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March 31, 2017

Board of Directors
North Central Indiana Rural Crisis Center, Inc.
P.O. Box 212
Rensselaer, IN 47978

We have reviewed the audit report prepared by Huth Thompson LLP, for the period January 1, 2015 to December 31, 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 North Central Indiana Rural Crisis Center, Inc., as of December 31, 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

Financial Statements

**NORTH CENTRAL INDIANA
RURAL CRISIS CENTER, INC.**

DECEMBER 31, 2015 AND 2014

NORTH CENTRAL INDIANA RURAL CRISIS CENTER, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
North Central Indiana Rural Crisis Center, Inc.
Rensselaer, Indiana

We have audited the accompanying financial statements of North Central Indiana Rural Crisis Center, Inc. (a nonprofit organization), which comprise the statements of assets, liabilities, and net assets--modified cash basis as of December 31, 2015 and 2014, and the related statements of revenue, expenses and changes in net assets--modified cash basis and the statements of functional expenses--modified cash basis for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 Organization'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 on the Organization'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.

INDEPENDENT AUDITOR'S REPORT--CONTINUED

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of North Central Indiana Rural Crisis Center, Inc. as of December 31, 2015 and 2014, and its support, revenue, and expenses for the years then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Huth Thompson LLP

March 8, 2016
Lafayette, Indiana

NORTH CENTRAL INDIANA RURAL CRISIS CENTER, INC.

**STATEMENTS OF ASSETS, LIABILITIES AND
NET ASSETS--MODIFIED CASH BASIS**

As of December 31,

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash	\$ 36,589	\$ 72,607
PROPERTY AND EQUIPMENT		
Buildings and Improvements	262,888	262,888
Furniture and Equipment	27,008	27,008
Vehicles	27,885	27,885
	317,781	317,781
Accumulated Depreciation	(269,387)	(263,367)
	48,394	54,414
	\$ 84,983	\$ 127,021
LIABILITIES AND NET ASSETS		
NET ASSETS		
Unrestricted, Undesignated	\$ 62,333	\$ 74,371
Temporarily Restricted	22,650	52,650
	84,983	127,021
	\$ 84,983	\$ 127,021

See Notes to Financial Statements.

NORTH CENTRAL INDIANA RURAL CRISIS CENTER, INC.

**STATEMENTS OF REVENUE, EXPENSES AND
CHANGES IN NET ASSETS--MODIFIED CASH BASIS
For Years Ended December 31,**

	COMBINED TOTALS		UNRESTRICTED		TEMPORARILY RESTRICTED	
	2015	2014	2015	2014	2015	2014
REVENUE						
Contributions	\$ 7,013	\$ 8,978	\$ 7,013	\$ 8,978	\$ -	\$ -
In-Kind Contributions	7,559	7,569	7,559	7,569	-	-
Grants--Governmental Agencies	225,207	246,079	225,207	196,079	-	50,000
Other Grants	-	675	-	675	-	-
Special Events	26,950	25,359	26,950	25,359	-	-
Insurance Reimbursements	-	2,518	-	2,518	-	-
Other Income	130	941	130	941	-	-
Interest	124	131	124	131	-	-
	266,983	292,250	266,983	242,250	-	50,000
Net Assets Released from Restrictions	-	-	30,000	-	(30,000)	-
	266,983	292,250	296,983	242,250	(30,000)	50,000
EXPENSES						
Program Services	221,468	180,828	221,468	180,828	-	-
Management and General	65,484	65,110	65,484	65,110	-	-
Fundraising	25,069	23,976	25,069	23,976	-	-
	312,021	269,914	312,021	269,914	-	-
INCREASE (DECREASE) IN NET ASSETS BEFORE RECOVERIES	(45,038)	22,336	(15,038)	(27,664)	(30,000)	50,000
RECOVERIES	3,000	15,352	3,000	15,352	-	-
INCREASE (DECREASE) IN NET ASSETS	(42,038)	37,688	(12,038)	(12,312)	(30,000)	50,000
NET ASSETS--Beginning of Year	127,021	89,333	74,371	86,683	52,650	2,650
NET ASSETS--End of Year	\$ 84,983	\$ 127,021	\$ 62,333	\$ 74,371	\$ 22,650	\$ 52,650

See Notes to Financial Statements.

NORTH CENTRAL INDIANA RURAL CRISIS CENTER, INC.

