

WOMEN IN TRANSITION, INC.

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE TOTALS FOR 2019)**

WOMEN IN TRANSITION, INC.

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BAUM, SMITH & CLEMENS, LLP

CERTIFIED PUBLIC ACCOUNTANTS and BUSINESS ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Women In Transition, Inc.

We have audited the accompanying financial statements of Women In Transition, Inc. (a nonprofit organization), which are comprised of the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; 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 U.S. generally accepted auditing standards. 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.

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 Women In Transition, Inc. as of June 30, 2020 and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

(Continued)

Other Matters

Report on Summarized Comparative Information

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of program services 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 U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Baum, Smith & Clemens, LLP

Harleysville, PA
November 19, 2020

WOMEN IN TRANSITION, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020
(With Comparative Totals for 2019)

	2020	2019
ASSETS		
Current assets		
Cash	\$ 262,123	\$ 183,443
Grant and contracts receivable	225,866	112,892
Prepaid expenses	922	-
Total current assets	488,911	296,335
Other assets		
Beneficial interest in split-interest trusts	740,000	740,000
Unemployment reserve	21,184	17,460
Security deposit	21,975	21,975
Other	840	840
Total other assets	783,999	780,275
Total assets	\$1,272,910	\$1,076,610
LIABILITIES		
Current liabilities		
Accounts payable and accrued expenses	72,985	48,618
Accrued payroll	29,990	41,097
Current portion of long term debt	134,000	-
Deferred revenue	3,500	-
Total current liabilities	240,475	89,715
NET ASSETS		
Without donor restrictions		
Undesignated	273,624	227,659
Board designated	6,786	6,711
Total without donor restrictions	280,410	234,370
With donor restrictions	752,025	752,525
Total net assets	1,032,435	986,895
Total liabilities and net assets	\$1,272,910	\$1,076,610

See Accompanying Notes to Financial Statements

WOMEN IN TRANSITION, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020
(With Comparative Totals for 2019)

	2020			2019 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
PUBLIC SUPPORT AND REVENUES				
Public Support				
Government grants	\$ 889,466	\$ -	\$ 889,466	\$ 727,347
Foundations and other	75,924	-	75,924	67,410
Individuals	58,261	-	58,261	51,698
Corporations	11,642	-	11,642	9,079
Sub-contracts	88,040	-	88,040	84,937
Donated services and goods	33,971	-	33,971	66,787
Net assets released from restriction	500	(500)	-	-
Total public support	<u>1,157,804</u>	<u>(500)</u>	<u>1,157,304</u>	<u>1,007,258</u>
Revenue				
Special events/fundraising	12,103	-	12,103	9,981
Interest	-	-	-	1,161
Miscellaneous	1,459	-	1,459	3,491
Total revenue	<u>13,562</u>	<u>-</u>	<u>13,562</u>	<u>14,633</u>
Total public support and revenue	<u>1,171,366</u>	<u>(500)</u>	<u>1,170,866</u>	<u>1,021,891</u>
EXPENSES				
Program	937,036	-	937,036	775,097
Management and general	117,008	-	117,008	179,222
Fundraising	89,859	-	89,859	65,523
Total expenses	<u>1,143,903</u>	<u>-</u>	<u>1,143,903</u>	<u>1,019,842</u>
Change in net assets before change in value of split-interest trusts	27,463	(500)	26,963	2,049
Change in value of split-interest trusts	-	-	-	(420,000)
Change in net assets, before change related to acquisition	27,463	(500)	26,963	(417,951)
Net assets acquired in acquisition	18,577	-	18,577	-
Change in net assets	46,040	(500)	45,540	(417,951)
Net assets beginning of year	234,370	752,525	986,895	1,404,846
Net assets end of year	<u>\$ 280,410</u>	<u>\$ 752,025</u>	<u>\$ 1,032,435</u>	<u>\$ 986,895</u>

See Accompanying Notes to Financial Statements

WOMEN IN TRANSITION, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2020
(With Comparative Totals for 2019)

