</b>	<b>434,000</b>	<b>56,193</b>	<b>490,193</b>	<b>403,233</b>
<b>NET ASSETS, end of year</b>	<b>\$ 542,716</b>	<b>\$ 61,469</b>	<b>\$ 604,185</b>	<b>\$ 490,193</b>

See Notes to Financial Statements.

**NETWORK FOR VICTIM RECOVERY OF DC**

**STATEMENT OF FUNCTIONAL EXPENSES**

**Year Ended September 30, 2020 (with Comparative Information for the year ended September 30, 2019)**

	2020				2019			
	Program Services	General and Administration	Fundraising	Total	Program Services	General and Administration	Fundraising	Total
Salary and wages	\$ 1,495,098	\$ 197,068	\$ 7,301	\$ 1,699,467	\$ 1,314,774	\$ 97,527	\$ 6,205	\$ 1,418,506
Payroll taxes	124,057	18,369	619	143,045	109,725	3,420	491	113,636
Other employee benefits	143,124	16,452	644	160,220	154,852	8,050	612	163,514
Independent contractors	69,254	1,200	-	70,454	23,617	12,070	10,650	46,337
Professional fees	1,548	74,359	1,046	76,953	1,459	63,625	1,004	66,088
Advertising/promotion	-	95	210	305	435	465	46	946
Office expenses	15,058	13,893	5,383	34,334	12,839	11,126	7,449	31,414
Information technology	18,255	11,239	914	30,408	19,964	8,847	735	29,546
Occupancy	950	138,039	-	138,989	-	114,962	-	114,962
Travel	5,193	62	125	5,380	19,107	33	227	19,367
Insurance	12,009	2,173	56	14,238	11,441	2,316	59	13,816
Contracted services	93,607	1,116	-	94,723	82,350	5,427	-	87,777
Program activities	12,579	3,354	866	16,799	9,139	3,286	1,642	14,067
Training	-	-	-	-	2,837	-	-	2,837
Communication	2,049	3,718	57	5,824	83	2,545	-	2,628
Depreciation and amortization	-	9,950	-	9,950	-	8,811	-	8,811
Donated services	2,658,480	-	-	2,658,480	1,012,801	-	-	1,012,801
<b>TOTAL EXPENSES</b>	<b>\$ 4,651,261</b>	<b>\$ 491,087</b>	<b>\$ 17,221</b>	<b>\$ 5,159,569</b>	<b>\$ 2,775,423</b>	<b>\$ 342,510</b>	<b>\$ 29,120</b>	<b>\$ 3,147,053</b>

See Notes to Financial Statements.

**NETWORK FOR VICTIM RECOVERY OF DC****STATEMENT OF CASH FLOWS****Year Ended September 30, 2020 (with Comparative Information for the year ended September 30, 2019)**

	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from operations		
Support and revenue	\$ 2,645,630	\$ 2,315,762
Interest income	75	97
	<u>2,645,705</u>	<u>2,315,859</u>
Total cash received from operations		
	<u>2,645,705</u>	<u>2,315,859</u>
Cash disbursed by operations		
Payment to suppliers and employees	<u>2,528,378</u>	<u>2,026,991</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>117,327</u>	<u>288,868</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Paycheck Protection Program Loan	<u>30,000</u>	<u>-</u>
<b>NET INCREASE IN CASH AND RESTRICTED CASH</b>	147,327	288,868
<b>CASH AND RESTRICTED CASH, beginning of year</b>	<u>408,211</u>	<u>119,343</u>
<b>CASH AND RESTRICTED CASH, end of year</b>	<u><u>\$ 555,538</u></u>	<u><u>\$ 408,211</u></u>

See Notes to Financial Statements.

