

**Clackamas Women's Services**  
Audited Financial Statements  
June 30, 2009 and 2008



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# Acumen Financial Services Group, PC

## Certified Public Accountants

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### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Clackamas Women's Services  
Oregon City, Oregon

We have audited the accompanying statement of financial position of Clackamas Women's Services (a nonprofit organization) as of June 30, 2009 and 2008, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Clackamas Women's Services as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Acumen Financial Services Group, P.C.*

Wilsonville, Oregon  
September 24, 2009

# Clackamas Women's Services

## Statements of Financial Position

June 30, 2009 and 2008

| <u>Assets</u>                      | <u>2009</u>       | <u>2008</u>    |
|------------------------------------|-------------------|----------------|
| Current assets:                    |                   |                |
| Cash and cash equivalents          | \$ 7,357          | 9,585          |
| Investments                        | 1,099             | -              |
| Grants receivable                  | 71,250            | 19,405         |
| Other receivables                  | -                 | 190            |
| Prepaid expenses                   | 15,894            | 12,829         |
| Total current assets               | <u>95,600</u>     | <u>42,009</u>  |
| Property and equipment - net       | <u>312,873</u>    | <u>297,520</u> |
|                                    | <u>\$ 408,473</u> | <u>339,529</u> |
| <br><u>Liabilities</u>             |                   |                |
| Current liabilities:               |                   |                |
| Accounts payable                   | \$ 39,787         | 8,200          |
| Wages payable                      | 21,075            | 23,197         |
| Payroll taxes payable              | 22,827            | 8,455          |
| Liability for compensated absences | 20,524            | 19,646         |
| Line of credit                     | 81,711            | 80,939         |
| Client deposits                    | -                 | 161            |
| Deferred revenues                  | 18,257            | -              |
| Total current liabilities          | <u>204,181</u>    | <u>140,598</u> |
| <br><u>Net Assets</u>              |                   |                |
| Net assets                         |                   |                |
| Unrestricted                       | <u>204,292</u>    | <u>198,931</u> |
| Total net assets                   | <u>204,292</u>    | <u>198,931</u> |
|                                    | <u>\$ 408,473</u> | <u>339,529</u> |

# Clackamas Women's Services

## Statements of Activities

For the years ended June 30, 2009 and 2008

|  | <u>2009</u>       | <u>2008</u>      |
|--|-------------------|------------------|
| Revenues                               |                   |                  |
| Government grants                      | \$ 628,502        | 507,345          |
| Cash & non-cash contributions          | 117,335           | 117,128          |
| Foundation grants                      | 162,650           | 147,800          |
| United way                             | 23,581            | 47,355           |
| Special events                         | 202,657           | 224,386          |
| Unrealized gains (loss) on investments | 4                 | (390)            |
| Interest & dividend income             | 24                | 283              |
| In kind contributions                  | 46,740            | 78,076           |
| Miscellaneous revenue                  | 1,785             | 7,216            |
| Total revenues and other support       | <u>1,183,278</u>  | <u>1,129,199</u> |
| Expenses                               |                   |                  |
| Program services:                      |                   |                  |
| Shelter services                       | 532,670           | 514,946          |
| Outreach services                      | 399,514           | 420,169          |
|  | 932,184           | 935,115          |
| Development                            | 140,092           | 83,360           |
| Management & general                   | 105,641           | 195,263          |
| Total expenses                         | <u>1,177,917</u>  | <u>1,213,738</u> |
| Change in net assets                   | 5,361             | (84,539)         |
| Beginning net assets                   | <u>198,931</u>    | <u>283,470</u>   |
| Ending net assets                      | <u>\$ 204,292</u> | <u>198,931</u>   |

See accompanying notes to financial statements.