	2020	2019
Cash flows from operating activities		
Change in net assets	\$ 45,540	\$ (417,951)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	-	4,983
Change in beneficial interest in split-interest trusts	-	420,000
Change in assets and liabilities		
Grant and contracts receivable	(112,974)	(31,520)
Unconditional promises to give - current assets	-	10,000
Prepaid expenses	(922)	-
Unemployment reserve	(3,724)	5,066
Accounts payable and accrued expenses	24,367	12,222
Accrued payroll and benefits	(11,107)	(228)
Deferred revenue	3,500	-
Net cash provided (used) by operating activities	(55,320)	2,572
Cash flows from financing activities		
Payments on capital lease	-	(3,794)
Proceeds from Paycheck Protection Program	134,000	-
Net cash provided (used) by financing activities	134,000	(3,794)
Net change in cash and cash equivalents	78,680	(1,222)
Cash and cash equivalents:		
Beginning of year	183,443	184,665
End of year	\$ 262,123	\$ 183,443
Supplemental schedule of non-cash financing activities		
Interest paid on capital lease	\$ -	\$ 284

See Accompanying Notes to Financial Statements

WOMEN IN TRANSITION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2020
(With Comparative Totals for 2019)

	2020			Total	2019 Total
	Program Services	Management and General	Fundraising		
Personnel					
Salaries	\$ 512,031	\$ 60,351	\$ 41,200	\$ 613,582	\$ 517,548
Taxes and benefits	100,496	14,403	7,833	122,732	115,983
Total personnel	<u>612,527</u>	<u>74,754</u>	<u>49,033</u>	<u>736,314</u>	<u>633,531</u>
Operating					
Contract services	122,828	7,106	13,684	143,618	130,731
Donated services and goods	11,336	-	-	11,336	17,343
Professional fees	13,159	18,966	5,310	37,435	57,169
Occupancy	108,698	13,008	7,969	129,675	123,294
Insurance	10,675	1,278	783	12,736	10,141
Depreciation	-	-	-	-	4,983
Office expenses and supplies	35,883	1,193	4,732	41,808	23,495
Printing and publication	6,573	499	745	7,817	4,854
Local travel	1,716	-	188	1,904	5,614
Miscellaneous	13,350	169	7,394	20,913	7,801
Postage and delivery	291	35	21	347	602
Interest	-	-	-	-	284
Total operating	<u>324,509</u>	<u>42,254</u>	<u>40,826</u>	<u>407,589</u>	<u>386,311</u>
Total expenses	<u>\$ 937,036</u>	<u>\$ 117,008</u>	<u>\$ 89,859</u>	<u>\$1,143,903</u>	
2019 Totals	<u>\$ 775,097</u>	<u>\$ 179,222</u>	<u>\$ 65,523</u>		<u>\$1,019,842</u>

See Accompanying Notes to Financial Statements

WOMEN IN TRANSITION, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE A: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – Vision, Mission and Goals

Since 1971, Women In Transition, Inc. (WIT) has been providing empowerment, support and education for women who are encountering life-changing transitions that are rooted in domestic violence, substance abuse or poverty.

WIT's vision is a future where women and children find safety, justice and equality at every turn of their lives. WIT's mission is to empower women to attain safety, equality and justice, and build independent and self-sustaining lives for themselves and their children; and to pioneer collaborations with community partners to create an intolerance of gender-based violence, substance abuse and poverty. WIT's program goals are to develop innovative approaches to empower women to change their lives; and engage the community in awareness efforts to recognize the connections between domestic violence, substance abuse, child abuse, poverty and community violence. WIT's internal goals are to sustain an organizational infrastructure that will assure organizational stability, encourage innovation, enhance fundraising and board capacity, and maintain openness to opportunities for growth.

In January 2013, WIT became a subsidiary of PathWays PA, Inc. (PathWays). PathWays is the sole voting member of WIT and has the powers and authorities set forth in the Pennsylvania Nonprofit Corporation Law of 1988. These financial statements reflect only the financial position and operating results of WIT.

