

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Financial Statements and Single Audit Reports

December 31, 2019 and 2018

With Independent Auditor's Report Thereon

Independent Auditor's Report

The Board of Directors
Georgia Center for Child Advocacy, Inc.:

Report on the Financial Statements

I have audited the accompanying financial statements of the Georgia Center for Child Advocacy, Inc. ("the Organization") which comprise the statements of financial position as of December 31, 2019 and 2018 and the related statements of activities, cash flows, and functional expenses 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

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization 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.

Other Matters

Other Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated August 25, 2020 on my consideration of the Organization's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

John Lyman, CPA

August 25, 2020

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Statements of Financial Position

December 31, 2019 and 2018

<u>Assets</u>	<u>2019</u>	<u>2018</u>
Current assets:		
Cash and cash equivalents	\$ 819,665	675,968
Investments	2,946	2,451
Accounts receivable	426,630	384,234
Contributions receivable, less allowance of \$2,500 in 2019 and \$5,000 in 2018	10,400	15,174
Prepaid expenses	42,988	23,451
Security deposit	15,125	-
	1,317,754	1,101,278
 Contributions receivable, less allowance of \$2,500 in 2019 and \$5,000 in 2018	 634	 1,820
Fixed assets, less accumulated depreciation	45,857	50,814
	1,364,245	1,153,912
Total assets	\$ 1,364,245	1,153,912

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued expenses	\$ 170,267	163,425
 Net assets:		
Without donor restrictions	454,931	401,432
With donor restrictions	739,047	589,055
	1,193,978	990,487
Total net assets	1,193,978	990,487
 Total liabilities and net assets	 \$ 1,364,245	 1,153,912

See accompanying notes to financial statements.

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Statement of Activities

Year ended December 31, 2019
(with comparative totals for 2018)

	Without donor restrictions	With donor restrictions	Totals	
			2019	2018
Revenue and support:				
Contributions	\$ 165,880	689,102	854,982	856,776
Contracts	1,862,096	-	1,862,096	1,425,988
Special events, net of expenses	347,476	-	347,476	301,933
Investment income	4,447	-	4,447	1,369
Program income	168,618	-	168,618	152,037
Program material sales	78,820	-	78,820	122,207
Other	5,100	-	5,100	1,388
Net assets released from restrictions	539,110	(539,110)	-	-
Total	3,171,547	149,992	3,321,539	2,861,698
Expenses:				
Program services	2,812,560	-	2,812,560	2,601,665
Fund raising	223,655	-	223,655	170,685
Management and general	81,833	-	81,833	123,315
Total	3,118,048	-	3,118,048	2,895,665
Change in net assets	53,499	149,992	203,491	(33,967)
Net assets at beginning of year	401,432	589,055	990,487	1,024,454
Net assets at end of year	\$ <u>454,931</u>	<u>739,047</u>	<u>1,193,978</u>	<u>990,487</u>

See accompanying notes to financial statements.

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Statement of Activities

Year ended December 31, 2018

	Without donor restrictions	With donor restrictions	Total
Revenue and support:			
Contributions	\$ 207,804	648,972	856,776
Contracts	1,425,988	-	1,425,988
Special events, net of expenses	301,933	-	301,933
Investment income	1,369	-	1,369
Program income	152,037	-	152,037
Program material sales	122,207	-	122,207
Other	1,388	-	1,388
Net assets released from restrictions	656,903	(656,903)	-
Total	2,869,629	(7,931)	2,861,698
Expenses:			
Program services	2,601,665	-	2,601,665
Fund raising	170,685	-	170,685
Management and general	123,315	-	123,315
Total	2,895,665	-	2,895,665
Change in net assets	(26,036)	(7,931)	(33,967)
Net assets at beginning of year	427,468	596,986	1,024,454
Net assets at end of year	\$ 401,432	589,055	990,487

See accompanying notes to financial statements.

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Statements of Cash Flows

Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Change in net assets	\$ 203,491	(33,967)
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	9,951	10,322
Unrealized (gain) loss on investments	(495)	588
Increase in accounts receivable	(42,396)	(102,625)
Decrease (increase) in contributions receivable	4,774	(3,131)
(Increase) decrease in prepaid expenses	(19,537)	16,733
Increase in security deposit	(15,125)	-
Decrease in contributions receivable - long term	1,186	40
Increase (decrease) in accounts payable and accrued expenses	<u>6,842</u>	<u>(4,977)</u>
Net cash provided by (used in) operating activities	<u>148,691</u>	<u>(117,017)</u>
Cash flows from investing activities:		
Purchase of property and equipment	<u>(4,994)</u>	<u>(1,300)</u>
Net cash (used in) investing activities	<u>(4,994)</u>	<u>(1,300)</u>
(Decrease) increase in cash and cash equivalents	143,697	(118,317)
Cash and cash equivalents at beginning of year	<u>675,968</u>	<u>794,285</u>
Cash and cash equivalents at end of year	<u>\$ 819,665</u>	<u>675,968</u>

See accompanying notes to financial statements.