**NETWORK FOR VICTIM RECOVERY OF DC****STATEMENT OF CASH FLOWS****Year Ended September 30, 2020 (with Comparative Information for the year ended September 30, 2019)**

	<u>2020</u>	<u>2019</u>
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
<b>CHANGE IN NET ASSETS</b>	<u>\$ 113,992</u>	<u>\$ 86,960</u>
<b>ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Depreciation and amortization expense	9,950	8,811
Non-cash occupancy costs	<u>(8,762)</u>	<u>(3,432)</u>
<b>NET ADJUSTMENTS</b>	<u>1,188</u>	<u>5,379</u>
<b>CHANGES IN ASSETS AND LIABILITIES AFFECTING OPERATIONS PROVIDING CASH</b>		
<b>ASSETS</b>		
Grants and other receivables	(21,376)	89,647
Prepaid expenses	(5,320)	(2,336)
Security deposit	<u>(4,725)</u>	<u>-</u>
	<u>(31,421)</u>	<u>87,311</u>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	(18,432)	104,218
Deferred revenue	<u>52,000</u>	<u>5,000</u>
	<u>33,568</u>	<u>109,218</u>
<b>NET CHANGES IN ASSETS AND LIABILITIES</b>	<u>2,147</u>	<u>196,529</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u><u>\$ 117,327</u></u>	<u><u>\$ 288,868</u></u>

See Notes to Financial Statements.

## **NETWORK FOR VICTIM RECOVERY OF DC**

### **NOTES TO FINANCIAL STATEMENTS**

**September 30, 2020 (with Comparative Information as of and for the year ended September 30, 2019)**

#### **1. SIGNIFICANT ACCOUNTING POLICIES, ORGANIZATION, AND PURPOSE**

##### **Nature of Activities**

Network for Victim Recovery of DC (NVRDC) is a nonprofit organization incorporated under the laws of the District of Columbia (DC) on March 26, 2012. NVRDC was established to address the needs of crime victims in the District of Columbia. By meeting victims where they are, NVRDC provides holistic, comprehensive services to crime victims through civil and criminal legal services, advocacy, and case management. NVRDC also runs the Sexual Assault Crisis Response Project in providing advocacy and case management to all sexual assault survivors seeking a medical forensic exam in DC. Through a coordinated effort with other community-based organizations, faith-based organizations, law firms, businesses and government agencies, NVRDC aims to strengthen DC's safety net for crime victims and assist in rebuilding families and communities in the Nation's capital.

##### **Basis of Accounting**

NVRDC prepares its financial statements on the accrual basis of accounting. Therefore, revenue and related assets are recognized when earned and expenses and related liabilities are recognized when the obligations are incurred. All revenue and expenses that are applicable to future periods have been presented as deferred or prepaid on the accompanying statement of financial position.

##### **Cash and Cash Equivalents**

For purposes of the statement of cash flows, cash consists of two checking accounts and a savings account. NVRDC considers all highly liquid debt instruments purchased with an original maturity of less than three months and money market funds to be cash equivalents. There were no cash equivalents as of September 30, 2020 and 2019, respectively.

##### **Grants and Other Receivables**

Grants and other receivables consist of amounts billed to federal government agencies, DC government agencies, and other grantors for services provided under the terms of grants or similar documents. Bills are considered due within 30 day of invoice date. Grants and other receivables are reported net of an allowance for doubtful accounts. Management estimates that there are no uncollectible receivables as of September 30, 2020 and 2019, respectively. Therefore, no allowance for doubtful accounts is recorded as of each fiscal year end. It is NVRDC's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

## **NETWORK FOR VICTIM RECOVERY OF DC**

### **NOTES TO FINANCIAL STATEMENTS**

**September 30, 2020 (with Comparative Information as of and for the year ended September 30, 2019)**

#### **1. SIGNIFICANT ACCOUNTING POLICIES, ORGANIZATION, AND PURPOSE (CONTINUED)**

##### **Property and Equipment**

NVRDC has adopted a policy to capitalize all purchases greater than \$1,000 that meet the criteria for capitalization. Routine repairs and maintenance are expensed as incurred. Depreciation of property and equipment is provided over the estimated service life of the respective assets on the straight-line basis.

##### **Website Development Costs**

Website development costs are accounted for as capital assets and amortized on a straight-line basis over their estimated useful life of three years. Costs related to the planning stage of website development projects as well as ongoing website operating and support costs are expensed as incurred.

##### **Classes of Assets**

In accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), NVRDC's net assets are classified into two categories as follows:

##### **Net Assets Without Donor Restriction**

NVRDC includes operating net assets which are available for the general operations of the Association as net assets without donor restriction, as well as Board-designated net assets set aside for future use.