New Accounting Pronouncements

In June of 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, (Topic 958) with the stated purpose of providing guidance in distinguishing funding received from funders between contributions or exchange transactions and which guidance is applied to the transactions. This ASU introduces the concept of barriers in providing additional guidance on identifying conditions that would preclude the recognition of a contribution as revenue. Contributions and exchanges are governed by different accounting pronouncements, and therefore may be recognized in different accounting periods and require different disclosure. The ASU has been applied retrospectively to all periods presented if required by the pronouncement.

In January 2016, FASB issued ASU No.2016-01, Financial Instrument (Subtopic 825-10) – *Overall Recognition and Measurement of Financial Assets and Financial Liabilities*. ASU No. 2016-01 amended ASC 825, Financial Instruments, which eliminates the requirement to disclose the fair value of financial instruments not recorded at fair value required under ASC 825. This ASU is effective for years beginning after December 15, 2018. ASU No. 2016-01 was adopted by WIT on July 1, 2019 and did not have a significant impact on the Foundation's financial statements

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

Basis of Presentation

WIT is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets

Net assets consist of the following:

Without Donor Restrictions:

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of WIT. These net assets may be used at the discretion of WIT's management and board of directors. Net assets without donor restrictions have the following subcategories:

WOMEN IN TRANSITION, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE A: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets (continued)

Undesignated – these assets are available for general operations of WIT and include net assets related to property, plant and equipment.

Board designated – these assets have been set aside for future project or operational needs as determined by the board.

With Donor Restrictions

Net assets subject to stipulations imposed by donors and grantors. Donor restrictions are temporary in nature; those restrictions will be by the passage of time or specified purpose. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Grants and Contracts Receivable

Receivables consist primarily of the cost reimbursement requests outstanding at year-end related to various contracts with government and private agencies and are considered fully collectible.

Prepaid Expenses

Prepaid expenses include payments to vendors for services and expenses applicable to future accounting periods such as travel tokens.

Fixed Assets

All acquisitions of fixed assets in excess of \$5,000 and having estimated useful lives of more than one year are capitalized. Fixed assets are stated at cost and depreciated on a straight-line basis over the estimated useful lives of the assets. When assets are retired or otherwise disposed of, the cost and related depreciation are removed from the books and any resulting gain or loss is reflected in income for the period. The cost of maintenance and repairs is charged to income as incurred and costs of significant replacements and improvements are capitalized and expensed over the periods benefited.

Beneficial Interest in Split-Interest Trusts

The interest in the trusts was recognized at fair value on the date of initial contribution. The fair value is recalculated annually using present value technique which includes the estimated return on the invested assets during the expected term of the agreement, the contractual payment obligations under the agreement, and a discount rate commensurate with the risks involved.

Unemployment Reserve

WIT is self-insured for unemployment insurance. This reserve is the calculated amount that they are to maintain based on their payroll and past unemployment experience.

Restricted and Unrestricted Support

Contributions are recorded as support with donor restrictions or without donor restrictions, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction.

A contribution with a stipulation, from the funder that represents a barrier that must be overcome before WIT is entitled to the assets transferred or promised, is considered conditional. Failure to overcome the barrier gives the funder a right of return of the assets it has transferred or gives the promisor a right of release from its obligation to transfer its assets. WIT considers the government contracts to be conditional contributions.

WOMEN IN TRANSITION, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE A: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The contracts under which WIT conducts its programs contain provisions defining costs that are allowable and reimbursable within the program. All program billings are subject to audit by various governmental funding sources. The audit of these billings may result in adjustments. It is WIT's practice to provide for such adjustments at the time that they are reasonably estimable. Funding received in advance of expenses being incurred are recorded as deferred revenue.

In-Kind Contributions

WIT records the value of donations in-kind when there is an objective basis available to measure its value. Donations in kind are reflected as revenue in the accompanying statements at its estimated market value at the date of receipt.

