

CENTER FOR SAFETY & CHANGE, INC.

Financial Statements
Years Ended
December 31, 2019 and 2018

CENTER FOR SAFETY & CHANGE, INC.

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Years Ended
December 31, 2019 and 2018

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Center for Safety & Change, Inc.

We have audited the accompanying financial statements of Center for Safety & Change, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2019 and 2018, and the related statements of activities, expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 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 Center for Safety & Change, Inc. as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Berard & Associates CPA's P.C.

Berard & Associates, CPA's P.C.
Suffern, New York 10901
October 10, 2020

CENTER FOR SAFETY & CHANGE, INC.
 Statements of Financial Position
 December 31, 2019 and 2018

	2019	2018
ASSETS		
Cash	\$ 82,192	\$ 42,248
Grants and accounts receivable	1,228,274	746,358
Pledges receivable	447,413	52,640
Other receivables	7,500	7,650
Prepaid expenses	7,941	27,436
Total current assets	1,773,320	876,332
Property and equipment	2,218,341	2,286,963
Total assets	\$ 3,991,661	\$ 3,163,295
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	\$ 216,782	\$ 526,338
Accrued compensated absences	60,463	79,794
Deferred governmental support	-	14,785
Line of Credit	377,000	-
Loans payable	301,470	364,420
Current portion of note payable	43,000	43,000
Total current liabilities	998,715	1,028,337
Note payable	574,083	501,000
Total liabilities	1,572,798	1,529,337
Net Assets		
Without donor restrictions		
Operating fund	778,815	(215,855)
Property and equipment (net)	1,588,688	1,742,963
	2,367,503	1,527,108
With donor restrictions		
SAEDA program	50,000	50,000
Shelter renovations	1,360	56,850
	51,360	106,850
Total net assets	2,418,863	1,633,958
Total liabilities and net assets	\$ 3,991,661	\$ 3,163,295

See notes to financial statements.

CENTER FOR SAFETY & CHANGE, INC.

Statement of Activities

Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	2019 Total
REVENUES			
Grants from governmental agencies	\$ 3,394,631	\$ -	\$ 3,394,631
Governmental shelter services	519,508	-	519,508
Contributions and foundation grants	1,080,528	-	1,080,528
Special events revenue	653,458	-	653,458
Direct cost of donor benefits	(207,014)	-	(207,014)
In-kind revenue	733,205	-	733,205
Net assets released from restrictions	55,490	(55,490)	-
Total revenues	<u>6,229,806</u>	<u>(55,490)</u>	<u>6,174,316</u>
EXPENSES			
Residential programs	658,553	-	658,553
Non-residential programs	4,164,512	-	4,164,512
Total program expenses	<u>4,823,065</u>	<u>-</u>	<u>4,823,065</u>
General and administrative	381,551	-	381,551
Fundraising	184,795	-	184,795
Total expenses	<u>5,389,411</u>	<u>-</u>	<u>5,389,411</u>
Change in net assets	840,395	(55,490)	784,905
Net assets, beginning	<u>1,527,108</u>	<u>106,850</u>	<u>1,633,958</u>
Net assets, ending	<u>\$ 2,367,503</u>	<u>\$ 51,360</u>	<u>\$ 2,418,863</u>

See notes to financial statements.

CENTER FOR SAFETY & CHANGE, INC.
Statement of Activities
Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	2018 Total
REVENUES			
Grants from governmental agencies	\$ 2,914,014	\$ -	\$ 2,914,014
Governmental shelter services	493,640	-	493,640
Contributions and foundation grants	281,201	50,000	331,201
Special events revenue	657,275	-	657,275
Direct cost of donor benefits	(83,419)	-	(83,419)
In-kind revenue	629,279	-	629,279
Net assets released from restrictions	50,000	(50,000)	-
Prior period adjustment	268	(268)	-
Total revenues	<u>4,942,258</u>	<u>(268)</u>	<u>4,941,990</u>
EXPENSES			
Residential programs	589,819	-	589,819
Non-residential programs	3,590,779	-	3,590,779
Total program expenses	<u>4,180,598</u>	<u>-</u>	<u>4,180,598</u>
General and administrative	436,021	-	436,021
Fundraising	203,924	-	203,924
Total expenses	<u>4,820,543</u>	<u>-</u>	<u>4,820,543</u>
Change in net assets	121,715	(268)	121,447
Net assets, beginning	<u>1,405,393</u>	<u>107,118</u>	<u>1,512,511</u>
Net assets, ending	<u>\$ 1,527,108</u>	<u>\$ 106,850</u>	<u>\$ 1,633,958</u>

See notes to financial statements.

