

**COMMUNITY OVERCOMING RELATIONSHIP ABUSE
(A NONPROFIT PUBLIC BENEFIT CORPORATION)**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION**

YEAR ENDED JUNE 30, 2011

**(WITH SUMMARIZED FINANCIAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2010)**

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Patricia A. Wintroath, CPA

Independent Auditor's Report

December 30, 2011

Board of Directors
Community Overcoming Relationship Abuse
Burlingame, California

I have audited the accompanying statement of financial position of Community Overcoming Relationship Abuse as of June 30, 2011, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of Community Overcoming Relationship Abuse's management. My responsibility is to express an opinion on these financial statements based on my audit. The prior year summarized comparative information has been derived from the Organization's June 30, 2010 financial statements and, in my report dated December 27, 2010, I expressed an unqualified opinion on those financial statements

I conducted my audit in accordance with generally accepted auditing standards and the 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 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Overcoming Relationship Abuse as of June 30, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 30, 2011 on my consideration of Community Overcoming Relationship Abuse's internal control over financial reporting and 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

My audit was performed for the purpose of forming an opinion on the basic financial statements of Community Overcoming Relationship Abuse taken as a whole. The accompanying schedule of expenditures of federal awards is presented on page 15 and the additional information is presented on pages 14 - 16 for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Patricia A. Wintroath, CPA

Patricia A. Wintroath, CPA

COMMUNITY OVERCOMING RELATIONSHIP ABUSE

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2011

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2010)

	Unrestricted			Total All Funds	
	General	Property and Equipment	Temporarily Restricted	2011	2010
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	\$162,284	\$	\$281,505	\$443,789	\$552,722
Grants receivable (Note C)	585,276		95,000	680,276	616,888
Accounts and pledges receivable	61,208			61,208	31,737
Prepaid expenses	47,170		27,771	74,941	50,307
TOTAL CURRENT ASSETS	855,938	0	404,276	1,260,214	1,251,654
INVESTMENTS (Note D)	2,041,700			2,041,700	1,707,587
PROPERTY AND EQUIPMENT, net of accumulated depreciation and amortization at June 30, 2011 and 2010 of \$630,549 and \$559,238, respectively. (Note E)		962,751		962,751	981,627
DEPOSITS	20,005			20,005	20,005
TOTAL ASSETS	\$2,917,643	\$962,751	\$404,276	\$4,284,670	\$3,960,873
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES:					
Accounts payable and accrued expenses	\$50,497	\$	\$	\$50,497	\$80,279
Accrued wages	67,655			67,655	41,295
Accrued vacations	60,447			60,447	51,830
Line of credit (Note F)				0	0
Client savings account			18,276	18,276	12,619
Current portion of long term debt (Note G)		1,151		1,151	1,095
TOTAL CURRENT LIABILITIES	178,599	1,151	18,276	198,026	187,118
LONG TERM DEBT (Note G)		549,797		549,797	549,446
COMMITMENTS AND CONTINGENCIES (Note I)					
NET ASSETS (Notes B & I)	2,739,044	411,803	386,000	3,536,847	3,224,309
TOTAL LIABILITIES AND NET ASSETS	\$2,917,643	\$962,751	\$404,276	\$4,284,670	\$3,960,873

See Notes to Financial Statements

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2011
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2010)

