

**SAHELI
dba
ASIAN FAMILY SUPPORT SERVICES
OF AUSTIN**

FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

WITH INDEPENDENT AUDITOR'S REPORT

SAHELI
dba
ASIAN FAMILY SUPPORT SERVICES OF AUSTIN

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DECEMBER 31, 2020 AND 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Management of
SAHELI dba Asian Family Support Services of Austin
Austin, Texas

We have audited the accompanying financial statements of SAHELI (a nonprofit organization) dba Asian Family Support Services of Austin, which comprise the statement of financial position as of December 31, 2020, and the related statements 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 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 financial position of SAHELI dba Asian Family Support Services of Austin, as of December 31, 2020 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.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

Report on Summarized Comparative Information

We have previously audited SAHELI dba Asian Family Support Services of Austin’s December 31, 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 15, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the 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), 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 schedule of expenditures of federal awards 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 September 29, 2021, on our consideration of SAHELI’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 solely 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 the effectiveness of 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 SAHELI’s internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
September 29, 2021

FINANCIAL STATEMENTS

SAHELI
dba ASIAN FAMILY SUPPORT SERVICES OF AUSTIN

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 356,152	\$ 91,177
Grants receivables	151,740	156,141
Prepaid expenses	<u>30,318</u>	<u>6,774</u>
Total current assets	<u>538,210</u>	<u>254,092</u>
Total assets	<u>\$ 538,210</u>	<u>\$ 254,092</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 12,108	\$ 9,243
Accrued liabilities	37,620	11,423
Credit cards payable	10,957	2,011
Current portion of long-term debt	<u>30,137</u>	<u>3,966</u>
Total current liabilities	<u>90,822</u>	<u>26,643</u>
Long-term liabilities:		
Note payable, net of current portion	<u>22,618</u>	<u>16,823</u>
Total long-term liabilities	<u>22,618</u>	<u>16,823</u>
Total liabilities	<u>113,440</u>	<u>43,466</u>
Net assets:		
Without donor restrictions	<u>424,770</u>	<u>210,626</u>
Total net assets	<u>424,770</u>	<u>210,626</u>
Total liabilities and net assets	<u>\$ 538,210</u>	<u>\$ 254,092</u>

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

SAHELI
dba ASIAN FAMILY SUPPORT SERVICES OF AUSTIN

STATEMENTS OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2020
(with summarized financial information for the year ended December 31, 2019)

	Without donor restrictions	With donor restrictions	2020 Totals	2019 Totals
REVENUE				
Grants				
Federal grants	\$ -	\$ 942,437	\$ 942,437	\$ 1,005,790
State grants	-	159,985	159,985	164,753
City of Austin RISE grant	-	999,996	999,996	-
Other grants	-	208,228	208,228	109,509
Total grant revenue	-	2,310,646	2,310,646	1,280,052
Other revenues				
Fundraising	130,129	-	130,129	10,835
Donations	172,996	-	172,996	162,101
Miscellaneous income	10,236	-	10,236	3,344
In-kind donations	10,423	-	10,423	34,135
Total other revenue	323,784	-	323,784	210,415
Net assets released from restrictions	2,310,646	(2,310,646)	-	-
Total revenues	2,634,430	-	2,634,430	1,490,467
EXPENSES				
Program expenses	2,212,275	-	2,212,275	1,234,026
Support expenses	208,011	-	208,011	176,302
Total expenses	2,420,286	-	2,420,286	1,410,328
CHANGE IN NET ASSETS	214,144	-	214,144	80,139
NET ASSETS, BEGINNING OF YEAR	210,626	-	210,626	130,487
NET ASSETS, ENDING OF YEAR	\$ 424,770	\$ -	\$ 424,770	\$ 210,626

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

SAHELI
dba ASIAN FAMILY SUPPORT SERVICES OF AUSTIN

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	AFSSA Program Services	Support Services		Total Support Expenses	Total Expenses
		Administrative	Fundraising		
Personnel costs	\$ 843,328	\$ 42,054	\$ 90,353	\$ 132,407	\$ 975,735
Advertising, printing and publications	9,437	471	1,011	1,482	10,919
Event expense	75	-	24,472	24,472	24,547
Facility expense	50,485	2,517	5,409	7,926	58,411
Furniture and small equipment	1,928	96	207	303	2,231
Interest expense	-	504	-	504	504
Postage and shipping	2,017	101	216	317	2,334
Professional services	189,379	9,444	20,290	29,734	219,113
Supplies	6,200	309	664	973	7,173
Survivor assistance	1,046,404	-	-	-	1,046,404
Training and conferences	4,456	222	477	699	5,155
Travel	4,804	239	515	754	5,558
Utilities	18,505	923	1,982	2,905	21,410
Other expenses	26,248	1,309	2,812	4,121	30,369
In-kind expense	<u>9,009</u>	<u>449</u>	<u>965</u>	<u>1,414</u>	<u>10,423</u>
Total expenses	\$ <u>2,212,275</u>	\$ <u>58,638</u>	\$ <u>149,373</u>	\$ <u>208,011</u>	\$ <u>2,420,286</u>

