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March 8, 2016

Board of Directors
A Better Way Services, Inc.
307 E. Charles Street
Muncie, IN 47305

We have reviewed the audit report prepared by Kemper CPA Group LLP, for the period July 1, 2014 to June 30, 2015. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of A Better Way Services, Inc., as of June 30, 2015, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY
BUILDING CORPORATION**

**COMBINED AUDITED FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEARS ENDED
JUNE 30, 2015 AND 2014**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
A Better Way Services, Inc.

We have audited the accompanying financial statements of A Better Way Services, Inc. (a nonprofit Corporation) and its affiliate Family Services of Delaware County Building Corporation (a nonprofit Corporation), which comprise the combined statement of financial position as of June 30, 2015, and the related combined statements of activities, functional expense and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our 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. Those standards require that we 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the 2015 financial statements referred to above present fairly, in all material respects, the financial position of A Better Way Services, Inc. as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Adjustments to Prior Period Financial Statements

The financial statements of A Better Way Services, Inc. and its affiliate Family Services of Delaware County Building Corporation as of June 30, 2014, were audited by other auditors whose report dated November 14, 2014, expressed an unmodified opinion on those financial statements. As discussed in Note 11 to the financial statements, the Corporations have adjusted their 2014 financial statements to reflect a restatement identified in the current period.

As part of our audit of the 2015 financial statements, we also audited the adjustments to the 2014 financial statements as described in Note 11. In our opinion, such adjustments were appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the Corporation's 2014 financial statements other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2014 financial statements as a whole.

Other Matters

Our 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 the Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 our 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*, we have also issued our report dated November 30, 2015, on our consideration of A Better Way Services, Inc. internal control over financial reporting and on our 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 our 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* in considering A Better Way Services, Inc.'s internal control over financial reporting and compliance.



Kemper CPA Group LLP
Plainfield, Indiana
November 30, 2015

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
COMBINED STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>RESTATED 2014</u>
ASSETS		
Cash	\$ 206,719	\$ 222,596
Grants receivable	104,916	100,416
Prepaid expenses	7,432	7,432
Property, buildings, and equipment, net	1,428,407	1,505,258
Beneficial interest in investments held by others	<u>134,797</u>	<u>133,525</u>
Total Assets	<u>\$ 1,882,271</u>	<u>\$ 1,969,227</u>
LIABILITIES		
Deposits	\$ 1,374	\$ 1,903
Accounts payable	1,120	354
Grants payable	-	7,935
Accrued and withheld liabilities	<u>44,349</u>	<u>35,782</u>
Total Liabilities	<u>46,843</u>	<u>45,974</u>
NET ASSETS		
Unrestricted	1,813,332	1,909,868
Temporarily restricted	<u>22,096</u>	<u>13,385</u>
Total Net Assets	<u>1,835,428</u>	<u>1,923,253</u>
Total Liabilities and Net Assets	<u>\$ 1,882,271</u>	<u>\$ 1,969,227</u>

The accompanying notes are an integral part of the financial statements.

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
COMBINED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014**

	2015			RESTATED 2014		
	Unrestricted	Temporarily Restricted	Totals	Unrestricted	Temporarily Restricted	Totals
REVENUES						
Public support	\$ 339,266	\$ 25,000	\$ 364,266	\$ 273,712	\$ 6,797	\$ 280,509
Grants	941,317	-	941,317	1,025,227	-	1,025,227
Rental income	2,231	-	2,231	7,987	-	7,987
Investment income, net	1,381	-	1,381	20,144	-	20,144
Other	23,392	-	23,392	92,627	-	92,627
Net assets released from restrictions	16,289	(16,289)	-	13,351	(13,351)	-
Total revenues	<u>1,323,876</u>	<u>8,711</u>	<u>1,332,587</u>	<u>1,433,048</u>	<u>(6,554)</u>	<u>1,426,494</u>
EXPENSES						
Program services	1,249,047	-	1,249,047	1,227,502	-	1,227,502
Supporting services						
Management and general	140,658	-	140,658	143,801	-	143,801
Fundraising	36,707	-	36,707	35,659	-	35,659
Total expenses	<u>1,426,412</u>	<u>-</u>	<u>1,426,412</u>	<u>1,406,962</u>	<u>-</u>	<u>1,406,962</u>
Change in net assets	(102,536)	8,711	(93,825)	26,086	(6,554)	19,532
NET ASSETS - beginning of year	<u>1,903,868</u>	<u>13,385</u>	<u>1,917,253</u>	<u>1,877,782</u>	<u>19,939</u>	<u>1,897,721</u>
NET ASSETS - end of year	<u>\$ 1,801,332</u>	<u>\$ 22,096</u>	<u>\$ 1,823,428</u>	<u>\$ 1,903,868</u>	<u>\$ 13,385</u>	<u>\$ 1,917,253</u>

The accompanying notes are an integral part of the financial statements.

