

**NATIONAL ORGANIZATION FOR
VICTIM ASSISTANCE, INC.
FINANCIAL STATEMENTS
AND REPORT OF INDEPENDENT AUDITOR**

**FOR THE YEARS ENDING
SEPTEMBER 30, 2019 AND 2018**

HALEY & ASSOCIATES, LLC

**CERTIFIED PUBLIC ACCOUNTANTS
BELTSVILLE, MARYLAND 20705**

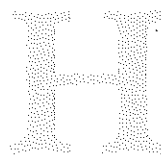


National Organization For Victim Assistance, Inc.

Financial Report September 30, 2019

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HALEY & ASSOCIATES, LLC
Certified Public Accountants
Independent Auditor's Report

To the Board of Directors
National Organization for Victim Assistance, Inc
Alexandria, Virginia

We have audited the accompanying financial statements of National Organization for Victim Assistance (NOVA), which comprise the statement of financial Position as of September 30, 2019 and the related statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 financial position of the National Organization for Victim Assistance as of September 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the National Organization for Victim Assistance's 2018 financial statements, and our report dated January 19, 2019, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matter – Effect of Adopting New Accounting Standard

As discussed in Note 1, the National Organization for Victim Assistance adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities, as of and for the year ended September 30, 2019. The requirements of the ASU have been applied retrospectively to all periods presented. Our opinion is not modified with respect to this matter.

A handwritten signature in cursive script that reads "Haley + Associates LLC".

Haley and Associates, LLC
January 31, 2020

National Organization For Victim Assistance, Inc.

Statement of Financial Position

September 30, 2019

(With Comparative Totals for 2018)

Assets	2019	2018
Cash and Cash Equivalents	\$ 1,992,368	\$ 1,984,727
Receivables	422,626	248,005
Prepaid Expenses	-	4,389
Current Assets Totals	2,414,994	2,237,121
Security Deposit	7,519	7,519
Certificate of Deposit	300,000	-
Property and Equipment, net	65,830	87,364
Long Term Assets Totals	373,349	94,883
Total Assets	\$ 2,788,343	\$ 2,332,004
Liabilities And Net Assets		
Liabilities		
Accounts payable	\$ 39,385	\$ 42,420
Accrued expenses	34,518	34,810
Deferred revenue	-	50,000
Total Liabilities	73,903	127,230
Net Assets		
Without donor restrictions	1,714,440	1,704,774
Without donor restrictions-Board designated	1,000,000	500,000
Total net assets without donor restrictions	2,714,440	2,204,774
Total Liabilities and Net Assets	\$ 2,788,343	\$ 2,332,004

See Notes to Financial Statements

National Organization For Victim Assistance, Inc.

Statement of Activities
 Year Ended September 30, 2019
 (With Comparative Totals for 2018)

	<u>2019</u>	<u>2018</u>
Support and Revenue:		
Conferences	\$ 844,846	\$ 860,290
Contracts & Sponsorships	1,024,590	961,576
Training	242,027	308,229
Publications	64,382	70,481
Contributions/Donations	8,831	33,263
Membership dues	82,137	73,948
Credentialing & Certification	131,518	76,663
Interest income	2,936	1,363
Miscellaneous income	2,244	2,859
Total support and revenue	<u>2,403,511</u>	<u>2,388,672</u>
Expenses		
Training, Certification & Credentialing, and Crisis Response	1,095,401	1,190,774
Membership services	424,385	282,063
Conferences	374,059	352,566
Total expenses	<u>1,893,845</u>	<u>1,825,403</u>
Change in net assets	509,666	563,269
Net Assets:		
Beginning	<u>2,204,774</u>	<u>1,641,505</u>
Ending	<u>\$ 2,714,440</u>	<u>\$ 2,204,774</u>

See Notes to Financial Statements

National Organization For Victim Assistance, Inc.