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Statement of Functional Expenses

Year ended December 31, 2019

	<u>Program Services</u>	<u>Fund Raising</u>	<u>Management and General</u>	<u>Total</u>
Personnel and benefits	\$ 2,224,915	185,085	9,216	2,419,216
Program supplies	106,197	-	-	106,197
Occupancy	130,736	4,142	2,072	136,950
Depreciation	8,757	796	398	9,951
Professional fees and consultants	153,497	23,921	31,811	209,229
Insurance	25,963	2,360	1,180	29,503
Travel	71,014	4,032	2,381	77,427
Office expense	87,019	3,157	18,050	108,226
Bad debt expense	-	-	15,174	15,174
Other	4,462	162	1,551	6,175
	<u>\$ 2,812,560</u>	<u>223,655</u>	<u>81,833</u>	<u>3,118,048</u>

See accompanying notes to financial statements.

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Statement of Functional Expenses

Year ended December 31, 2018

	<u>Program Services</u>	<u>Fund Raising</u>	<u>Management and General</u>	<u>Total</u>
Personnel and benefits	\$ 1,975,244	150,601	74,066	2,199,911
Program supplies	138,304	-	-	138,304
Occupancy	109,857	3,831	1,915	115,603
Depreciation	9,083	826	413	10,322
Professional fees and consultants	166,799	7,106	32,088	205,993
Insurance	23,975	2,180	1,090	27,245
Travel	82,666	1,173	5,146	88,985
Office expense	88,437	4,520	8,597	101,554
Other	7,300	448	-	7,748
	<u>\$ 2,601,665</u>	<u>170,685</u>	<u>123,315</u>	<u>2,895,665</u>

See accompanying notes to financial statements.

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Notes to Financial Statements

December 31, 2019 and 2018

(1) Summary of Significant Accounting Policies

(a) Organization

Georgia Center for Child Advocacy, Inc. (the "Organization") mission is to champion the needs of sexually and severely physically abused children through prevention, intervention, therapy, and collaboration. These services are provided at no cost to children who reside in DeKalb and Fulton County. The Organization's role throughout the criminal investigation is to focus on the child's needs, rather than focusing on the crime itself. The Organization was established as a private, non-profit agency in 1987. In 1992, the Organization was the 10th agency in the country to become an accredited member of the National Children's Alliance and the first in Georgia.

(b) Accrual Basis

The financial statements of the Organization have been prepared on the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred.

(c) Basis of Presentation

The accounting policies of the Organization have been designed to conform to U.S. generally accepted accounting principles (U.S. GAAP) as applicable to not-for-profit organizations.

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly net assets of the Organization and changes therein are classified and reported as follows:

Without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

With donor restrictions – Net assets subject to donor –imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time.

(d) Contributions

Contributions received, including unconditional promises to give, are recognized as revenue when assets or a donor's unconditional commitment is received.

Contributions 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 with donor restrictions support that increases that net asset class. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Notes to Financial Statements

December 31, 2019 and 2018

(e) Cash and Cash Equivalents

For the purpose of these statements, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to cash and having original maturities of three months or less, when purchased

(f) Investments

Investments are stated at fair value. Securities are carried at market value, as quoted on major stock exchanges. Net realized and unrealized gains or losses on sales of investments are recognized in the period in which they occur.

(g) Property, equipment, and leasehold improvements

Expenditures for furniture, equipment and leasehold improvements are capitalized at cost. Contributed assets are recorded at their fair value at the date of gift. Depreciation is provided on a straight-line basis over the estimated useful lives of the related assets as follows:

	<u>Life</u>
Furniture and fixtures	5 - 7 years
Equipment	3 - 5 years
Leasehold improvements	6 - 7 years

(h) Functional Allocation of Expense

The costs of providing the various programs and other 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 based on estimates of time and effort and space allocations.

(i) Tax Status

The Organization is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code (IRC), though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). Contributions to the organization are tax deductible to donors under Section 170 of the IRC. The organization is not classified as a private foundation.

(j) Use of Estimates

Management of the Organization has made certain estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare the financial statements in conformity with generally accepted accounting principles. Actual results could differ from those estimates.