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
COMBINED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014**

	2015			2014				
	Programs	Management and General	Fundraising	Total	Programs	Management and General	Fundraising	Total
Salaries	\$ 704,032	\$ 75,375	\$ 20,221	\$ 799,628	\$ 630,058	\$ 80,770	\$ 18,033	\$ 728,861
Employee benefits	90,797	14,000	2,129	106,926	127,206	14,578	1,795	143,579
Payroll taxes	52,633	5,768	1,563	59,964	47,357	5,888	1,343	54,588
Professional fees	100,852	5,815	-	106,667	77,601	10,997	-	88,598
Supplies	42,362	1,417	2,986	46,765	65,160	1,235	3,411	69,806
Telephone	7,886	1,444	-	9,330	8,797	1,062	-	9,859
Postage	564	739	-	1,303	465	1,235	6	1,706
Occupancy	74,355	1,978	2,150	78,483	82,556	43	2,588	85,187
Equipment rental and maintenance	20,624	2,486	-	23,110	17,671	812	-	18,483
Publications and subscriptions	-	99	3,963	4,062	-	113	6,626	6,739
Conferences and training workshops	7,518	190	-	7,708	2,337	20	-	2,357
Employee allowances	3,646	192	-	3,838	1,890	34	-	1,924
Membership dues	1,757	-	-	1,757	1,892	-	-	1,892
Insurance	35,763	7,549	235	43,547	30,698	6,177	264	37,139
Food	16,599	67	3,460	20,126	21,217	-	1,593	22,810
Transportation	-	-	-	-	44,950	-	-	44,950
Miscellaneous	2,785	2,892	-	5,677	5,094	1,472	-	6,566
Total expenses before depreciation	1,162,173	120,011	36,707	1,318,891	1,164,949	124,436	35,659	1,325,044
Depreciation	86,874	20,647	-	107,521	62,553	19,365	-	81,918
Total functional expenses	\$ 1,249,047	\$ 140,658	\$ 36,707	\$ 1,426,412	\$ 1,227,502	\$ 143,801	\$ 35,659	\$ 1,406,962

The accompanying notes are an integral part of the financial statements.

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (87,825)	\$ 25,532
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	107,521	81,918
Realized gain on investments	(8,444)	(3,829)
Unrealized (gain) loss on investments	8,495	(13,570)
Increase in assets:		
Accounts receivable	(4,500)	(33,687)
Increase (Decrease) in liabilities:		
Deposits	(529)	721
Accounts payable	766	(1,610)
Grants payable	(7,935)	-
Accrued and withheld liabilities	<u>8,567</u>	<u>3,249</u>
Net Cash Provided by Operating Activities	<u>16,116</u>	<u>58,724</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash payments for the purchase of property	(34,269)	(71,669)
Net change in investments	<u>2,276</u>	<u>(1,111)</u>
Net Cash Used by Investing Activities	<u>(31,993)</u>	<u>(72,780)</u>
Net Decrease in Cash	(15,877)	(14,056)
CASH - Beginning of Year	<u>222,596</u>	<u>236,652</u>
CASH - End of Year	<u>\$ 206,719</u>	<u>\$ 222,596</u>
Supplemental Information		
Cash paid during the year for interest	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014**

Note 1 – NATURE OF OPERATIONS

A Better Way Services, Inc. (A Better Way) brings peace to homes, strength to individuals and families, and positive impact to community, through prevention and crisis intervention. Services provided by A Better Way program's combat growing domestic violence. Financial support for these services consist primarily of grants and donations from private and public organizations and individuals. Approximately 11% and 24% of the Organization's support for the year ended June 30, 2015 came from grants authorized by the Department of Housing and Urban Development and Department of Education, respectively; while approximately 16% and 28% of the Organization's support for the year ended June 30, 2014 came from grants authorized by the Department of Housing and Urban Development and the Department of Education, respectively.

For the years ended June 30, 2015 and 2014, A Better Way's major program (as relative to federal awards) is its 21st Century Community Learning Program within A Better Way programs. The majority of the funding for this program consists of grant monies from the Department of Education which is passed through from the Indiana Department of Education. This program provides services to individuals in Delaware County, Indiana. For the year ended June 30, 2014, A Better Way's major programs consisted of Substance Abuse Prevention and Treatment Block Grants from the Department of Health and Human Services that was passed through from the Indiana Family & Social Services Administration's Division of Mental Health. This program provided services to individuals in Delaware County, Indiana and sixteen other counties located in east-central Indiana.

Family Services of Delaware County Building Corporation (Building Corporation) was organized in 1991 for the exclusive purpose of holding title to property for use by A Better Way Services, Inc.

Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Combined Financial Statement Presentation – The Organizations, through a related directorate, coordinate their efforts in advancing A Better Way's goals. The Building Corporation's principal business activity is leasing property to A Better Way. Accordingly, the financials statements of these affiliated Organizations are presented on a combined basis. All intercompany accounts and transactions have been eliminated.