	Unrestricted			Total All Funds	
	General	Property and Equipment	Temporarily Restricted	2011	2010
SUPPORT AND REVENUE					
Support:					
Foundations	\$202,000	\$	\$359,500	\$561,500	\$644,002
Organizations	29,870		14,600	44,470	43,045
Individual donations	182,370		100,001	282,371	553,409
In-kind donations (Note B)	187,798			187,798	194,651
Total Support	602,038	0	474,101	1,076,139	1,435,107
Revenue:					
Government	636,924		1,061,186	1,698,110	1,364,600
Court ordered clients	28,082			28,082	34,394
Fees for service	1,520			1,520	715
Other revenue	22,537			22,537	17,076
Investment income	23,384			23,384	25,995
Special events	123,033			123,033	198,134
Total Revenue	835,480	0	1,061,186	1,896,666	1,640,914
Net Assets Released From Restrictions	1,559,953	(19,283)	(1,540,670)	0	0
TOTAL SUPPORT AND REVENUE	2,997,471	(19,283)	(5,383)	2,972,805	3,076,021
EXPENSES					
Program					
Client Services/Emergency Response Program	535,723			535,723	562,940
Clinical	270,463			270,463	165,932
Community Education	37,000			37,000	85,453
Legal Services	227,264			227,264	269,364
Housing	1,149,908			1,149,908	792,269
Volunteer Program	51,962			51,962	60,180
Total program expenses	2,272,320			2,272,320	1,936,138
Support					
Management and General	341,547			341,547	319,162
Fundraising	386,095			386,095	313,326
Total support expenses	727,642			727,642	632,488
TOTAL EXPENSES	2,999,962	0	0	2,999,962	2,568,626
CHANGE IN NET ASSETS FROM OPERATIONS	(2,491)	(19,283)	(5,383)	(27,157)	507,395
NONOPERATING GAINS (LOSSES):					
Unrealized gain (loss) on investments	265,142			265,142	158,405
Realized gain (loss) on investments	74,553			74,553	(4,112)
TOTAL NONOPERATING GAINS (LOSSES)	339,695	0	0	339,695	154,293
CHANGE IN NET ASSETS	337,204	(19,283)	(5,383)	312,538	661,688
NET ASSETS, beginning of year	2,401,840	431,086	391,383	3,224,309	2,562,621
NET ASSETS, end of year (Notes B & I)	<u>\$2,739,044</u>	<u>\$411,803</u>	<u>\$386,000</u>	<u>\$3,536,847</u>	<u>\$3,224,309</u>

See Notes to Financial Statements

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2011

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2010)

	Client Services/ERP	Community Education	Clinical	Legal Services	Housing * Program	Volunteer Program	Total Program	Management and General	Fundraising	Total Support	Total All Funds	
											2011	2010
Salaries	\$335,665	\$23,579	\$130,998	\$118,147	\$374,550	\$23,461	\$1,006,400	\$206,441	\$181,695	\$388,136	\$1,394,536	\$1,304,775
Payroll taxes	28,297	2,001	10,824	9,913	31,480	2,006	84,521	17,466	15,196	32,662	117,183	110,218
Employee benefits	46,916	3,350	15,133	18,683	52,328	3,356	139,766	35,794	23,943	59,737	199,503	167,163
Total personnel expenses	410,878	28,930	156,955	146,743	458,358	28,823	1,230,687	259,701	220,834	480,535	1,711,222	1,582,156
Travel	3,540	182	989	1,056	17,592	182	23,541	751	516	1,267	24,808	26,733
Training and education	3,581	588	8,485	4,109	4,917	1,346	23,026	4,108	1,840	5,948	28,974	14,629
Meals and entertainment	315	272	84	391	867	211	2,140	6,614	991	7,605	9,745	8,981
Rent	43,866	257	12,322	13,442	158,655	4,764	233,306	22,586	16,023	38,609	271,915	263,911
Utilities					13,228		13,228			0	13,228	10,759
Emergency lodging					7,654		7,654			0	7,654	8,030
Repairs and maintenance	12				21,554		21,566			0	21,566	33,989
Office expense	10,546	147	2,782	3,204	14,771	1,291	32,741	8,481	6,866	15,347	48,088	41,999
Telephone	11,681	55	1,762	1,435	11,268	333	26,534	1,400	989	2,389	28,923	35,942
Postage	789	7	219	250	995	111	2,371	513	2,550	3,063	5,434	7,543
Printing	1,032	39	119	302	731	96	2,319	1,281	10,462	11,743	14,062	12,820
Program activities		242			2,437	644	3,323			0	3,323	3,206
Program supplies	827	1,498	531		17,840	170	20,866		1,963	1,963	22,829	30,976
Bank charges							0	10	1,199	1,209	1,209	2,139
Insurance	3,532	20	986	2,317	5,766	1,196	13,817	3,073	1,306	4,379	18,196	18,751
Taxes					1,178		1,178			0	1,178	1,070
Interest expense					3,407		3,407			0	3,407	30,162
Dues and subscriptions	134			1,244	66		1,444	2,358	720	3,078	4,522	3,594
Advertising and promotion	150			75	675		900	75	975	1,050	1,950	1,799
Professional fees	22,274	656	60,628	5,927	50,994	2,380	142,859	26,118	36,311	62,429	205,288	138,648
Other fees				492	125		617	247	8	255	872	481
Depreciation	5,507	31	1,503	1,583	55,987	549	65,160	4,231	1,920	6,151	71,311	67,497
Special event expenses							0		62,027	62,027	62,027	34,501
Client assistance					230,433		230,433			0	230,433	8,188
Miscellaneous expenses							0			0	0	471
Donated materials	8,680			3,227	64,911		76,818		18,595	18,595	95,413	90,661
Donated services	8,379	4,076	23,098	41,467	5,499	9,866	92,385			0	92,385	88,990
Total expenses	\$535,723	\$37,000	\$270,463	\$227,264	\$1,149,908	\$51,962	\$2,272,320	\$341,547	\$386,095	\$727,642	\$2,999,962	\$2,568,626