STATEMENTS OF FUNCTIONAL EXPENSES--MODIFIED CASH BASIS
For Years Ended December 31,

	COMBINED TOTALS		PROGRAM SERVICES		MANAGEMENT AND GENERAL		FUNDRAISING	
	2015	2014	2015	2014	2015	2014	2015	2014
Salaries	\$ 186,267	\$ 176,596	\$ 127,550	\$ 117,173	\$ 36,855	\$ 37,921	\$ 21,862	\$ 21,502
Payroll Taxes	14,657	13,510	9,467	8,964	3,275	2,901	1,915	1,645
Employee Benefits	428	1,309	340	155	62	1,142	26	12
Utilities and Telephone	9,556	9,425	8,600	8,483	956	942	-	-
Repairs and Maintenance	3,531	4,205	3,178	3,784	353	421	-	-
Household Supplies and Groceries	3,865	5,533	3,865	5,533	-	-	-	-
In-Kind Program Supplies	7,559	7,569	7,559	7,569	-	-	-	-
Client Expenses	7,040	4,659	7,040	4,659	-	-	-	-
Office Supplies	4,377	7,998	-	-	4,377	7,998	-	-
Travel and Mileage	315	-	315	-	-	-	-	-
Vehicle Expenses	1,319	4,030	1,319	4,030	-	-	-	-
Seminars and Education	2,264	466	2,264	466	-	-	-	-
Dues and Publications	756	408	-	-	756	408	-	-
Program Supplies	20	-	20	-	-	-	-	-
Advertising	1,292	1,138	-	-	1,292	1,138	-	-
Insurance	14,532	14,445	14,532	14,445	-	-	-	-
Professional Fees	16,957	10,657	-	-	16,957	10,657	-	-
Depreciation	6,020	6,186	5,419	5,567	601	619	-	-
Special Events	1,266	817	-	-	-	-	1,266	817
Program Expenses	30,000	-	30,000	-	-	-	-	-
Loss on Sale of Assets	-	963	-	-	-	963	-	-
	<u>\$ 312,021</u>	<u>\$ 269,914</u>	<u>\$ 221,468</u>	<u>\$ 180,828</u>	<u>\$ 65,484</u>	<u>\$ 65,110</u>	<u>\$ 25,069</u>	<u>\$ 23,976</u>

See Notes to Financial Statements.

NORTH CENTRAL INDIANA RURAL CRISIS CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of North Central Indiana Rural Crisis Center, Inc.'s significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

- A) **Nature of Operations**--North Central Indiana Rural Crisis Center, Inc. (the Organization) was formed on February 3, 1986 as a not-for-profit corporation located in Rensselaer, Indiana. The Organization provides temporary shelter and counseling for victims of domestic violence in Newton, Jasper, Pulaski, and surrounding counties in Indiana.
- B) **Basis of Accounting**--The Organization's policy is to prepare its financial statements on the modified cash basis of accounting. Consequently, certain revenue is recognized when received rather than when earned and certain expenses and purchases of assets are recognized when the cash is disbursed rather than when the obligation is incurred. Depreciation is calculated on capital assets.
- C) **Use of Estimates**--The preparation of financial statements in conformity with the modified cash basis of accounting requires the Organization to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.
- D) **Property and Equipment**--Property and equipment are recorded at cost. If donated, the cost is the fair market value at the date of receipt. Assets over \$1,000 will be considered for capitalization based upon their expected length of service. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using straight-line and accelerated methods. Maintenance, repairs, and minor renewals are charged to operations as incurred. Improvements and major renewals are capitalized. Upon sale or disposition of properties, the asset account is relieved of the cost and the accumulated depreciation account is charged with depreciation taken prior to the sale. Any resultant gain or loss is credited or charged to operations. Depreciation expense was \$6,020 and \$6,186 for the years ended December 31, 2015 and 2014, respectively.

NORTH CENTRAL INDIANA RURAL CRISIS CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

E) Net Assets--In accordance with FASB Accounting Standards Codification, the net assets of the Organization are reported in each of the following three classes:

- (1) *Unrestricted Net Assets*--Net assets that are not subject to donor-imposed stipulations.**
- (2) *Temporarily Restricted Net Assets*--Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time.**
- (3) *Permanently Restricted Net Assets*--Net assets subject to donor-imposed stipulations that the assets be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.**

All donor-restricted contributions are recorded as increases in temporarily or permanently restricted net assets, depending on the restriction. When a restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of revenue and expenses and changes in net assets--modified cash basis as net assets released from restrictions. Restrictions on gifts of fixed assets or contributions restricted for the purchase of fixed assets expire when the asset is placed in service, unless otherwise stipulated by the donor.

F) Income Taxes--The Organization is a not-for-profit Corporation exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision is made for federal and state income taxes on the Organization's exempt activities. However, if the Organization conducts certain unrelated business activities that do not relate to the exempt purpose of the Organization, those activities will be subject to unrelated business income tax.

NORTH CENTRAL INDIANA RURAL CRISIS CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

F) Income Taxes (Continued)--The Organization adopted the provisions of accounting for uncertain tax positions under FASB Accounting Standards Codification. These provisions prescribe a recognition threshold of more-likely-than-not, and a measurement attribute for all tax positions taken or expected to be taken on a tax return, in order for those tax positions to be recognized in the financial statements. The adoption of these provisions resulted in no change to the Organization's retained earnings. As of December 31, 2015 and 2014, the Organization reports no uncertain tax positions and therefore has not recorded any unrecognized tax benefits or liabilities.

As of December 31, 2015, tax returns for calendar years 2012 through 2015 remain subject to examination by the Internal Revenue Service and various state and local tax jurisdictions.