The contribution of services are recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributed services are reflected in the financial statements at the fair value of the services received.

WIT also benefits from time donated from volunteers for a variety of tasks that do not meet the criteria for the recognition of contributed services.

Income Taxes

WIT qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and has been classified as a publicly supported charitable organization. WIT is registered as required with the Pennsylvania Bureau of Charitable Organizations.

WIT is required to recognize, measure, classify, and disclose in the financial statements uncertain tax positions taken or expected to be taken in WIT's tax returns. Management has determined that the WIT does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. .

Use of Estimates

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

Significant estimates included in the financial statements are the value of the beneficial interests in the split-interest charitable remainder trusts.

Functional Expense Allocation

The Statement of Functional Expenses for the year ended June 30, 2020 provides the detail of the operating expenses for the categories of operation; Program Services, Management and General, and Fundraising.

The cost of direct labor, including the cost of employee fringe benefits, and other direct operating expenses directly related to each of the categories are charged to the respective category of operation, and all direct Program Services expenses are first charged to the individual programs sponsored.

Certain indirect operating expenses are allocated to each of the categories of operation and the individual programs sponsored in the case of Program Services.

The allocated indirect expenses primarily include occupancy, depreciation, information technology and general insurance. These costs are allocated to the individual Program Services, Management and General and Fundraising based upon the direct labor cost incurred by each program sponsored and operating category to the total direct labor dollars incurred.

WOMEN IN TRANSITION, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE A: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available to be issued which was November 19, 2020.

NOTE B: CASH

WIT hold funds in time deposit accounts. Accounts at each banking institution are fully insured by the Federal Deposit Insurance Corporation up to \$250,000. During the year, balances at times, exceeded federally insured limits.

NOTE C: FIXED ASSETS

Fixed assets consist of the following:

Furniture and equipment	\$ 55,859
Software	20,779
	<u>76,638</u>
Less: Accumulated depreciation	<u>76,638</u>
	<u>\$ -</u>

The fixed assets are fully depreciated and there was no expense for the year ended June 30, 2020.

NOTE D: BENEFICIAL INTEREST IN SPLIT-INTEREST TRUSTS

WIT has been named as the beneficiary of four charitable split-interest trusts. WIT is an 8% remainderman of the trusts' principal. The trusts were funded with marketable equity securities. The trust assets are reflected in other assets in the Statement of Financial Position and total approximately \$740,000, as of June 30, 2020.

NOTE E: FAIR VALUE MEASUREMENT

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

Level 1	Inputs to the valuation methodology are quoted prices (unadjusted) in active markets for identical assets or liabilities that the organization can access.
Level 2	<p>Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly such as:</p> <ul style="list-style-type: none"> ▪ Quoted prices for similar assets or liabilities in active markets; ▪ Quoted prices for identical or similar assets or liabilities in inactive markets; ▪ Inputs other than quoted prices that are observable for the asset or liability; and ▪ Inputs that are derived principally from or corroborated by observable market data by correlation or other means. <p>If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.</p>
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

WOMEN IN TRANSITION, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE E: FAIR VALUE MEASUREMENT (continued)

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. (Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs). The following is a description of the valuation methodologies used for assets measured at fair value. There are no changes in the methodologies used at June 30, 2020.

Beneficial interest in charitable remainder split-interest trusts: Valued at the expected amount to be received less the calculated discount of 6%. There is no observable active market for these assets.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Beneficial interest in split-interest trusts	\$ -	\$ -	\$ 740,000	\$ 740,000
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 740,000</u>	<u>\$ 740,000</u>

A reconciliation of activity for the beneficial interest in split-interest trusts measured at fair value based on significant unobservable (non-market) information discounted cash flows is presented at its discounted value as follows:

Balance, beginning of year	\$ 740,000
Change in value	-
Balance, end of year	<u>\$ 740,000</u>

NOTE F: LONG-TERM DEBT

Note payable, fixed interest rate of 1%, due in April 2022 (eligible for forgiveness through the Small Business Administration – forgiveness application anticipated to be completed and accepted by May 2021).