* Housing program includes Emergency Shelter and Transitional Housing Programs

See Notes to Financial Statements

COMMUNITY OVERCOMING RELATIONSHIP ABUSE

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2011

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2010)

	Unrestricted		Temporarily Restricted	Total All Funds	
	General	Property and Equipment		2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES:					
Change in Net Assets	\$337,204	(\$19,283)	(\$5,383)	\$312,538	\$661,688
Adjustment to reconcile change in net assets to cash provided (used) by operating activities:					
Depreciation		71,311		71,311	67,497
	337,204	52,028	(5,383)	383,849	729,185
CHANGES IN CURRENT ASSETS AND CURRENT LIABILITIES					
(Increase) decrease in grants receivable	31,612		(95,000)	(63,388)	(136,787)
(Increase) decrease in accounts and pledges receivable	(29,471)			(29,471)	(10,991)
(Increase) decrease in prepaid expenses	(9,953)		(14,681)	(24,634)	2,393
(Increase) decrease in deposits	0			0	525
Increase (decrease) in accounts payable and accrued expenses	(29,782)			(29,782)	(3,438)
Increase (decrease) in accrued wages	26,360			26,360	(4,582)
Increase (decrease) in accrued vacations	8,617			8,617	(18,938)
Increase (decrease) in client savings account			5,657	5,657	1,497
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	334,587	52,028	(109,407)	277,208	558,864
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchase of securities	(673,808)			(673,808)	(159,668)
Unrealized gain (loss) on investments	265,142			265,142	158,405
Realized gain (loss) on investments	74,553			74,553	(4,112)
(Gain) Loss on disposal of equipment				0	557
Equipment and property purchases		(52,435)		(52,435)	(74,697)
Equipment and property donations				0	0
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(334,113)	(52,435)	0	(386,548)	(79,515)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Borrowing on long term loan		1,500		1,500	41,947
Borrowing on line of credit					
Repayments on loans/ Line of credit		(1,093)		(1,093)	(151,026)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	0	407	0	407	(109,079)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	474	0	(109,407)	(108,933)	370,270
CASH AND CASH EQUIVALENTS, beginning of year	161,810	0	390,912	552,722	182,452
CASH AND CASH EQUIVALENTS, end of year	\$162,284	\$0	\$281,505	\$443,789	\$552,722
SUPPLEMENTAL INFORMATION:					
Interest paid				\$1,907	\$4,041

See Notes to Financial Statements

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

NOTE A - ORGANIZATION

General – Community Overcoming Relationship Abuse (CORA (the Organization) is a California nonprofit public benefit corporation incorporated on November 22, 1977. The Organization was previously known as the Center for Domestic Violence Prevention/Sor Juana Ines. The Organization's primary mission is to end domestic violence/abuse in the individual lives of women in San Mateo County, California, through intervention and prevention. A board of Directors comprising of sixteen members governs the Organization.

