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April 28, 2020

Board of Directors  
A Better Way Services, Inc.  
307 E. Charles St.  
Muncie, IN 47308

We have reviewed the audit report of A Better Way Services, Inc. which was opined upon by Kemper CPA Group, LLP, Independent Public Accountants, for the period July 1, 2018 to June 30, 2019. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of A Better Way Services, Inc. as of June 30, 2019 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Kemper CPA Group, LLP prepared the audit report in accordance with guidelines established by the State Board of Accounts.

The 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 AFFILIATE**

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

**FOR THE YEARS ENDED  
JUNE 30, 2019 AND 2018**

**A BETTER WAY SERVICES, INC.  
AND AFFILIATE**

**TABLE OF CONTENTS**

	<u>Page</u>
<b>INDEPENDENT AUDITOR'S REPORT</b>	1-2
<b>FINANCIAL STATEMENTS</b>	
Combined Statements of Financial Position	3
Combined Statements of Activities	4
Combined Statements of Functional Expenses	5
Combined Statements of Cash Flows	6
<b>NOTES TO COMBINED FINANCIAL STATEMENTS</b>	7-12
<b>SUPPLEMENTARY INFORMATION</b>	
Combining Statements of Financial Position	13
Combining Statements of Activities	14
Combining Statements of Cash Flows	15
Combining Statements of Functional Expenses	16-17
Combining Schedules of Support and Revenue	18-19
Schedule of Expenditures of Federal Awards	20-21
Notes to Schedule of Expenditures of Federal Awards	22
Schedule of Expenditures of State and Local Awards	23
<b>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</b>	24-25
<b>INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE</b>	26-27
<b>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</b>	28



## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying combined 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, 2019 and 2018, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined 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 audits. We conducted our audits 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, 2019 and 2018, 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 audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining information in the statements of financial position, activities, functional expenses, and cash flows and the schedules of support and revenue are presented for purposes of additional analysis of the combined financial statements rather than to present the financial position, change in net assets, and cash flows of the individual organizations, and is not a required part of the combined financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the combined financial statements.

The combining information, schedules of support and revenue, and schedule of expenditures of federal awards has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining information, schedules of support and revenue, and schedule of expenditures of federal awards is fairly stated in all material respects in relation to the combined 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 December 30, 2019, on our consideration of A Better Way Services, Inc. and its affiliate'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  
December 30, 2019

**A BETTER WAY SERVICES, INC. AND AFFILIATE  
COMBINED STATEMENTS OF FINANCIAL POSITION  
AS OF JUNE 30, 2019 AND 2018**

	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
Cash	\$ 459,461	\$ 333,231
Grants receivable	151,616	196,639
Prepaid expenses	2,163	2,163
Note receivable	64,643	72,506
Property and equipment, net	1,184,884	1,223,601
Beneficial interest in assets held by community foundation	166,037	158,685
<b>Total Assets</b>	<b>\$ 2,028,804</b>	<b>\$ 1,986,825</b>
<b>LIABILITIES</b>		
Deposits	\$ 1,495	\$ 807
Accounts payable	11,217	10,932
Accrued and withheld liabilities	95,531	84,834
<b>Total Liabilities</b>	<b>108,243</b>	<b>96,573</b>
<b>NET ASSETS</b>		
Without donor restrictions	1,920,561	1,890,252
<b>Total Liabilities and Net Assets</b>	<b>\$ 2,028,804</b>	<b>\$ 1,986,825</b>

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

**A BETTER WAY SERVICES, INC. AND AFFILIATE  
COMBINED STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

	<b>2019</b>	<b>2018</b>
<b>REVENUES</b>		
Public support	\$ 293,316	\$ 303,440
Grants	1,543,492	1,538,543
Rental income	450	2,716
Investment income, net	13,163	15,578
Gain on sale of assets	-	74,344
Gain from insurance proceeds	-	25,225
Other	12,830	22,110
<b>Total revenues</b>	<b>1,863,251</b>	<b>1,981,956</b>
<b>EXPENSES</b>		
Program services	1,619,180	1,739,145
Supporting services		
Management and general	160,570	131,468
Fundraising	53,192	31,053
<b>Total expenses</b>	<b>1,832,942</b>	<b>1,901,666</b>
<b>Change in net assets</b>	30,309	80,290
<b>NET ASSETS - beginning of year</b>	<b>1,890,252</b>	<b>1,809,962</b>
<b>NET ASSETS - end of year</b>	<b>\$ 1,920,561</b>	<b>\$ 1,890,252</b>

