



BAY AREA TURNING POINT, INC.

Report of Independent Auditor and Financial Statements with
Supplemental Information and Federal Compliance with the
Uniform Guidance

December 31, 2017 and 2016

PMB Helin Donovan

BAY AREA TURNING POINT, INC.

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December 31, 2017 and 2016

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Report of Independent Auditor

To: The Board of Directors of
Bay Area Turning Point, Inc.
Webster, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of Bay Area Turning Point, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2017 and 2016 and the related 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 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes 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 financial position of Bay Area Turning Point, Inc. as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audits were 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 audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), 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 June 27, 2018, on our consideration of Bay Area Turning Point, 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 Bay Area Turning Point, Inc.'s internal control over financial reporting and compliance.

PMB HELIN DONOVAN, LLP

PMB Helin Donovan, LLP

Houston, Texas
June 27, 2018

BAY AREA TURNING POINT, INC.Statements of Financial Position
As of December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Assets		
Cash and cash equivalents	\$ 422,152	\$ 420,472
Short term investments	341,113	307,548
Accounts receivable, grants	307,036	387,831
Prepaid expenses	17,692	34,966
Property and equipment, net	1,646,758	1,720,187
Deposits	<u>37,977</u>	<u>22,410</u>
Total assets	<u>\$ 2,772,728</u>	<u>\$ 2,893,414</u>
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ <u>152,209</u>	\$ <u>123,104</u>
Total liabilities	<u>152,209</u>	<u>123,104</u>
Net Assets		
Unrestricted net assets		
Designated by board	611,750	587,345
Undesignated	<u>2,008,769</u>	<u>2,182,965</u>
Total unrestricted net assets	2,620,519	2,770,310
Temporarily restricted net assets	-	-
Permanently restricted net assets	-	-
Total net assets	<u>2,620,519</u>	<u>2,770,310</u>
Total liabilities and net assets	<u>\$ 2,772,728</u>	<u>\$ 2,893,414</u>

See accompanying notes to financial statements.

BAY AREA TURNING POINT, INC.
Statements of Activities
Years Ended December 31, 2017 and 2016

	<u>2017</u>			<u>2016</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue and Support						
Grant income - federal awards	\$ 1,830,046	\$ -	\$ 1,830,046	\$ 1,554,417	\$ -	\$ 1,554,417
Grant income - state awards	239,279	-	239,279	260,204	-	260,204
Grant income - other	218,069	-	218,069	222,705	-	222,705
Businesses and organizations	286,181	-	286,181	396,340	-	396,340
Churches	22,778	-	22,778	17,301	-	17,301
Individual donations	88,432	-	88,432	100,516	-	100,516
Resale shop	211,935	-	211,935	199,932	-	199,932
Contributions-in-kind	257,199	-	257,199	191,282	-	191,282
Fees	16,743	-	16,743	15,163	-	15,163
Investment income	19,948	-	19,948	5,932	-	5,932
Amounts released from restrictions	-	-	-	62	(62)	-
Total Revenues and Support	<u>3,190,610</u>	<u>-</u>	<u>3,190,610</u>	<u>2,963,854</u>	<u>(62)</u>	<u>2,963,792</u>
Expenses						
Program Expenses						
Shelter services	1,203,812	-	1,203,812	1,006,654	-	1,006,654
Advocacy and education - family violence	747,143	-	747,143	650,159	-	650,159
Advocacy and education - sexual assault	503,351	-	503,351	376,573	-	376,573
Self-reliance program	441,790	-	441,790	431,119	-	431,119
Total Program Expenses	<u>2,896,096</u>	<u>-</u>	<u>2,896,096</u>	<u>2,464,505</u>	<u>-</u>	<u>2,464,505</u>
Support Expenses						
Resale shop	183,667	-	183,667	167,238	-	167,238
Management and general	171,970	-	171,970	98,613	-	98,613
Fundraising	88,668	-	88,668	87,258	-	87,258
Total Support Expenses	<u>444,305</u>	<u>-</u>	<u>444,305</u>	<u>353,109</u>	<u>-</u>	<u>353,109</u>
Total Expenses	<u>3,340,401</u>	<u>-</u>	<u>3,340,401</u>	<u>2,817,614</u>	<u>-</u>	<u>2,817,614</u>
Change in Net Assets	(149,791)	-	(149,791)	146,240	(62)	146,178
Net assets, beginning of year	2,770,310	-	2,770,310	2,624,070	62	2,624,132
Net assets, end of year	<u>\$ 2,620,519</u>	<u>\$ -</u>	<u>\$ 2,620,519</u>	<u>\$ 2,770,310</u>	<u>\$ -</u>	<u>\$ 2,770,310</u>

See accompanying notes to financial statements.

BAY AREA TURNING POINT, INC.