Statement of Functional Expenses
 Year Ended September 30, 2019
 (With Comparative Totals for 2018)

	2019					2018
	Training, Certification & Credentialing, and Crisis Response	Membership Services & Victim Assistance	Conferences	Management and General	Total	Total
Labor	\$ 435,775	\$ 167,260	\$ 84,107	\$ -	\$ 687,142	\$ 668,855
Temporary Labor	606	-	-	-	606	15,979
Database Mngmnt & System Mntnce	23,969	-	122	45,196	69,286	66,837
Supplies	26,034	369	886	14,207	41,496	42,634
Postage	20,186	214	2,503	7,418	30,322	33,800
Consultants	115,859	35,729	54,296	-	205,884	175,318
Telephone	-	-	-	7,043	7,043	6,872
Rent	-	-	-	124,821	124,821	121,979
Copy	-	-	-	2,271	2,271	2,256
Print/Type	57,665	1,950	178	-	59,793	55,132
Audiovisual	-	-	76,081	-	76,081	54,556
State Registration	-	4,549	-	-	4,549	3,768
Direct Travel	110,948	7,440	29,770	-	148,157	178,059
Conference Hotel Event/Meetings	8,319	318	43,997	-	52,633	56,870
Programmatic Costs - Other	28,362	3,243	17,909	-	49,513	47,762
Miscellaneous Direct	547	3,344	478	-	4,370	2,583
Fringe Benefits	87,916	33,893	16,836	(138,644)	-	-
HR Support	-	-	-	22,267	22,267	21,893
Accounting	-	-	-	67,002	67,002	48,231
Bank Charges & Fees	-	-	-	114	114	136
Bank Credit Card Fees	-	-	-	33,605	33,605	34,248
Dues & Registrations	-	-	-	1,334	1,334	-
Depreciation Equip	-	-	-	26,569	26,569	23,689
Education Assistance	-	-	-	199	199	-
Insurance - Liability/work comp	-	-	-	8,841	8,841	10,472
Legal	-	-	-	3,039	3,039	1,440
Personnel Recruitment	-	-	-	185	185	270
Licenses	-	-	-	-	-	61
Interest	-	-	-	-	-	-
Printing - stationary & envelop	-	-	-	300	300	685
Taxes	-	-	-	3,942	3,942	817
Receptions/Recognitions	-	-	-	-	-	-
Penalties	-	-	-	-	-	30
Publications & Subscriptions	-	-	-	99	99	146
Rent - Office general & admin	-	-	-	3,718	3,718	3,440
Supplies	-	-	-	-	-	-
Salaries general & admin	-	-	-	10,713	10,713	8,243
Health Insurance	-	-	-	59,733	59,733	54,142
State Unemployment	-	-	-	3,490	3,490	3,990
Federal Unemployment	-	-	-	591	591	644
Employers FICA	-	-	-	54,862	54,862	52,823
Bonus	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	12,878	12,878	10,557
Parking/metro	-	-	-	16,398	16,398	16,188
Allocated to M & G	45,301	117,582	23,344	(186,227)	-	-
Indirect Allocation	133,914	48,495	23,554	(205,964)	-	-
	\$ 1,095,401	\$ 424,385	\$ 374,059	\$ -	\$ 1,893,845	\$ 1,825,403

See Notes to Financial Statements

National Organization For Victim Assistance, Inc.

Statement of Cash Flows
Year Ended September 30, 2019
(With Comparative Totals For 2018)

	2019	2018
Cash Flows From Operating Activities		
Change in net assets	\$ 509,666	\$ 563,269
Adjustments to reconcile change in net assets to net cash (used in) operating activities:		
Depreciation	26,569	23,689
Changes in assets and liabilities:		
(Increase) decrease in:		
Receivables	(174,621)	(9,069)
Prepaid expenses and other	4,389	-
Increase (decrease) in:		
Accounts payable	(3,034)	13,395
Accrued expenses	(293)	7,212
Deferred revenue	(50,000)	(27,200)
Net cash provided by operating activities	312,676	571,296
Cash Flows from Investing Activities		
Purchase of property and equipment	(5,035)	(19,142)
Purchase of Certificate of Deposit	(300,000)	-
Net cash used in investing activities	(305,035)	(19,142)
Net Increase (decrease) in cash and cash equivalents	7,641	552,154
Cash And Cash Equivalents		
Beginning	1,984,727	1,432,573
Ending	\$ 1,992,368	\$ 1,984,727

See Notes to Financial Statements

National Organization for Victim Assistance, Inc.

Notes to Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: The National Organization for Victim Assistance, Inc. (NOVA) was incorporated in the State of Florida in 1977. The purpose of NOVA is to champion dignity and compassion for victims of crime and crisis.

NOVA has four key activities:

Direct services for victims of crime and crisis - providing referrals and consultation via telephone, as well as deploying crisis response teams for on-scene assistance when parts of or whole communities are affected,

Professional development - helping to establish new and innovative programs and initiatives, expand existing services, and offer educational opportunities to victim assistance and allied professionals by providing training, training of trainer programs, credentialing and certification, as well as publishing resources.