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

**A BETTER WAY SERVICES, INC. AND AFFILIATE**  
**COMBINED STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

	<u>2019</u>				<u>2018</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	\$ 1,009,797	\$ 95,600	\$ 27,611	\$ 1,133,008	\$ 1,040,097	\$ 85,575	\$ 18,133	\$ 1,143,805
Employee benefits	142,502	12,551	2,418	157,471	140,157	9,999	1,260	151,416
Payroll taxes	76,574	6,984	2,139	85,697	79,397	5,791	1,289	86,477
Professional fees	46,484	17,560	-	64,044	71,788	3,169	-	74,957
Supplies	48,607	5,957	3,902	58,466	24,025	1,669	1,933	27,627
Telephone	10,414	1,772	-	12,186	10,519	1,951	-	12,470
Postage	34	712	250	996	76	898	-	974
Occupancy	111,257	-	-	111,257	182,675	14,146	-	196,821
Equipment rental and maintenance	9,384	9,987	-	19,371	14,161	1,107	-	15,268
Conferences and training workshops	9,015	797	1,000	10,812	3,105	468	1,898	5,471
Transportation	8,811	111	-	8,922	10,599	110	-	10,709
Membership dues	1,024	198	-	1,222	3,212	2	-	3,214
Insurance	40,381	5,680	272	46,333	52,191	4,218	206	56,615
Food	13,381	-	15,600	28,981	12,575	66	6,334	18,975
Miscellaneous	<u>5,411</u>	<u>2,661</u>	<u>-</u>	<u>8,072</u>	<u>3,211</u>	<u>2,299</u>	<u>-</u>	<u>5,510</u>
Total expenses before depreciation	1,533,076	160,570	53,192	1,746,838	1,647,788	131,468	31,053	1,810,309
Depreciation	<u>86,104</u>	<u>-</u>	<u>-</u>	<u>86,104</u>	<u>91,357</u>	<u>-</u>	<u>-</u>	<u>91,357</u>
<b>Total functional expenses</b>	<b><u>\$ 1,619,180</u></b>	<b><u>\$ 160,570</u></b>	<b><u>\$ 53,192</u></b>	<b><u>\$ 1,832,942</u></b>	<b><u>\$ 1,739,145</u></b>	<b><u>\$ 131,468</u></b>	<b><u>\$ 31,053</u></b>	<b><u>\$ 1,901,666</u></b>

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

**A BETTER WAY SERVICES, INC. AND AFFILIATE  
COMBINED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 30,309	\$ 80,290
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	86,104	91,357
(Gain) loss on sale of assets	335	(74,344)
Realized gain on beneficial interest in assets held by community foundation	(1,453)	(6,035)
Unrealized gain on beneficial interest in assets held by community foundation	(3,445)	(5,348)
(Increase) Decrease in assets:		
Accounts receivable	45,023	(13,147)
Increase (Decrease) in liabilities:		
Deposits	688	(870)
Accounts payable	285	2,799
Accrued and withheld liabilities	10,697	(3,505)
<b>Net Cash Provided by Operating Activities</b>	<u>168,543</u>	<u>71,197</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(48,152)	(4,700)
Proceeds from sale of property and equipment	430	4,034
Net change in beneficial interest in assets held held by community foundation	(2,454)	(1,610)
<b>Net Cash Used by Investing Activities</b>	<u>(50,176)</u>	<u>(2,276)</u>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds received on note receivable	7,863	2,494
<b>Net Cash Provided by Financing Activities</b>	<u>7,863</u>	<u>2,494</u>
 <b>Net Increase in Cash</b>	126,230	71,415
 <b>CASH - Beginning of Year</b>	<u>333,231</u>	<u>261,816</u>
 <b>CASH - End of Year</b>	<u>\$ 459,461</u>	<u>\$ 333,231</u>

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

**A BETTER WAY SERVICES, INC. AND AFFILIATE  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

**Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Nature of Activities* – A Better Way Services, Inc. (A Better Way) brings peace to homes, strength to individuals and families, and positive impact to the community, through prevention and crisis intervention. Services provided by A Better Way’s programs 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, 2019 and 2018, 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.

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. Subsequently, the holding of titles to property was split between A Better Way and the Building Corporation. All titles related to land, building and improvements to the existing structures were continued to be held by the Building Corporation. All titles related to the addition of the Passage Way building, improvements, furniture and fixtures are held by A Better Way.

*Combined Financial Statements* – The combined financial statements include the accounts of A Better Way and the Building Corporation. The Building Corporation’s principal business activity is leasing property to A Better Way. All significant intercompany accounts and transactions have been eliminated in combination. Unless otherwise noted, these combined entities are hereinafter referred to as “Organizations.”

*Basis of Accounting* – The combined financial statements of the Organizations have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

*Basis of Presentation* – The Organizations reports its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions. The Organizations did not have any net assets with donor restrictions as of June 30, 2019 and 2018.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organizations, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and other that are entered into in the course of its operations.