Statement of Functional Expenses

Year Ended December 31, 2017

	Program Expenses					Support Expenses				
	Shelter Services	Advocacy and Education - Family Violence	Advocacy and Education - Sexual Assault	Self-Reliance Program	Total Program Expenses	Resale Shop	Management and General	Fundraising	Total Support Expenses	Total
Wages	\$ 716,605	\$ 493,026	\$ 363,829	\$ 176,759	\$ 1,750,219	\$ 72,840	\$ 123,586	\$ 62,820	\$ 259,246	\$ 2,009,465
Payroll taxes	53,122	37,110	27,024	13,161	130,417	5,448	7,767	4,725	17,940	148,357
Employee benefits	67,918	48,032	30,178	22,198	168,326	7,372	10,154	4,660	22,186	190,512
Supplies	14,768	3,085	4,630	2,677	25,160	2,006	2,283	1,162	5,451	30,611
Equipment	2,527	-	-	1,373	3,900	80	-	302	382	4,282
Food	16,286	-	8	-	16,294	-	62	-	62	16,356
Depreciation and amortization	57,327	16,170	8,743	2,745	84,985	1,964	3,882	160	6,006	90,991
Utilities	21,067	4,314	1,569	784	27,734	6,113	793	383	7,289	35,023
Professional fees	15,245	14,138	9,749	6,331	45,463	1,769	9,892	6,860	18,521	63,984
Rent	-	35,888	35,888	-	71,776	75,405	-	-	75,405	147,181
Insurance	13,264	6,033	2,880	781	22,958	760	1,023	260	2,043	25,001
Maintenance and repairs	22,614	2,641	859	437	26,551	1,537	432	227	2,196	28,747
Printing and publications	150	189	171	78	588	21	86	75	182	770
Assistance to individuals	114	10	75	203,664	203,863	-	-	-	-	203,863
In-kind donations used	188,345	61,213	-	-	249,558	697	6,939	-	7,636	257,194
Telephone	4,313	4,836	3,079	556	12,784	946	556	477	1,979	14,763
Travel	4,165	6,121	9,911	8,123	28,320	-	156	503	659	28,979
Equipment rental	4,866	4,104	2,449	945	12,364	1,532	984	434	2,950	15,314
Awards and recognition	-	-	-	-	-	-	318	2,357	2,675	2,675
Postage	720	375	225	248	1,568	101	422	75	598	2,166
Other expenses	396	9,858	2,084	930	13,268	5,076	2,635	3,188	10,899	24,167
	<u>\$ 1,203,812</u>	<u>\$ 747,143</u>	<u>\$ 503,351</u>	<u>\$ 441,790</u>	<u>\$ 2,896,096</u>	<u>\$ 183,667</u>	<u>\$ 171,970</u>	<u>\$ 88,668</u>	<u>\$ 444,305</u>	<u>\$ 3,340,401</u>

See accompanying notes to financial statements.

BAY AREA TURNING POINT, INC.

Statement of Functional Expenses

Year Ended December 31, 2016

	Program Expenses				Support Expenses					
	Shelter Services	Advocacy and Education - Family Violence	Advocacy and Education - Sexual Assault	Self-Reliance Program	Total Program Expenses	Resale Shop	Management and General	Fundraising	Total Support Expenses	Total
Wages	\$ 582,419	\$ 421,626	\$ 273,025	\$ 167,350	\$ 1,444,420	\$ 62,149	\$ 52,587	\$ 59,384	\$ 174,120	\$ 1,618,540
Payroll taxes	44,467	32,229	20,826	12,505	110,027	4,714	9,010	4,626	18,350	128,377
Employee benefits	60,608	42,508	24,569	20,093	147,778	8,305	3,675	4,798	16,778	164,556
Supplies	16,615	8,180	4,187	6,040	35,022	2,285	3,307	2,663	8,255	43,277
Equipment	814	-	109	-	923	-	36	-	36	959
Food	18,333	4	4	-	18,341	-	-	286	286	18,627
Depreciation and amortization	57,107	12,286	5,950	2,241	77,584	2,368	3,843	-	6,211	83,795
Utilities	22,394	4,614	1,677	839	29,524	7,221	898	360	8,479	38,003
Professional fees	15,416	13,546	9,104	5,409	43,475	2,904	8,196	7,150	18,250	61,725
Rent	-	13,422	13,422	-	26,844	66,555	-	195	66,750	93,594
Insurance	12,539	8,588	2,973	850	24,950	541	680	177	1,398	26,348
Maintenance and repairs	7,867	33,428	5,266	2,697	49,258	1,360	3,223	729	5,312	54,570
Printing and publications	136	2,289	160	78	2,663	23	1,015	476	1,514	4,177
Assistance to individuals	1,871	-	-	203,439	205,310	-	599	-	599	205,909
In-kind donations used	145,515	39,257	-	-	184,772	-	6,511	-	6,511	191,283
Telephone	5,549	5,449	3,466	1,749	16,213	775	1,762	449	2,986	19,199
Travel	4,540	4,848	8,088	6,417	23,893	-	-	476	476	24,369
Equipment rental	3,751	3,035	1,453	952	9,191	1,810	869	354	3,033	12,224
Awards and recognition	-	-	-	-	-	-	43	1,713	1,756	1,756
Postage	804	660	396	264	2,124	132	302	137	571	2,695
Other expenses	5,909	4,190	1,898	196	12,193	6,096	2,057	3,285	11,438	23,631
	<u>\$ 1,006,654</u>	<u>\$ 650,159</u>	<u>\$ 376,573</u>	<u>\$ 431,119</u>	<u>\$ 2,464,505</u>	<u>\$ 167,238</u>	<u>\$ 98,613</u>	<u>\$ 87,258</u>	<u>\$ 353,109</u>	<u>\$ 2,817,614</u>

