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October 13, 2017

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, 2015 to June 30, 2016. 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, 2016, 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, 2016 AND 2015**

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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 statements of financial position as of June 30, 2016 and 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.

### *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 financial statements referred to above present fairly, in all material respects, the combined financial position of A Better Way Services, Inc. and its affiliate as of June 30, 2016 and 2015, and the combined changes in its net assets and its combined cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***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 Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In 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 October 6, 2016, on our consideration of A Better Way Services, Inc.'s 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 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  
Avon, Indiana  
October 6, 2016

**A BETTER WAY SERVICES, INC. AND  
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION  
COMBINED STATEMENTS OF FINANCIAL POSITION  
AS OF JUNE 30, 2016 AND 2015**

	<b>2016</b>	<b>2015</b>
<b>ASSETS</b>		
Cash	\$ 279,706	\$ 206,719
Grants receivable	95,708	104,916
Prepaid expenses	7,432	7,432
Property, buildings, and equipment, net	1,374,081	1,428,407
Beneficial interest in investments held by others	130,082	134,797
<b>Total Assets</b>	<b>\$ 1,887,009</b>	<b>\$ 1,882,271</b>
<b>LIABILITIES</b>		
Deposits	\$ 1,967	\$ 1,374
Accounts payable	461	1,120
Accrued and withheld liabilities	68,341	44,349
<b>Total Liabilities</b>	<b>70,769</b>	<b>46,843</b>
<b>NET ASSETS</b>		
Unrestricted	1,816,240	1,813,332
Temporarily restricted	-	22,096
<b>Total Net Assets</b>	<b>1,816,240</b>	<b>1,835,428</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 1,887,009</b>	<b>\$ 1,882,271</b>

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, 2016 AND 2015**

	2016			2015		
	Unrestricted	Temporarily Restricted	Totals	Unrestricted	Temporarily Restricted	Totals
<b>REVENUES</b>						
Public support	\$ 333,154	\$ -	\$ 333,154	\$ 339,266	\$ 25,000	\$ 364,266
Grants	1,155,796	-	1,155,796	941,317	-	941,317
Rental income	2,470	-	2,470	2,231	-	2,231
Investment income (loss), net	(4,588)	-	(4,588)	1,381	-	1,381
Other	24,262	-	24,262	23,392	-	23,392
Net assets released from restrictions	22,096	(22,096)	-	16,289	(16,289)	-
<b>Total revenues</b>	<u>1,533,190</u>	<u>(22,096)</u>	<u>1,511,094</u>	<u>1,323,876</u>	<u>8,711</u>	<u>1,332,587</u>
<b>EXPENSES</b>						
Program services	1,381,736	-	1,381,736	1,243,047	-	1,243,047
Supporting services						
Management and general	123,117	-	123,117	140,658	-	140,658
Fundraising	25,429	-	25,429	36,707	-	36,707
<b>Total expenses</b>	<u>1,530,282</u>	<u>-</u>	<u>1,530,282</u>	<u>1,420,412</u>	<u>-</u>	<u>1,420,412</u>
<b>Change in net assets</b>	2,908	(22,096)	(19,188)	(96,536)	8,711	(87,825)
<b>NET ASSETS - beginning of year</b>	<u>1,813,332</u>	<u>22,096</u>	<u>1,835,428</u>	<u>1,909,868</u>	<u>13,385</u>	<u>1,923,253</u>
<b>NET ASSETS - end of year</b>	<u>\$ 1,816,240</u>	<u>\$ -</u>	<u>\$ 1,816,240</u>	<u>\$ 1,813,332</u>	<u>\$ 22,096</u>	<u>\$ 1,835,428</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, 2016 AND 2015**