##### **Net Assets With Donor Restriction**

NVRDC reports gifts of cash and other restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions.

## **NETWORK FOR VICTIM RECOVERY OF DC**

### **NOTES TO FINANCIAL STATEMENTS**

**September 30, 2020 (with Comparative Information as of and for the year ended September 30, 2019)**

#### **1. SIGNIFICANT ACCOUNTING POLICIES, ORGANIZATION, AND PURPOSE (CONTINUED)**

##### **Revenue Recognition**

NVRDC recognizes all unconditional contributed support in the period in which the commitment is made. When a donor restriction expires (i.e., when a stipulated time restriction ends or purpose restriction is accomplished) net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restriction.

Grant revenue is recorded as earned according to the provisions of the grant. The provisions of the grant determine the timing of revenue recognition. Grants received from federal, state and local governments are considered conditional promises to give and are recognized as net assets without donor restrictions as the conditions are met.

##### **Income Taxes**

NVRDC is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. NVRDC conducts no taxable activities. Accordingly, no provision for income taxes has been provided in the financial statements.

In accounting for uncertainty in income taxes, accounting standards require an entity to recognize the financial statement impact of a tax position when it is more-likely-than-not that the position will not be sustained upon examination. Management evaluated NVRDC's tax position and concluded there are no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of the guidance.

##### **Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions about 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. Accordingly, actual results could differ from those estimates.

The costs incurred under various programs with the U.S. Department of Justice are subject to audit by the government for allowability. Management estimates that all costs are allowable, therefore, no provision for unallowable cost has been established.



## **NETWORK FOR VICTIM RECOVERY OF DC**

### **NOTES TO FINANCIAL STATEMENTS**

**September 30, 2020 (with Comparative Information as of and for the year ended September 30, 2019)**

#### **1. SIGNIFICANT ACCOUNTING POLICIES, ORGANIZATION, AND PURPOSE (CONTINUED)**

##### **In-kind Contributions**

Donated facilities, goods, and services are recorded at the estimated fair market value on the date of the receipt. Donated services are recognized in the financial statement at their fair value if the services require specialized skills and the services would typically need to be purchased if not donated. In-kind contributions for donated legal services were \$2,658,480 and \$1,012,801 for the years ended September 30, 2020 and 2019, respectively. In-kind contributions are reported in the statement of activities as both revenue and expense.

##### **Functional Allocation of Expenses**

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs, such as salaries and wages, payroll taxes, other employee benefits, independent contractors, professional fees, advertising/promotion, office expenses, information technology, occupancy, travel, insurance, contracted services, program activities, and communication have been allocated among the program and supporting services benefits based on level of effort.

##### **Summarized Comparative Financial Information**

The financial statements include certain prior-year summarized comparative information in total not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the NVRDC's financial statements for the year ended September 30, 2019, from which the summarized information was derived.

## NETWORK FOR VICTIM RECOVERY OF DC

### NOTES TO FINANCIAL STATEMENTS

September 30, 2020 (with Comparative Information as of and for the year ended September 30, 2019)

#### 1. SIGNIFICANT ACCOUNTING POLICIES, ORGANIZATION, AND PURPOSE (CONTINUED)

##### Liquidity

NVRDC maintains a liquid cash balance in checking and money market accounts in an amount necessary to meet its anticipated expenditures for the next 30 days. Cash in excess of this amount is invested in short-term investments.

NVRDC has secured a line of credit of up to \$100,000 to help manage cash flow. There was no borrowing during the year ended September 30, 2020. The line of credit expires February 8, 2022.

NVRDC reconciles the balance of financial assets subject to donor restrictions monthly, based on restricted amounts used and received. Restricted cash and investments are separately identified and monitored as part of the NVRDC's monthly financial reporting process.

The NVRDC's financial assets available within one year to meet cash needs for general expenditures through September 30, 2021 are as follows:

Financial Assets		
Cash	\$	555,538
Grants and other receivables		226,350
Total financial assets	\$	781,888
Less amounts not available within one year		
Purpose restricted net assets		(61,469)
Board designated net assets		(52,459)
Financial assets available within one year to meet cash needs		
for general expenditures within one year	\$	667,960

#### 2. CASH

Cash as of September 30, 2020 and 2019 consisted of the following:

	2020	2019
Checking and savings accounts	\$ 555,538	\$ 408,211

The balances in a financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor. The amounts in excess of deposit insurance limits were \$338,698 and \$162,891 as of September 30, 2020 and 2019, respectively.