CENTER FOR SAFETY & CHANGE, INC.
Statement of Expenses
Year Ended December 31, 2019

	Residential Programs	Non-Residential Programs	Total Programs	General and Administrative	Fund Raising	Direct cost of donor benefits	2019 Total Expenses
Salaries	\$ 286,210	\$ 2,371,066	\$ 2,657,276	\$ 94,858	\$ 120,506	\$ -	\$ 2,872,640
Payroll taxes and employee benefits	42,021	348,120	390,141	13,927	17,693	-	421,761
Total salaries and related costs	<u>328,231</u>	<u>2,719,186</u>	<u>3,047,417</u>	<u>108,785</u>	<u>138,199</u>	<u>-</u>	<u>3,294,401</u>
Occupancy	155,063	106,125	261,188	6,883	20,489	-	288,560
Consultants and professional fees	-	265,203	265,203	21,572	-	-	286,775
Travel, conferences and meetings	12,317	127,980	140,297	875	-	-	141,172
Data and payroll processing	-	-	-	108,256	-	-	108,256
Depreciation	19,252	50,140	69,392	3,599	10,715	-	83,706
Bad debts	-	-	-	27,771	-	-	27,771
Interest	11,880	30,939	42,819	2,221	6,611	-	51,651
Lodging and housing assistance	-	57,638	57,638	-	-	-	57,638
Telephone	(247)	38,101	37,854	1,964	5,845	-	45,663
Program supplies	20,524	60,475	80,999	-	-	-	80,999
Insurance	7,968	18,879	26,847	1,598	-	-	28,445
Other	1,761	7,515	9,276	35,419	-	-	44,695
Office supplies and printing	103	59,922	60,025	400	800	-	61,225
Food	21,786	1,502	23,288	325	-	-	23,613
Meals and Entertainment	-	-	-	-	-	207,014	207,014
Legal services	-	11,769	11,769	-	-	-	11,769
Equipment and maintenance	3,903	9,049	12,952	-	-	-	12,952
Postage	-	5,063	5,063	-	-	-	5,063
Advertising	-	1,852	1,852	-	-	-	1,852
Total before in-kind expenses	<u>582,541</u>	<u>3,571,338</u>	<u>4,153,879</u>	<u>319,668</u>	<u>182,659</u>	<u>207,014</u>	<u>4,863,220</u>
In-kind other services	14,241	227,814	242,055	-	2,136	-	244,191
In-kind legal services	-	310,360	310,360	683	-	-	311,043
In-kind goods	61,771	55,000	116,771	-	-	-	116,771
In-kind space	-	-	-	61,200	-	-	61,200
Total in-kind expenses	<u>76,012</u>	<u>593,174</u>	<u>669,186</u>	<u>61,883</u>	<u>2,136</u>	<u>-</u>	<u>733,205</u>
Total expenses by function	658,553	4,164,512	4,823,065	381,551	184,795	207,014	5,596,425
Less expenses included with revenues on the statement of activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(207,014)</u>	<u>(207,014)</u>
Total expenses included in the expense section on the statement of activities	<u>\$ 658,553</u>	<u>\$ 4,164,512</u>	<u>\$ 4,823,065</u>	<u>\$ 381,551</u>	<u>\$ 184,795</u>	<u>\$ -</u>	<u>\$ 5,389,411</u>

See notes to financial statements.

CENTER FOR SAFETY & CHANGE, INC.
Statement of Expenses
Year Ended December 31, 2018

	Residential Programs	Non-Residential Programs	Total Programs	General and Administrative	Fund Raising	Direct cost of donor benefits	2018 Total Expenses
Salaries	\$ 286,210	\$ 2,157,699	\$ 2,443,909	\$ 94,858	\$ 120,506	\$ -	\$ 2,659,273
Payroll taxes and employee benefits	37,939	286,019	323,958	12,574	15,975	-	352,507
Total salaries and related costs	<u>324,149</u>	<u>2,443,718</u>	<u>2,767,867</u>	<u>107,432</u>	<u>136,481</u>	-	<u>3,011,780</u>
Occupancy	110,643	117,448	228,091	7,617	22,675	-	258,383
Consultants and professional fees	-	102,168	102,168	71,437	-	-	173,605
Travel, conferences and meetings	17,827	92,264	110,091	479	10,778	-	121,348
Data and payroll processing	-	-	-	89,555	-	-	89,555
Depreciation	19,889	51,798	71,687	3,718	11,069	-	86,474
Bad debts	-	-	-	70,870	-	-	70,870
Interest	15,488	40,337	55,825	2,896	8,620	-	67,341
Lodging and housing assistance	-	64,625	64,625	-	-	-	64,625
Telephone	12,116	38,101	50,217	2,605	7,754	-	60,576
Program supplies	18,479	22,822	41,301	-	-	-	41,301
Insurance	9,430	16,264	25,694	5,901	-	-	31,595
Other	627	11,779	12,406	8,725	5,397	-	26,528
Office supplies and printing	103	23,290	23,393	400	800	-	24,593
Food	20,379	1,548	21,927	2,433	-	-	24,360
Meals and Entertainment	-	-	-	-	-	83,419	83,419
Legal services	-	22,032	22,032	-	-	-	22,032
Equipment and maintenance	1,189	9,126	10,315	-	-	-	10,315
Postage	-	4,209	4,209	-	-	-	4,209
Advertising	-	1,424	1,424	-	350	-	1,774
Total before in-kind expenses	<u>550,319</u>	<u>3,062,953</u>	<u>3,613,272</u>	<u>374,068</u>	<u>203,924</u>	<u>83,419</u>	<u>4,274,683</u>
In-kind other services	2,000	295,242	297,242	-	-	-	297,242
In-kind legal services	-	232,584	232,584	3,653	-	-	236,237
In-kind goods	37,500	-	37,500	27,500	-	-	65,000
In-kind space	-	-	-	30,800	-	-	30,800
Total in-kind expenses	<u>39,500</u>	<u>527,826</u>	<u>567,326</u>	<u>61,953</u>	<u>-</u>	<u>-</u>	<u>629,279</u>
Total expenses by function	589,819	3,590,779	4,180,598	436,021	203,924	83,419	4,903,962
Less expenses included with revenues on the statement of activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(83,419)</u>	<u>(83,419)</u>
Total expenses included in the expense section on the statement of activities	<u>\$ 589,819</u>	<u>\$ 3,590,779</u>	<u>\$ 4,180,598</u>	<u>\$ 436,021</u>	<u>\$ 203,924</u>	<u>\$ -</u>	<u>\$ 4,820,543</u>