In accordance with GAAP, the Organizations report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. In addition, the Organizations present a statement of cash flow.

Cash and Cash Equivalents – The Organizations maintain cash in accounts at local financial institutions which are insured by the FDIC. For purposes of the statement of cash flow, the Organizations consider all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Grants Receivable – The Organizations consider all receivables to be fully collectible; accordingly, no allowance for doubtful accounts is required. Should management deem any accounts receivable to be uncollectible, the outstanding balance is written-off to bad debt expense. Amounts written-off to bad debt expense have been immaterial to the financial statements.

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014**

Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Beneficial Interest in Investments Held by Others – These assets, or investments, are recorded at their fair market value. Increases and decreases in the fair market value of the assets are recorded in revenue and expenses. Restricted gains, losses and investment income are reported as increases or decreases in unrestricted net assets if the restrictions expire in the fiscal year in which the investment return components are recognized.

Property, Buildings and Equipment – The Organizations’ policies are to capitalize assets valued at \$1,000 or greater. Property, buildings and equipment are valued at cost for items purchased and at the approximate fair market value at the date of gift for items donated. Maintenance and repairs that do not improve or extend the useful lives of property and equipment are charged to expense as incurred. Upon retirement or sale of property, buildings and equipment, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss, if applicable, is reported in the statement of activities. Depreciation is calculated using the straight-line method based upon the estimated useful lives of the assets, ranging from five to forty years.

Public Support and Revenue – In accordance with GAAP, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Grant revenue that is restricted by the grantor is reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the grant revenue is recognized. All other donor-restricted support is reported as increases in temporarily or permanently restricted net assets depending on the nature of restrictions. When the restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Donated Materials and Services – Donated materials, equipment and services which require specialized skills, when received and measurable, are reflected as contributions in the accompanying financial statements at their estimated fair market value when received.

Functional Allocation of Expenses – The cost of providing the various programs and activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs, if not directly traceable, have been allocated between the program services and supporting services benefited.

Income Tax Status – A Better Way is a non-profit organization exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. The Building Corporation is an organization exempt under Section 501(c)(2) of the Internal Revenue Code. Therefore, no provision or liability for income taxes has been included in the financial statements. There was no unrelated business income for the years ended June 30, 2015 and 2014. The Organizations file U.S. federal and state of Indiana tax returns. The Organizations believe that they have appropriate support for any tax positions taken, and as such does not have any uncertain tax positions that are material to the financial statements. The Organizations are generally no longer subject to U.S. federal and state tax examinations by taxing authorities for years before 2011.

Compensated Absences – Full-time employees are entitled to paid vacations, depending on length of service. The accumulation of vacation time is allowed up to a maximum of 160 hours. Full-time employees also accrue 8 hours of sick time per month and may accumulate sick time up to a maximum of 520 hours. However, unused sick time expires upon termination.

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014**

Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual events and results could differ from those assumptions and estimates.

Note 3 – BENEFICIAL INTEREST IN INVESTMENT HELD BY OTHERS

An endowment fund is deposited with the Community Foundation of Muncie and Delaware County, Inc. (The Community Foundation) to benefit A Better Way Programs. Distributions available to A Better Way programs are based on the spending policy of The Community Foundation. Under this policy, a percentage of the subsequent years expected market value of the investments of the fund are allocated annually for distributions, grants and expenses. The distributions will be used for the support of the charitable or educational purposes of A Better Way. Any investment earnings are invested back into the respected accounts. There were no additional transfers or distributions made for the years ended June 30, 2015 and 2014. At June 30, 2015 and 2014, \$30,100 and \$24,478, respectively, of spendable funds were available for withdrawal.

For the years ending June 30, 2015 and 2014, the Organization had the following Fund activities:

	The Community Foundation
Endowment assets, June 30, 2013	\$ 115,015
Interest and dividends	2,614
Realized gains	3,829
Unrealized gains	13,570
Investment expenses	(1,503)
Endowment assets, June 30, 2014	\$ 133,525
Interest and dividends	2,900
Realized gains (losses)	8,444
Unrealized losses	(8,495)
Investment expenses	(1,577)
Endowment assets, June 30, 2015	\$ 134,797

Note 4 – ENDOWMENT ACCOUNT

A Better Way is the beneficiary of an endowment account established with The Community Foundation of Muncie and Delaware County, Inc. Funds from this endowment are made available to A Better Way as allocated by The Community Foundation. The balance in this account at June 30, 2015 was \$49,426 with an available spending balance of \$4,732. The balance in this account at June 30, 2014 was \$39,877, with an available spending balance of \$3,248. There were no distributions received from this fund for the years ended June 30, 2015 and 2014.