In September 2002, the Sor Juana Ines Services for Abused Women's board of Directors approved a plan to dissolve and then merge into the Center for Domestic Violence Prevention. During January 2003, the Organization moved into the facilities of the Center for Domestic Violence Prevention and began sharing expenses. The dissolution of Sor Juana Ines Services for Abused Women was completed September 17, 2003.

In furtherance of its purpose, the Organization provides the following basic services for victims of domestic violence and their children:

- a) Emergency shelter, including moteling, on a twenty-four hours a day, seven days a week basis;
- b) Twenty-four hours a day, seven days a week support line and emergency response to law enforcement calls;
- c) Transitional housing and support services;
- d) Psychological support and peer counseling;
- e) Legal assistance and representation so that domestic violence victims can obtain restraining orders, and a legal information line to answer domestic violence related legal questions;
- f) Referral systems to ensure provision of medical care, legal assistance, counseling, and information regarding education, job counseling and training programs, housing referrals and other available social services.

Prevention services include community education to teens and adults, including underserved communities (e.g. Latino, Filipino, etc.).

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Reporting - The Organization maintains its accounting records on the accrual basis of accounting.

To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, the accounts of the Organization are maintained in

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

accordance with the principles of fund accounting. Fund accounting is the procedure by which resources for the various programs are classified for accounting and reporting according to the activities and objectives specified by donors, grantors, officials and governing boards. Separate accounts are maintained for each program.

Estimates - In preparing financial statements in conformity with Generally Accepted Accounting Principles, management must make estimates based on future events that affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities as of the date of the financial statements; and revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents - The Organization's cash and cash equivalents balance consists of amounts held in checking and savings accounts in large financial institutions.

Property and Equipment - Furniture and equipment are stated at cost. Donated equipment is recorded at its estimated fair market value. Expenditures for property and equipment are capitalized. The capitalization policy of the Organization is to capitalize fixed assets on invoices greater than \$1,000 with unit costs of more than \$500. Depreciation for property and equipment is calculated using the straight-line method over the useful life of each asset. The useful life of these assets ranges from three to forty years. When assets are retired or sold, the related cost and accumulated depreciation are removed from the accounts and any gain or loss arising from such disposition is included as revenue or expense. Expenditures for repairs and maintenance are charged to expense as incurred.

Donated materials and Services - Donated materials recorded at their fair value at the date of donation. In addition, a substantial number of individuals have donated significant amounts of their time to the Organization, primarily through program activities. These services are reflected in the accompanying financial statements using a valuation of the services based on an estimate of the fair value at the time of the donation. Donated services by individuals providing administration services are not recorded as donated services as there are no special skills required for these services. During the year ended June 30, 2011, the organization received approximately 3,728 hours of volunteer services.

Functional Allocation of Expenses - Costs of providing the various programs have been summarized on a functional basis in the accompanying statement of functional expenses.

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes - The Organization is a Section 501(c)(3) organization exempt from income taxes under Section 501(a) of the Internal Revenue Code and Section

23701(d) of the California Revenue and Taxation Code. There was no taxable unrelated business income during the year ended June 30, 2011.

Contributions and Grant Revenue - The Organization receives contributions and grants from corporations, foundations, charitable organizations and individuals. The Organization has adopted the provisions of Accounting Standards Codification FASB ASC 958-605 and FASB ASC-958-210-45(formerly Standards (SFAS) No. 116, "Accounting for Contributions Received and Contributions Made", and 117, "Financial Statements for Not-for-Profit Organizations.")

The provisions of FASB ASC 958-605-25 require the Organization to recognize contributions and grants as either temporarily or permanently restricted support, if they are received with donor stipulations that limit the use of the contribution or grant. When a temporary restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

All other contributions are recognized upon receipt. Performance revenue is recognized as earned. Amounts received but not yet earned are reported as deferred revenue.

Other support and revenue, such as interest income, proceeds from fund-raising, and expenses, are accounted for using the accrual method. Government contracts include federal pass-through funds, which are identified in the Schedule of Expenditures of Federal Awards.