*Grants Receivable* – Grants receivable represent consideration from state and local government agencies, of which the Organizations have an unconditional right to receive. Grants receivable are stated at the amount management expects to be collected from the outstanding balance. As of June 30, 2019 and 2018, management has determined, based on historical experience, that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

**A BETTER WAY SERVICES, INC. AND AFFILIATE  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

**Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Property and Equipment* – The Organizations record property and equipment additions over \$1,000 at cost, or if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from five to forty years. When the assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the combined statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

*Beneficial Interest in Assets Held by Community Foundation* – The Organizations established an endowment fund with the Community Foundation of Muncie and Delaware County, Inc. (the Community Foundation) and named A Better Way as beneficiary. The Organizations granted variance power to the Community Foundation, which allows the Community Foundation to modify any condition or restriction on its distributions for any specified charitable purpose or to any specified organization if, in the sole judgment of the Community Foundation’s Board of Directors, such restrictions or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. The fund is held and invested by the Community Foundation for A Better Way’s benefit and is reported at fair value in the combined statements of financial position, with distributions and changes in fair value recognized in the combined statements of activities.

*Revenue and Revenue Recognition* – Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

*Donated Services and In-Kind Contributions* – Volunteers contribute significant amounts of time to the Organizations’ program services, administration, and fundraising activities; however, the combined financial statements do not reflect the value of these contributed services because they do not meet the recognition criteria prescribed by generally accepted accounting principles. No significant contributions of such goods were received during the years ended June 30, 2019 and 2018. See Note 9 for additional detail on donated services.

*Functional Allocation of Expenses* – The cost of program and supporting services activities have been summarized on a functional basis in the combined statements of activities. The combined statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

*Income Taxes* – A Better Way is organized as an Indiana nonprofit organization and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as organizations described in IRC Section 501(c)(3), qualify for the charitable contribution deduction under IRC Section 170(b)(1)(A) and have been determined not to be a private foundation under IRC Section 509(a)(2).

The Building Corporation is organized as an Indiana nonprofit organization and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as organizations described in IRC Section 501(c)(2) and have been determined not to be a private foundation under IRC Section 509(a)(2).

**A BETTER WAY SERVICES, INC. AND AFFILIATE  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

**Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Each entity is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the entities are subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. Management has determined that each entity is not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

*Estimates* – The preparation of combined financial statements in conformity with generally accepted accounting principles requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the combined financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Financial Instruments and Credit Risk* – The Organizations manage deposit concentration risk by placing cash with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits. To date, there have been no losses in any of these accounts. Credit risk associated with grants receivable are considered to be limited due to high historical collection rates and because all outstanding amounts are due from governmental agencies.

*Subsequent Events* – The Organizations have evaluated subsequent events through December 30, 2019, which is the date the combined financial statements were available to be issued.

**Note 2 – LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the combined statement of financial position date, comprise the following:

	<u>2019</u>	<u>2018</u>
Financial assets at year-end		
Cash	\$ 459,461	\$ 333,231
Grants receivable	151,616	196,639
Notes receivable	64,643	72,506
Beneficial interest in assets held by community foundation	166,037	158,685
Less those unavailable for general expenditure within one year, due to:		
Notes receivable payments due in more than one year	(55,590)	(64,643)
Distributions from beneficial interest in assets held by community foundation due in more than one year	(112,331)	(111,275)
	<u>\$ 673,836</u>	<u>\$ 585,143</u>

**A BETTER WAY SERVICES, INC. AND AFFILIATE  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

**Note 3 – FAIR VALUE MEASUREMENTS**

The Organizations report certain assets at fair value in the combined financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity’s own assumptions about the assumptions market participants would use in pricing the assets based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset. In these situations, inputs are developed using the best information available in the circumstances.

The fair value of the beneficial interest in assets held by the community foundation is based on the fair value of fund investments are reported by the Community Foundation. These are considered to be Level 3 measurements.

The following table presents assets measured at fair value on a recurring basis at June 30, 2019 and 2018:

	Significant Unobservable Inputs (Level 3)
June 30, 2019	
Beneficial interest in assets held by community foundation	\$ 166,037
June 30, 2018	
Beneficial interest in assets held by community foundation	\$ 158,685

**A BETTER WAY SERVICES, INC. AND AFFILIATE  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

**Note 3 – FAIR VALUE MEASUREMENTS (Continued)**

The following is a reconciliation of the beginning and ending balance of assets measured on a recurring basis using significant unobservable inputs (Level 3) for the years ended June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Beginning balance	\$ 158,685	\$ 145,692
Interest and dividends	4,308	3,410
Realized gains	1,453	6,035
Unrealized gains	3,445	5,348
Investment expenses	(1,854)	(1,800)
Ending balance	<u>\$ 166,037</u>	<u>\$ 158,685</u>

**Note 4 – CASH FLOW INFORMATION**

Noncash investing and financing activities in 2018 consisted of the issuance of a \$75,000 note receivable to facilitate the sale of a building.