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

SAHELI
dba ASIAN FAMILY SUPPORT SERVICES OF AUSTIN

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

	AFSSA Program Services	Support Services		Total Support Expenses	Total Expenses
		Administrative	Fundraising		
Personnel costs	\$ 777,260	\$ 38,759	\$ 83,275	\$ 122,034	\$ 899,294
Advertising, printing and publications	2,089	104	224	328	2,417
Event expense	37,776	1,884	4,047	5,931	43,707
Facility expense	48,756	2,431	5,224	7,655	56,411
Furniture and small equipment	16,734	834	1,793	2,627	19,361
Interest expense	-	1,992	-	1,992	1,992
Postage and shipping	1,141	57	122	179	1,320
Professional services	100,320	5,003	10,748	15,751	116,071
Supplies	10,213	509	1,094	1,603	11,816
Survivor assistance	123,796	-	-	-	123,796
Training and conferences	15,907	793	1,704	2,497	18,404
Travel	29,741	1,483	3,186	4,669	34,410
Utilities	12,720	634	1,363	1,997	14,717
Other expenses	28,070	1,400	3,007	4,407	32,477
In-kind expense	<u>29,503</u>	<u>1,471</u>	<u>3,161</u>	<u>4,632</u>	<u>34,135</u>
Total expenses	\$ <u>1,234,026</u>	\$ <u>57,354</u>	\$ <u>118,948</u>	\$ <u>176,302</u>	\$ <u>1,410,328</u>

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

SAHELI
dba ASIAN FAMILY SUPPORT SERVICES OF AUSTIN

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 214,144	\$ 80,139
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
(Increase) decrease in grants receivable	4,401	(15,187)
(Increase) decrease in prepaid expenses	(23,544)	3,881
Increase (decrease) in accounts payable	2,865	4,807
Increase (decrease) in credit cards payable	8,946	(4,952)
Increase (decrease) in accrued expenses	<u>26,197</u>	<u>5,457</u>
Net cash provided by operating activities	<u>233,009</u>	<u>74,145</u>
 CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from debt	35,932	22,562
Payments on debt	<u>(3,966)</u>	<u>(28,835)</u>
Net cash provided (used) by financing activities	<u>31,966</u>	<u>(6,273)</u>
 NET INCREASE IN CASH AND CASH EQUIVALENTS	264,975	67,872
 CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>91,177</u>	<u>23,305</u>
 CASH AND CASH EQUIVALENTS, ENDING OF YEAR	<u>\$ 356,152</u>	<u>\$ 91,177</u>
 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Interest paid	<u>\$ 504</u>	<u>\$ 1,992</u>

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

SAHELI
dba
ASIAN FAMILY SUPPORT SERVICES OF AUSTIN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

1. ORGANIZATION

SAHELI (the "Organization") is a non-profit organization that provides assistance to Asian and other immigrant families dealing with domestic violence, sexual assault and trafficking. SAHELI's mission is to promote abuse-free Asian communities through advocacy, support, awareness and access to social services. The Organization specifically addresses the cultural and language needs of Asian and other immigrant families affected by domestic violence.

On May 28, 2013, the Organization filed an assumed name certificate to do business under the name of Asian Family Support Services of Austin (AFSSA).

The AFSSA programs include –

- *Domestic Violence Program* provides trauma-informed crisis intervention services for survivors within their own communities, respecting their personal needs and choices.
- *Sexual Assault Program* provides client-centered support and crisis intervention services to Asian and refugee victims of sexual violence.
- *Economic Empowerment Program* assists survivors in employment and education to gain independence and become self-sufficient.
- *Community Education and Outreach Program* provides domestic and sexual violence education and prevention by publishing informational materials in multiple Asian languages, setting up information booths at ethnic community events, and engaging community leaders directly through presentations and social service events.
- *Systems Advocacy and Training Program* provides training to local service providers on best practices when working with the immigrant population, increasing language access for immigrants and cultural competency issues.
- *Language Access Program* recruits language advocates from small and emerging populations to become cultural bridges between community members and AFSSA's services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Adoption of New Accounting Standard

On May 28, 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09 to Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers*. The ASU and all subsequently issued clarifying ASU's replaced most existing revenue recognition guidance in U.S. GAAP. The ASU also required expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Organization adopted the new standard effective January 1, 2020, the first day of the Organization's fiscal year, using the modified retrospective approach.

Adoption of ASC 606 had no impact to the recognition of revenue in the Organization's financial statements. The Organization recognized no cumulative effect adjustment upon adoption. Adoption of the standard resulted in enhanced revenue-related disclosures that provide information with respect to the Organization's analysis of certain contracts.

Although ASC 606 is not expected to have a material impact to the Organization's ongoing net income, the Organization implemented changes to its processes and procedures related to revenue recognition and the control activities within them.