Financial Statement Presentation - Under Accounting Standards Codification (FASB ASC 958-210-45 (formerly Statement of Financial Accounting Standard (SFAS) No. 117, "Financial Statements of Not-For-Profit Organizations"), the Organization is required to report information regarding their financial position and activities according to three classes of net assets: unrestricted and temporarily restricted and permanently net assets. CORA currently has no assets that are permanently restricted.

Summarized Financial Information for 2010 - The financial information for the year ended June 30, 2010, presented for comparative purposes, and is not intended to be a complete financial statement presentation.

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassifications - Certain reclassifications have been made in the 2010 comparative totals to conform to the classifications used in 2011.

NOTE C – GRANTS, ACCOUNTS & PLEDGES RECEIVABLE

Grants receivable consisted of the following amounts at June 30, 2011:

Daly City – CDBG, Homeless Prevention & Rapid Re-Housing Program	\$ 5,168
City of San Mateo - RDA	3,430
City of South San Francisco – CDBG Shelter	38
County of San Mateo - CCAT	15,000
County of San Mateo – CDBG Shelter	6,340
County of San Mateo - HSA Child & Family Services	15,000
County of San Mateo - Probation Trust	21,643
County of San Mateo - HPRP	1,040
California Homeless Prevention & Rapid Re-Housing Program	2,423
California Emergency Management Agency - DVAP	235,745
U.S. Department of Justice – OVW Legal Assistance for Victims	22,340
U.S. Department of Housing and Urban Development	133,745
U.S. Department of Justice OVW Transitional Housing	97,327
U.S. Department of Justice OVW Community Defined Solutions	26,037
Kaiser Foundation	45,000
Sequoia Healthcare District	<u>50,000</u>
Total Grants, Accounts & Pledges Receivable	<u>\$680,276</u>

The organization does not believe that an allowance for doubtful accounts is required for any of the grant receivable as of June 30, 2011.

NOTE D – INVESTMENTS

Investments for the year ended June 30, 2011, consisted of the following:

<u>Type</u>	<u>Cost Basis</u>	<u>Fair Market Value</u>	<u>Unrealized Gain/(Loss)</u>
Stocks & Mutual Funds	\$1,106,154	\$1,355,915	\$249,761
Corporate Obligations	313,211	325,431	12,220
Real Estate Asset Funds	95,000	104,164	9,164
Government Obligations	<u>254,227</u>	<u>256,189</u>	<u>1,962</u>
Total	<u>\$1,768,592</u>	<u>\$2,041,699</u>	<u>\$273,107</u>

The principal balance of these investments has been designated by the Board of Directors as an Endowment Fund.

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

NOTE E – PROPERTY AND EQUIPMENT

Property and Equipment as of June 30, 2011, consisted of the following:

Building and Improvements	\$1,196,994
Land	34,640
Shelter Furniture and equipment	117,184
Office Furniture and equipment	215,082
Vehicle	<u>29,400</u>
	1,593,300
Less: Accumulated Depreciation	<u>630,549</u>
	<u>\$ 962,751</u>

Depreciation and amortization expense for the years ended June 30, 2011 and 2010 was \$71,311 and \$67,497, respectively.

NOTE F – LINE OF CREDIT

The Organization holds a line of credit with Wells Fargo Bank with a maximum borrowing limit of \$500,000. At June 30, 2011, the interest rate on the line was Prime plus 1.00%, for a resulting rate of 5%. The outstanding balance at June 30, 2011 was \$0.

NOTE G – LONG TERM DEBT

The long term debt of the organization consisted of the following loans at June 30, 2011. The loans below have been categorized as payable, and forgivable based on the terms of each loan.