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014**

Note 5 – PROPERTY, BUILDINGS, AND EQUIPMENT

Property, buildings, and equipment comprised the following at June 30:

	<u>2015</u>	<u>2014</u>
Buildings, land, and improvements	\$ 2,245,786	\$ 2,239,135
Furniture and equipment	194,834	199,039
Vehicles	<u>69,253</u>	<u>55,253</u>
	2,509,873	2,493,427
Accumulated depreciation	<u>1,081,466</u>	<u>988,169</u>
	<u>\$ 1,428,407</u>	<u>\$ 1,505,258</u>

Depreciation expense for the years ended June 30, 2015 and 2014 was \$107,521 and \$81,918, respectively.

Note 6 – COMPENSATED ABSENCES

Accrued vacation included in the financial statements for the years ended June 30, 2015 and 2014 was \$20,499 and \$18,861, respectively.

Note 7 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following programs:

	<u>2015</u>	<u>2014</u>
Restricted to fund maintenance projects	<u>\$ 22,096</u>	<u>\$ 13,385</u>
Temporarily restricted net assets	<u>\$ 22,096</u>	<u>\$ 13,385</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	<u>2015</u>	<u>2014</u>
Released for project expenditures	<u>\$ 16,289</u>	<u>\$ 13,351</u>
Net assets released from restrictions	<u>\$ 16,289</u>	<u>\$ 13,351</u>

Note 8 – PENSION PLANS

A Better Way maintains two defined-contribution pension plans and substantially all employees who work 1,000 hours of more in a calendar year are eligible to participate. The tax deferred annuity plan has voluntary employee contributions. The basic plan requires an employer contributions equal to 6% of participating employees' compensation. Pension expense for the years ended June 30, 2015 and 2014 amounted to \$31,540 and \$28,531, respectively.

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014**

Note 9 – DONATED SERVICES

A Better Way receives a significant amount of donated services from unpaid volunteers who provide various assistance with A Better Way programs. No amounts have been recognized in the statements of activities because these services do not meet the criteria for recognition as contributed services. The total value of services received has been calculated by management using an estimated hourly rate. The 7,830 total volunteer hours received for the year ended June 30, 2015 has an estimated fair value of \$174,917. The 7,343 total volunteer hours received for the year ended June 30, 2014 has an estimated fair value of \$110,149. The hours and estimated fair values of services presented are unaudited amounts provided by management.

Note 10 – FAIR VALUE MEASUREMENTS

The Organization uses appropriate valuation techniques based on the available inputs to measure fair value of its investments using a fair value hierarchy of three broad levels, Level 1, Level 2 and Level 3 that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

Level 1 Fair Value Measurements – Fair values are based on quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date. The Organization did not have investments using Level 1 fair value measurement for the years ended June 30, 2015 and 2014.

Level 2 Fair Value Measurements – Fair values are based on amounts as provided to the Organization by the respective Community Foundation for their interest in the pooled investment account.

Level 3 Fair Value Measurements – Fair values are based on unobservable input used for valuing the asset or liability. Unobservable inputs are those that reflect the plan's own assumptions about the assumption that market participants would use in pricing the asset, based on the best information available in the circumstances. The Organization did not have investments using Level 3 fair value measurement for years ended June 30, 2015 and 2014.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used during the periods ending June 30, 2015 and 2014.

Pooled Investment Accounts: The pooled investment accounts are measured in terms of the units. The shares of the underlying funds are valued at the net asset value (NAV) on a monthly basis assumptions were used to estimate fair value of certain financial instruments.

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014**

Note 10 – FAIR VALUE MEASUREMENTS (Continued)

The following tables present the fair value measurement of assets and liabilities recognized in the accompanying statements of financial positions measured at fair value on a recurring basis and the level with the fair value hierarchy in which fair value measurements fall as of June 30:

	Fair Value	Observable Inputs Used to Determine Price (Level 2)
<u>June 30, 2015</u>		
Beneficial Interests in Assets		
Held by Others	\$ 134,797	\$ 134,797
	<u>\$ 134,797</u>	<u>\$ 134,797</u>
<u>June 30, 2014</u>		
Beneficial Interests in Assets		
Held by Others	\$ 133,525	\$ 133,525
	<u>\$ 133,525</u>	<u>\$ 133,525</u>

Fair Value of Investments in Entities that use NAV:

The following table summarizes investments measured at fair value based on NAV per share as of June 30, 2015 and 2014:

	<u>Fair Value</u>	<u>Frequency</u>	<u>Notice</u>
<u>June 30, 2015</u>			
Pooled separate accounts disclosed as Level 2	\$ <u>134,797</u>	Monthly	None
<u>June 30, 2014</u>			
Pooled separate accounts disclosed as Level 2	\$ <u>133,525</u>	Monthly	None

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014**

Note 11 – RESTATEMENT OF NET ASSETS

During the current period it was discovered that certain amounts were previously reported as liabilities, temporarily, and permanently restricted net assets and should have been included as unrestricted net assets. The restatement of net assets had the following effect on the financial statements:

	<u>Initially Reported</u>	<u>Reclassification</u>	<u>Restated Balances</u>
For the year ended June 30, 2013			
Contingent liabilities	\$ 950,000	\$ (950,000)	\$ -
Unrestricted	831,224	1,046,558	1,877,782
Temporarily restricted	31,592	(11,653)	19,939
Permanently restricted	<u>84,905</u>	<u>(84,905)</u>	<u>-</u>
Total	<u>\$ 1,897,721</u>	<u>\$ -</u>	<u>\$ 1,897,721</u>

Note 12 - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through November 30, 2015, which is the date financial statements were available to be issued. No material subsequent events were identified which would require disclosure and/or adjustment to the financial statements as of June 30, 2015.