# Clackamas Women's Services

## Statement of Functional Expenses

For the year ended June 30, 2009

|                               | Program Expenses |                   |  | Total Program Expenses | Development | Management & General | 2009      |
|-------------------------------|------------------|-------------------|--|------------------------|-------------|----------------------|-----------|
|                               | Shelter Services | Outreach Services |  |                        |             |                      |           |
| Wages                         | \$ 317,795       | 253,875           |  | 571,670                | 66,030      | 48,111               | 685,811   |
| Payroll taxes                 | 26,742           | 20,097            |  | 46,839                 | 4,541       | 10,558               | 61,938    |
| Vacation/Fringe benefits      | 42,945           | 28,141            |  | 71,086                 | 5,953       | 9,763                | 86,802    |
| Worker compensation           | 2,975            | 2,315             |  | 5,290                  | 471         | 1,001                | 6,762     |
| Assistance to clients         | 16,574           | 38,672            |  | 55,246                 | -           | -                    | 55,246    |
| Accounting services           | 6,338            | 4,689             |  | 11,027                 | 1,033       | 2,394                | 14,454    |
| Other professional services   | 11,319           | 2,560             |  | 13,879                 | 3,769       | 2,660                | 20,308    |
| Office supplies               | 387              | 924               |  | 1,311                  | 1,688       | 580                  | 3,579     |
| Telephone                     | 7,208            | 2,932             |  | 10,140                 | 423         | 1,003                | 11,566    |
| Postage                       | 759              | 548               |  | 1,307                  | 1,016       | 310                  | 2,633     |
| Rent                          | 46,740           | 9,995             |  | 56,735                 | 31,493      | 5,585                | 93,813    |
| Insurance                     | 8,852            | 2,595             |  | 11,447                 | 557         | 1,291                | 13,295    |
| Utilities                     | 17,335           | -                 |  | 17,335                 | -           | -                    | 17,335    |
| Repairs & maintenance         | 181              | 176               |  | 357                    | 16,387      | 149                  | 16,893    |
| Equipment rental & repair     | 5,403            | 3,734             |  | 9,137                  | 814         | 1,956                | 11,907    |
| Advertising                   | 25               | 147               |  | 172                    | -           | 53                   | 225       |
| Printing                      | 705              | 1,300             |  | 2,005                  | 28          | 100                  | 2,133     |
| Dues & subscriptions          | 453              | 789               |  | 1,242                  | 2,772       | 1,814                | 5,828     |
| Travel                        | 952              | 6,699             |  | 7,651                  | -           | 380                  | 8,031     |
| Education & training          | 1,269            | 2,477             |  | 3,746                  | 120         | 2,363                | 6,229     |
| Program supplies              | -                | 4,205             |  | 4,205                  | 209         | 377                  | 4,791     |
| Directors insurance           | 1,051            | -                 |  | 1,051                  | -           | 801                  | 1,852     |
| Board expenses                | -                | -                 |  | -                      | -           | 2,842                | 2,842     |
| Interest expense              | -                | -                 |  | -                      | -           | 4,736                | 4,736     |
| Miscellaneous expenses        | -                | -                 |  | -                      | -           | 337                  | 337       |
| Depreciation expense          | 15,689           | 12,644            |  | 28,333                 | 2,788       | 6,477                | 37,598    |
| Loss on abandonment of assets | 973              | -                 |  | 973                    | -           | -                    | 973       |
| Total expenses                | \$ 532,670       | 399,514           |  | 932,184                | 140,092     | 105,641              | 1,177,917 |

See accompanying notes to financial statements.

# Clackamas Women's Services

## Statement of Functional Expenses

For the year ended June 30, 2008

|                             | Program Expenses  |                   |  | Total Program Expenses | Development   | Management & General | 2008             |
|-----------------------------|-------------------|-------------------|--|------------------------|---------------|----------------------|------------------|
|                             | Shelter Services  | Outreach Services |  |                        |               |                      |                  |
| Wages                       | \$ 295,630        | 213,473           |  | 509,103                | 49,159        | 115,155              | 673,418          |
| Payroll taxes               | 26,777            | 19,336            |  | 46,113                 | 4,453         | 10,429               | 60,995           |
| Vacation/Fringe benefits    | 39,988            | 28,875            |  | 68,863                 | 6,649         | 15,577               | 91,089           |
| Worker compensation         | 2,471             | 1,784             |  | 4,255                  | 411           | 961                  | 5,627            |
| Assistance to clients       | 13,648            | 58,184            |  | 71,832                 | -             | -                    | 71,832           |
| Accounting services         | 6,354             | 4,588             |  | 10,942                 | 1,057         | 2,474                | 14,473           |
| Other professional services | 6,444             | 4,654             |  | 11,098                 | 1,072         | 2,509                | 14,679           |
| Office supplies             | 1,446             | 1,043             |  | 2,489                  | 240           | 564                  | 3,293            |
| Telephone                   | 5,731             | 4,139             |  | 9,870                  | 953           | 2,233                | 13,056           |
| Postage                     | 884               | 638               |  | 1,522                  | 147           | 344                  | 2,013            |
| Rent                        | 47,217            | 34,095            |  | 81,312                 | 7,852         | 18,392               | 107,555          |
| Insurance                   | 4,663             | 3,366             |  | 8,029                  | 775           | 1,816                | 10,620           |
| Utilities                   | 7,404             | 5,346             |  | 12,750                 | 1,231         | 2,885                | 16,866           |
| Repairs & maintenance       | 7,373             | 5,324             |  | 12,697                 | 1,226         | 2,873                | 16,796           |
| Equipment rental & repair   | 3,719             | 2,685             |  | 6,404                  | 618           | 1,450                | 8,472            |
| Advertising                 | 51                | 38                |  | 89                     | 9             | 19                   | 117              |
| Printing                    | 107               | 78                |  | 185                    | 18            | 41                   | 244              |
| Dues & subscriptions        | 1,798             | 1,299             |  | 3,097                  | 299           | 701                  | 4,097            |
| Travel                      | 6,106             | 4,409             |  | 10,515                 | 1,015         | 2,379                | 13,909           |
| Education & training        | 2,925             | 2,112             |  | 5,037                  | 486           | 1,139                | 6,662            |
| Program supplies            | 2,721             | 1,966             |  | 4,687                  | 453           | 1,059                | 6,199            |
| Directors insurance         | 1,122             | 810               |  | 1,932                  | 187           | 436                  | 2,555            |
| Board expenses              | 220               | 159               |  | 379                    | 37            | 84                   | 500              |
| Interest expense            | 2,907             | 2,098             |  | 5,005                  | 483           | 1,132                | 6,620            |
| Miscellaneous expenses      | 626               | 452               |  | 1,078                  | 104           | 245                  | 1,427            |
| Depreciation expense        | 26,614            | 19,218            |  | 45,832                 | 4,426         | 10,366               | 60,624           |
| <b>Total expenses</b>       | <b>\$ 514,946</b> | <b>420,169</b>    |  | <b>935,115</b>         | <b>83,360</b> | <b>195,263</b>       | <b>1,213,738</b> |