	<u>2016</u>				<u>2015</u>			
	<u>Programs</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	<u>Programs</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 862,577	\$ 69,741	\$ 12,466	\$ 944,784	\$ 704,032	\$ 75,375	\$ 20,221	\$ 799,628
Employee benefits	102,291	8,828	1,802	112,921	90,797	14,000	2,129	106,926
Payroll taxes	63,585	5,168	795	69,548	52,633	5,768	1,563	59,964
Professional fees	73,093	4,416	-	77,509	100,852	5,815	-	106,667
Supplies	38,759	1,482	5,448	45,689	42,362	1,417	2,986	46,765
Telephone	7,235	2,042	-	9,277	7,886	1,444	-	9,330
Postage	556	907	98	1,561	564	739	-	1,303
Occupancy	61,734	698	76	62,508	68,355	1,978	2,150	72,483
Equipment rental and maintenance	20,074	1,896	-	21,970	14,063	2,486	-	16,549
Publications and subscriptions	-	99	-	99	-	99	3,963	4,062
Conferences and training workshops	1,631	90	-	1,721	7,518	190	-	7,708
Transportation	10,275	139	-	10,414	10,207	192	-	10,399
Membership dues	2,014	-	55	2,069	1,757	-	-	1,757
Insurance	44,788	4,816	251	49,855	35,763	7,549	235	43,547
Food	18,650	-	3,063	21,713	16,599	67	3,460	20,126
Miscellaneous	5,831	1,888	1,375	9,094	2,785	2,892	-	5,677
Total expenses before depreciation	<u>1,313,093</u>	<u>102,210</u>	<u>25,429</u>	<u>1,440,732</u>	<u>1,156,173</u>	<u>120,011</u>	<u>36,707</u>	<u>1,312,891</u>
Depreciation	<u>68,643</u>	<u>20,907</u>	<u>-</u>	<u>89,550</u>	<u>86,874</u>	<u>20,647</u>	<u>-</u>	<u>107,521</u>
<b>Total functional expenses</b>	<u><u>\$ 1,381,736</u></u>	<u><u>\$ 123,117</u></u>	<u><u>\$ 25,429</u></u>	<u><u>\$ 1,530,282</u></u>	<u><u>\$ 1,243,047</u></u>	<u><u>\$ 140,658</u></u>	<u><u>\$ 36,707</u></u>	<u><u>\$ 1,420,412</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  
COMBINED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (19,188)	\$ (87,825)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	89,550	107,521
Realized gain on beneficial interest in investments held by others	(5,018)	(8,444)
Unrealized loss on beneficial interest in investments held by others	11,289	8,495
(Increase) Decrease in assets:		
Accounts receivable	9,208	(4,500)
Increase (Decrease) in liabilities:		
Deposits	593	(529)
Accounts payable	(659)	766
Grants payable	-	(7,935)
Accrued and withheld liabilities	23,992	8,567
	<u>109,767</u>	<u>16,116</u>
<b>Net Cash Provided by Operating Activities</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cash payments for the purchase of property	(35,225)	(34,269)
Net change in beneficial interest in investments held by others	(1,555)	2,276
	<u>(36,780)</u>	<u>(31,993)</u>
<b>Net Cash Used by Investing Activities</b>		
<b>Net Increase (Decrease) in Cash</b>	72,987	(15,877)
<b>CASH - Beginning of Year</b>	<u>206,719</u>	<u>222,596</u>
<b>CASH - End of Year</b>	<u>\$ 279,706</u>	<u>\$ 206,719</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, 2016 AND 2015**

**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 support persons in crisis, including domestic violence, sexual assault, suicidal thoughts, as well as at-risk youth. Financial support for these services consist primarily of grants and donations from private and public organizations and individuals.

For the years ended June 30, 2016 and 2015, A Better Way's major program (as relative to federal awards) is its Victim Crime Assistance Program within A Better Way programs. The majority of the funding for this program consists of grant monies from the Department of Justice which is passed through from the Indiana Criminal Justice Institute. This program provides services to individuals in Delaware County, Indiana. For the year ended June 30, 2015, A Better Way's major program is its 21<sup>st</sup> 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.

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.

*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.

**A BETTER WAY SERVICES, INC. AND  
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**

**Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*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, 2016 and 2015. 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 2012.

*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.

*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.

**A BETTER WAY SERVICES, INC. AND  
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**

**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, 2016 and 2015. At June 30, 2016 and 2015, \$35,642 and \$30,100, respectively, of spendable funds were available for withdrawal.

For the years ending June 30, 2016 and 2015, the Organization had the following Fund activities:

	<b>The Community Foundation</b>
<b>Endowment assets, June 30, 2014</b>	\$ 133,525
Interest and dividends	2,900
Realized gains	8,444
Unrealized losses	(8,495)
Investment expenses	(1,577)
<b>Endowment assets, June 30, 2015</b>	<u>\$ 134,797</u>
Interest and dividends	3,085
Realized gains	5,018
Unrealized losses	(11,289)
Investment expenses	(1,529)
<b>Endowment assets, June 30, 2016</b>	<u>\$ 130,082</u>

**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, 2016 was \$49,409 with an available spending balance of \$6,416. The balance in this account at June 30, 2015 was \$49,426, with an available spending balance of \$4,732. There were no distributions received from this fund for the years ended June 30, 2016 and 2015.