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Notes to Financial Statements

December 31, 2019 and 2018

(k) New Accounting Pronouncements

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* to clarify and improve the scope and accounting guidance on revenue recognition; and to assist entities in distinguishing between contributions (non-reciprocal) and exchange (reciprocal) transactions; and to determine whether a contribution is conditional. The new standard was effective for the Organization for fiscal years beginning after December 15, 2018 and the Organization adopted the standard. This ASU had no effect on the Organization's revenue recognition.

(2) Liquidity and Availability

Financial assets that are available for general expenditure within one year of December 31, 2019 are as follows:

Total assets		\$ 1,364,245
Less:		
Contributions receivable – greater than one year	(634)	
Fixed assets, net	(45,857)	
Net assets with donor restrictions –time or purpose	(739,047)	
Financial assets available within one year		\$ <u>578,707</u>

The Organization has a line of credit with a bank of \$150,000 which is secured by all of the Organization's assets. The line of credit carries a variable interest rate based on the prime rate. At December 31, 2019, there was no amount outstanding on this line of credit.

The Organization manages its financial assets to be available as its operating expenditures, liabilities and other obligations come due. In addition, the Organization invests cash in excess of projected monthly requirements in money market accounts.

(3) Contributions Receivable

Contributions receivable, net, are summarized as follows at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Unconditional promises expected to be collected in:		
Less than one year	\$ 12,900	20,174
One year to five years	3,134	6,820
Over five years	<u>-</u>	<u>-</u>
	16,034	26,994
Less allowances for uncollectible promises to give	<u>(5,000)</u>	<u>(10,000)</u>
	<u>\$ 11,034</u>	<u>16,994</u>

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Notes to Financial Statements

December 31, 2019 and 2018

(4) Investments

At December 31, 2019 and 2018, the fair value of investments is as follows:

		<u>2019</u>		<u>2018</u>
Equity securities	\$	<u>2,946</u>		<u>2,451</u>

(5) Fair Value Measurements

The Organization follows the provisions of Statement of Financial Accounting Standards Board (FASB) Accounting Standards Codification ASC 820, *Fair Value Measurements and Disclosures*, for financial assets and liabilities. Under ASC 820, fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, ASC 820 establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels. These levels, in order of highest priority to lowest priority, are described as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Other significant observable inputs not quoted on active markets, but corroborated by market data.
- Level 3: Significant unobservable inputs for the asset that are supported by little or no market activity and that are significant to the fair value of the underlying asset.

The following table summarized the Organization's financial instruments measured at fair value on a recurring basis in accordance with ASC 820 as of December 31, 2019 and 2018:

December 31, 2019:

		Total	Level 1	Level 2	Level 3
Publicly traded securities	\$	2,946	2,946	-	-

December 31, 2018:

		Total	Level 1	Level 2	Level 3
Publicly traded securities	\$	2,451	2,451	-	-

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Notes to Financial Statements

December 31, 2019 and 2018

(6) Fixed Assets

Fixed assets consisted of the following at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Furniture and fixtures	\$ 108,292	108,292
Leasehold improvements	142,163	142,163
Equipment	<u>154,962</u>	<u>149,968</u>
	405,417	400,423
Less accumulated depreciation	<u>(359,560)</u>	<u>(349,609)</u>
	\$ <u>45,857</u>	<u>50,814</u>

(7) Net Assets with Donor Restrictions

Net assets with donor restrictions at December 31, 2019 and 2018 consist of funds for the following:

	<u>2019</u>	<u>2018</u>
Prevention Program	\$ 572,528	567,000
General Operating Support	51,486	22,055
Capital Campaign	<u>115,033</u>	<u>-</u>
	\$ <u>739,047</u>	<u>589,055</u>

During 2019 and 2018, net assets were released from donor restrictions as a result of expenses being incurred to satisfy the restrictions specified by donors or the passage of time are as follows:

	<u>2019</u>	<u>2018</u>
Prevention Program	\$497,972	536,235
General Operating Support	<u>41,138</u>	<u>120,668</u>
	<u>\$539,110</u>	<u>\$656,903</u>

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Notes to Financial Statements

December 31, 2019 and 2018

(8) Commitments

The Organization leases office equipment and space under operating leases for various terms. During 2019, the Organization's facility was subleased from another nonprofit agency in Atlanta, Georgia. Rent expense was \$62,424 for the year ended December 31, 2019. This lease was extended to July 31, 2020 at \$5,358 per month.

On December 13, 2019, the Organization leased office and warehouse space for a period of ten years. A build out of this property was completed in July 2020 and rent expense began in August 2020.