See notes to financial statements.

CENTER FOR SAFETY & CHANGE, INC.
 Statements of Cash Flows
 Years Ended December 31, 2019 and 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 784,905	\$ 121,447
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	83,706	86,474
County portion of mortgage payment	(25,000)	(25,000)
Changes in operating assets and liabilities		
Grants and accounts receivable	(481,916)	(227,248)
Pledges receivable	(394,773)	(32,965)
Other receivables	150	(4,766)
Prepaid expenses	19,495	(22,892)
Accounts payable and accrued expenses	(328,887)	273,619
Deferred governmental support	(14,785)	(2,402)
Cash provided (used) by operating activities	(357,105)	166,267
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of equipment	(15,084)	-
Cash provided (used) by investing activities	(15,084)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans	542,084	364,420
Repayments of loans	(129,951)	(514,420)
Cash provided (used) by financing activities	412,133	(150,000)
Increase in cash	39,944	16,267
Cash, beginning of year	42,248	25,981
Cash, ending of year	\$ 82,192	\$ 42,248
 Supplemental Information:		
Interest paid	\$ 51,651	\$ 67,341
Non-cash transactions		
In-kind activity	\$ 733,205	\$ 629,279

See notes to financial statements.

CENTER FOR SAFETY & CHANGE, INC.

Notes to Financial Statements

December 31, 2019 and 2018

NOTE 1 - ORGANIZATION AND PURPOSE

Center for Safety & Change, Inc. (The Center) is organized under the Not-for-Profit Corporation Law of the State of New York. The Center is dedicated to ending violence in the lives of women and children and serves survivors of domestic violence, survivors of sexual assault and homeless women and children. Services include twenty-four-hour hotlines, a walk-in center, individual and group counseling, court assistance, legal assistance, community education, emergency shelter and transitional housing for women and children. The majority of The Center's revenue comes from government grants and contributions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents, unless the investments are held for meeting restrictions for purchase of property and equipment, payment of long-term debt, or endowment.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Changes in the valuation allowance have not been material to the financial statements.

CENTER FOR SAFETY & CHANGE, INC.

Notes to Financial Statements

December 31, 2019 and 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Pledges as of 2019 and 2018 were current, and reflect a 2% discount factor.

Donors' expressions of intention to give in the future, not constituting unconditional promises to give, are not reflected in the accompanying financial statements.

Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$5,000. Purchases of property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the useful lives of the assets.

Revenue and Revenue Recognition

Exchange revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively.

Residential Shelter Services

Governmental shelter services are provided primarily under a contract with Rockland County Department of Social Services covering qualified residents. These services were recorded at a rate of \$115.48 per bed-night. Funding for non-qualified residents is provided in part, by the New York State Office of Victims Services and donations. Non-governmental shelter services represent shelter services to residents not government funded, with an equal amount charged to expense as unreimbursed bed-nights.

New Accounting Pronouncement

The agency has adopted ASU No. 2018-08, Not-For-Profit Entities (Topic 958) Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made. The new guidance helps distinguish if grants and contracts with resource providers are exchange transactions or contributions. Once a transaction is deemed to be a contribution, the ASU also provides guidance to help determine when a contribution is conditional and evaluates the possibility that a condition will not be met is remote. Unconditional contributions are recognized immediately and classified as either net assets with or without donor restrictions, while conditional contributions received are not recognized as revenue until the barriers to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with or without restrictions. The adoption of this standard for the year ended December 31, 2019 did not result in a change to the accounting for The Center's revenue. Management believes the standard improves the usefulness and understandability of The Center's financial reporting.

It is the policy of The Organization to account for donor restricted funds, which are received and expended in the same year to be recorded as unrestricted.

CENTER FOR SAFETY & CHANGE, INC.

Notes to Financial Statements

December 31, 2019 and 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

A majority of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization received cost-reimbursable grants of \$-0- that have not been recognized at December 31, 2019 because qualifying expenditures have not yet been incurred, with an advance payment of \$-0- recognized in the statement of financial position as a refundable advance.