**A BETTER WAY SERVICES, INC. AND  
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**

**Note 5 – PROPERTY, BUILDINGS, AND EQUIPMENT**

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

	<u>2016</u>	<u>2015</u>
Buildings, land and improvements	\$ 2,249,771	\$ 2,245,786
Furniture and equipment	226,074	194,834
Vehicles	69,253	69,253
	<u>2,545,098</u>	<u>2,509,873</u>
Accumulated depreciation	(1,171,017)	(1,081,466)
	<u>\$ 1,374,081</u>	<u>\$ 1,428,407</u>

Depreciation expense for the years ended June 30, 2016 and 2015 was \$89,550 and \$107,521, respectively.

**Note 6 – COMPENSATED ABSENCES**

Accrued vacation included in the financial statements for the years ended June 30, 2016 and 2015 was \$31,296 and \$20,499, respectively.

**Note 7 – TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following programs:

	<u>2016</u>	<u>2015</u>
Restricted to fund maintenance projects	\$ -	\$ 22,096
Temporarily restricted net assets	<u>\$ -</u>	<u>\$ 22,096</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>2016</u>	<u>2015</u>
Released for project expenditures	\$ 22,096	\$ 16,289
Net assets released from restrictions	<u>\$ 22,096</u>	<u>\$ 16,289</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, 2016 and 2015 amounted to \$36,392 and \$31,540, 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, 2016 AND 2015**

**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 7,082 total volunteer hours received for the year ended June 30, 2016 has an estimated fair value of \$158,212. The 7,830 total volunteer hours received for the year ended June 30, 2015 has an estimated fair value of \$174,917. The hours and estimated fair values of services presented are unaudited amounts provided by management.

**Note 10 – EXISTENCE OF CONCENTRATION AND CREDIT RISK**

A Better Way Services, Inc. received approximately 18% and 22% of total support for the year ended June 30, 2016 from grants authorized by the Department of Education and Department of Justice, respectively; while 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 the Department of Education, respectively. In the event that this support were to be eliminated, it is likely that A Better Way Services, Inc. would need to reduce its current operations.

**Note 11 – 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, 2016 and 2015.

*Level 2 Fair Value Measurements* – Fair values are based on inputs such as quoted prices for similar assets, or inputs that are observable, either directly, or indirectly for substantially the full term through corroboration with observable market data. The Organization did not have any investments using Level 2 fair value measurement for years ended June 30, 2016 and 2015.

*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.

**A BETTER WAY SERVICES, INC. AND  
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**

**Note 11 – 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:

<u>June 30, 2016</u>	<u>Fair Value</u>	<u>Unobservable Inputs Used to Determine Price (Level 3)</u>
Beneficial Interest in Assets Held by Others	\$ 130,082	\$ 130,082
	<u>\$ 130,082</u>	<u>\$ 130,082</u>
<u>June 30, 2015</u>		
Beneficial Interest in Assets Held by Others	\$ 134,797	\$ 134,797
	<u>\$ 134,797</u>	<u>\$ 134,797</u>

The beneficial interest in assets held by others has been classified as Level 3 due to the limited number of inputs available to the Foundation in determining fair value. A reconciliation of activity for the years ended June 30, 2016 and 2015 is as follows:

	<u>2016</u>	<u>2015</u>
Beginning balance	\$ 134,797	\$ 133,525
Interest and dividends	3,085	2,900
Realized gains	5,018	8,444
Unrealized losses	(11,289)	(8,495)
Investment expenses	(1,529)	(1,577)
Ending balance	<u>\$ 130,082</u>	<u>\$ 134,797</u>

Beneficial interest in assets held by others is measured at fair value with a valuation technique utilizing market prices at the close of the last day for the statement period, provided, which approximates estimated future cash flows to the Organization at June 30, 2016 and 2015.

**Note 12 - SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through October 6, 2016, 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, 2016.