SUPPLEMENTARY INFORMATION

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
SCHEDULE OF COMBINED SUPPORT AND REVENUE
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014**

	2015		2014	
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted
Support and Revenue				
Public support				
Contributions	\$ 266,047	\$ 25,000	\$ 198,201	\$ 6,797
United Way of Delaware County	73,219	-	75,511	-
Total Public support	<u>339,266</u>	<u>25,000</u>	<u>273,712</u>	<u>6,797</u>
Revenue				
Child and Adult Care Food Program	14,471	-	22,007	-
Community Development Block Grant	15,000	-	15,000	-
Community Foundation Grant	-	-	35,000	-
Criminal Justice Grants	113,693	-	115,041	-
Criminal Justice SOS Grant	8,241	-	3,865	-
Criminal Justice Stop Grants	10,645	-	10,645	-
Domestic Violence Grant	106,245	-	89,050	-
Emergency Shelters Grant	44,289	-	45,984	-
Family Service Society	70,173	-	63,346	-
Family Violence Grant	47,109	-	51,889	-
FEMA Grant	8,000	-	-	-
Sexual Assault Services Program Grant	26,353	-	-	-
Social Services Block Grant	15,703	-	15,703	-
21st Century Community Learning State Grant	317,582	-	393,870	-
US Dept. of Housing and Urban Development	143,813	-	163,827	-
Rental income	2,231	-	7,987	-
Investment income, net	1,381	-	20,144	-
Outsourced services	7,500	-	7,500	-
Insurance reimbursement income	-	-	63,091	-
Miscellaneous	15,892	-	22,036	-
Total Revenue	<u>968,321</u>	<u>-</u>	<u>1,145,985</u>	<u>-</u>
Total Support and Revenue	<u>\$ 1,307,587</u>	<u>\$ 25,000</u>	<u>\$ 1,419,697</u>	<u>\$ 6,797</u>
			<u>\$ 1,426,494</u>	

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
SCHEDULE OF COMBINED FINANCIAL POSITION BY ORGANIZATION
AS OF JUNE 30, 2015 AND 2014**

	2015			2014				
	A Better Way	Building Corporation	Eliminations	Combined	A Better Way	Building Corporation	Eliminations	Combined
ASSETS								
Cash	\$ 135,959	\$ 70,760	\$ -	\$ 206,719	\$ 129,221	\$ 93,375	\$ -	\$ 222,596
Accounts receivable	104,916	-	-	104,916	100,416	-	-	100,416
Prepaid expenses	7,432	-	-	7,432	7,432	-	-	7,432
Property, buildings, and equipment, net	1,066,778	361,629	-	1,428,407	1,095,570	409,688	-	1,505,258
Beneficial interest in investments held by others	134,797	-	-	134,797	133,525	-	-	133,525
Note receivable, Building Corporation	117,372	-	(117,372)	-	136,346	-	(136,346)	-
Total Assets	<u>\$ 1,567,254</u>	<u>\$ 432,389</u>	<u>\$ (117,372)</u>	<u>\$ 1,882,271</u>	<u>\$ 1,602,510</u>	<u>\$ 503,063</u>	<u>\$ (136,346)</u>	<u>\$ 1,969,227</u>
LIABILITIES AND NET ASSETS								
Deposits	\$ 1,374	\$ -	\$ -	\$ 1,374	\$ 1,903	\$ -	\$ -	\$ 1,903
Accounts payable	1,120	-	-	1,120	354	-	-	354
Grants payable	-	-	-	-	7,935	-	-	7,935
Accrued and withheld liabilities	44,349	-	-	44,349	35,782	-	-	35,782
Note payable, A Better Way	-	117,372	(117,372)	-	-	136,346	(136,346)	-
Total Liabilities	<u>46,843</u>	<u>117,372</u>	<u>(117,372)</u>	<u>46,843</u>	<u>45,974</u>	<u>136,346</u>	<u>(136,346)</u>	<u>45,974</u>
NET ASSETS								
Unrestricted	1,498,315	315,017	-	1,813,332	1,543,151	366,717	-	1,909,868
Temporarily restricted	22,096	-	-	22,096	13,385	-	-	13,385
Total Net Assets	<u>1,520,411</u>	<u>315,017</u>	<u>-</u>	<u>1,835,428</u>	<u>1,556,536</u>	<u>366,717</u>	<u>-</u>	<u>1,923,253</u>
Total Liabilities and Net Assets	<u>\$ 1,567,254</u>	<u>\$ 432,389</u>	<u>\$ (117,372)</u>	<u>\$ 1,882,271</u>	<u>\$ 1,602,510</u>	<u>\$ 503,063</u>	<u>\$ (136,346)</u>	<u>\$ 1,969,227</u>