Donated Assets

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation. The value of donated assets for the year amounts to \$116,771 for 2019 and \$65,000 for 2018. Donated facilities totaled \$61,200 in 2019 and \$30,800 in 2018.

Donated Services

Donated services are recognized as contributions if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Total qualified volunteer hours for all residential and non-residential programs were valued at \$244,191 in 2019 and \$297,242 in 2018. The Organization received outside volunteer legal services valued at \$311,043 in 2019 and \$236,237 in 2018.

In addition, a number of volunteers, including members of the Board of Directors, have contributed approximately 2,000 hours of time to the Agency's policy making, program and support functions. The value of time does not meet the criteria for recognition of contributed services under generally accepted accounting principles and, accordingly, is not reported in these financial statements.

Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. The Statement of Expenses presents expenses by nature and by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include occupancy and depreciation, which are allocated on a square footage basis, as well as personnel costs, professional services, office expenses, information technology, insurance, and other, which are allocated on the basis of estimates of time and effort.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

CENTER FOR SAFETY & CHANGE, INC.

Notes to Financial Statements

December 31, 2019 and 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deductions under Section 170(b)(1)(A)(vi) and has been classified as an organization other than a private foundation under Section 509(a)(1).

NOTE 3 - PROGRAMS

Center for Safety & Change: Who We Are

For forty years, Center for Safety & Change (the Center) has been serving victims/survivors of domestic violence, sexual assault, human trafficking and all crimes in Rockland County, while developing strategies to end gender-based violence by addressing societal oppressions which allow such violence to occur.

Center for Safety & Change services are provided in a manner that addresses special needs that victims/survivors may have including, but not limited to, victims who are physically handicapped, hearing impaired, or non-English-speaking. Most non-residential services are provided at one of eleven locations in Rockland County, all of which are accessible to individuals who are physically challenged.

As one of the most ethnically and culturally diverse counties in NYS state, Rockland is home to a wide range of individuals who speak no English or for whom English is a second language, and Center for Safety & Change strives to reflect and respect this diversity in all of our programs and services. Non-English-speaking victims are accommodated by Center for Safety & Change staff who collectively are fluent in several languages including, but not limited to Spanish, French/Creole, Hebrew, Yiddish, Urdu and Hindi, and by access to a 24-hrs/7-days a week Language Line service, which enable conversations to be translated to over 200 languages and dialects. The unique Center for Safety & Change staffing pattern also reflects the diversity of the Rockland community by including bi-lingual and bi-cultural coordinators from and for the Asian, African American, Haitian, Latin@, Orthodox Jewish, and LGBTQ+ (Lesbian/Gay/Bi-Sexual/Transgender/Queer) communities on staff. Non-English-speaking victims/survivors are accommodated at all eleven locations and as needed, at other locations where services may be provided.

At no time are victims/survivors denied services or provided with less than the full complement of Center for Safety & Change services due to lack of English language proficiency.

The Emergency Residential Shelter is staffed 24-hrs/7-days a week and all residential victims/survivors' services are provided at Center for Safety & Change Emergency Residential Shelter which is located at an undisclosed location (for security purposes). Most non-residential services are provided at one of eleven locations that Center for Safety & Change maintains throughout the county for convenient access by victims/survivors – two in New City, two in Nyack, two in Pomona, one in Spring Valley, one in Haverstraw, one in Suffern, one in Blauvelt and one in Sparkill.

Helping Survivors of Domestic Violence

Our advocates work closely with victims/survivors to help them navigate the court system, obtain orders of protection, get food and clothes, as well as accompany them to court, hospitals and other appointments. Mostly, they listen to victims/survivors as they tell their stories in their own words. As victims of crime, clients receive help in completing restitution forms from the NYS Office of Victims' Services in order to receive compensation for medical bills, property and other losses incurred.

CENTER FOR SAFETY & CHANGE, INC.

Notes to Financial Statements

December 31, 2019 and 2018

NOTE 3 - PROGRAMS – Continued

24- Hour Hotline

The Center for Safety & Change's 24-hour hotline is confidential, multi-lingual and is handled by trained, caring staff and volunteers.

Providing Emergency Residential Shelter

Center for Safety & Change provides victims/survivors of domestic violence, sexual assault, human trafficking and their children a safe space at its emergency residential shelter, which is staffed 24 hours, 365 days a year. Residential staff work with victims/survivors on a myriad of issues in a safe, respectful environment. Children in the shelter also receive a variety of services including counseling, in addition to working with the children and youth advocates who arrange creative activities for them.

Moving Forward

The members of the Center's Resource Council, staff and volunteers solicit, pick up, and store furniture and household items to provide the survivors of domestic violence, sexual assault and human trafficking with many of the things they need as they are 'moving forward' from the Shelter to a home of their own.

After Care Transitional Services

The target population served by Center for Safety & Change's Aftercare services are victims of domestic violence and their children who fled their former homes due to an ongoing danger of domestic violence, resided in the Center's Emergency Residential Shelter, and are now transitioning into permanent housing.