**Note 5 – NOTE RECEIVABLE**

In 2018, the Building Corporation entered into an installment agreement on real estate for \$85,000. Per the terms of the agreement, the buyer was required to pay \$10,000 at the time of the purchase and \$75,000 in forty-eight monthly installments of a minimum of \$1,000 per month with a balloon payment for the final payment. The balance is stated at the unpaid principal balance plus interest, which is accrued at an annual rate of 6%.

**Note 6 – PROPERTY AND EQUIPMENT**

	<u>2019</u>	<u>2018</u>
Buildings	\$ 2,142,719	\$ 2,124,234
Vehicles	62,100	82,053
Equipment	180,987	152,815
Furniture and fixtures	25,447	25,447
Land	44,000	44,000
Less accumulated depreciation	(1,270,369)	(1,204,948)
	<u>\$ 1,184,884</u>	<u>\$ 1,223,601</u>

Depreciation expense for the years ended June 30, 2019 and 2018 was \$86,104 and \$91,357, respectively.

**A BETTER WAY SERVICES, INC. AND AFFILIATE  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

**Note 7 – BENEFICIAL INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATION**

An endowment fund is deposited with 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 historical market value of the investments of the fund are allocated annually for distributions and grants used for the support of the charitable or educational purposes of A Better Way. Any investment earnings are invested back into the respective accounts. There were no additional transfers or distributions made for the years ended June 30, 2019 and 2018. At June 30, 2019 and 2018, \$53,706 and \$47,410, respectively, of spendable funds were available for withdrawal.

**Note 8 – ENDOWMENT ACCOUNT**

A Better Way is the beneficiary of an endowment account established with the Community Foundation. 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, 2019 was \$69,202 with an available spending balance of \$12,986. The balance in this account at June 30, 2018 was \$64,885 with an available spending balance of \$10,542. There were no distributions received from this fund for the years ended June 30, 2019 and 2018.

**Note 9 – DONATED SERVICES**

A Better Way receives a significant amount of donated services from unpaid volunteers who provide various assistance to 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 7,390 total volunteer hours received for the year ended June 30, 2019 has an estimated fair value of \$165,081. The 6,880 total volunteer hours received for the year ended June 30, 2018 has an estimated fair value of \$153,699. The hours and estimated fair values of services presented are unaudited amounts provided by management.

**Note 10 – PENSION PLANS**

A Better Way maintains two defined-contribution pension plans and substantially all employees who work 1,000 hours or more in a calendar year are eligible to participate. The tax deferred annuity plan has voluntary employee contributions. The basic plan requires an employer contribution equal to 6% of participating employees' compensation. Pension expense for the years ended June 30, 2019 and 2018 amounted to \$50,780 and \$48,844, respectively.

**Note 11 – COMMITMENTS AND CONTINGENCIES**

The Organization has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Such audits could generate expenditure disallowances under terms of the grants that could require material reimbursement.

**SUPPLEMENTARY INFORMATION**

**A BETTER WAY SERVICES, INC. AND  
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION  
COMBINING STATEMENTS OF FINANCIAL POSITION  
AS OF JUNE 30, 2019 AND 2018**

	<b>2019</b>				<b>2018</b>			
	<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	\$ 419,841	\$ 39,620	\$ -	\$ 459,461	\$ 275,777	\$ 57,454	\$ -	\$ 333,231
Accounts receivable	151,616	-	-	151,616	196,639	-	-	196,639
Prepaid expenses	2,163	-	-	2,163	2,163	-	-	2,163
Property and equipment, net	924,322	260,562	-	1,184,884	938,858	284,743	-	1,223,601
Beneficial interest in assets held by community foundation	166,037	-	-	166,037	158,685	-	-	158,685
Note receivable	-	64,643	-	64,643	-	72,506	-	72,506
Note receivable, Building Corporation	82,371	-	(82,371)	-	117,371	-	(117,371)	-
<b>Total Assets</b>	<u>\$ 1,746,350</u>	<u>\$ 364,825</u>	<u>\$ (82,371)</u>	<u>\$ 2,028,804</u>	<u>\$ 1,689,493</u>	<u>\$ 414,703</u>	<u>\$ (117,371)</u>	<u>\$ 1,986,825</u>
<b>LIABILITIES AND NET ASSETS</b>								
Deposits	\$ 1,495	\$ -	\$ -	\$ 1,495	\$ 807	\$ -	\$ -	\$ 807
Accounts payable	11,217	-	-	11,217	10,932	-	-	10,932
Accrued and withheld liabilities	95,531	-	-	95,531	84,834	-	-	84,834
Note payable, A Better Way	-	82,371	(82,371)	-	-	117,371	(117,371)	-
<b>Total Liabilities</b>	<u>108,243</u>	<u>82,371</u>	<u>(82,371)</u>	<u>108,243</u>	<u>96,573</u>	<u>117,371</u>	<u>(117,371)</u>	<u>96,573</u>
<b>NET ASSETS</b>								
Without donor restrictions	1,638,107	282,454	-	1,920,561	1,592,920	297,332	-	1,890,252
<b>Total Liabilities and Net Assets</b>	<u>\$ 1,746,350</u>	<u>\$ 364,825</u>	<u>\$ (82,371)</u>	<u>\$ 2,028,804</u>	<u>\$ 1,689,493</u>	<u>\$ 414,703</u>	<u>\$ (117,371)</u>	<u>\$ 1,986,825</u>