Payable Loans:

In July 1993, CORA borrowed \$50,000 from the City of San Mateo to renovate and install fire alarm and security systems in the Shelter. The note bears interest at 5%. Payments on the note are deferred for 20 years. The note is due and payable on September 1, 2013, and is secured by a Deed of Trust on the land and building. The Organization has chosen to prepay the City of San Mateo with monthly installments of \$250, beginning September 1, 1993. 37,433

In July 1993 CORA borrowed \$50,000 from the County of San Mateo to renovate and install fire alarm and security systems in the Shelter. Payments on the note are deferred for 20 years. The note was restructured

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

NOTE G – LONG TERM DEBT (Continued)

in 2010 to bear 3% simple interest and is payable in full in 2013. The accrued interest through June 30, 2011 is \$27,000. \$ 77,000

On July1, 2006, CORA entered into an agreement, with the City of San Mateo, to borrow \$145,000 to renovate the Shelter to include Disabled Access. The note bears interest at 3%. Payments on the note are deferred for 20 years. The note is due on July 1, 2026 and is secured by a Deed of Trust on the land and building. The accrued interest through June 30, 2011 is \$21,745. This interest has not been entered on the books of the Organization. 145,000

In June 2006, CORA entered into an agreement, with the County of San Mateo, to borrow \$200,000 for rehabilitation of the Shelter. The note bears interest at 3% simple interest. Payments on the note are deferred for 30 years. The note is due on June 1, 2036. The accrued interest through June 30, 2011 is \$30,477. This interest has not been entered on the books of the Organization. 200,000

On July 1, 2008, CORA entered into an agreement, with the County of San Mateo, to borrow \$75,000 for rehabilitation of the Shelter. The note bears interest at 3% simple interest. Payments on the note are deferred for 20 years. The note is due on July 1, 2028. The accrued interest through June 30, 2011 is \$6,744. This interest has not been entered on the books of the Organization. 75,000

On December 18, 2009, CORA entered into an agreement With 1633 Bayshore Associates, LLC to reduce the size of the space rented for the administration offices. As a result of this Agreement, CORA became liable to repay the landlord for previously incurred rent expenses. A note in the amount of \$16,515 was drawn with an interest rate of 8% due on February 1, 2013. The note and all accrued interest will be forgiven if CORA is not in default or breach of obligation under the current rent agreement as of February 1, 2013. The accrued interest through June 30, 2011 is \$2,023. 16,515

\$550,948

Less current portion 1,151

\$549,797

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

NOTE G – LONG TERM DEBT (Continued)

Aggregate maturities on long-term debt for each of the next five years and subsequent periods are as follows:

Year Ended June 30,	
2012	\$ 1,151
2013	94,725
2014	1,272
2015	33,800
2016	0
Subsequent	<u>420,000</u>
	<u>\$550,948</u>

Forgivable Loans:

A loan from the City of San Mateo, in the amount of \$25,000, was received December 1, 1980. This loan was used to make renovations to the Shelter. The note is due when the property is sold or transferred and secured by a Deed of Trust on the land and building. The note does not bear interest. The Organization has no intention of selling or transferring the property and, therefore, the liability has not been recorded in the books.

The Organization deems the default of any of the above notes due to unallowed operations remote since the use of the Transitional House and Shelter House properties facilitates the mission of the Organization.

NOTE H - COMMITMENTS AND CONTINGENCIES

The Organization leases office space from 1633 Bayshore Associates, LLC. The space was expanded in September 2008, for a base monthly rent of \$12,670, with an increase of 3.343% per month for the second year, through January 31, 2010. As of December 31, 2009, the additional space was no longer being leased by the Organization. A new lease for a smaller amount of space was entered into in December 2009, which extends the lease through January 31, 2013. The increase in the base monthly rent will occur on February 1 of each year. The lease expense for the years ended June 30, 2011 and 2010 was \$137,747 and \$141,571, respectively.

The organization rents storage space from U-Stor-It on a month to month basis. The rent expense for the years ended June 30, 2011 and 2010 was \$1,320 and \$1,200, respectively.

The organization rents storage space from Security Public Storage on a month to month basis. The rent expense for the years ended June 30, 2011 and 2010 was \$2,033 and \$1,956, respectively.

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

NOTE H - COMMITMENTS AND CONTINGENCIES (Continued)

The following is a schedule, by year, of future minimum rentals under the leases at June 30, 2011:

<u>Year</u>	<u>Amount</u>
2012	\$155,975
2013	91,576

Grant awards require the fulfillment of certain conditions as set forth in the instruments of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms it has accommodated the objectives of the organization to the provisions of the grant. Management is of the opinion that the organization has complied with the terms of all grants.