Minimum lease payments under the terms of this new lease are as follows:

2020	\$ 75,625
2021	183,769
2022	189,282
2023	194,960
2024	200,810
Thereafter	1,236,248

(9) Contracts

During 2019 and 2018, the Organization recorded revenue totaling \$1,862,096 and \$1,425,998, respectively, related to various government grants and contracts. Of this amount, \$85,253 and \$67,906, was passed through to a subrecipient organization during 2019 and 2018, respectively.

(10) Retirement Plan

The Organization provides a Simple IRA plan for all employees who have at least \$5,000 in wages in the prior year. An employee can contribute up to \$10,000 (\$12,000 if age 50 or older) annually. The Organization can match the employee's contribution up to 3% of the employee's contribution. The Organization's contribution for the year ended December 31, 2019 and 2018 was \$30,774 and \$28,633, respectively.

(11) Subsequent Events

Subsequent events have been evaluated through August 25, 2020 which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Schedule of Expenditures of Federal Awards

Year ended December 31, 2019

<u>Federal grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Expenditures</u>
U.S. Department of Health and Human Services:				
Substance Abuse and Mental Health Services	93.243	5U79SM063102-02 5U79SM063102-03	\$ 85,253	\$ 405,631
Pass-Through Programs From:				
Office of the Governor - Georgia: Family Violence Prevention and Services Act	93.671	V18-8-057 V19-8-054	-	53,088
Georgia Department of Human Services: Office of Prevention & Family Services	93.590	42700-040-0000072588 42700-040-0000061730	-	104,917
Total U.S. Department of Health and Human Services			85,253	563,636
U. S. Department of Justice:				
The Envision Project	16.320	2016-VT-BX-K041	-	138,672
Pass-Through Programs From:				
Office of the Governor - Georgia:				
Victims of Crime Act Grant Program	16.575	2016-VA-GX-0023 2017-VA-GX-0009	-	652,126
Victims of Crime Act Grant Program	16.575	C18-8-080	-	215,530
Victims of Crime Act Grant Program	16.575	C16-8-286	-	19,068
Victims of Crime Act Grant Program	16.575	C51-8-003 C51-8-010	-	122,666
National Children's Alliance Grant	16.834	ATLA-GA-SBP19	-	24,840
Total U.S. Department of Justice			-	1,172,902
Total Federal Expenditures			\$ 85,253	\$ 1,736,538

See accompanying independent auditor's report and notes to schedule of expenditures of federal awards.

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Notes to Schedule of Expenditures of Federal Awards

Year ended December 31, 2019

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Organization under programs of the federal government for the year ended December 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

(2) Summary of Significant Accounting Policies

Expenditures on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Organization has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance only on its Substance Abuse and Mental Health Services grant and The Envision Project grant.

(3) Matching

The Organization matched \$70,031 to the Victims of Crime Act Grant for the year ended December 31, 2019 in addition to the federal share of expenditures in the accompanying schedule of expenditures of federal awards.

**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**

Independent Auditor's Report

The Board of Directors
Georgia Center for Child Advocacy, Inc.:

I have audited, in accordance with auditing standards general 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 Georgia Center for Child Advocacy, Inc. ("the Organization"), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements and have issued my report thereon dated August 25, 2020.

Internal Control over Financial Reporting

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

My 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 my audit I did not identify any deficiencies in internal control that I 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, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

James J. Johnson, CPA

August 25, 2020

**Report on Compliance For Each Major Federal Program
And on Internal Control Over Compliance Required by the Uniform Guidance**

Independent Auditor's Report

The Board of Directors
Georgia Center for Child Advocacy, Inc.:

Report on Compliance for Each Major Federal Program

I have audited the Georgia Center for Child Advocacy, Inc. ("the Organization") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2019. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of the Organization's compliance.

Opinion on Each Major Federal Program

In my opinion, Organization's complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Jan Dythow, CPA

August 25, 2020

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Schedule of Findings and Questioned Costs

Year ended December 31, 2019

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified opinion

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Type of auditor's report issued on compliance for major federal programs: unmodified opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CRF 200.516(a)? yes no

Identification of major federal programs: CFDA 16.575 Victims of Crime Act Grant Program

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? yes no

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Schedule of Findings and Questioned Costs

Year ended December 31, 2019

Section II – Financial Statement Findings

There were no findings related to the financial statements for the year ended December 31, 2019.

Section III – Federal Award Findings and Questioned Costs

There were no findings and questioned costs related to the financial statements for the year ended December 31, 2019.