A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
SCHEDULE OF COMBINED STATEMENTS OF ACTIVITIES BY ORGANIZATION
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015				2014				
	A Better Way		Building Corporation		A Better Way		Building Corporation		
	Unrestricted	Temporarily Restricted	Unrestricted	Eliminations	Unrestricted	Temporarily Restricted	Unrestricted	Eliminations	
Support and Revenue									
Public support Revenue	\$ 339,266	\$ 25,000	\$ -	\$ -	\$ 273,712	\$ 6,797	\$ -	\$ -	\$ 280,509
	968,278	-	6,043	(6,000)	1,141,369	-	10,616	(6,000)	1,145,985
Total Support and Revenue	<u>1,307,544</u>	<u>25,000</u>	<u>6,043</u>	<u>(6,000)</u>	<u>1,415,081</u>	<u>6,797</u>	<u>10,616</u>	<u>(6,000)</u>	<u>1,426,494</u>
Net assets released from restrictions									
	16,289	(16,289)	-	-	13,351	(13,351)	-	-	-
	<u>1,323,833</u>	<u>8,711</u>	<u>6,043</u>	<u>(6,000)</u>	<u>1,428,432</u>	<u>(6,554)</u>	<u>10,616</u>	<u>(6,000)</u>	<u>1,426,494</u>
Expenses									
Program services	1,191,304	-	57,743	(6,000)	1,190,737	-	36,765	(6,000)	1,221,502
Management and General	140,658	-	-	-	143,801	-	-	-	143,801
Fundraising	36,707	-	-	-	35,659	-	-	-	35,659
Total Expenses	<u>1,368,669</u>	<u>-</u>	<u>57,743</u>	<u>(6,000)</u>	<u>1,370,197</u>	<u>-</u>	<u>36,765</u>	<u>(6,000)</u>	<u>1,400,962</u>
Change in Net Assets	(44,836)	8,711	(51,700)	(87,825)	58,235	(6,554)	(26,149)	-	25,532
Net Assets - beginning of year	<u>1,543,151</u>	<u>13,385</u>	<u>366,717</u>	<u>-</u>	<u>1,484,916</u>	<u>19,939</u>	<u>392,866</u>	<u>-</u>	<u>1,897,721</u>
Net Assets - end of year	<u>\$ 1,498,315</u>	<u>\$ 22,096</u>	<u>\$ 315,017</u>	<u>\$ -</u>	<u>\$ 1,543,151</u>	<u>\$ 13,385</u>	<u>\$ 366,717</u>	<u>\$ -</u>	<u>\$ 1,923,253</u>

**A BETTER WAY SERVICES, INC. AND
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
SCHEDULE OF COMBINED STATEMENTS OF CASH FLOWS BY ORGANIZATION
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014**

	2015			2014				
	A Better Way	Building Corporation	Eliminations	Combined	A Better Way	Building Corporation	Eliminations	Combined
Cash flow from operating activities:								
Increase (Decrease) in net assets	\$ (36,125)	\$ (51,700)	\$ -	\$ (87,825)	\$ 51,681	\$ (26,149)	\$ -	\$ 25,532
Adjustments to reconcile change in net assets to net cash provided by operating activities:								
Depreciation	59,461	48,060	-	107,521	53,793	28,125	-	81,918
Realized gain on investments	(8,444)	-	-	(8,444)	(3,829)	-	-	(3,829)
Unrealized (gain) loss on investments	8,495	-	-	8,495	(13,570)	-	-	(13,570)
Increase in assets:								
Accounts receivable	(4,500)	-	-	(4,500)	(33,687)	-	-	(33,687)
Increase (Decrease) in liabilities:								
Deposits	(529)	-	-	(529)	721	-	-	721
Accounts payable	766	-	-	766	(1,610)	-	-	(1,610)
Grants payable	(7,935)	-	-	(7,935)	-	-	-	-
Accrued and withheld liabilities	8,567	-	-	8,567	3,249	-	-	3,249
Net cash provided by operating activities	<u>19,756</u>	<u>(3,640)</u>	<u>-</u>	<u>16,116</u>	<u>56,748</u>	<u>1,976</u>	<u>-</u>	<u>58,724</u>
Cash flow from investing activities:								
Cash payments for the purchase of property	(34,269)	-	-	(34,269)	(66,341)	(5,328)	-	(71,669)
Net change in investments	2,276	-	-	2,276	(1,111)	-	-	(1,111)
Net cash used in investing activities	<u>(31,993)</u>	<u>-</u>	<u>-</u>	<u>(31,993)</u>	<u>(67,452)</u>	<u>(5,328)</u>	<u>-</u>	<u>(72,780)</u>
Cash flow from financing activities:								
Principal payments on long-term liabilities	-	(18,975)	18,975	-	-	-	45,334	-
Issuance of note receivable	-	-	-	-	(45,334)	-	-	-
Proceeds from note payable	18,975	-	(18,975)	-	-	45,334	(45,334)	-
Net cash provided by (used in) financing activities	<u>18,975</u>	<u>(18,975)</u>	<u>-</u>	<u>-</u>	<u>(45,334)</u>	<u>45,334</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>6,738</u>	<u>(22,615)</u>	<u>-</u>	<u>(15,877)</u>	<u>(56,038)</u>	<u>41,982</u>	<u>-</u>	<u>(14,056)</u>
Cash and cash equivalents - beginning of year	<u>129,221</u>	<u>93,375</u>	<u>-</u>	<u>222,596</u>	<u>185,259</u>	<u>51,393</u>	<u>-</u>	<u>236,652</u>
Cash and cash equivalents - end of year	<u>\$ 135,959</u>	<u>\$ 70,760</u>	<u>\$ -</u>	<u>\$ 206,719</u>	<u>\$ 129,221</u>	<u>\$ 93,375</u>	<u>\$ -</u>	<u>\$ 222,596</u>