**A BETTER WAY SERVICES, INC. AND  
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION  
COMBINING STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

	<u>2019</u>				<u>2018</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>Support and Revenue</b>								
Public support	\$ 293,316	\$ -	\$ -	\$ 293,316	\$ 303,440	\$ -	\$ -	\$ 303,440
Revenue	<u>1,566,111</u>	<u>11,161</u>	<u>(7,337)</u>	<u>1,569,935</u>	<u>1,602,645</u>	<u>81,871</u>	<u>(6,000)</u>	<u>1,678,516</u>
<b>Total Support and Revenue</b>	<u>1,859,427</u>	<u>11,161</u>	<u>(7,337)</u>	<u>1,863,251</u>	<u>1,906,085</u>	<u>81,871</u>	<u>(6,000)</u>	<u>1,981,956</u>
<b>Expenses</b>								
Program services	1,600,478	26,039	(7,337)	1,619,180	1,712,551	32,594	(6,000)	1,739,145
Management and General	160,570	-	-	160,570	131,468	-	-	131,468
Fundraising	<u>53,192</u>	<u>-</u>	<u>-</u>	<u>53,192</u>	<u>31,053</u>	<u>-</u>	<u>-</u>	<u>31,053</u>
<b>Total Expenses</b>	<u>1,814,240</u>	<u>26,039</u>	<u>(7,337)</u>	<u>1,832,942</u>	<u>1,875,072</u>	<u>32,594</u>	<u>(6,000)</u>	<u>1,901,666</u>
<b>Change in Net Assets</b>	45,187	(14,878)	-	30,309	31,013	49,277	-	80,290
<b>Net Assets - beginning of year</b>	<u>1,592,920</u>	<u>297,332</u>	<u>-</u>	<u>1,890,252</u>	<u>1,561,907</u>	<u>248,055</u>	<u>-</u>	<u>1,809,962</u>
<b>Net Assets - end of year</b>	<u>\$ 1,638,107</u>	<u>\$ 282,454</u>	<u>\$ -</u>	<u>\$ 1,920,561</u>	<u>\$ 1,592,920</u>	<u>\$ 297,332</u>	<u>\$ -</u>	<u>\$ 1,890,252</u>

**A BETTER WAY SERVICES, INC. AND  
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION  
COMBINING STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