G) Advertising--The Organization expenses advertising costs as incurred. During 2015 and 2014, advertising costs totaled \$1,292 and \$1,138, respectively.

H) Donated Goods and Services--The Organization records various types of in-kind support including property and equipment, professional services, and materials. Property and equipment donated are capitalized on the basis explained above. Contributed professional services are recognized if the services either create or enhance long-lived assets, or require specialized skills and would typically need to be purchased if not provided by the donation. Contributions of supplies and materials are recognized at fair market value when received. In-kind contributions for the years ended December 31, 2015 and 2014 were as follows:

	<u>2015</u>	<u>2014</u>
Program Supplies	<u>\$ 7,559</u>	<u>\$ 7,569</u>

The Organization also receives significant donations of time from volunteers that do not meet the two recognized criteria described above. Accordingly, the value of this contributed time has not been determined and is not reflected in the financial statements.

NORTH CENTRAL INDIANA RURAL CRISIS CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

NOTE 2: RESTRICTED NET ASSETS

Net assets of the two restricted classes are created only by donor-imposed restrictions on their use. All other assets are legally unrestricted and are reported as part of the unrestricted class. The Organization received \$2,650 in temporarily restricted funds during 2013 for the purpose of funding an Educational Learning Center consisting of a computer system, an iPad, and other technology. These funds were unexpended as of December 31, 2015. In addition, during 2014 the Organization received \$50,000 in temporarily restricted funds for the purpose of funding a program for the Primary Prevention of Domestic Violence and Sexual Assault with a crisis intervention advocate, of which \$20,000 remains unexpended as of December 31, 2015. As of December 31, 2015 and 2014, all temporarily restricted funds are included in cash.

NOTE 3: FUNCTIONAL ALLOCATION OF EXPENSES

The major program the Organization operates is providing temporary shelter and counseling for victims of domestic violence in several counties in Indiana. For the years ended December 31, 2015 and 2014, the Organization's program expenses totaled \$221,468 and \$180,828, respectively. For the purposes of the statements of functional expenses, the Organization allocated major expenses by the following percentages for the years ended December 31, 2015 and 2014. All other costs are directly charged to the appropriate functional classification.

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>
Salaries, Payroll Taxes and Benefits--			
Executive Director	55%	20%	25%
Assistant Executive Director	0%	50%	50%
Client Advocate	80%	20%	0%
Other Employees	90%	10%	0%
Utilities	90%	10%	0%
Repairs & Maintenance	90%	10%	0%
Depreciation	90%	10%	0%

NOTE 4: ECONOMIC DEPENDENCE

The Organization is economically dependent on the contracts from the Indiana Criminal Justice Institute (ICJI). For the years ended December 31, 2015 and 2014, the Organization received 59% and 38%, respectively, of its total revenue from ICJI.

NORTH CENTRAL INDIANA RURAL CRISIS CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

NOTE 5: UNAUTHORIZED DISBURSEMENTS AND CLAIMS FOR MISREPRESENTED PURPOSES

In September 2012, the Organization discovered a prior Executive Director had made unauthorized disbursements. That prior Executive Director resigned immediately and an internal investigation was conducted to determine the financial impact as a result of the unauthorized disbursements.

During 2014, the Organization received \$15,352 in recovered funds from that prior Executive Director, paid through the Jasper Circuit Court. During 2015, the Organization received additional funds in the amount of \$3,000. In February 2016, the Organization received a final recovery check in the amount of \$7,967 for a total restitution, as ordered by the Court and including amounts already paid, of \$26,319.

NOTE 6: SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through March 8, 2016, the date which the financial statements were available to be issued.



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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors
North Central Indiana Rural Crisis Center, Inc.
Rensselaer, Indiana

We have audited the financial statements of North Central Indiana Rural Crisis Center, Inc. as of and for the years ended December 31, 2015 and 2014, and have issued our report thereon dated March 8, 2016, which contained an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The following schedule is presented for the purpose 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 audits 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.

Huth Thompson LLP

March 8, 2016
Lafayette, Indiana

NORTH CENTRAL INDIANA RURAL CRISIS CENTER, INC.

**SCHEDULES OF GRANTS--GOVERNMENTAL AGENCIES--
MODIFIED CASH BASIS**

For Years Ended December 31,

(See Independent Auditor's Report on Supplementary Information)

	<u>2015</u>	<u>2014</u>
Federal Emergency Management Association	\$ 1,039	\$ 913
Social Services Block Grant	14,384	14,384
Domestic Violence Prevention and Treatment	79,195	45,944
Family Violence and Prevention Services	35,800	23,168
Victims Of Crime Act	20,824	23,452
Emergency Shelter	22,732	21,465
Sexual Offense Services	6,000	3,320
Jasper Foundation Impact Grant	-	50,000
Counties--		
Jasper	27,233	17,683
Newton	-	29,750
Pulaski	<u>18,000</u>	<u>16,000</u>
	<u>\$ 225,207</u>	<u>\$ 246,079</u>