Helping Children and Youth Impacted by Abuse

Often the most vulnerable witnesses and victims of domestic violence (DV) are children. The Center's "Children and Youth Services Program" provides a safe, child/youth-friendly environment for children and youth, helping them to process the abuse, and to help them see that what happened is not their fault. The Center offers the Safe Parent/Safe Kids program, a collaboration with the Department of Social Services (DSS) Child Protective Services (CPS), which enables the Center to gain feedback from victims and service providers about the issues victims are facing and/or barriers they are encountering in the CPS system, and offers specially tailored trainings to CPS caseworkers on issues related to DV and how to identify risks to both adults and children; while providing services to victims/survivors who are the non-offending parent and their children working with CPS.

Non-Residential Domestic Violence Advocacy & Supportive Services

At Center for Safety & Change's walk-in office, clients can receive all the services they need in a multi-disciplinary setting. Advocates, attorneys, and counselors work with clients to address various needs including safety planning, counseling, housing and child services. Center for Safety & Change also provides weekly support and empowerment groups which are free and confidential, and are conducted in English, Spanish and Hebrew/Yiddish.

Providing Safety for Pets

Center for Safety & Change's Paws for Safety program is available to all victims and survivors. It was created as a response to calls from victims who were afraid that their abuser is going to harm their pets, or who had already threatened to kill their pets. Pets are confidentially placed for a foster period. Pets can be included in Family Court Order of Protection.

CENTER FOR SAFETY & CHANGE, INC.

Notes to Financial Statements

December 31, 2019 and 2018

NOTE 3 - PROGRAMS - Continued

Helping Victims and Their Families in the Courts

Going to court can be daunting for anyone, but for a family in crisis, navigating through family, DV and criminal court can be overwhelming. The Center's Legal team employs five full time and one part time attorneys, multiple para-legal and legal advocates who provide a myriad of services, including writing petitions and obtaining orders of protection, court accompaniment, process service and translation. All victims/survivors are entitled to a free legal consultation with one of the Center's staff attorneys to determine what, if any, legal protections and/or orders they are entitled to. Should clients require temporary or permanent orders of protection, violation orders, and/or and other petitions (support, custody/visitation) they are assisted by the Center's legal department. Pending the level of safety of the victim/survivor, family court appearances can either be in-person or remote. The Center's legal department is also available to provide legal assistance with other civil and/or federal matters, such as immigration, name changes, and divorce proceedings, as well as participating on multidisciplinary stakeholder's task force such as Family Treatment Court and the coordinated community response team Stop FEAR Criminal Justice Committee.

Providing Services for Comprehensive Crime Victims

The Center's Comprehensive Crime Victims Program is collaborative program with the District Attorney's (DA) office that assists victims of all crimes in Rockland. The Center participates on various multidisciplinary teams such as the Elder Abuse Task Force, the Intellectual and Developmental Disabilities Response Team, the Alternatives to Incarceration Task Force, the Re-Entry Task Force and is also an on-site partner at the DA's Office and the "Spirit of Rockland" Special Victims Center, where the agency has reserved office space and assists victims with victim impact statements on cases involving domestic violence, rape, human trafficking, elder abuse, child abuse, crimes against individuals with disabilities, hate crimes, sex offender registration violations, etc. As victims of crime, clients receive help in completing restitution forms from the NYS Office of Victims' Services in order to receive compensation for medical bills, property and other losses incurred.

Providing Services for Survivors of Sexual Trauma

The Center's sexual trauma advocates serve victims of sexual assault through a multitude of services including advocacy, accompaniment to hospitals and police, and through the 24-hour hotline. The Center's Sexual Assault Forensic Examiner team (SAFE) is on call 24 hours a day, 365 days a year to provide direct service to clients. Additionally, Sexual Trauma advocates and volunteer rape crisis counselors provide crisis intervention, support counseling and therapy.

Providing Services for Victims of Human Trafficking

The Center's human trafficking program serves human trafficking victims of all ages through a wide variety of direct services including, but not limited to, crisis intervention, supportive counseling, advocacy, information and referrals, accompaniment to various appointments (court, hospital, police, district attorney's office, etc.), assist victims and their families in completing Office of Temporary Disability Assistance (OTDA) Human Trafficking Confirmation forms as well as the Office of Victims Services Claim Applications, and assist victims complete victim impact statements. Youth that are identified as can be paired up with a mentor through our voluntary youth mentoring program.

CENTER FOR SAFETY & CHANGE, INC.

Notes to Financial Statements

December 31, 2019 and 2018

NOTE 3 - PROGRAMS - Continued

Developing Violence Prevention Strategies through Community Education and Awareness

The “Lynn Sheinkin Department for Education & Social Change” at the Center raises awareness of violence and abuse in our society through programs and services created by the Center throughout its 40 years of serving the community. The Center’s education and social change team works within the Rockland County school district to address issues of dating abuse, bullying, and social media in working towards creating scenarios of what healthy relationships look like. Through its Teen Dating Violence Prevention and SAEDA (Student Activists Ending Dating Abuse) programs, young adults become leaders, activists who are imparted with a sense of social justice as they plan for their future. In addition, the Center provides an array of trainings and technical assistance to medical professionals, hospitals and businesses on topics such as, but not limited to Domestic Violence in the Workplace, Sexual Harassment, Human Trafficking and Bystander Intervention.