	2019				2018			
	A Better Way	Building Corporation	Eliminations	Combined	A Better Way	Building Corporation	Eliminations	Combined
<b>Cash flow from operating activities:</b>								
Increase (decrease) in net assets	\$ 45,187	\$ (14,878)	\$ -	\$ 30,309	\$ 31,013	\$ 49,277	\$ -	\$ 80,290
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:								
Depreciation	61,923	24,181	-	86,104	64,914	26,443	-	91,357
(Gain) loss on sale of assets	335	-	-	335	-	(74,344)	-	(74,344)
Realized gain on beneficial interest in assets held by community foundation	(1,453)	-	-	(1,453)	(6,035)	-	-	(6,035)
Unrealized gain on beneficial interest in assets held by community foundation	(3,445)	-	-	(3,445)	(5,348)	-	-	(5,348)
(Increase) decrease in assets:								
Accounts receivable	45,023	-	-	45,023	(13,147)	-	-	(13,147)
Increase (decrease) in liabilities:								
Deposits	688	-	-	688	(870)	-	-	(870)
Accounts payable	285	-	-	285	2,799	-	-	2,799
Accrued and withheld liabilities	10,697	-	-	10,697	(3,505)	-	-	(3,505)
<b>Net cash provided (used) by operating activities</b>	<u>159,240</u>	<u>9,303</u>	<u>-</u>	<u>168,543</u>	<u>69,821</u>	<u>1,376</u>	<u>-</u>	<u>71,197</u>
<b>Cash flow from investing activities:</b>								
Purchase of property and equipment	(48,152)	-	-	(48,152)	(4,700)	-	-	(4,700)
Proceeds from sale of property and equipment	430	-	-	430	-	4,034	-	4,034
Net change in beneficial interest in assets held by community foundation	(2,454)	-	-	(2,454)	(1,610)	-	-	(1,610)
<b>Net cash provided (used) by investing activities</b>	<u>(50,176)</u>	<u>-</u>	<u>-</u>	<u>(50,176)</u>	<u>(6,310)</u>	<u>4,034</u>	<u>-</u>	<u>(2,276)</u>
<b>Cash flow from financing activities:</b>								
Proceeds received on note receivable	35,000	7,863	(35,000)	7,863	-	2,494	-	2,494
Principal payments on note receivable	-	(35,000)	35,000	-	-	-	-	-
<b>Net cash provided (used) by financing activities</b>	<u>35,000</u>	<u>(27,137)</u>	<u>-</u>	<u>7,863</u>	<u>-</u>	<u>2,494</u>	<u>-</u>	<u>2,494</u>
<b>Net increase (decrease) in cash</b>	144,064	(17,834)	-	126,230	63,511	7,904	-	71,415
<b>Cash - beginning of year</b>	<u>275,777</u>	<u>57,454</u>	<u>-</u>	<u>333,231</u>	<u>212,266</u>	<u>49,550</u>	<u>-</u>	<u>261,816</u>
<b>Cash - end of year</b>	<u>\$ 419,841</u>	<u>\$ 39,620</u>	<u>\$ -</u>	<u>\$ 459,461</u>	<u>\$ 275,777</u>	<u>\$ 57,454</u>	<u>\$ -</u>	<u>\$ 333,231</u>

**A BETTER WAY SERVICES, INC.**  
**FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION**  
**COMBINING STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**2019**

	<u>A Better Way</u>			<b>Building</b>	<u>Eliminations</u>	<u>Combined</u>
	<u>A Better Way</u>	<u>Management</u>	<u>Fundraising</u>	<u>Corporation</u>		
	<u>Programs</u>	<u>and General</u>		<u>Programs</u>		
Salaries	\$ 1,009,797	\$ 95,600	\$ 27,611	\$ -	\$ -	\$ 1,133,008
Employee benefits	142,502	12,551	2,418	-	-	157,471
Payroll taxes	76,574	6,984	2,139	-	-	85,697
Professional fees	45,634	17,560	-	850	-	64,044
Supplies	48,607	5,957	3,902	-	-	58,466
Telephone	10,414	1,772	-	-	-	12,186
Postage	34	712	250	-	-	996
Occupancy	118,594	-	-	-	(7,337)	111,257
Equipment rental and maintenance	9,384	9,987	-	-	-	19,371
Conferences and training workshops	9,015	797	1,000	-	-	10,812
Transportation	8,811	111	-	-	-	8,922
Membership dues	1,024	198	-	-	-	1,222
Insurance	40,381	5,680	272	-	-	46,333
Food	13,381	-	15,600	-	-	28,981
Miscellaneous	4,403	2,661	-	1,008	-	8,072
Total expenses before depreciation	<u>1,538,555</u>	<u>160,570</u>	<u>53,192</u>	<u>1,858</u>	<u>(7,337)</u>	<u>1,746,838</u>
Depreciation	<u>61,923</u>	<u>-</u>	<u>-</u>	<u>24,181</u>	<u>-</u>	<u>86,104</u>
<b>Total Expenses</b>	<u>\$ 1,600,478</u>	<u>\$ 160,570</u>	<u>\$ 53,192</u>	<u>\$ 26,039</u>	<u>\$ (7,337)</u>	<u>\$ 1,832,942</u>

**A BETTER WAY SERVICES, INC.  
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION  
COMBINING STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2018**