The Organization receives a substantial amount of its support from the State of California, and the County of San Mateo. The Organization's programs and activities are dependent upon the availability of these funds. A significant reduction in the level of government support may impact the ability of the Organization to remain a going concern. The amount that would be considered a significant reduction in funding from government agencies cannot be determined as of the financial statement date.

The Organization has instructed its independent auditors to audit the cost related to U.S. government funds to ensure compliance with Circular A-133 issued by the U.S. Office of Management and Budget for the year ended June 30, 2011. Management believes that matters arising from governmental agencies' review of the independent auditors' reports for the year ended June 30, 2011 will not have a material effect on the financial position of the organization.

NOTE I – NET ASSETS

At June 30, 2011, the Organization's temporarily restricted net assets consisted of the following grants:

Atkinson Foundation	\$ 7,500
Blue Shield Foundation	20,000
Crescent Porter Hale Foundation	10,500
Genentech	50,000
Grove Foundation	60,000
Hurlbut-Johnson Fund	20,000
Kaiser Permanente	45,000

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

NOTE I – NET ASSETS (Continued)

Maidenherren Fund	7,000
Palo Alto Community Fund	5,000
San Francisco Foundation	40,000
Sand Hill Foundation	10,000
Sequoia Healthcare District	100,000
Sobrato Foundation	6,000
van Loben Sels/RembeRock Foundation	<u>5,000</u>
Total Temporarily Restricted Net Assets	<u>\$386,000</u>

NOTE J - CONCENTRATION OF CREDIT RISK

The financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of cash and temporary cash investments. The cash balance held at financial institutions was in excess of federally insured limits. The balance of the cash account in excess of the federally insured limits at June 30, 2011 was \$128,072. The Organization has a cash account with a brokerage firm. This cash account is not federally insured. The balance of the cash account in this institution at June 30, 2011 was \$43,350. The Organization places its temporary cash investments with high-credit, high quality financial institutions. The Organization believes no significant concentration of credit risk exists with respect to these cash investments.

NOTE K – SUBSEQUENT EVENTS

These financial statements were approved by the management of the Organization and available for issuance on December 30, 2011. The Organization has evaluated subsequent events through December 30, 2011.

ADDITIONAL INFORMATION

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2011

Federal Grantor Pass-through Grantor/State Pass-through Grantor/County Program Title	Federal CFDA Number	Pass-through Grantor's Contract Number	Contract Period	Award Amount	Amount Expended 2011
FEDERAL AWARDS:					
Department of Housing and Urban Development					
Supportive Housing Program	14.235	CA0255B9T120802	12/1/10-11/30/11.	\$225,375	\$133,745
Supportive Housing Program	14.235	CA0255B9T120801	12/1/09-11/30/10	230,763	88,093
				<u>456,138</u>	<u>221,838</u>
Passed through City of Daly City Community Development Block Grant	14.228	N/A	7/01/10-6/30/11	9,000	9,000
Passed through City of Daly City Community Development Block Grant	14.228	N/A	7/01/10-6/30/11	10,000	10,000
Passed through City of Redwood City Community Development Block Grant	14.228	N/A	7/01/10-6/30/11	13,000	5,793
Passed through City of South San Francisco Community Development Block Grant	14.228	N/A	7/01/10-6/30/11	7,819	1,382
				<u>39,819</u>	<u>26,175</u>
Passed through City of Daly City American Recovery and Reinvestment Act of 2009 Homeless Prevention and Rapid Rehousing Services	14.262	N/A	10/1/09-9/30/11	24,600	523
Passed through County of San Mateo American Recovery and Reinvestment Act of 2009 Homeless Prevention and Rapid Rehousing Services	14.262	N/A	10/1/09-9/30/11	68,300	24,702
Passed through state of California American Recovery and Reinvestment Act of 2009 Homeless Prevention and Rapid Rehousing Services	14.262	N/A	11/1/09-9/30/11	70,000	59,484
				<u>162,900</u>	<u>84,709</u>
Passed through County of San Mateo Emergency Shelter for Domestic Violence Survivors	14.231	N/A	7/01/10-6/30/11	30,000	30,000
Department of Health and Human Services					
Passed through State of California Emergency Management Agency Domestic Violence Services Domestic Violence Assistance Program - FVPS	93.671	DV10211415	7/01/10-6/30/11	73,213	58,256
U.S. Department of Justice					
Passed through State of California Office of Emergency Services Domestic Violence Services Domestic Violence Assistance Program - VOCA	16.575	DV10211415	7/01/10-6/30/11	110,244	76,827
Legal Assistance for Victims Grant Program (Subawardee)	16.524	2005-WL-AX-0022	7/1/05-10/31/11	545,000	84,241
Transitional Housing Assistance Program American Recovery and Reinvestment Act of 2009	16.805	2009-EH-S6-0004	7/1/09-6/30/11	500,000	278,966
Community Defined Solutions to Violence Against Women (Subawardee)	16.590	2010-WE-AX-0067	10/1/10-9/30/12	675,000	58,870
Total Federal Awards				<u>\$2,592,314</u>	<u>\$919,882</u>