## **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, 2016 AND 2015**

	<u>2016</u>			<u>2015</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Support and Revenue</b>						
<b>Public support</b>						
Contributions	\$ 260,068	\$ -	\$ 260,068	\$ 266,047	\$ 25,000	\$ 291,047
United Way of Delaware County	73,086	-	73,086	73,219	-	73,219
<b>Total Public support</b>	<u>333,154</u>	<u>-</u>	<u>333,154</u>	<u>339,266</u>	<u>25,000</u>	<u>364,266</u>
<b>Revenue</b>						
Child and Adult Care Food Program	14,543	-	14,543	14,471	-	14,471
Community Development Block Grant	45,000	-	45,000	15,000	-	15,000
Criminal Justice Grants	270,607	-	270,607	113,693	-	113,693
Criminal Justice SOS Grant	10,580	-	10,580	8,241	-	8,241
Criminal Justice Stop Grants	10,645	-	10,645	10,645	-	10,645
Domestic Violence Grant	145,000	-	145,000	106,245	-	106,245
Emergency Shelters Grant	33,638	-	33,638	44,289	-	44,289
Family Service Society	66,667	-	66,667	70,173	-	70,173
Family Violence Grant	57,019	-	57,019	47,109	-	47,109
FEMA Grant	8,000	-	8,000	8,000	-	8,000
LifeLine	27,778	-	27,778	-	-	-
Sexual Assault Services Program Grant	56,731	-	56,731	26,353	-	26,353
Social Services Block Grant	12,000	-	12,000	15,703	-	15,703
21st Century Community Learning State Grant	266,503	-	266,503	317,582	-	317,582
US Dept. of Housing and Urban Development	131,085	-	131,085	143,813	-	143,813
Rental income	2,470	-	2,470	2,231	-	2,231
Investment income (loss), net	(4,588)	-	(4,588)	1,381	-	1,381
Outsourced services	7,500	-	7,500	7,500	-	7,500
Miscellaneous	16,762	-	16,762	15,892	-	15,892
<b>Total Revenue</b>	<u>1,177,940</u>	<u>-</u>	<u>1,177,940</u>	<u>968,321</u>	<u>-</u>	<u>968,321</u>
<b>Total Support and Revenue</b>	<u>\$ 1,511,094</u>	<u>\$ -</u>	<u>\$ 1,511,094</u>	<u>\$ 1,307,587</u>	<u>\$ 25,000</u>	<u>\$ 1,332,587</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, 2016 AND 2015**

	<u>2016</u>				<u>2015</u>			
	<u>A Better Way</u>	<u>Building Corporation</u>	<u>Eliminations</u>	<u>Combined</u>	<u>A Better Way</u>	<u>Building Corporation</u>	<u>Eliminations</u>	<u>Combined</u>
<b>ASSETS</b>								
Cash	\$ 222,286	\$ 57,420	\$ -	\$ 279,706	\$ 135,959	\$ 70,760	\$ -	\$ 206,719
Accounts receivable	95,708	-	-	95,708	104,916	-	-	104,916
Prepaid expenses	7,432	-	-	7,432	7,432	-	-	7,432
Property, buildings, and equipment, net	1,034,629	339,452	-	1,374,081	1,066,778	361,629	-	1,428,407
Beneficial interest in investments held by others	130,082	-	-	130,082	134,797	-	-	134,797
Note receivable, Building Corporation	117,371	-	(117,371)	-	117,372	-	(117,372)	-
<b>Total Assets</b>	<u>\$ 1,607,508</u>	<u>\$ 396,872</u>	<u>\$ (117,371)</u>	<u>\$ 1,887,009</u>	<u>\$ 1,567,254</u>	<u>\$ 432,389</u>	<u>\$ (117,372)</u>	<u>\$ 1,882,271</u>
<b>LIABILITIES AND NET ASSETS</b>								
Deposits	\$ 1,967	\$ -	\$ -	\$ 1,967	\$ 1,374	\$ -	\$ -	\$ 1,374
Accounts payable	461	-	-	461	1,120	-	-	1,120
Accrued and withheld liabilities	68,341	-	-	68,341	44,349	-	-	44,349
Note payable, A Better Way	-	117,371	(117,371)	-	-	117,372	(117,372)	-
<b>Total Liabilities</b>	<u>70,769</u>	<u>117,371</u>	<u>(117,371)</u>	<u>70,769</u>	<u>46,843</u>	<u>117,372</u>	<u>(117,372)</u>	<u>46,843</u>
<b>NET ASSETS</b>								
Unrestricted	1,536,739	279,501	-	1,816,240	1,498,315	315,017	-	1,813,332
Temporarily restricted	-	-	-	-	22,096	-	-	22,096
<b>Total Net Assets</b>	<u>1,536,739</u>	<u>279,501</u>	<u>-</u>	<u>1,816,240</u>	<u>1,520,411</u>	<u>315,017</u>	<u>-</u>	<u>1,835,428</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 1,607,508</u>	<u>\$ 396,872</u>	<u>\$ (117,371)</u>	<u>\$ 1,887,009</u>	<u>\$ 1,567,254</u>	<u>\$ 432,389</u>	<u>\$ (117,372)</u>	<u>\$ 1,882,271</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, 2016 AND 2015**

