

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of  
Directors  
Family Crisis  
Center  
Farmington, New  
Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Organization (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 30, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 the Organization's financial statements are free from material misstatement, we performed tests of its

compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. **The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.**

### **Purpose of this Report**

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

**FAMILY CRISIS CENTER  
STATEMENTS OF FINANCIAL ACTIVITIES**

Year Ended June 30,

<b>UNRESTRICTED NET ASSETS:</b>	<u><b>2016</b></u>	<u><b>2015</b></u>
Government and other contracts	\$ 998,317	\$ 937,293
Donations	213,455	85,512
Donated rent	176,000	176,000
Donated supplies	19,380	5,545
Fundraising	17,527	11,683
Fees from services	50,666	57,789
Interest income	1,352	598
Other	<u>909</u>	<u>1,657</u>
<b>Total Unrestricted Support</b>	1,477,606	1,276,077
Net assets released from restrictions:		
United Way funding - time restriction	<u>74,448</u>	<u>66,600</u>
<b>Total Unrestricted Support and Reclassifications</b>	<u>1,552,054</u>	<u>1,342,677</u>
<b>EXPENSES:</b>		
Program services:		
Counseling Services	812,281	746,314
Shelter	360,007	373,480
General and Administrative	<u>144,890</u>	<u>138,401</u>
<b>Total Expenses</b>	<u>1,317,178</u>	<u>1,258,195</u>
<b>DECREASE IN UNRESTRICTED NET ASSETS</b>	<u>234,876</u>	<u>84,482</u>
<b>TEMPORARILY RESTRICTED NET ASSETS:</b>	48,060	74,448
United Way funding for next year		
Net assets released from restrictions		
United Way funding for the year	<u>(74,448)</u>	<u>(66,600)</u>
<b>INCREASE (DECREASE) IN TEMPORARILY</b>		
<b>INCREASE (DECREASE) IN NET ASSETS</b>	208,488	92,330
<b>NET ASSETS, beginning</b>	<u>1,178,891</u>	<u>1,086,561</u>
<b>NET ASSETS, ending</b>	<u>\$ 1,387,379</u>	<u>\$ 1,178,891</u>
<b>RESTRICTED NET ASSETS</b>	<u>(26,388)</u>	<u>7,848</u>
<b>SEE ACCOMPANYING NOTES</b>		