## NETWORK FOR VICTIM RECOVERY OF DC

### NOTES TO FINANCIAL STATEMENTS

September 30, 2020 (with Comparative Information as of and for the year ended September 30, 2019)

#### 3. GRANTS AND OTHER RECEIVABLES

Receivables as of September 30, 2020 and 2019 consisted of the following:

	2020	2019
Grants receivable		
Government of the District of Columbia		
Office of Victim Services	\$ 150,545	\$ 148,491
United States Department of Justice		
Office of Violence Against Women	22,323	33,549
Other receivables	53,482	22,934
	<u>\$ 226,350</u>	<u>\$ 204,974</u>

#### 4. PROPERTY AND EQUIPMENT

A summary of information relative to property and depreciation for the years ended September 30, 2020 and 2019 is as follows:

	2020			
	Cost	Depreciation expense	Accumulated depreciation	Useful life (years)
Furniture and equipment	<u>\$ 54,836</u>	<u>\$ 8,700</u>	<u>\$ 31,258</u>	<u>7</u>
	2019			
	Cost	Depreciation expense	Accumulated depreciation	Useful life (years)
Furniture and equipment	<u>\$ 54,836</u>	<u>\$ 8,700</u>	<u>\$ 22,558</u>	<u>7</u>

## NETWORK FOR VICTIM RECOVERY OF DC

### NOTES TO FINANCIAL STATEMENTS

September 30, 2020 (with Comparative Information as of and for the year ended September 30, 2019)

#### 5. INTANGIBLE ASSETS, net

Intangible assets for the year ended September 30, 2020 and 2019 consisted of the following:

	2020			
	Cost	Amortization expense	Accumulated amortization	Useful life (years)
Website development costs	<u>\$ 14,500</u>	<u>\$ 1,250</u>	<u>\$ 14,500</u>	<u>3</u>
	2019			
	Cost	Amortization expense	Accumulated amortization	Useful life (years)
Website development costs	<u>\$ 14,500</u>	<u>\$ 111</u>	<u>\$ 13,250</u>	<u>3</u>

#### 6. REVENUE CONCENTRATION

Approximately 43% and 61% of NVRDC's revenue was derived from grants and contracts awarded by agencies of the United States Department of Justice and other governmental entities for the years ended September 30, 2020 and 2019, respectively. NVRDC has no reason to believe that relationships with these agencies will be discontinued in the foreseeable future. However, any interruption of these relationships (i.e., the failure to renew grant agreements or withholding of funds) would adversely affect NVRDC's ability to finance ongoing operations.

Federal and District of Columbia grants are subject to audit by the granting agency, at the agencies' discretion, and may result in funds being disallowed. If a significant reduction in this source of revenue occurs, it may affect the future operations of NVRDC.

#### 7. RETIREMENT PLAN

NVRDC maintains a voluntary 403(b) plan for which employees can contribute and NVRDC provides a 2% matching contribution. NVRDC's contributions to the plan were \$31,877 and \$30,404, for the years ended September 30, 2020 and 2019, respectively.

## NETWORK FOR VICTIM RECOVERY OF DC

### NOTES TO FINANCIAL STATEMENTS

September 30, 2020 (with Comparative Information as of and for the year ended September 30, 2019)

#### 8. BOARD DESIGNATED FUND

Board designated funds available for use of future unbudgeted expenditures that the Board of Directors deems necessary as of September 30, 2020 and 2019 are as follows:

	2020		
	Balance at September 30, 2019	Revenue and Support	Transfers Out
Reserve	<u>\$ 52,384</u>	<u>\$ 75</u>	<u>\$ -</u>
			<u>\$ 52,459</u>
	2019		
	Balance at September 30, 2018	Revenue and Support	Transfers Out
Reserve	<u>\$ 52,288</u>	<u>\$ 96</u>	<u>\$ -</u>
			<u>\$ 52,384</u>