Media Literacy Program

The Center’s Media Literacy program is a program offered to middle schools. In this training, middle school students learn how to critically analyze various forms of media, understand how complex media messages influence gender roles and relationships, and recognize the role the media plays in normalizing gender-based violence.

Teen Dating Violence Prevention Program (TDVPP)

The Center works closely with all of Rockland’s high schools, allowing for the Teen Dating Violence Prevention Program (TDVPP) to be facilitated multiple times per year to every high school in Rockland. TDVPP not only educates students, but also faculty on warning signs of abuse and how they can assist and provide resources to students they suspect are enduring abuse.

SAEDA (Student Activists Ending Dating Abuse)

SAEDA is a youth-led education and prevention program dedicated to celebrating diversity, challenging oppressive social norms, promoting leadership, and inspiring youth to ultimately ending gender-based violence. SAEDA begins with a four-day, 28-hour voluntary training in which the Center’s staff and past SAEDA graduates co-facilitate workshops that address issues such as: dating abuse, bullying, racism, adultism, heterosexism, sexism, sexual assault and consent, the intersectionality of oppressions, and how to be an ally. SAEDA graduates often choose to return to develop their leadership skills; they attend weekly sub-committee meetings, discuss current events, and plan monthly action events around social justice issues. Students can become Bridge Students, in which they have the opportunity to mentor new students, or to become student faculty members, in which they can assist in developing curricula and co-facilitate workshops.

Services on College Campuses

The Center has formal contracts with Dominican College, St. Thomas Aquinas College, and Rockland Community College, three of Rockland’s major college institutions, which enables the Center to host events, facilitate trainings to all in-coming freshman, student athletes, security guards and school administrators, and have designated office hours on campus for students in need of services.

CENTER FOR SAFETY & CHANGE, INC.

Notes to Financial Statements

December 31, 2019 and 2018

NOTE 3 - PROGRAMS - Continued

Engaging Boys and Men

The Center identified the need for support from male identified allies and under the Engaging Boys and Men program, the Center partnered with A CALL TO MEN. This partnership is a prevention initiative, which specifically reaches men and boys and educate them on healthy, respectful manhood, male socialization and its intersection with violence, and how male-identified persons can be allies in the movement to end gender-based violence.

Staff Development

The Center's commitment to ensuring competency starts with every staff person having to attend a series of trainings and workshops, such as but not limited to Undoing Racism by the People's Institute for Survival and Beyond, the NY Model for Batterer's Program and the Direct Service and Rape Crisis Counselor training. We require every undergraduate/graduate student interns and volunteers to attend trainings and supervision as well. In addition, everyone participates in weekly in services staff development trainings which are provided by both internal as well as external community leaders, agency directors, prevention, workers, DSS, Mental Health personnel and others to strengthen linkages and collaboration.

Community Collaborations

By having relationships and coordinating with outside organizations, Center for Safety & Change is able to best serve victims and survivors with unduplicated opportunities, resources and positive interactions with other entities within the community.

A Center for Safety & Change staff attends a weekly instructor training at VCS for instructors of the domestic violence classes for men- bringing the concerns and voices of victims and survivors to these community members.

The Center collaborates with the Rockland County Pride Center, the only organization in Rockland that is 100% dedicated to offering comprehensive programs and services to the LGBTQ community, on various projects, which enables the Center to have insight to the gaps in services and needs for the LGBTQ community

The Center collaborates with BRIDGES, Rockland County's disability resource, services and advocacy center, to address building both agencies' capacity to better meet the needs of disabled victims of crime. Both agencies have cross-trained each other in the past year and are currently awaiting news of a pending federal grant application which would allow both agencies to work together to develop policies and practices for disabled victims of domestic violence.

Other collaborations include but are not limited to Legal Services of the Hudson Valley, Big Brother Big Sister, Martin Luther King Multipurpose Center, Mental Health Association of Rockland (MHA), Community Awareness Network For A Drug-Free Life And Environment (CANDLE).

CENTER FOR SAFETY & CHANGE, INC.

Notes to Financial Statements

December 31, 2019 and 2018

NOTE 4 – PROMISES TO GIVE

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed. Conditional promises to give are not recognized in the financial statements until the conditions are substantially met.