A BETTER WAY SERVICES, INC.
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
SCHEDULE OF COMBINED STATEMENTS OF FUNCTIONAL EXPENSES BY ORGANIZATION
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

2015						
	A Better Way			Building Corporation		Combined
	A Better Way Programs	Management and General	Fundraising	Programs	Eliminations	
Salaries	\$ 704,032	\$ 75,375	\$ 20,221	\$ -	\$ -	\$ 799,628
Employee benefits	90,797	14,000	2,129	-	-	106,926
Payroll taxes	52,633	5,768	1,563	-	-	59,964
Professional fees	100,852	5,815	-	-	-	106,667
Supplies	42,362	1,417	2,986	-	-	46,765
Telephone	7,886	1,444	-	-	-	9,330
Postage	564	739	-	-	-	1,303
Occupancy	67,012	1,978	2,150	7,343	(6,000)	72,483
Equipment rental and maintenance	18,319	2,486	-	2,305	-	23,110
Publications and subscriptions	-	99	3,963	-	-	4,062
Conferences and training workshops	7,518	190	-	-	-	7,708
Employee allowances	3,646	192	-	-	-	3,838
Membership dues	1,757	-	-	-	-	1,757
Insurance	35,763	7,549	235	-	-	43,547
Food	16,599	67	3,460	-	-	20,126
Miscellaneous	2,750	2,892	-	35	-	5,677
Total expenses before depreciation	1,152,490	120,011	36,707	9,683	(6,000)	1,312,891
Depreciation	38,814	20,647	-	48,060	-	107,521
Total Expenses	\$ 1,191,304	\$ 140,658	\$ 36,707	\$ 57,743	\$ (6,000)	\$ 1,420,412
2014						
	A Better Way			Building Corporation		Combined
	A Better Way Programs	Management and General	Fundraising	Programs	Eliminations	
Salaries	\$ 630,058	\$ 80,770	\$ 18,033	\$ -	\$ -	\$ 728,861
Employee benefits	127,206	14,578	1,795	-	-	143,579
Payroll taxes	47,357	5,888	1,343	-	-	54,588
Professional fees	77,601	10,997	-	-	-	88,598
Supplies	65,160	1,235	3,411	-	-	69,806
Telephone	8,797	1,062	-	-	-	9,859
Postage	465	1,235	6	-	-	1,706
Occupancy	77,762	43	2,588	4,794	(6,000)	79,187
Equipment rental and maintenance	15,780	812	-	1,891	-	18,483
Printing and publications	-	113	6,626	-	-	6,739
Conferences and training workshops	2,337	20	-	-	-	2,357
Employee allowances	1,890	34	-	-	-	1,924
Membership dues	1,892	-	-	-	-	1,892
Insurance	30,698	6,177	264	-	-	37,139
Food	21,217	-	1,593	-	-	22,810
Transportation	44,950	-	-	-	-	44,950
Miscellaneous	3,139	1,472	-	1,955	-	6,566
Total expenses before depreciation	1,156,309	124,436	35,659	8,640	(6,000)	1,319,044
Depreciation	34,428	19,365	-	28,125	-	81,918
Total Expenses	\$ 1,190,737	\$ 143,801	\$ 35,659	\$ 36,765	\$ (6,000)	\$ 1,400,962