See accompanying notes to financial statements.

BAY AREA TURNING POINT, INC.
 Statements of Cash Flows
 Years Ended December 31, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Change in net assets	\$ (149,791)	\$ 146,178
Adjustments to reconcile change in net assets to net cash provided by operations:		
Depreciation and amortization	90,991	83,795
Unrealized (gain) loss on investments	(15,735)	(3,788)
(Increase) decrease in operating assets:		
Accounts receivable, grants	80,795	(187,014)
Prepaid expenses and other	17,274	(5,746)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	29,105	6,729
Net cash provided by operating activities	52,639	40,154
Cash flows from investing activities:		
Net purchase of fixed assets	(17,562)	(99,908)
Purchases of investments	(17,830)	(6,466)
Deposits	(15,567)	(6,800)
Net cash used in investing activities	(50,959)	(113,174)
Cash flows from financing activities:		
	-	-
Net increase (decrease) in cash and cash equivalents	1,680	(73,020)
Cash and cash equivalents at beginning of year	420,472	493,492
Cash and cash equivalents at end of year	\$ 422,152	\$ 420,472
Supplemental Disclosure:		
Cash paid for interest	\$ -	\$ -
Non cash investing activities		
Original cost of assets retired	\$ 11,617	\$ 21,514
Accumulated depreciation of assets retired	\$ 11,617	\$ 21,514

See accompanying notes to financial statements.

BAY AREA TURNING POINT, INC.

Notes to the Financial Statements

December 31, 2017 and 2016

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

Organization - Bay Area Turning Point, Inc. (the "Organization" or "BATP") is a Texas non-profit corporation chartered in 1991. BATP's primary mission is to provide crisis intervention, recovery groups, advocacy, and shelter to adults and children who are victims of family violence and/or sexual violence. BATP's geographical target communities include, but are not limited to, Southeast Harris County, Northern Galveston County, Northern Brazoria County, and all of Chambers County. BATP is supported primarily through donor contributions and grants.

BATP is exempt from federal income tax under the Internal Revenue Code Section 501 (c) (3) for income related to its exempt purpose. BATP is classified by the Internal Revenue Service as an organization other than a private organization.

Program Services

Shelter Services - The Shelter Program offers emergency shelter to target populations of adults, children, male and female, survivors of domestic and/or sexual violence, dating violence, stalking, child abuse, and elder abuse. Shelter services are also extended to their family and friends impacted by the victimization. The Basic Needs Shelter Program is essential to victims of both domestic and sexual violence who are seeking safe refuge from a violent situation. Abuse can include, but is not limited to the following types: physical abuse, emotional abuse, spiritual oppression, sexual violence, financial abuse and intimidation.

Advocacy and Education - Family Violence - The advocacy and education program for family violence provides advocacy, education and prevention services regarding family violence to those directly and indirectly impacted through educating and awareness and assisting with their basic needs, crisis intervention and recovery services. This is done by attending various community resource fairs/exhibits, social club/group meetings and distributing/posting our literature at churches, schools, shopping centers, hospitals, social media streams and police departments to name a few. BATP also uses outreach and education as a strategy for reaching the target population or those who may come into contact with our target population.

Advocacy and Education - Sexual Assault - The advocacy and education program for sexual assault provides advocacy, education and prevention services regarding sexual violence to those directly and indirectly impacted through educating and awareness and assisting with their basic needs, crisis intervention and recovery services. This is done by attending various community resource fairs/exhibits, social club/group meetings and distributing/posting our literature at churches, schools, shopping centers, hospitals, social media streams and police departments to name a few. BATP also uses outreach and education as a strategy for reaching the target population or those who may come into contact with our target population.

Self-Reliance Program - Bay Area Turning Point's (BATP) Self Reliance Program (SRP) provides supportive services beyond basic needs to adult and child survivors of domestic violence and/or sexual assault. Domestic violence is an epidemic, affecting individuals in every community. Domestic violence can include but is not limited to physical abuse, emotional abuse, technological abuse, financial abuse, stalking, human trafficking and intimidation. Sexual assault is any sexual act or attempt to obtain a sexual act by violence or coercion, unwanted sexual comments or advances, acts to traffic a person or acts directed against a person's sexuality, regardless of the relationship to the victim. Domestic and sexual violence show no preference to age, economic status, race, religion, nationality, sexual orientation, or educational background.