	2016					2015				
	A Better Way		Building	Eliminations	Combined	A Better Way		Building	Eliminations	Combined
	Unrestricted	Temporarily Restricted	Corporation			Unrestricted	Temporarily Restricted	Corporation		
<b>Support and Revenue</b>										
Public support	\$ 333,154	\$ -	\$ -	\$ -	\$ 333,154	\$ 339,266	\$ 25,000	\$ -	\$ -	\$ 364,266
Revenue	<u>1,177,909</u>	<u>-</u>	<u>6,031</u>	<u>(6,000)</u>	<u>1,177,940</u>	<u>968,278</u>	<u>-</u>	<u>6,043</u>	<u>(6,000)</u>	<u>968,321</u>
<b>Total Support and Revenue</b>	1,511,063	-	6,031	(6,000)	1,511,094	1,307,544	25,000	6,043	(6,000)	1,332,587
<b>Net assets released from restrictions</b>	22,096	(22,096)	-	-	-	16,289	(16,289)	-	-	-
	<u>1,533,159</u>	<u>(22,096)</u>	<u>6,031</u>	<u>(6,000)</u>	<u>1,511,094</u>	<u>1,323,833</u>	<u>8,711</u>	<u>6,043</u>	<u>(6,000)</u>	<u>1,332,587</u>
<b>Expenses</b>										
Program services	1,346,189	-	41,547	(6,000)	1,381,736	1,192,586	-	57,743	(6,000)	1,244,329
Management and General	123,117	-	-	-	123,117	139,376	-	-	-	139,376
Fundraising	<u>25,429</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,429</u>	<u>36,707</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,707</u>
<b>Total Expenses</b>	1,494,735	-	41,547	(6,000)	1,530,282	1,368,669	-	57,743	(6,000)	1,420,412
<b>Change in Net Assets</b>	38,424	(22,096)	(35,516)	-	(19,188)	(44,836)	8,711	(51,700)	-	(87,825)
<b>Net Assets - beginning of year</b>	<u>1,498,315</u>	<u>22,096</u>	<u>315,017</u>	<u>-</u>	<u>1,835,428</u>	<u>1,543,151</u>	<u>13,385</u>	<u>366,717</u>	<u>-</u>	<u>1,923,253</u>
<b>Net Assets - end of year</b>	<u>\$ 1,536,739</u>	<u>\$ -</u>	<u>\$ 279,501</u>	<u>\$ -</u>	<u>\$ 1,816,240</u>	<u>\$ 1,498,315</u>	<u>\$ 22,096</u>	<u>\$ 315,017</u>	<u>\$ -</u>	<u>\$ 1,835,428</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, 2016 AND 2015**