Unconditional promises to give at December 31, 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>
Receivable in less than one year	\$ 116,903	\$ 52,640
Receivable in one to five years	339,000	-
Receivable in more than five years	-	-
Total unconditional promises to give	<u>455,903</u>	<u>52,640</u>
Less: Discount	<u>(8,490)</u>	<u>-</u>
	<u>\$ 447,413</u>	<u>\$ 52,640</u>

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

Description	2019	2018	Estimated Useful Life
Land	\$ 320,044	\$ 320,044	N/A
Building	1,280,174	1,280,174	39 years
Building improvements	1,481,657	1,481,657	39 years
Leasehold improvements	55,998	55,998	39 years
Furniture and equipment	255,907	240,823	3-10 years
Vehicle	25,408	25,408	5 years
	<u>3,419,188</u>	<u>3,404,104</u>	
Accumulated Depreciation	<u>(1,200,847)</u>	<u>(1,117,141)</u>	
Total	<u>\$ 2,218,341</u>	<u>\$ 2,286,963</u>	

The depreciation expense for December 31, 2019 and 2018 was \$83,706 and \$86,474 respectively.

CENTER FOR SAFETY & CHANGE, INC.

Notes to Financial Statements

December 31, 2019 and 2018

NOTE 6 - CONCENTRATION OF CREDIT RISK

The Center maintains cash in bank accounts and money market accounts. The bank accounts are insured by the Federal Deposit Insurance Corporation (FDIC) on balances up to \$250,000 at each bank. There were no bank account balances in excess of the FDIC insured limits as of December 31, 2019. Management has placed the funds of The Center in financial institutions they deem to be of high quality in order to minimize risk.

NOTE 7 – DEFINED CONTRIBUTION PLAN

The Organization sponsors a 403(b) retirement plan (the Plan) covering all qualifying employees. Employees may contribute up the IRS regulations from their salary, tax deferred. Employer contribution amounts are determined by the board of directors on an annual basis. There were no employer contributions for the year ended December 31, 2019 and 2018.

NOTE 8 – NOTES PAYABLE

Line of Credit

In 2019, The Center established a new line of credit up to \$500,000 from Orange Bank. Bank advances on the credit line are payable on demand and carry an interest rate of 7.0%. The credit line is secured by substantially all assets of the Organization. The outstanding balance at December 31, 2019 and 2018 was \$377,000 and \$ - .

Unsecured Board Loans Payable

The Agency has several short-term, interest bearing loans from board members to be used for cash flow purposes. At December 31, 2019 and 2018, outstanding board member payable was \$288,900 and \$364,420, respectively, with an interest rate of prime rate plus 1%. The full balance of the loan is payable on demand.

Orange Trust Mortgage Loan Payable

The Agency obtained a loan in 2019 with Orange Bank and Trust in the amount of \$150,000. The terms of the loan are monthly payments of \$2,127, at an annual interest rate of 5.0%, with a maturity of July 1, 2026. The outstanding balance at December 31, 2019 and 2018 was \$141,043 and \$ - .

Future payments area as follows:

	<u>Principal</u>	<u>Interest and fees</u>	<u>Total</u>
Year Ending December 31:			
2020	\$ 18,788	\$ 6,736	\$ 25,524
2021	19,783	5,741	25,524
2022	20,809	4,715	25,524
2023	21,889	3,635	25,524
2024	23,017	2,507	25,524
Thereafter	<u>36,797</u>	<u>1,490</u>	<u>38,287</u>
	<u>\$ 141,083</u>	<u>\$ 24,824</u>	<u>\$ 165,907</u>

CENTER FOR SAFETY & CHANGE, INC.

Notes to Financial Statements

December 31, 2019 and 2018

NOTE 8 – NOTES AND LOANS PAYABLE - Continued

Financed Purchase Loan

In June 2019, the Agency purchased a copier in the amount of \$15,084 and financed this purchase over a 3-year commitment, with monthly payments of \$419. The outstanding balance at December 31, 2019 and 2018 was \$12,570 and \$-. Future minimum payments are as follows:

Year Ending December 31:	<u>Payment</u>
2020	\$ 5,028
2021	5,028
2022	<u>2,514</u>
	<u>\$ 12,570</u>

Note Payable

The Center obtained a loan in 2006 with a \$1,360,000 HUD financed mortgage payable to The County of Rockland pursuant to the Housing and Community Development Act of 1974 and secured by the office building which was acquired August 31, 2005. The mortgage's interest is at a variable rate to be adjusted annually by HUD in accordance with applicable Federal laws, plus an annual fee payable to Rockland County equal to one percent (1%) of the outstanding principal balance. The final payment is due July 1, 2026. The effective rate was 6.3% at December 31, 2019 and 6.3% at December 31, 2018. Rockland County pays a mortgage payment subsidy of \$25,000 annually toward the commitment of The Center. This amount is reported each year in grants from governmental agencies in the statement of activities. The outstanding balance at December 31, 2019 and 2018 was \$476,000 and \$544,000.

Future scheduled maturities of long-term debt are as follows:

Year Ending December 31:	<u>Interest and fees</u>	<u>Principal</u>	<u>Rockland County Payment</u>	<u>Total</u>
2020	\$ 31,668	\$ 68,000	\$ (25,000)	\$ 74,668
2021	27,241	68,000	(25,000)	70,241
2022	22,773	68,000	(25,000)	65,773
2023	18,272	68,000	(25,000)	61,272
2024	13,743	68,000	(25,000)	56,743
Thereafter	<u>13,790</u>	<u>136,000</u>	<u>(50,000)</u>	<u>99,790</u>
	<u>\$ 127,487</u>	<u>\$ 476,000</u>	<u>\$ (175,000)</u>	<u>\$ 428,487</u>

CENTER FOR SAFETY & CHANGE, INC.