BAY AREA TURNING POINT, INC.

Notes to the Financial Statements

December 31, 2017 and 2016

(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - BATP's financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America (GAAP). For financial statement purposes, BATP distinguishes between contributions of unrestricted assets, temporarily restricted assets, and permanently restricted assets as follows:

Unrestricted - Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be used for any purpose or designated for specific purposes by action of the Board of Directors.

Temporarily Restricted - Net assets that are subject to donor-imposed stipulations that can be fulfilled by actions of BATP pursuant to those stipulations or that expire by the passage of time. There were no temporarily restricted net assets as of December 31, 2017 and 2016.

Permanently Restricted - Net assets subject to donor-imposed stipulations that they be maintained permanently by BATP. There were no permanently restricted net assets as of December 31, 2017 and 2016.

Use of Estimates - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The most significant estimates for the Organization include the depreciable life of property and equipment, potential impairment of long-lived assets, the fair value of donated materials or services and the allocation of expenses by function. Actual results could differ from those estimates.

Cash and Cash Equivalents - For purposes of the statement of cash flows, cash and cash equivalents consist of cash held in bank deposit accounts and short-term, highly liquid investments with purchased maturities of 90 days or less.

Short Term Investments - Investments consist of certificates of deposit with maturities of six months to one year and mutual funds. Certificates of deposit are reported at their carrying amounts plus accrued interest, which approximate fair value, based upon their short-term maturities.

Mutual funds are reported at fair value with gains and losses based upon quoted market prices. Investment income, including unrealized gains and losses, is included as a change to unrestricted net assets unless otherwise specified by donor restrictions.

Accounts Receivable and Allowance for Doubtful Accounts - Accounts receivable are stated at cost, less an allowance for doubtful accounts, when management determines that the receivables exceed net realizable value. Accounts receivable at December 31, 2017 and 2016 consist primarily of amounts due on grants from state and federal agencies. Grants included in accounts receivable are individually analyzed for purposes of determining collectability at year end and an allowance was not deemed necessary as of December 31, 2017 and 2016.

BAY AREA TURNING POINT, INC.

Notes to the Financial Statements

December 31, 2017 and 2016

(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment - The Organization capitalizes all property and equipment valued at greater than \$1,000 with a useful life of more than one year. Purchased property and equipment is recorded at cost while contributed property is recorded at fair value at the date of contribution. Property and equipment are depreciated using the straight-line method over the useful lives of the assets which range from two to forty years. Absent donor stipulations, donated property and equipment is recorded as unrestricted support when placed in service.

Expenditures for maintenance and repairs of fixed assets are charged to operations as incurred. Additions, improvements and major renewals are capitalized. The cost of assets retired or sold, together with the related accumulated depreciation, is removed from the accounts, and any profit or loss on disposition is credited or charged to earnings.

Impairment of Long-lived Assets - GAAP requires an entity to review long-lived tangible and intangible assets with definite lives for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of these assets is measured by comparison of its carrying amount to future undiscounted cash flows the assets are expected to generate. The Organization considers historical performance and future estimated results in its evaluation of impairment. No impairment has been recorded for the years ended December 31, 2017 and 2016.

Contributions - Contributions received (including unconditional promises to give) are recorded as unrestricted, temporarily restricted, or permanently restricted support in the period received depending on the existence and/or nature of any donor restrictions. Contributions received which are part of BATP's ongoing major or central activities are recognized as revenue, while contributions which are peripheral or incidental are recognized as gains. Conditional promises to give (grants) are recognized as the conditions upon which they depend are substantially met. Promises to give are recognized as revenue only if sufficient evidence exists in the form of verifiable documentation that a promise was made and received.

BATP reports contributions as restricted support if the support is received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. However, if a restriction is fulfilled in the same period in which the contribution is received, BATP reports the support as unrestricted. Support that is not restricted by the donor is reported as an increase in unrestricted net assets in the reporting period in which the support is recognized.

Contributions In-Kind - Donated assets or contributed services are recorded at their estimated fair values at the date of receipt or occurrence. The value of contributed services meeting the requirements for recognition are based upon the comparative cost of acquiring such services. In addition, many individuals volunteer their time and perform a variety of tasks that assist BATP, but these services do not meet the criteria for recognition as contributed services, and have not been recorded in the accompanying financial statements.

Functional Expenses - The expense information contained in the statements of activities and functional expenses is presented on a functional basis. Accordingly, certain expenses are allocated between functional categories based on management's estimates.

BAY AREA TURNING POINT, INC.