**2018**

	<u>A Better Way</u>			<u>Building Corporation Programs</u>	<u>Eliminations</u>	<u>Combined</u>
	<u>A Better Way Programs</u>	<u>Management and General</u>	<u>Fundraising</u>			
Salaries	\$ 1,040,097	\$ 85,575	\$ 18,133	\$ -	\$ -	\$ 1,143,805
Employee benefits	140,157	9,999	1,260	-	-	151,416
Payroll taxes	79,397	5,791	1,289	-	-	86,477
Professional fees	71,788	3,169	-	-	-	74,957
Supplies	23,953	1,669	1,933	72	-	27,627
Telephone	10,519	1,951	-	-	-	12,470
Postage	76	898	-	-	-	974
Occupancy	185,755	14,146	-	2,920	(6,000)	196,821
Equipment rental and maintenance	12,699	1,107	-	1,462	-	15,268
Conferences and training workshops	3,105	468	1,898	-	-	5,471
Transportation	10,599	110	-	-	-	10,709
Membership dues	3,212	2	-	-	-	3,214
Insurance	50,528	4,218	206	1,663	-	56,615
Food	12,575	66	6,334	-	-	18,975
Miscellaneous	3,177	2,299	-	34	-	5,510
Total expenses before depreciation	1,647,637	131,468	31,053	6,151	(6,000)	1,810,309
Depreciation	64,914	-	-	26,443	-	91,357
<b>Total Expenses</b>	<b><u>\$ 1,712,551</u></b>	<b><u>\$ 131,468</u></b>	<b><u>\$ 31,053</u></b>	<b><u>\$ 32,594</u></b>	<b><u>\$ (6,000)</u></b>	<b><u>\$ 1,901,666</u></b>

**A BETTER WAY SERVICES, INC. AND  
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION  
COMBINING SCHEDULE OF SUPPORT AND REVENUE  
FOR THE YEAR ENDED JUNE 30, 2019**

**2019**

	<u>A Better Way</u>		<u>Building Corporation</u>		<u>Eliminations</u>	<u>Combined</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>		
<b>Support and Revenue</b>						
<b>Public support</b>						
Contributions	\$ 245,640	\$ -	\$ -	\$ -	\$ -	\$ 245,640
United Way of Delaware County	47,676	-	-	-	-	47,676
<b>Total Public support</b>	<u>293,316</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>293,316</u>
<b>Revenue</b>						
Community Development Block Grant	93,000	-	-	-	-	93,000
Community Mental Health Block Grant	159,500	-	-	-	-	159,500
Criminal Justice Grants	606,441	-	-	-	-	606,441
Criminal Justice SOS Grant	2,433	-	-	-	-	2,433
Criminal Justice Stop Grants	12,301	-	-	-	-	12,301
Domestic Violence Grant	220,160	-	-	-	-	220,160
Emergency Shelters Grant	47,310	-	-	-	-	47,310
Family Violence Grant	57,679	-	-	-	-	57,679
Preventative Health and Services Block Grant	3,019	-	-	-	-	3,019
Rapid Rehousing Grant	117,095	-	-	-	-	117,095
Sexual Assault Services Program Grant	61,188	-	-	-	-	61,188
Sexual Assault Victim Assistance Grant	147,663	-	-	-	-	147,663
Social Services Block Grant	15,703	-	-	-	-	15,703
Rental income	450	-	7,337	-	(7,337)	450
Investment income, net	9,339	-	3,824	-	-	13,163
Outsourced services	10,375	-	-	-	-	10,375
Miscellaneous	2,455	-	-	-	-	2,455
<b>Total Revenue</b>	<u>1,566,111</u>	<u>-</u>	<u>11,161</u>	<u>-</u>	<u>(7,337)</u>	<u>1,569,935</u>
<b>Total Support and Revenue</b>	<u>\$ 1,859,427</u>	<u>\$ -</u>	<u>\$ 11,161</u>	<u>\$ -</u>	<u>\$ (7,337)</u>	<u>\$ 1,863,251</u>

**A BETTER WAY SERVICES, INC. AND  
FAMILY SERVICES OF DELAWARE COUNTY BUILDING CORPORATION  
COMBINING SCHEDULE OF SUPPORT AND REVENUE  
FOR THE YEAR ENDED JUNE 30, 2018**

**2018**

	<u>A Better Way</u>		<u>Building Corporation</u>		<u>Eliminations</u>	<u>Combined</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>		
<b>Support and Revenue</b>						
<b>Public support</b>						
Contributions	\$ 228,225	\$ -	\$ -	\$ -	\$ -	\$ 228,225
United Way of Delaware County	75,215	-	-	-	-	75,215
<b>Total Public support</b>	<u>303,440</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>303,440</u>
<b>Revenue</b>						
Community Development Block Grant	70,000	-	-	-	-	70,000
Criminal Justice Grants	355,391	-	-	-	-	355,391
Criminal Justice SOS Grant	11,219	-	-	-	-	11,219
Criminal Justice Stop Grants	13,709	-	-	-	-	13,709
Domestic Violence Grant	198,022	-	-	-	-	198,022
Emergency Shelters Grant	57,033	-	-	-	-	57,033
Family Service Society	44,785	-	-	-	-	44,785
Family Violence Grant	53,709	-	-	-	-	53,709
Rapid Rehousing Grant	168,846	-	-	-	-	168,846
LifeLine	32,500	-	-	-	-	32,500
Sexual Assault Services Program Grant	55,973	-	-	-	-	55,973
Sexual Assault Victim Assistance Grant	139,838	-	-	-	-	139,838
Social Services Block Grant	15,703	-	-	-	-	15,703
21st Century Community Learning State Grant	299,958	-	-	-	-	299,958
Federal Emergency Management Agency	21,857	-	-	-	-	21,857
Rental income	2,716	-	6,000	-	(6,000)	2,716
Investment income, net	14,051	-	1,527	-	-	15,578
Outsourced services	12,000	-	-	-	-	12,000
Gain from insurance proceeds	25,225	-	-	-	-	25,225
Gain on sale of assets	-	-	74,344	-	-	74,344
Miscellaneous	10,110	-	-	-	-	10,110
<b>Total Revenue</b>	<u>1,602,645</u>	<u>-</u>	<u>81,871</u>	<u>-</u>	<u>(6,000)</u>	<u>1,678,516</u>
<b>Total Support and Revenue</b>	<u>\$ 1,906,085</u>	<u>\$ -</u>	<u>\$ 81,871</u>	<u>\$ -</u>	<u>\$ (6,000)</u>	<u>\$ 1,981,956</u>