	\$ 134,000
	134,000
Less: current portion	<u>(134,000)</u>
Long-term debt	<u>\$ -</u>

NOTE G: DESIGNATED NET ASSETS

The Board of WIT has designated \$6,786 of net assets without donor restrictions for the Wenonah B. Sharpe Fund. The Board approves all expenditures from this fund.

NOTE H: NET ASSETS WITH DONOR RESTRICTION

Net assets with donor restriction as of June 30, 2020 are as follows:

	<u>Amount</u>	<u>Restriction</u>
Beneficial interest in split-interest charitable remainder trusts	\$ 740,000	Time
Foundation/Corporate grants	12,025	Purpose
	<u>\$ 752,025</u>	

NOTE I: RELATED PARTY

WIT paid management fees of \$40,000 for accounting services provided by its parent.

NOTE J: OPERATING LEASE

Facilities Lease

For the year ended June 30, 2020, rental expense under the office space operating leases was \$119,276. The operating lease for the current office space is a ten year lease that expires July, 2027. This lease includes common area maintenance charges in addition to the base rent.

WOMEN IN TRANSITION, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE J: OPERATING LEASE (continued)

Copier Lease

WIT has a lease agreement for copier equipment with a lease end date in December 2023. The monthly rental amount is \$192 per month. The copier rent expense was \$1,341 for the year ended June 30, 2020.

Minimum future rental payments under the non-cancellable operating lease having a remaining term in excess of one year as of June 30, 2020 are as follows:

<u>Years Ending June 30</u>	<u>Amount</u>
2021	111,158
2022	114,088
2023	117,018
2024	118,607
2025	120,579
Thereafter	<u>271,103</u>
	<u>\$852,553</u>

NOTE K: SERVICE CONTRACTS

For the year ended June 30, 2020, total expenses under service contracts amounted to \$17,583. At June 30, 2020, WIT's minimum obligations under non-cancellable service contracts for hosting and network services having remaining terms in excess of one year are as follows:

<u>Years Ending June 30</u>	<u>Amount</u>
2021	\$ 17,583
2022	2,930
	<u>\$ 20,513</u>

NOTE L: RETIREMENT PLAN

WIT has a Simple IRA plan for its employees. Eligible employees must have at least two years of employment with the organization and must have had compensation of at least \$5,000 during each of the two preceding years. WIT matched employee contributions up to 3% of each individual employee's compensation. For the year ended June 30, 2020, WIT's contributions to the retirement plan were \$9,692.

NOTE M: ADDITIONAL INFORMATION

Donated services - program	\$ 3,317
Donated goods - program	\$ 8,019
Donated professional fees – general & administrative	\$ 22,635

NOTE N: CONCENTRATIONS

WIT receives approximately 56% of its public support from two funding sources. A significant reduction in the level of support could have an effect on the WIT's programs and activities.

WIT has accounts receivables of approximately 78% from three funding sources.

NOTE O: PCADV INFORMATION

Due to COVID-19 match expenditure requirements required by the PCADV contract were waived for the fiscal year ended June 30, 2020.

**WOMEN IN TRANSITION, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

NOTE O: PCADV INFORMATION (continued)

No interest income was earned on these funds during the current contract period.

WIT's cost allocation plan complied with the Uniform Guidance, Subpart E of Title 2 U.S. Code of Federal Regulations Part 200 *Uniform Administrative Requirements and Audit Requirements for Federal Awards*.

WIT had expenditures of \$861,878 for its Domestic Violence program during the current contract period.

NOTE P: MERGER AND ACQUISITIONS

On January 1, 2020 WIT acquired 100 percent of Gearing Up (GU), a Pennsylvania non-profit corporation. The Organizations filed with the Commonwealth of PA to request permission for merger and it was approved in accordance with 15 PA CS Chapter 3, Subchapter C (relating to merger). On the acquisition date, the amount of the identifiable assets of GU recognized and measured in accordance with this Statement was \$18,577. GU had no other assets or leases at the time of the acquisition.