Notes to Financial Statements

December 31, 2019 and 2018

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Operating Leases

The Center entered into an operating lease agreement for residential facilities commencing July 1, 2019 and expiring June 30, 2024. Payments are made monthly beginning at \$2,650 per month and increase annually by \$50 per month on July 1 of each year.

The Center is responsible for all utilities and services including gas, water, electric, fuel, telephone, sewer, exterminating, trash removal and snow removal.

The Center is responsible for all repairs or remodeling necessitated by its programs or clients; and for all other repairs under the cost of \$500. Landlord is responsible for the furnace, exterior painting and roof.

NOTE 10 – NET ASSETS WITH DONOR RESTRICTIONS

Donor restricted net assets were released and expended for the following purposes in 2019:

<u>Purpose</u>	<u>Beginning Balance</u>	<u>Revenues</u>	<u>Net Assets Released</u>	<u>Prior Period Adjustment</u>	<u>Ending Balance</u>
SAEDA program	\$ 50,000	\$ -	\$ (50,000)	\$ -	\$ -
Shelter renovations	<u>56,850</u>	<u>\$ -</u>	<u>(5,490)</u>	<u>-</u>	<u>51,360</u>
	<u>\$ 106,850</u>	<u>\$ -</u>	<u>\$ (55,490)</u>	<u>\$ -</u>	<u>\$ 51,360</u>

Donor restricted net assets were released and expended for the following purposes in 2018:

<u>Purpose</u>	<u>Beginning Balance</u>	<u>Revenues</u>	<u>Net Assets Released</u>	<u>Prior Period Adjustment</u>	<u>Ending Balance</u>
SAEDA program	\$ 50,000	\$ 50,000	\$ (50,000)	\$ -	\$ 50,000
Shelter renovations	45,451	-	-	11,399	56,850
Renovation of office building	<u>11,667</u>	<u>-</u>	<u>-</u>	<u>(11,667)</u>	<u>-</u>
	<u>\$ 107,118</u>	<u>\$ 50,000</u>	<u>\$(50,000)</u>	<u>\$ (268)</u>	<u>\$ 106,850</u>

CENTER FOR SAFETY & CHANGE, INC.

Notes to Financial Statements

December 31, 2019 and 2018

NOTE 11 – LIQUIDITY AND FUNDS AVAILABLE

The Center receives significant government grant revenues, contributions, and promises to give from donors, and considers contributions restricted or unrestricted for programs and services which are ongoing, major, and central to annual operations to be available to meet cash needs for general purposes. The Center strives to maintain liquid financial assets sufficient to cover beyond 60 days of general expenditures. In evaluating the adequacy of financial assets available to sustain commitments and obligations, the Center may borrow from current board members or lending institutions. In 2019, the Center secured a \$500,000 line of credit with a financial institution.

The following table reflects the Center’s financial assets as of December 31, 2019, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, or because the Board has set aside the funds for specific reserve or long-term investments as Board designated. Board designations could be drawn upon if the Board approves that action.

Financial assets at year-end:	
Cash	\$ 82,192
Grants and accounts receivable	1,228,274
Pledges receivable	447,413
Other receivables	<u>7,500</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 1,765,379</u>

NOTE 12 – SUBSEQUENT EVENTS

On March 22, 2020, the Governor of New York announced the “New York State on Pause” executive order due to the COVID-19 pandemic requiring all non-essential businesses statewide to be closed. As of October 10, 2020, the date this report is being issued, the Center has remained open.

Although the Organization has been able to continue its operations during this time, some of the contribution revenues typically generated through fundraising campaigns were heavily impacted causing an estimated loss in revenue of \$450,000. Additionally, some of the 2020 grants were rescinded or reduced causing an additional loss in revenue of about \$85,000. However, in April of 2020, the Organization was approved for a loan of approximately \$668,000 through the Paycheck Protection Program and has continued to pay all staff utilizing this loan, which it expects to be fully forgiven. The PPP which was established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times certain average monthly payroll expenses and other qualifying business expenses. The loan and accrued interest, or a portion thereof, may be forgiven so long as the borrower uses the loan proceeds for eligible purposes. The Center intends to use the proceeds for purposes consistent with the PPP, however there can be no assurances that the Organization will ultimately meet the conditions for forgiveness of the loan or that it will not take actions that could cause the Organization to be ineligible for forgiveness of the loan, in whole or in part.

Although the Organization cannot reasonably estimate the related financial impact to the Organization’s full-year 2020 and subsequent period financial results given the uncertainties surrounding the duration of the outbreak and its impact on the Organization’s programs, Management is monitoring the situation on a daily basis.

Subsequent events were evaluated by management through October 10, 2020, which is the date the financial statements were available to be issued.