	2016				2015			
	<u>A Better Way</u>	<u>Building Corporation</u>	<u>Eliminations</u>	<u>Combined</u>	<u>A Better Way</u>	<u>Building Corporation</u>	<u>Eliminations</u>	<u>Combined</u>
<b>Cash flow from operating activities:</b>								
Increase (Decrease) in net assets	\$ 16,328	\$ (35,516)	\$ -	\$ (19,188)	\$ (36,125)	\$ (51,700)	\$ -	\$ (87,825)
Adjustments to reconcile change in net assets to net cash provided by operating activities:								
Depreciation	61,491	28,059	-	89,550	59,461	48,060	-	107,521
Realized gain on beneficial interest in investments held by others	(5,018)	-	-	(5,018)	(8,444)	-	-	(8,444)
Unrealized loss on beneficial interest in investments held by others	11,289	-	-	11,289	8,495	-	-	8,495
(Increase) Decrease in assets:								
Accounts receivable	9,208	-	-	9,208	(4,500)	-	-	(4,500)
Increase (Decrease) in liabilities:								
Deposits	593	-	-	593	(529)	-	-	(529)
Accounts payable	(659)	-	-	(659)	766	-	-	766
Grants payable	-	-	-	-	(7,935)	-	-	(7,935)
Accrued and withheld liabilities	23,992	-	-	23,992	8,567	-	-	8,567
<b>Net cash provided (used) by operating activities</b>	<u>117,224</u>	<u>(7,457)</u>	<u>-</u>	<u>109,767</u>	<u>19,756</u>	<u>(3,640)</u>	<u>-</u>	<u>16,116</u>
<b>Cash flow from investing activities:</b>								
Cash payments for the purchase of property	(29,342)	(5,883)	-	(35,225)	(34,269)	-	-	(34,269)
Net change in beneficial interest in investments held by others	(1,555)	-	-	(1,555)	2,276	-	-	2,276
<b>Net cash used in investing activities</b>	<u>(30,897)</u>	<u>(5,883)</u>	<u>-</u>	<u>(36,780)</u>	<u>(31,993)</u>	<u>-</u>	<u>-</u>	<u>(31,993)</u>
<b>Cash flow from financing activities:</b>								
Principal payments on long-term liabilities	-	-	-	-	-	(18,975)	18,975	-
Issuance of note receivable	-	-	-	-	-	-	-	-
Proceeds from note payable	-	-	-	-	18,975	-	(18,975)	-
<b>Net cash provided (used) by financing activities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,975</u>	<u>(18,975)</u>	<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	86,327	(13,340)	-	72,987	6,738	(22,615)	-	(15,877)
<b>Cash and cash equivalents - beginning of year</b>	<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>
<b>Cash and cash equivalents - end of year</b>	<u>\$ 222,286</u>	<u>\$ 57,420</u>	<u>\$ -</u>	<u>\$ 279,706</u>	<u>\$ 135,959</u>	<u>\$ 70,760</u>	<u>\$ -</u>	<u>\$ 206,719</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, 2016 AND 2015**

2016						
	<u>A Better Way</u>			<u>Building</u>		<u>Combined</u>
	<u>A Better Way</u>	<u>Management</u>	<u>Fundraising</u>	<u>Corporation</u>	<u>Eliminations</u>	
	<u>Programs</u>	<u>and General</u>		<u>Programs</u>		
Salaries	\$ 862,577	\$ 69,741	\$ 12,466	\$ -	\$ -	\$ 944,784
Employee benefits	102,291	8,828	1,802	-	-	112,921
Payroll taxes	63,585	5,168	795	-	-	69,548
Professional fees	72,343	4,416	-	750	-	77,509
Supplies	38,047	1,482	5,448	712	-	45,689
Telephone	7,235	2,042	-	-	-	9,277
Postage	556	907	98	-	-	1,561
Occupancy	64,712	698	76	3,022	(6,000)	62,508
Equipment rental and maintenance	15,694	1,896	-	4,380	-	21,970
Publications and subscriptions	-	99	-	-	-	99
Conferences and training workshops	1,631	90	-	-	-	1,721
Transportation	10,275	139	-	-	-	10,414
Membership dues	2,014	-	55	-	-	2,069
Insurance	41,089	4,816	251	3,699	-	49,855
Food	18,650	-	3,063	-	-	21,713
Miscellaneous	4,906	1,888	1,375	925	-	9,094
Total expenses before depreciation	<u>1,305,605</u>	<u>102,210</u>	<u>25,429</u>	<u>13,488</u>	<u>(6,000)</u>	<u>1,440,732</u>
Depreciation	<u>40,584</u>	<u>20,907</u>	<u>-</u>	<u>28,059</u>	<u>-</u>	<u>89,550</u>
<b>Total Expenses</b>	<b><u>\$ 1,346,189</u></b>	<b><u>\$ 123,117</u></b>	<b><u>\$ 25,429</u></b>	<b><u>\$ 41,547</u></b>	<b><u>\$ (6,000)</u></b>	<b><u>\$ 1,530,282</u></b>

  

2015						
	<u>A Better Way</u>			<u>Building</u>		<u>Combined</u>
	<u>A Better Way</u>	<u>Management</u>	<u>Fundraising</u>	<u>Corporation</u>	<u>Eliminations</u>	
	<u>Programs</u>	<u>and General</u>		<u>Programs</u>		
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	11,758	2,486	-	2,305	-	16,549
Printing and publications	-	99	3,963	-	-	4,062
Conferences and training workshops	7,518	190	-	-	-	7,708
Transportation	10,207	192	-	-	-	10,399
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	<u>1,152,490</u>	<u>120,011</u>	<u>36,707</u>	<u>9,683</u>	<u>(6,000)</u>	<u>1,312,891</u>
Depreciation	<u>40,096</u>	<u>19,365</u>	<u>-</u>	<u>48,060</u>	<u>-</u>	<u>107,521</u>
<b>Total Expenses</b>	<b><u>\$ 1,192,586</u></b>	<b><u>\$ 139,376</u></b>	<b><u>\$ 36,707</u></b>	<b><u>\$ 57,743</u></b>	<b><u>\$ (6,000)</u></b>	<b><u>\$ 1,420,412</u></b>