Notes to the Financial Statements

December 31, 2017 and 2016

(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fundraising Expenses - Fundraising costs include direct costs of carrying out the fundraising activities, an allocation of payroll costs for staff members involved in the fundraising activities, and an allocation of indirect overhead costs. Costs of products or services that directly benefit the donors are recorded as an offset to fundraising revenues.

Compensated Absences - Employees are allowed to carry-over one-half of the current year vacation accrual to the following year. Sick leave is accrued and carries over year to year, but is not payable in cash to the employee. Therefore, unused vacation time is accrued as an expense in the financial statements based on amounts accumulated within the past year. Unused sick time is not recorded as an expense until such time it is used.

Income Taxes - BATP is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. BATP is also exempt from Texas state franchise tax. Accordingly, there is no provision or liability for federal or state income taxes in the accompanying financial statements. GAAP requires recognition and disclosure of uncertain tax positions in the financial statements and footnotes. Management of BATP believes it has no material uncertain tax positions and, accordingly, it has not recognized any liability for unrecognized tax benefits. The Organization is subject to examination for its prior three years of information returns, but has not received any such notice from the Internal Revenue Service.

Concentration of Credit Risk - Financial instruments which potentially subject BATP to concentrations of credit risk consist principally of cash and cash equivalents, short term investments and grants receivable. At December 31, 2017 and 2016, the Company had no cash deposits in excess of the FDIC insurance limit. The Company has not experienced any losses on such accounts, nor does it anticipate any losses. For grants receivable, BATP performs ongoing credit evaluations of the donor's financial condition. Grants receivable are typically due from state and federal governmental agencies, and the risk of loss is considered remote.

Recently Issued Accounting Principles - In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update (ASU) 2014-09, Revenue Recognition (Topic 606). This ASU provides a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. The revenue standard contains principles that an entity will apply to determine the measurement of revenue and the timing of revenue recognition. In July 2015, the FASB deferred the effective date of the new revenue standard by one year resulting in the new revenue standard being effective for fiscal years and interim periods beginning after December 15, 2018 and allowing entities to adopt one year earlier if they so elect. The new standard allows for two alternative implementation methods: the use of either (1) full retrospective application to each prior reporting period presented or (2) modified retrospective application in which the cumulative effect of initially applying the revenue standard is recognized as an adjustment to the opening balance of retained earnings in the period of adoption. The Organization is currently assessing the impact of this new standard on its future financial statements.

BAY AREA TURNING POINT, INC.

Notes to the Financial Statements

December 31, 2017 and 2016

(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In February, 2016, the FASB issued ASU 2016-02, Leases (Topic 842). This ASU requires a lessee to recognize a right-of-use asset and a lease liability under most operating leases in its balance sheet. For private companies, the ASU is effective for years beginning after December 15, 2019. Early adoption is permitted. The Organization has elected not to early adopt this ASU as of December 31, 2017, but is currently assessing the impact of the new standard on its financial reporting.

In August 2016, the FASB issued ASU No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities, which decreases the number of net asset classes from three to two. The new classes will be net assets with donor restrictions and net assets without donor restrictions. The standard also:

- Requires reporting of the underwater amounts of donor-restricted endowment funds in net assets with donor restrictions and enhances disclosures about underwater endowments.
- Continues to allow preparers to choose between the direct method and indirect method for presenting operating cash flows, eliminating the requirement for those who use the direct method to perform reconciliation with the indirect method.
- Requires a not-for-profit organization to provide in the notes qualitative information on how it manages its liquid available resources and liquidity risks. Quantitative information that communicates the availability of a not-for-profit's financial assets at the balance sheet date to meet cash needs for general expenditures within one year is required to be presented on the face of the financial statement and/or in the notes.
- Requires reporting of expenses by function and nature, as well as an analysis of expenses by both function and nature.

The standard will take effect for annual financial statements issued for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018. Application to interim financial statements is permitted but not required in the initial year of application, and early application of the standard is permitted. The Organization is currently evaluating the impact of this new standard on its financial statements.

In addition, the FASB issued ASU 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash. The amendments require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. As a result, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The amendments are effective for non-public entities for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted. The amendments should be applied using a retrospective transition method to each period presented. The Organization is currently assessing the impact of this new standard on its future financial statements.

Other recently issued ASU's were assessed and determined to be either not applicable or are expected to have minimal impact on its financial position and results of operations.

BAY AREA TURNING POINT, INC.

Notes to the Financial Statements

December 31, 2017 and 2016

(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events - BATP's management has evaluated and disclosed subsequent events through June 27, 2018, the date the financial statements were available to be issued.