A BETTER WAY SERVICES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM</u>	<u>CFDA NUMBER</u>	<u>AGREEMENT NUMBER</u>	<u>EXPENDITURES</u>
Department of Health and Human Services			
Pass-through programs from:			
Indiana Criminal Justice Institute			
Family Violence Prevention	93.671	D3-14-8354 D3-15-9174	\$ 46,084
Social Services Block Grants: Domestic Violence Shelter	16.575	D3-15-9216	<u>15,703</u>
Total Department of Health and Human Services			<u>61,787</u>
Department of Justice			
Pass-through programs from:			
Indiana Criminal Justice Institute			
Crime Victim Assistance	16.575	D3-14-8507 D3-15-9704	108,426
STOP Violence Against Women	16.588	D3-15-9088	10,645
SOS	93.991 93.758	D3-14-8686 D3-15-9890	1,135 7,106
SASP	16.017	D3-15-9875	<u>26,353</u>
Total Department of Justice			<u>153,665</u>
Department of Agriculture			
Pass-through programs from:			
Indiana Department of Education			
Child and Adult Care Food Program	10.558	N/A	<u>14,471</u>
Total Department of Agriculture			<u>14,471</u>

See Notes to Schedule of Expenditures of Federal Awards.

A BETTER WAY SERVICES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM	CFDA NUMBER	AGREEMENT NUMBER	EXPENDITURES
Department of Housine and Urban Development			
Supportive Housing Program	14.235	IN0043L5H021407	143,813
Pass-through program from:			
Indiana Housing Community Development Authority			
Emergency Shelter	14.231	ES-014-001	44,289
Muncie, Indiana Community Development Office:			
Community Development Block Grant:			
Domestic Violence Shelter and Services Program	14.218	N/A	<u>15,000</u>
Total Department of Housing and Urban Development			<u>203,102</u>
Department of Education			
Pass-through program from:			
Indiana Department of Education			
21st Century Community Learning State Grant	84.287	A58-5-15DL-0141 A58-6-16DL-0199	<u>317,582</u>
Total Department of Education			<u>317,582</u>
Department of Homeland Security			
Emergency Food and Shelter Program	97.024	N/A	<u>8,000</u>
Total Department of Homeland Security			<u>8,000</u>
Total expenditures of federal awards			<u>\$ 758,607</u>

See Notes to Schedule of Expenditures of Federal Awards.

A BETTER WAY SERVICES, INC.
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation – The accompanying schedule of expenditures of federal awards includes the federal grant activity of A Better Way Services, Inc. under programs of the federal government for the year ended June 30, 2015. 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*.

Note 2 – SUBRECIPIENTS

A Better Way Services, Inc. did not provide any federal awards to subrecipients.

**A BETTER WAY SERVICES, INC.
SCHEDULE OF EXPENDITURES OF STATE AND LOCAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015**

<u>STATE GRANTOR/PROGRAM</u>	<u>CONTRACT NUMBER</u>	<u>STATE EXPENDITURES</u>
State of Indiana		
Pass-through programs from:		
Indiana Criminal Justice Institute:		
Domestic Violence Prevention and Treatment	D3-15-8806	\$ <u>81,059</u>
	D3-15-9026	
Total Indiana Criminal Justice Institute		<u>81,059</u>
Total expendiutres of state awards		<u><u>\$ 81,059</u></u>

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

To the Board of Directors of
A Better Way Services, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of A Better Way Services, Inc. (a nonprofit corporation), which comprise the combined statements of financial position as of June 30, 2015, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated November 30, 2015.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether A Better Way Services, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



Kemper CPA Group LLP
Plainfield, Indiana
November 30, 2015

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Board of Directors of
A Better Way Services, Inc.

Report on Compliance for Each Major Federal Program

We have audited A Better Way Services, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of A Better Way Services, Inc.'s major federal programs for the year ended June 30, 2015. A Better Way Services, Inc.'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of A Better Way Services, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our 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 we 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 A Better Way Services, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of A Better Way Services, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, A Better Way Services, Inc. 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 June 30, 2015.

Report on Internal Control over Compliance

Management of A Better Way Services, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered A Better Way Services, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on the major federal programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal programs and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of A Better Way Services, Inc.'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.

Our 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. We did not identify any deficiencies in internal control over compliance that we 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 our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Kemper CPA Group LLP
Plainfield, Indiana
November 30, 2015

**A BETTER WAY SERVICES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015.**

Summary of auditor’s results

1. The auditor’s report expresses an unmodified opinion on the combined financial statements of A Better Way Services, Inc. and its affiliate Family Services of Delaware County Building Corporation.
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 in accordance with *Government Auditing Standards*.
3. No instances of non-compliance material to the financial statements of A Better Way Services, Inc. were disclosed during the audit.
4. No significant deficiencies relating to the audit of major federal award programs are reported in the Report on Compliance for Each Major Program and on Internal Control over Compliance required by OMB Circular A-133.
5. The auditor’s report on compliance for A Better Way Services, Inc. expresses an unmodified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for A Better Way Services, Inc.
7. The programs tested as major programs included:

Program	CFDA
21st Century Community Learning State Grant	84.287

8. The threshold for distinguishing Types A and B programs was \$300,000.
9. A Better Way Services, Inc. was determined to be a low-risk auditee.

Findings Relating to Financial Statements

None

Findings and Questioned Costs for Federal Awards

None