**A BETTER WAY SERVICES, INC. AND  
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION  
SCHEDULE OF COMBINED SUPPORT AND REVENUE BY ORGANIZATION  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**

	<b>2016</b>					
	<b>A Better Way</b>		<b>Building Corporation</b>		<b>Eliminations</b>	<b>Combined</b>
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Unrestricted</b>	<b>Temporarily Restricted</b>		
<b>Support and Revenue</b>						
<b>Public support</b>						
Contributions	\$ 260,068	\$ -	\$ -	\$ -	\$ -	\$ 260,068
United Way of Delaware County	73,086	-	-	-	-	73,086
<b>Total Public support</b>	<u>333,154</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>333,154</u>
<b>Revenue</b>						
Child and Adult Care Food Program	14,543	-	-	-	-	14,543
Community Development Block Grant	45,000	-	-	-	-	45,000
Criminal Justice Grants	270,607	-	-	-	-	270,607
Criminal Justice SOS Grant	10,580	-	-	-	-	10,580
Criminal Justice Stop Grants	10,645	-	-	-	-	10,645
Domestic Violence Grant	145,000	-	-	-	-	145,000
Emergency Shelters Grant	33,638	-	-	-	-	33,638
Family Service Society	66,667	-	-	-	-	66,667
Family Violence Grant	57,019	-	-	-	-	57,019
FEMA Grant	8,000	-	-	-	-	8,000
LifeLine	27,778	-	-	-	-	27,778
Sexual Assault Services Program Grant	56,731	-	-	-	-	56,731
Social Services Block Grant	12,000	-	-	-	-	12,000
21st Century Community Learning State Grant	266,503	-	-	-	-	266,503
US Dept. of Housing and Urban Development	131,085	-	-	-	-	131,085
Rental income	2,470	-	6,000	-	(6,000)	2,470
Investment income (loss), net	(4,619)	-	31	-	-	(4,588)
Outsourced services	7,500	-	-	-	-	7,500
Miscellaneous	16,762	-	-	-	-	16,762
<b>Total Revenue</b>	<u>1,177,909</u>	<u>-</u>	<u>6,031</u>	<u>-</u>	<u>(6,000)</u>	<u>1,177,940</u>
<b>Total Support and Revenue</b>	<u>\$ 1,511,063</u>	<u>\$ -</u>	<u>\$ 6,031</u>	<u>\$ -</u>	<u>\$ (6,000)</u>	<u>\$ 1,511,094</u>

	<b>2015</b>					
	<b>A Better Way</b>		<b>Building Corporation</b>		<b>Eliminations</b>	<b>Combined</b>
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Unrestricted</b>	<b>Temporarily Restricted</b>		
<b>Support and Revenue</b>						
<b>Public support</b>						
Contributions	\$ 266,047	\$ 25,000	\$ -	\$ -	\$ -	\$ 291,047
United Way of Delaware County	73,219	-	-	-	-	73,219
<b>Total Public support</b>	<u>339,266</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>364,266</u>
<b>Revenue</b>						
Child and Adult Care Food Program	14,471	-	-	-	-	14,471
Community Development Block Grant	15,000	-	-	-	-	15,000
Criminal Justice Grants	113,693	-	-	-	-	113,693
Criminal Justice SOS Grant	8,241	-	-	-	-	8,241
Criminal Justice Stop Grants	10,645	-	-	-	-	10,645
Domestic Violence Grant	106,245	-	-	-	-	106,245
Emergency Shelters Grant	44,289	-	-	-	-	44,289
Family Service Society	70,173	-	-	-	-	70,173
Family Violence Grant	47,109	-	-	-	-	47,109
FEMA Grant	8,000	-	-	-	-	8,000
Sexual Assault Services Program Grant	26,353	-	-	-	-	26,353
Social Services Block Grant	15,703	-	-	-	-	15,703
21st Century Community Learning State Grant	317,582	-	-	-	-	317,582
US Dept. of Housing and Urban Development	143,813	-	-	-	-	143,813
Rental income	2,231	-	6,000	-	(6,000)	2,231
Investment income, net	1,338	-	43	-	-	1,381
Outsourced services	7,500	-	-	-	-	7,500
Miscellaneous	15,892	-	-	-	-	15,892
<b>Total Revenue</b>	<u>968,278</u>	<u>-</u>	<u>6,043</u>	<u>-</u>	<u>(6,000)</u>	<u>968,321</u>
<b>Total Support and Revenue</b>	<u>\$ 1,307,544</u>	<u>\$ 25,000</u>	<u>\$ 6,043</u>	<u>\$ -</u>	<u>\$ (6,000)</u>	<u>\$ 1,332,587</u>