NOTE 3 - SHORT TERM INVESTMENTS

Short term investments consist of the following at December 31, 2017 and 2016:

	<u>2017</u>		<u>2016</u>
Certificates of deposit	\$ 213,449	\$	206,059
Mutual funds	127,664		101,489
Total investments	<u>\$ 341,113</u>	<u>\$</u>	<u>307,548</u>

Investment return includes earnings on cash and cash equivalents and short term investments and consists of the following:

	<u>2017</u>		<u>2016</u>
Interest and dividends	\$ 4,213	\$	2,144
Unrealized gain (loss) on investments	15,735		3,788
Investment gain (loss), net	<u>\$ 19,948</u>	<u>\$</u>	<u>5,932</u>

NOTE 4 - FAIR VALUE OF FINANCIAL INSTRUMENTS

In accordance with GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measure date (exit price). GAAP characterizes inputs used in determining fair value using a hierarchy that prioritizes inputs depending on the degree to which they are observable. The three levels of the fair value hierarchy are as follows:

- Level 1 - Quoted prices are available in active markets for identical investments as of the reporting date.
- Level 2 - Pricing inputs are other-than-quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.
- Level 3 - Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

BAY AREA TURNING POINT, INC.

Notes to the Financial Statements

December 31, 2017 and 2016

(Continued)

The following table presents BATP's fair value hierarchy for those assets measured at fair value on a recurring basis at December 31, 2017:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of deposit	\$ <u>-</u>	\$ <u>213,449</u>	\$ <u>-</u>	\$ <u>213,449</u>
Mutual funds:				
Equity funds	58,957	-	-	58,957
Fixed income funds	37,158	-	-	37,158
Real estate funds	6,231	-	-	6,231
Other funds	<u>25,318</u>	<u>-</u>	<u>-</u>	<u>25,318</u>
Total mutual funds	<u>127,664</u>	<u>-</u>	<u>-</u>	<u>127,664</u>
Total at fair value	\$ <u>127,664</u>	\$ <u>213,449</u>	\$ <u>-</u>	\$ <u>341,113</u>

The following table presents BATP's fair value hierarchy for those assets measured at fair value on a recurring basis at December 31, 2016:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of deposit	\$ <u>-</u>	\$ <u>206,059</u>	\$ <u>-</u>	\$ <u>206,059</u>
Mutual funds:				
Equity funds	45,982	-	-	45,982
Fixed income funds	30,003	-	-	30,003
Real estate funds	4,915	-	-	4,915
Other funds	<u>20,589</u>	<u>-</u>	<u>-</u>	<u>20,589</u>
Total mutual funds	<u>101,489</u>	<u>-</u>	<u>-</u>	<u>101,489</u>
Total at fair value	\$ <u>101,489</u>	\$ <u>206,059</u>	\$ <u>-</u>	\$ <u>307,548</u>

The investments are valued using Level 1 and 2 inputs, as follows:

Mutual funds: Valued at the daily closing price as reported by the fund.

Certificates of deposit: Valued at cost plus accrued interest, which approximates market.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while management believes the valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Other financial instruments that are not valued on a recurring basis are cash, receivables and payables. Management believes the carrying amounts of these financial instruments approximate their fair values, based upon their short term nature.

BAY AREA TURNING POINT, INC.

Notes to the Financial Statements

December 31, 2017 and 2016

(Continued)

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31, 2017 and 2016:

Description	2017	2016
Building – Shelter	\$ 1,673,436	\$ 1,673,436
Building - Crisis intervention center	529,380	529,380
Land	125,393	125,393
Vehicles	55,757	55,757
Furniture and fixtures	91,278	89,683
Other fixed assets	45,028	45,028
Office and other equipment	350,586	353,833
Computer equipment	33,644	26,047
Total property and equipment	2,904,502	2,898,557
Less: accumulated depreciation	(1,257,744)	(1,178,370)
Total property and equipment, net	\$ 1,646,758	\$ 1,720,187

Depreciation expense was \$90,991 and \$83,795 for the years ended December 31, 2017 and 2016, respectively.

NOTE 6 – GRANT AWARDS

Grants received are generally renewable on an annual basis and BATP is dependent on these grants for continued activity. For the years ended December 31, 2017 and 2016, all grants are included in unrestricted revenues. The grants are received on a reimbursement of cost basis. As of December 31, 2017 and 2016, BATP had incurred \$307,036 and \$387,831, respectively, in expenses under these programs that had not been reimbursed and are recorded as accounts receivable – grants in the accompanying financial statements.

BAY AREA TURNING POINT, INC.

Notes to the Financial Statements

December 31, 2017 and 2016

(Continued)

NOTE 7 - CONTRIBUTIONS-IN-KIND

Bay Area Turning Point, Inc. operates a resale shop, primarily to assist in supporting agency operations. The resale shop also provides clothing to sheltered adults and children and provides for “house set-up” for exiting shelter families. Items donated are not recorded in the financial statements until converted to cash because there is not a reasonable basis to determine fair value.