Membership communication and support - providing ,through a variety of media, including but not limited to, email, the NOVA Web page, and social media, up-to-date information on innovations, programs, training opportunities, and knowledge in the field of victim assistance and victim rights, and networking of the "NOVA Network."

Advocacy services - to promote victim rights and services by educating community, state and federal leaders on policy-related issues that affect the needs of victims and the outcomes of justice.

A summary of NOVA's significant accounting policies follows:

Basis of accounting: The accompanying financial statements are presented in accordance with the accrual basis of accounting, whereby, revenue is recognized when earned and expenses are recognized when incurred.

Basis of presentation: NOVA reports information regarding its financial position and activities according to two classes of net assets: Net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions represent the expendable net assets that are available for support of the organization. Net assets with donor restrictions are subject to donor-imposed stipulations that may or will be met by actions of the organization and/or the passage of time and those that are subject to donor-imposed stipulations that the organization maintain them permanently.

Recent Accounting Pronouncements Adopted: In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-14, Not-for-Profit Entities (Topic 958)-Presentation of Financial Statements of Not-for-Profit Entities. The ASU amends the current reporting model for not-for-profit organizations and enhances required disclosures. The major changes include: requiring the presentation of only two classes of net assets – those with donor restrictions and those without donor restrictions; modifying the presentation of underwater endowment funds and related disclosures, requiring the use of the placed in service approach to recognize the expirations of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, requiring that all nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, presenting investment return net of external reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. The organization has adopted this ASU as of and for the year ended September 30, 2019 with retrospective application for the fiscal 2018 financial statements. The adoption of this ASU had no effect on net assets or the change in net assets presented for the years ended September 30, 2019 and 2018.

National Organization for Victim Assistance, Inc.

Notes to Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (continued)

The organization opted to not disclose liquidity and availability information, and an analysis of functional expense by nature for 2018, as permitted under the ASU in the year of adoption.

Comparative Totals: The financial statements include certain prior year summarized comparative information. The 2018 information does not show a breakout of net assets without donor restriction and net assets with donor restrictions, just net assets in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended September 30, 2018, from which the summarized information was derived.

Cash and cash equivalents: For purposes of reporting cash flows, NOVA considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Accounts receivable: Accounts receivable are generated from publication sales, donations, corporate collaboration, training and contract invoices, and conference and service fees. The provision for doubtful accounts is based on management's evaluation of the collectability of receivables. Management believes that all receivables are fully collectible and no provision for doubtful accounts is necessary.

Billed accounts receivable is considered past due if the invoice has been outstanding more than 30 days. NOVA does not charge interest on accounts receivables.

Inventory: Inventory which consists of books is stated at the lower of cost or market, using the "first-in, first-out" method. Management establishes a reserve for any inventory deemed to be nonsaleable by identifying nonmarketable items and by using historical experience applied to recent sales. Items are written off when deemed unmarketable. There is no allowance for obsolescence, based on management's evaluation of the salability of inventory, at September 30, 2019.

Property and equipment: NOVA capitalize all property and equipment purchased with non-federal funds with a cost of \$1,500 or more. Property and equipment are recorded at cost and depreciated on the straight-line basis over estimated lives of five to seven years.

Donated services: NOVA can provide crisis response and victim services with the assistance of a substantial number of volunteers as well as volunteer time provided by employees. No amounts have been recognized in the accompanying Statement of Activities because the criteria for recognition of such volunteer effort under accounting standards have not been satisfied.

Revenue: Membership dues are recognized as revenue ratably over the membership period. Membership goes from the date of joining for a one-year period.

Conference and seminar fees are recognized at the time of the conference or seminar. Amounts received in advance are recorded as deferred revenue.

NOVA is awarded contracts for services. Revenue from contracts is recognized as services are performed and costs are incurred. Any awards received in advance are recorded as deferred revenue until expended for the purposes of the contracts.

Expenses: Direct costs associated with specific programs are recorded as program expenses. Fringe benefits are allocated to specific programs based on salaries.

National Organization for Victim Assistance, Inc.

Notes to Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (continued)

Income taxes: NOVA is generally exempt from Federal income taxes under the provisions of Section 501 (c)(3) of the Internal Revenue Code. In addition, NOVA qualifies for charitable contributions deductions and has been classified as an organization that is not a private foundation. Income, which is not related to exempt purposes, less applicable deductions, is subject to Federal and state corporate income taxes. NOVA did not have any net unrelated business income for the year ended September 30, 2019.

Estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts 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. Actual results could differ from those estimates.

Note 2. Receivables

Receivables at September 30, 2019, consist of conference and other accounts receivable in the amount of \$422,626.

Note 3. Property and Equipment

Property and equipment and accumulated depreciation at September 30, 2019, and depreciation expense for the year ended September 30, 2019, are as follows:

Asset Category	Estimated Lives	Cost	Accumulated Depreciation	Net	Depreciation Expense
Computer software/ equipment	5 years	282,188	220,563	61,625	25,518
Furniture	5 years	60,145	55,940	4,205	1,051
		<u>\$342,333</u>	<u>\$ 276,503</u>	<u>\$65,830</u>	<u>\$26,569</u>

Note 4. Functional Expenses

NOVA's functional expenses for purposes of reporting gross program and supporting services for the year ended September 30, 2019, are as follows:

Program services	\$ 1,673,909
Supporting services	
Management and general	215,387
Development	<u>4,549</u>
Total Functional Expenses	<u>\$ 1,893,845</u>

National Organization for Victim Assistance, Inc.

Notes to Financial Statements

Note 5. Commitments

NOVA has entered contracts for hotel rooms and convention spaces. In the event of cancellation, NOVA is required to pay various costs of the hotel rooms and convention spaces as stipulated in the contracts, the amounts of which are dependent upon the date of cancellation.

Note 6. Operating Lease

NOVA leases office space under a non-cancelable operating lease, which expires March 31, 2019. Base rent on the office space is subject to annual escalations. NOVA extended the lease for a year and six months starting April 1, 2019. Starting April 2020, the rent increases 3%. The extension expires September 30, 2020. Rent expense on this lease for the year ended September 30, 2019 is \$128,539. The total minimum rent commitment under the lease is \$198,924.

Lease Year	Annual Base Rent	Monthly Base Rent
2019	\$112,347	April 2019 - \$ 9,431
September 2020	\$86,577	April 2020 - \$ 9,714

Note 7. Contingency

Management believes that there is no threatening or pending litigation whose outcome would have a material effect on the financial statements.

Note 8. Beneficiary in Irrevocable Trust

During the year ended September 30, 2005, NOVA was informed that it was a remainder beneficiary in an irrevocable trust. Under the terms of the Trust, NOVA is entitled to 1/8 of the remaining assets of a trust after the death of the primary beneficiary. Since the trustee of the Trust can distribute principal to the primary beneficiary, there is no guarantee that funds will remain at the death of the primary beneficiary. Consequently, NOVA has not recorded any beneficial interest in this trust in its financial statements at September 30, 2019.

Note 9. Financial risk

NOVA maintains its cash in bank deposit accounts which, at times, may exceed Federally - insured limits. The Organization has not experienced any losses in such accounts. NOVA believes it is not exposed to any significant financial risk with cash accounts.

Note10. Accounting for Uncertainty in Income Taxes

NOVA has adopted the provisions of FASB guidance on, Accounting for Uncertainty in Income Taxes. Management has determined that the organization has no material uncertain tax positions that would require recognition. The federal income tax returns of the organization for 2017, 2018 and 2019 are subject to examination by the IRS authorities, generally for three years after they were filed.

Note11. Subsequent Events

In accordance with FASB Accounting Standards Codification Topic 855, Subsequent Events, the company has evaluated subsequent events through January 31, 2020 which is the date these financial statements were available to be issued. All subsequent events requiring recognition as of September 30, 2019, have been incorporated into these financial statements herein.

National Organization for Victim Assistance, Inc.

Notes to Financial Statements

Note 12. Liquidity and financial resources

Financial assets available within one year for operations that are not subject to donor restrictions that make them unavailable for general operations as of September 30, 2019, were as follows:

Cash and cash equivalents	\$ 1,992,368
Receivables	422,626
Less: Net assets without donor restrictions-Board designated	1,000,000
	<u>\$ 1,414,994</u>

As part of the Organization's liquidity management, it invests cash in certificates of deposits with various maturity dates.

Note 13. Board designated Net Assets

The board designated net assets of the organization are reported in the financial statements as follows:

Without donor restrictions-Board designated	\$1,000,000
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As of September 30, 2019, and 2018, the Board of Directors had designated \$1,000,000 and \$500,000, respectively, of net assets without donor restrictions as funds for the organization's unexpected contingencies and enhance the purchasing power of reserves held for future expenditure. Since that amount resulted from an internal designation and its not donor-restricted, it is classified and reported as net assets without donor restrictions.