## NETWORK FOR VICTIM RECOVERY OF DC

### NOTES TO FINANCIAL STATEMENTS

September 30, 2020 (with Comparative Information as of and for the year ended September 30, 2019)

#### 9. NET ASSETS WITH DONOR RESTRICTION

Net assets without donor restriction are available as of September 30, 2020 and 2019 for the following purposes:

	2020			
	Balance at September 30, 2019	Revenue and Support	Released from Restriction	Balance at September 30, 2020
Foundation grants	\$ 25,757	\$ 86,500	\$ (93,222)	\$ 19,035
SS Fund	3,351	-	(1,073)	2,278
UMD	-	7,500	(5,032)	2,468
Philip Graham Fund	-	40,000	(2,312)	37,688
GWCF	-	26,050	(26,050)	-
Holy Trinity Church	27,085	-	(27,085)	-
Total	<u>\$ 56,193</u>	<u>160,050</u>	<u>\$ (154,774)</u>	<u>\$ 61,469</u>

  

	2019			
	Balance at September 30, 2018	Revenue and Support	Released from Restriction	Balance at September 30, 2019
Foundation grants	\$ 17,500	\$ 54,500	\$ (46,243)	\$ 25,757
SS Fund	1,283	2,500	(432)	3,351
Holy Trinity Church	-	50,000	(22,915)	27,085
Total	<u>\$ 18,783</u>	<u>\$ 107,000</u>	<u>\$ (69,590)</u>	<u>\$ 56,193</u>

#### 10. LINE OF CREDIT

NVRDC has a line of credit at PNC Bank in the amount of \$100,000 with interest payable at an initial rate of 6.3%. The line of credit is secured by NVRDC's cash accounts. There were no balances outstanding on this line of credit at September 30, 2020 and 2019.

## NETWORK FOR VICTIM RECOVERY OF DC

### NOTES TO FINANCIAL STATEMENTS

September 30, 2020 (with Comparative Information as of and for the year ended September 30, 2019)

#### 11. PAYCHECK PROTECTION PROGRAM LOAN

NVRDC received loan proceeds in the amount of \$30,000 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), provides for loans to qualifying businesses and nonprofits for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and also as long as NVRDC maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the twenty-four week period. Any unforgiven portion of the PPP loan is payable over two years at an interest rate of 1% with a deferral of payments for the first six months. NVRDC intends to use the proceeds for the purposes consistent with the PPP. Subsequent to the fiscal year end, the United States Small Business Administration approved forgiveness of the loan in full.

#### 12. COMMITMENTS

##### Office Lease

NVRDC has entered into a sixty-three month lease agreement for space in Washington D.C. The lease, which expires in 2021, provides for annual escalations in base rental payments. Rent payments are recognized as expense on the straight line basis over the term of the lease. The total rent expense was \$104,490 and \$104,092 for the years ended September 30, 2020 and 2019, respectively.

NVRDC has entered into a thirty-six month lease agreement for space in Washington, D.C. The lease, which expires in 2021, provides for annual escalations in base rental payments. Rent payments are recognized as expense on the straight line basis over the term of the lease. The total rent expense was \$21,988 for the years ended September 30, 2020.

As of September 30, 2020, future minimum lease payments under the lease are as follows:

	Total
For the fiscal year ended:	
2021	\$ 151,428
2022	20,411
	<u>\$ 171,839</u>

## **NETWORK FOR VICTIM RECOVERY OF DC**

### **NOTES TO FINANCIAL STATEMENTS**

**September 30, 2020 (with Comparative Information as of and for the year ended September 30, 2019)**

#### **12. COMMITMENTS (CONTINUED)**

##### **Novel COVID-19 Coronavirus**

Citizens and economies of the United States and other countries have been significantly impacted by the coronavirus (COVID-19) pandemic. While it is premature to accurately predict how the coronavirus will ultimately affect NVRDC's operations because the disease's severity and duration are uncertain, we expect 2021 financial results will be significantly impacted and the implications beyond 2021, while unclear, could also be adversely impacted. No pandemic implications are accounted for in these financial statements.

#### **13. SUBSEQUENT EVENTS**

In preparing the financial statements, NVRDC has evaluated events and transactions for potential recognition or disclosure through April 30, 2021, the date the financial statements were available to be issued.