See accompanying notes to financial statements.



# Clackamas Women's Services

## Statements of Cash Flows

For the years ended June 30, 2009 and 2008

| Cash Flows From Operating Activities:   | 2009     | 2008      |
|---|----------|-----------|
| Change in net assets  | \$ 5,361 | (84,539)  |
| Adjustments to reconcile net income to net cash provided<br>by operating activities |          |           |
| Depreciation and amortization   | 37,598   | 60,624    |
| Abandonment Loss  | 973      | -         |
| Changes in operating assets and liabilities   |          |           |
| Grants receivable   | (51,845) | (671)     |
| Other receivables   | 190      | (65)      |
| Prepaid expenses  | (3,065)  | 687       |
| Accounts payable  | 31,587   | 5,457     |
| Wages payable   | (2,122)  | 3,909     |
| Payroll taxes payable   | 14,372   | 1,912     |
| Liability for compensated absences  | 878      | 4,185     |
| Client deposits   | (161)    | (100)     |
| Deferred revenues   | 18,257   | -         |
| Net cash provided by operating activities   | 52,023   | (8,601)   |
| Cash flows from investing activities  |          |           |
| Purchase of investments   | (1,099)  | -         |
| Purchase of equipment   | (53,924) | (46,882)  |
| Net cash from investing activities  | (55,023) | (46,882)  |
| Cash flows from financing activities  |          |           |
| Advances  | 7,347    | 197,376   |
| Repayments  | (6,575)  | (167,013) |
| Net cash from financing activities  | 772      | 30,363    |
| Net change in cash  | (2,228)  | (25,120)  |
| Cash, beginning of year   | 9,585    | 34,705    |
| Cash, end of year   | \$ 7,357 | 9,585     |
| Supplemental disclosure of cash flow information:                                   |          |           |
| Cash paid during the period for interest  | \$ 4,736 | 6,620     |

See accompanying notes to financial statements.

# Clackamas Women's Services

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## Notes to the Financial Statements

June 30, 2009 and 2008

### (1) Summary of Significant Accounting Policies

#### Organization and Nature of Activities

Clackamas Women's Services (CWS) was established and incorporated, in the State of Oregon, United States of America, on August 5, 1985. CWS is a non-profit corporation that operates a shelter for and provides support services to victims of domestic violence and provides community education regarding domestic violence issues. CWS is located in the Clackamas County area.

#### Programs

Specific services CWS provides are:

Crisis Line & Shelter Services – Information, referral, support supplies, and case management through CWS's 24-hour crisis line and two emergency shelters.

Children and Youth Services – Individual and group work with children and mothers in shelter. Out-of-shelter, support groups, family support and professional consultation regarding families affected by domestic violence. Youth prevention and education and healthy relationship programs in schools.

Outreach Services – Domestic violence training to schools, churches and other professionals in the community. Outreach regarding family violence and CWS services to underserved populations. Crisis intervention services available at CWS's outreach office. Rental assistance, case management and support to individuals and families transitioning from CWS's emergency shelter into stable housing programs in the community. Legal advocacy and restraining order assistance.

Counseling Services – Individual mental health counseling for women and children in all programs. Community-based domestic violence support group services.

Volunteer Services - Trained volunteers provide direct services and administrative assistance throughout CWS's Programs.

# Clackamas Women's Services

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## Notes to the Financial Statements

June 30, 2009 and 2008

### (1) Summary of Significant Accounting Policies (cont.)

#### Accounting Method

CWS accounts for all transactions on the accrual basis method for year-end reporting accounting.