Other in-kind contributions are recorded at fair value. For the years ended December 31, 2017 and 2016, in-kind contributions recorded to revenue included:

Description	2017	2016
Assistance to individuals	\$ 84,917	\$ 73,938
Supplies, equipment and other	105,751	61,768
Food	<u>66,531</u>	<u>55,576</u>
Total contributions-in-kind	<u>\$ 257,199</u>	<u>\$ 191,282</u>

In addition, B ATP receives contributed services for time spent volunteering at the resale shop and other volunteer hours which do not meet the criteria for recognition as contributed services in the financial statements. Estimated volunteer hours were 16,736 and 9,259 for the years ended 2017 and 2016, respectively.

NOTE 8 - COMMITMENTS

Leases - B ATP has a lease agreement for space to operate its resale shop, requiring monthly payments of \$5,897. This lease was extended in December 2015 and expires in August 2021.

B ATP also entered into a lease in February 2015 for a wellness center to support the Adult and Education Family Violence and Sexual Assault programs, requiring monthly payments of \$1,300. The lease was amended in December 2016 to lease additional space. The amended lease terms include monthly payments of \$1,800 with an expiration of September 30, 2018.

B ATP also entered into a lease agreement for office space in October 2016, requiring monthly payments of \$4,181. The lease expires in September 2019.

Minimum future rentals for these non-cancellable leases as of December 31, 2017 are as follows:

Year Ending December 31,	
2018	\$ 140,026
2019	113,542
2020	78,258
2021	<u>53,244</u>
Total	<u>\$ 385,070</u>

Rent expense was \$147,181 and \$93,594 for the years ended December 31, 2017 and 2016, respectively.

BAY AREA TURNING POINT, INC.

Notes to the Financial Statements

December 31, 2017 and 2016

(Continued)

NOTE 9 - CONCENTRATIONS

BATP received a substantial portion of its support from three grantors, as listed below:

	Percentage of Revenue 2017	Percentage of Revenue 2016	Percentage of Accounts Receivable 2017	Percentage of Accounts Receivable 2016
Texas Health and Human Services Commission	13%	10%	13%	10%
U.S. Department of Housing and Urban Development	17%	20%	32%	35%
U.S. Department of Justice	24%	16%	39%	40%

NOTE 10 - UNRESTRICTED NET ASSETS DESIGNATED BY THE BOARD OF DIRECTORS

BATP's Board of Directors has elected to place the following limitations on unrestricted assets as of December 31, 2017 and 2016:

Description	<u>2017</u>	<u>2016</u>
Designated for emergency contingency fund	<u>\$ 611,750</u>	<u>\$ 587,345</u>
Total unrestricted net assets designated by Board	<u>\$ 611,750</u>	<u>\$ 587,345</u>

NOTE 11 - TEMPORARILY RESTRICTED NET ASSETS

During 2016, restrictions on \$62 of temporarily restricted assets received in a prior year were satisfied. There were no remaining temporarily restricted net assets as of December 31, 2017 and 2016.

NOTE 12 - PENSION PLAN

BATP sponsors a 401(k) retirement plan for all employees with one year or more of service. BATP makes contributions equal to 100% of the employee's elective contributions, not to exceed 6% of a participant's compensation. Total pension plan expense was \$38,182 and \$35,606 for the years ended December 31, 2017 and 2016, respectively.

Report of Independent Auditor 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
Bay Area Turning Point, Inc.
Webster, Texas:

We have audited, 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, the financial statements of Bay Area Turning Point, Inc. (BATP), which comprise the statements of financial position as of December 31, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon June 27, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered BATP'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 BATP's internal control. Accordingly, we do not express an opinion on the effectiveness of BATP'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 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 BATP's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a 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 BATP's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering BATP's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PMB HELIN DONOVAN, LLP

PMB Helin Donovan, LLP

Houston, Texas
June 27, 2018

**Report of Independent Auditor on Compliance for Each Major Federal Program
and on Internal Control Over Compliance in Accordance With
*The Uniform Guidance***

To the Board of Directors
Bay Area Turning Point, Inc.
Webster, Texas:

Report on Compliance for Each Major Federal Program

We have audited Bay Area Turning Point, Inc.'s ("BATP") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of BATP's major federal programs for the year ended December 31, 2017. BATP'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 BATP'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 (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and 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 BATP'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 BATP's compliance.

Opinion on Each Major Federal Program

In our opinion, Bay Area Turning Point, 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 December 31, 2017.

Internal Control Over Compliance

Management of BATP is responsible for establishing and maintaining effective internal control over compliance with the requirements referred to above. In planning and performing our audit of compliance, we considered BATP'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 BATP'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.