**A BETTER WAY SERVICES, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

<b>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM</b>	<b>CFDA NUMBER</b>	<b>AGREEMENT NUMBER</b>	<b>EXPENDITURES</b>
<b>Department of Health and Human Services</b>			
Pass-through programs from:			
Indiana Criminal Justice Institute			
Family Violence Prevention	93.671	D3-15-9174	\$ 13,515
		D3-16-10287	<u>43,504</u>
	93.671	Total	<u>57,019</u>
Social Services Block Grants:			
Prevention and Public Health	93.758	D3-15-9890	2,894
		D3-16-10709	<u>7,685</u>
	93.758	Total	<u>10,579</u>
<b>Total Department of Health and Human Services</b>			<u>67,598</u>
<b>Department of Justice</b>			
Pass-through programs from:			
Indiana Criminal Justice Institute			
SASP	16.017	D3-15-9875	3,147
		D3-16-10363	<u>53,584</u>
	16.017	Total	<u>56,731</u>
Crime Victim Assistance	16.575	D3-15-9704	21,556
		D3-16-10728	12,000
		D3-16-10538	<u>238,140</u>
	16.575	Total	<u>271,696</u>
STOP Violence Against Women	16.588	D3-16-10463	<u>10,645</u>
<b>Total Department of Justice</b>			<u>339,072</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, 2016**

<b>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM</b>	<b>CFDA NUMBER</b>	<b>AGREEMENT NUMBER</b>	<b>EXPENDITURES</b>
<b>Department of Housing and Urban Development</b>			
Supportive Housing Program	14.235	IN0043L5H021407	131,085
Pass-through program from:			
Muncie, Indiana Community Development Office:			
Community Development Block Grant:			
Domestic Violence Shelter and Services Program	14.218	N/A	10,000
Indiana Housing Community Development Authority			
Emergency Shelter	14.231	ES-015-001	<u>33,638</u>
<b>Total Department of Housing and Urban Development</b>			<u>174,723</u>
<b>Department of Education</b>			
Pass-through program from:			
Indiana Department of Education			
21st Century Community Learning State Grant	84.287	A58-6-16DL-0199	264,892
		A58-7-14DL-0024	<u>1,611</u>
	84.287	Total	<u>266,503</u>
<b>Total Department of Education</b>			<u>266,503</u>
<b>Total expenditures of federal awards</b>			<u>\$ 847,896</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, 2016**

**Note 1 – BASIS OF PRESENTATION**

*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, 2016. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3 – 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, 2016**

<u>STATE GRANTOR/PROGRAM</u>	<u>CONTRACT NUMBER</u>	<u>STATE EXPENDITURES</u>
<b>State of Indiana</b>		
Pass-through programs from:		
Indiana Criminal Justice Institute:		
Domestic Violence Prevention and Treatment	D3-16-9961	\$ <u>145,000</u>
<b>Total Indiana Criminal Justice Institute</b>		<u>145,000</u>
<b>Total expendiutres of state awards</b>		<u>\$ 145,000</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 organization), which comprise the combined statements of financial position as of June 30, 2016 and 2015, and the related combined statements of activities, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated October 6, 2016.

**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 A Better Way Services, Inc.'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 from material misstatement, we 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of 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.

Handwritten signature of Kemper CPA Group LLP in cursive script.

Kemper CPA Group, LLP  
Avon, Indiana  
October 6, 2016



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH  
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

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

**Report on Compliance for Each major Program**

We have audited A Better Way Services, Inc.'s compliance with the types of compliance requirements described in the *OMB 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, 2016. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that 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, 2016.

## 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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Kemper CPA Group, LLP  
Avon, Indiana  
October 6, 2016

**A BETTER WAY SERVICES, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

**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 the Uniform Guidance.
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:

<u>Program</u>	<u>CFDA</u>
Crime Victim Assistance	16.575

8. The threshold for distinguishing Types A and B programs was \$750,000.
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