NOTE Q: RISK MANAGEMENT

The outbreak of the coronavirus disease ("COVID-19"), which was declared a global pandemic by the World Health Organization on March 11, 2020, and the related responses by public health and governmental authorities to contain and combat its outbreak and spread, has negatively impacted economies globally, nationally and locally. The overall impact of the pandemic on the WIT is uncertain at this time and will depend on the length and severity of the pandemic.

NOTE R: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

WIT has financial assets consisting of cash of \$262,123 and grant and contracts receivable of \$225,866 as of June 30, 2020 totaling \$487,989, available to meet cash needs for program, management and fundraising expenditures within one year of June 30, 2020. WIT structures its financial assets to be available as its program, management and fundraising expenditures ("expenditures"), liabilities and other obligations come due.

The following reflects WIT's financial assets as of June 30, 2020, reduced by amounts not available for general use within one year of June 30, 2020 because of contractual or donor-imposed restrictions:

	Amount
Cash	\$ 262,123
Grant and contracts receivable	<u>225,866</u>
Total financial assets	487,989
Board designated assets	(6,786)
Contractual or donor-imposed restrictions	<u>(12,025)</u>
 Financial assets available to meet cash needs for expenditures, liabilities and other obligations within one year of June 30, 2020	 <u>\$ 469,178</u>

NOTE S: SUBSEQUENT EVENTS

Effective July 1, 2020 WIT dissolved its affiliation with Pathways PA, which was its sole voting member and a Pennsylvania non-profit corporation. WIT is now a non-member organization.

WOMEN IN TRANSITION, INC.
SCHEDULE OF PROGRAM SERVICES
YEAR ENDED JUNE 30, 2020
(With Comparative Totals for 2019)

	<u>Drug and Alcohol</u>		<u>Domestic Violence</u>				<u>Total Program Services</u>
	<u>OAS</u>	<u>Total</u>	<u>PCADV</u>	<u>VOCA</u>	<u>Other</u>	<u>Total</u>	
Personnel							
Salaries	\$ 48,243	\$ 48,243	\$ 169,753	\$ 195,557	\$ 98,478	\$ 463,788	\$ 512,031
Taxes and benefits	6,340	6,340	33,491	40,183	20,482	94,156	100,496
Total personnel	<u>54,583</u>	<u>54,583</u>	<u>203,244</u>	<u>235,740</u>	<u>118,960</u>	<u>557,944</u>	<u>612,527</u>
Operating							
Contract services	6,203	6,203	40,343	31,875	44,407	116,625	122,828
Donated services and goods	-	-	-	-	11,336	11,336	11,336
Professional fees	675	675	2,095	2,341	8,048	12,484	13,159
Occupancy	10,163	10,163	35,687	42,113	20,735	98,535	108,698
Insurance	998	998	3,505	4,136	2,036	9,677	10,675
Office expenses and supplies	889	889	10,208	6,170	18,616	34,994	35,883
Printing and publication	570	570	2,054	2,755	1,194	6,003	6,573
Local travel	918	918	502	124	172	798	1,716
Miscellaneous	132	132	833	12,114	271	13,218	13,350
Postage and delivery	27	27	96	113	55	264	291
Total operating	<u>20,575</u>	<u>20,575</u>	<u>95,323</u>	<u>101,741</u>	<u>106,870</u>	<u>303,934</u>	<u>324,509</u>
Total expenses	<u>\$ 75,158</u>	<u>\$ 75,158</u>	<u>\$ 298,567</u>	<u>\$ 337,481</u>	<u>\$ 225,830</u>	<u>\$ 861,878</u>	<u>\$ 937,036</u>
2019 Totals	<u>\$ 76,112</u>	<u>\$ 76,112</u>	<u>\$ 247,083</u>	<u>\$ 263,570</u>	<u>\$ 188,332</u>	<u>\$ 698,985</u>	<u>\$ 775,097</u>