#### Estimates

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

#### Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, CWS is required to report information regarding its financial position and activities according to three classes of net assets: Unrestricted Net Assets, Temporarily Restricted Net Assets, and Permanently Restricted Net Assets.

#### Contributions and Grants

All contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporarily restriction expires, temporarily net assets are reclassified to unrestricted net assets and reports in the statement of activities as "net assets released from restrictions" are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Contributions pledged are recorded at the time of pledge. CWS estimates an allowance of uncollectible grants of zero for 2009 and 2008.

#### Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

# Clackamas Women's Services

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## Notes to the Financial Statements

June 30, 2009 and 2008

### (1) Summary of Significant Accounting Policies (cont.)

#### Property and Equipment

Acquisitions of property and equipment in excess of \$500 are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Property and equipment are being depreciated over estimated useful lives of three to five years using the straight-line method. Leasehold improvements are being amortized over the shorter of the lease term or useful life.

#### Compensated Absences

CWS's Personal Time Off (PTO) policy allow employees a single account which may be used for vacation, illness, sickness or death of a family member, or other personal business which cannot be handled except during regular working hours. Part-time employees shall accrue personal time off on a prorated basis according to the percentage of Full Time Equivalent they work. Employees may carry over to the next fiscal year, a maximum of ten (10) days of accrued personal time off days. Accrued PTO in excess of 80 hours shall be forfeited as of the end of the fiscal year.

#### Income Taxes

CWS is exempt for income taxes as a non-profit organization under Internal Revenue Code Sec. 501(c)(3) and, accordingly, the financial statement do not reflect a provision for income taxes.

#### Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### Advertising

CWS uses advertising to promote its programs among the audiences it serves and potential contributors. The production costs of advertising are expensed as incurred. For the year ending June 30, 2009 and 2008, advertising expense was \$225 and \$117, respectively.

# Clackamas Women's Services

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## Notes to the Financial Statements

June 30, 2009 and 2008

### (1) Summary of Significant Accounting Policies (cont.)

#### Contributed Services

CWS receives a significant amount of donated services from unpaid individual volunteers assisting CWS in the provision of its services. No amounts have been recognized in the statement of activities because the criteria for recognition under SFAS No. 116 have not been satisfied. Volunteers contributed 7,392 and 4,905 hours of service to CWS during the years ended June 30, 2009 and 2008, respectively.

### (2) Investments

Investments in marketable securities are classified as available for sale and are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets

### (3) Property & Equipment

Property and equipment consists of the following:

|                               | <u>2009</u>       | <u>2008</u>      |
|-------------------------------|-------------------|------------------|
| Equipment & Furnishing        | \$ 56,227         | 65,161           |
| Vehicles                      | 25,218            | 25,218           |
| Leasehold Improvements        | <u>547,937</u>    | <u>501,305</u>   |
|                               | 629,382           | 591,683          |
| Less Accumulated Depreciation | <u>(316,509)</u>  | <u>(294,163)</u> |
|                               | \$ <u>312,873</u> | <u>297,520</u>   |

### (4) Line of Credit

CWS maintains a \$82,100 line of credit with the Wells Fargo Bank. The interest rate for this line of credit is Prime plus 2%.

# Clackamas Women's Services

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## Notes to the Financial Statements

June 30, 2009 and 2008

### (5) Office Space Rental

CWS leases commercial property for its business office. The lease term is three years and it increases 5% each March 1<sup>st</sup>. The base rent was \$1,575 and \$1,425 per month for the years ended June 30, 2009 and June 30, 2008, respectively. CWS is given a credit for tax exempt savings of \$50 per month. The following represent future non-cancelable lease payments for the next 5 years:

|      |        |
|------|--------|
| 2009 | 18,900 |
| 2010 | 6,615  |

### (6) Shelter Leases

CWS operates two shelter programs in two different locations leased from Clackamas County, Oregon, for \$1 per year for each location provided they are used solely for a program providing shelter services in compliance with the Lease Agreements.

The Evergreen shelter lease expires June 30, 2020. Every fifth year, Clackamas county and CWS will meet to evaluate CWS' continual use of the property as a shelter for victims of domestic violence. The estimated fair market rental value of the space for the years ended June 30, 2009 and 2008 was \$25,080 & \$26,400, respectively. These values were recorded as both in-kind revenue and rent expense.

The Haven House lease expires June 30, 2020. Every fifth year, Clackamas county and CWS will meet to evaluate CWS' continual use of the property as a shelter for victims of domestic violence. The estimated fair market rental value of the space for the years ended June 30, 2009 and 2008 was \$21,660 & \$26,400, respectively. These values were recorded as both in-kind revenue and rent expense.

### (7) Pension Plan

The CWS offers a tax-deferred 403(b) plan for all eligible employees. In 2009, there was no contribution to the plan.