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2011

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Overcoming Relationship Abuse and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – FEDERAL EXPENDITURES

The amount of federal expenditures represents the amount of federal funds expended during the fiscal year ended June 30, 2011

ADDITIONAL REPORTS



Patricia A. Wintroath, CPA

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

December 30, 2011

Board of Directors
Community Overcoming Relationship Abuse
Burlingame, California

I have audited the financial statements of Community Overcoming Relationship Abuse as of and for the year ended June 30, 2011, and have issued my report thereon dated December 30, 2011. I conducted my audit in accordance with 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.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Community Overcoming Relationship Abuse's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Community Overcoming Relationship Abuse's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements, that is more than inconsequential, will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or

material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Overcoming Relationship Abuse's financial statements are free of 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*.

This report is intended solely for the information and use of management, the Board of Directors, audit committee, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "Patricia A. Wintroath, CPA". The signature is written in a cursive style.

Patricia A. Wintroath, CPA



Patricia A. Wintroath, CPA

Report on Compliance with Requirements Applicable to Each Major Program and on
Internal Control over Compliance in Accordance with OMB Circular A-133

December 30, 2011

Board of Directors
Community Overcoming Relationship Abuse
Burlingame, California

Compliance

I have audited the compliance of Community Overcoming Relationship Abuse with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2011. Community Overcoming Relationship Abuse's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Community Overcoming Relationship Abuse's management. My responsibility is to express an opinion on Community Overcoming Relationship Abuse's compliance based on my audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Overcoming Relationship Abuse'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. My audit does not provide a legal determination on Community Overcoming Relationship Abuse's compliance with those requirements.

In my opinion, Community Overcoming Relationship Abuse complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2011.

Internal Control over Compliance

The management of Community Overcoming Relationship Abuse is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered Community Overcoming Relationship Abuse's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance, 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 Community Overcoming Relationship Abuse's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

My consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Directors, audit committee, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Patricia A. Wintroath, CPA

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2011

There were no prior year audit findings.

COMMUNITY OVERCOMING RELATIONSHIP ABUSE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2011

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Community Overcoming Relationship Abuse
2. No significant deficiencies relating to the audit of the financial statements are reported in the *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*.
3. No instances of noncompliance material to the financial statements of Community Overcoming Relationship Abuse were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the *Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133*.
5. The Auditor's report on compliance for major federal award programs for Community Overcoming Relationship Abuse expresses an unqualified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this Schedule. (No findings were noted.)
7. The programs tested as major programs include: Department of Housing and Urban Development, Supportive Housing Program, CFDA No. 14.235; Department of Housing and Urban Development, Community Development Block Grant, CFDA No. 14.228; Department of Housing and Urban Development, American Recovery and Reinvestment Act of 2009, Homeless Prevention and Rapid Rehousing Services, CFDA No. 14.262; Department of Health and Human Services, Domestic Violence Assistance Program-FVPS, CFDA No. 93.671; Department of Justice, Domestic Violence Assistance Program-VOCA, CFDA No. 16.575.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Community Overcoming Relationship Abuse qualified as a low risk auditee.

FINDINGS – FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None