PMB HELIN DONOVAN, LLP

PMB Helin Donovan, LLP

June 27, 2018
Houston, Texas

Bay Area Turning Point, Inc.
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2017

<u>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>CFDA</u>	<u>Grant/Contract Award Number</u>	<u>Amounts Paid to Subrecipients</u>	<u>Federal Expenditures</u>
CDBG - Entitlement Grants Cluster U.S. Department of Housing & Urban Development				
Pass-through programs from:				
City of Houston Housing & Community Development Department				
Community Development Block Grant	14.218	None	\$ -	\$ 13,578
Total CDBG Cluster			-	13,578
Transitional Housing - Special Needs and Employment Supportive Housing Program	14.235	TX0196L6E001508	-	58,260
Pass-through programs from:				
Texas Department of Housing and Community Affairs and City of Houston Housing & Community Development Department				
Emergency Solutions Grant - Shelter Services Program	14.231	42160002537	-	461,746
Total U.S. Department of Housing & Urban Development			-	533,584
U.S. Department of Justice				
Pass-through programs from:				
Governor's Office - State of Texas				
Victims of Crime Acts (VOCA) - Victim Assistance Services	16.575	1353017	-	771,134
Total U.S. Department of Justice			-	771,134
Department of Health & Human Services				
Pass-through programs from:				
Texas Health and Human Services Commission				
Family Violence and Preventative Services	93.671	529-15-0032-00047B; 529-15-0032-00047D	-	89,315
Family Violence and Preventative Services Exceptional Item Funding	93.558	529-16-0015-00002	-	19,387
Social Services Block Grant	93.667	529-15-0032-00047B; 529-15-0032-00047D	-	189,129
Texas Office of Attorney General				
Sexual Assault Prevention and Crisis Services Program and Other Victim Assistance Grant	93.991	1667443; 1775741; 1774280; 1768027; 1878487	-	132,138
Total Department of Health & Human Services			-	429,969
Federal Emergency Management Assistance				
Pass-through programs from:				
United Way of Greater Houston				
Stewart B. McKinney Homeless Assistance Act-Emergency Food and Shelter National Board Program Phase 32	97.024	LRO #782800-069	-	22,000
Total Federal Emergency Management Assistance			-	22,000
U.S. Department of Agriculture				
Pass-through programs from:				
Texas Department of Agriculture - Food and Nutritional Division				
Child and Adult Care Food Program	10.558	01914	-	47,015
Total U.S. Department of Agriculture			-	47,015
TOTAL EXPENDITURES			<u>\$ -</u>	<u>\$ 1,803,702</u>

See accompanying notes to the schedule of expenditures of federal awards.

BAY AREA TURNING POINT, INC.
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2017

(1) Summary of Significant Accounting Policies

(a) Reporting Entity

The Schedule of Expenditures of Federal Awards (the “Schedule”) includes the activity of all federal grant programs administered by Bay Area Turning Point, Inc. (Bay Area Turning Point). Bay Area Turning Point’s organization is defined in Note 1 of Bay Area Turning Point’s basic financial statements.

(b) Basis of Presentation

The Schedule presents total federal awards expended for each individual program in accordance with the Uniform Guidance.

(c) Basis of Accounting

The expenditures for each of the federal financial assistance programs are presented on the accrual basis of accounting, which is defined in Note 2 of Bay Area Turning Point’s basic financial statements.

(2) Subrecipients

No federal awards were provided to subrecipients for the year ended December 31, 2017.

(3) Non-cash assistance

No federal awards were expended in the form of non-cash assistance for the year ended December 31, 2017.

(4) Insurance

There was \$19,402 of insurance costs expended through federal awards during the year ended December 31, 2017.

(5) Outstanding Loans

There were no loans outstanding in relation to federal awards as of December 31, 2017.

(6) Relationship to Federal Financial Reports

The amounts reported in the financial statements agree with the amounts reported in the accompanying Schedule of Expenditures of Federal Awards which is prepared on the basis explained in Note 2 of the financial statements.

(7) Indirect Cost Rate

Bay Area Turning Point is subject to negotiated indirect cost rates and, therefore, is not eligible to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

BAY AREA TURNING POINT, INC.

Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2017

(8) Subsequent Events

Bay Area Turning Point's management has evaluated and disclosed subsequent events through June 27, 2018, the date the financial statements were available to be issued.

BAY AREA TURNING POINT, INC.
 Schedule of Findings and Questioned Costs
 Year Ended December 31, 2017

Section I - Summary of Auditor's Results

A Financial Statements

Type of auditor's report issued:	Unqualified opinion
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

B. Federal Awards

Internal control over compliance:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported

Type of auditor's report issued on compliance for major programs:	Unqualified
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Any audit findings disclosed that are required to be reported in accordance with Subpart A 200.5 of the Uniform Guidance?	No
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Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
16.575	U.S. Department of Justice – Victims of Crime Acts (VOCA) – Crime Victim Assistance

Dollar threshold used to distinguish programs:	\$750,000
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Auditee qualified as low-risk auditee:	Yes
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Section II - Financial Statement Findings

None reported

Section III – Federal Award Findings and Questioned Costs

None reported

Section IV– Summary Schedule of Prior Audit Findings

None reported