**A BETTER WAY SERVICES, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

<b>FEDERAL GRANTOR/PROGRAM OR CLUSTER TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>PASS-THROUGH GRANTOR AND NUMBER</b>	<b>FEDERAL EXPENDITURES</b>
<b>United States Department of Justice</b>			
Sexual Assault Services Formula Program	16.017	Indiana Criminal Justice Institute, D3-18-12276	\$ <u>61,118</u>
Crime Victim Assistance	16.575	Indiana Criminal Justice Institute, 2017-VA-GX-004	90,450
	16.575	Indiana Criminal Justice Institute, D3-17-11534	66,728
	16.575	Indiana Criminal Justice Institute, 2018-00050	<u>449,263</u>
Total			<u>606,441</u>
Violence Against Women Formula Grants	16.588	Indiana Criminal Justice Institute, D3-18-12230	<u>12,301</u>
<b>Total United States Department of Justice</b>			<u>679,860</u>
<b>Department of Health and Human Services</b>			
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	Indiana Criminal Justice Institute, 1801INFVPS	37,606
	93.671	Indiana Criminal Justice Institute, D3-18-12150	<u>20,003</u>
Total			<u>57,609</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, 2019**

<b>FEDERAL GRANTOR/PROGRAM OR CLUSTER TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>PASS-THROUGH GRANTOR AND NUMBER</b>	<b>FEDERAL EXPENDITURES</b>
Preventative Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	Indiana Criminal Justice Institute, D3-18-12131	2,433
	93.758	Indiana Criminal Justice Institute, D3-17-11665	<u>15,703</u>
<b>Total</b>			<u>18,136</u>
Block Grants for Community Mental Health Services	93.958	Indiana Family and Social Services Administration, 33194	<u>159,500</u>
Preventative Health and Health Services Block Grant	93.991	Indiana Department of Health, CDC- RFA01800CONT18	<u>3,019</u>
<b>Total Department of Health and Human Services</b>			<u>238,264</u>
<b>Department of Housing and Urban Development</b>			
Emergency Solutions Grant Program	14.231	Indiana Housing and Community Development Authority, ES-018-001	<u>47,310</u>
Continuum of Care Program	14.267	N/A	<u>117,095</u>
<b>Total Department of Housing and Urban Development</b>			<u>164,405</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 1,082,529</u>

See Notes to Schedule of Expenditures of Federal Awards.

**A BETTER WAY SERVICES, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**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, 2019. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**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.

A Better Way Services, Inc. has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**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, 2019**

<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	D3-18-11946	\$ 140,029
Sexual Assault Victim Assistance Fund	D3-18-110115	<u>147,663</u>
<b>Total Indiana Criminal Justice Institute</b>		<u>287,692</u>
<b>Total Expenditures of State Awards</b>		<u><u>\$ 287,692</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. and Affiliate

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 combined financial statements of A Better Way Services, Inc. and affiliate (nonprofit organizations), which comprise the combined statements of financial position as of June 30, 2019 and 2018, and the related combined statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements, and have issued our report thereon dated December 30, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the combined financial statements, we considered A Better Way Services, Inc. and affiliate'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 combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of A Better Way Services, Inc. and affiliate's internal control. Accordingly, we do not express an opinion on the effectiveness of A Better Way Services, Inc. and affiliate'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. and affiliate's combined 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.

A handwritten signature in black ink that reads "Kemper CPA Group, LLP". The signature is written in a cursive, flowing style.

Kemper CPA Group, LLP  
Avon, Indiana  
December 30, 2019

**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, 2019. 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, 2019.

## 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  
December 30, 2019

**A BETTER WAY SERVICES, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**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 or material weaknesses 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 or material weaknesses 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