Use of Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Key accounting policies that include significant judgments and estimates include the value of donated goods and services.

Basis of Presentation

Net assets, revenues, gains and losses are classified on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and the changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Such net assets are available for any purpose consistent with the Organization's mission. Designations of net assets by the governing board do not have the same legal requirements as do restrictions of funds and are included in this category.

Net Assets With Donor Restrictions – Net assets subject to specific, donor-imposed restrictions that must be met by actions of the Organization and/or passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents

For the purpose of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. As of December 31, 2020, and 2019, the Organization did not have any cash equivalents.

Grants Receivable

Grants receivable are stated at the amount management expects to collect from granting agencies. Management reviews grants receivable in all instances on a periodic basis and records a provision for doubtful accounts based on the review of outstanding receivables, historical collections information, and existing economic conditions. Due to the nature of the grant receivables, management has determined that there is no need for an allowance for doubtful accounts.

Contributions

The Organization receives contributions which are recorded as support with donor restrictions, or without donor restrictions, depending on the existence or nature of any donor restrictions. As donor or time restrictions are satisfied, net assets are reclassified to net assets without donor restrictions. The Organization's policy is to report restricted support that is satisfied in the year of receipt as restricted and then released the same year.

Grant Revenue and Cost Recognition

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

Grant awards that are contributions – grants that qualify as contributions are recorded as invoiced to the funding sources. Revenue is recognized in the accounting period when the related allowable expenses or asset acquisition costs are incurred. These grants are recognized according to ASC 958, *Not-for-profit Entities*.

Grant awards that are exchange transactions - exchange transactions reimburse based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed. Amounts received in advance are reflected as grant funds received in advance. These grants are recognized according to ASC 606, *Revenue from Contracts with Customers*.

Contributions are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets are restricted support if they are received with donor stipulations that limit their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

Income Taxes

The Organization is exempt from Federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) as an organization described in Section 501(c)(3). Therefore, no provision for income taxes has been included in these financial statements.

The Organization has adopted the recognition requirements for uncertain income tax positions as required by GAAP, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more likely than not be sustained upon examination by taxing authorities. The Organization has analyzed the tax positions taken in its filings with the Internal Revenue Service and state jurisdictions where it operates. The Organization believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial position, changes in net assets or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2020 and 2019. The Organization is subject to income tax audits for the previous three years which are open. There are currently no audits for any tax periods in progress.

Expense Allocation

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on a pro rate time basis. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

3. DONATED SERVICES

Donated services are recognized as contributions if the services create or enhance non-financial assets or if the services require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization receives substantial donated service hours by unpaid volunteers who assist with fundraising activities and other programs. Management estimates the value of these services to be \$10,423 and \$34,135 for the years ended December 31, 2020 and 2019, respectively.

4. CONCENTRATION OF CREDIT RISK

Financial instruments which potentially subject the Organization to credit risk consist of cash and accounts receivable. All non-interest and interest-bearing accounts are insured by the FDIC up to \$250,000. The Organization's bank deposits exceeded federal depository insurance limits as of December 31, 2020. The Organization's bank deposits did not exceed the federal depository insurance limits as of December 31, 2019. The Organization generally does not maintain collateral for its accounts receivable and does not believe significant credit risk related to receivables exists as of December 31, 2020 and 2019.

5. LONG-TERM DEBT

In June 2017, the Organization entered into an agreement with People Fund for a 12-month line of credit in the amount of \$30,000, with an interest rate of 8% and monthly payments of \$200.

In May 2019, the Organization modified the line of credit to a loan with a principal balance of \$22,562 to pay off the prior line of credit. The note was for 5 years with an interest rate of 8% with monthly payments of \$457 to be paid off in June 2024. At December 31, 2020, the balance of this note was \$16,823.

Future maturities of long-term debt are as follows:

<u>December 31</u>	<u>Amount</u>
2021	\$ 4,300
2022	4,656
2023	5,043
2024	<u>2,824</u>
	\$ <u>16,823</u>

6. SMALL BUSINESS ADMINISTRATION LOAN

In 2020, the Organization received loan proceeds in the amount of \$35,932 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES ACT"), provides loans for qualifying businesses to be used on qualifying expenses. The loan is eligible to turn into a grant provided the funds are used for the appropriate expenses. Any amount not used for the appropriate expenses would be repaid by the Organization at a 1% interest rate over an 18-month period.

7. LEASE COMMITMENTS

The Organization conducts its operations in a leased facility. The Organization entered into a lease agreement beginning September 1, 2016 and expiring August 31, 2023. For the first year of the lease, the Organization paid a monthly base rent of \$4,277, plus its pro-rata allocation of utilities and other services. Monthly base rent increases on an annual basis by approximately 2.5%. Rental expense was \$56,113 and \$54,710 for the year ended December 31, 2020 and 2019, respectively.

Future minimum lease payments under all operating leases are as follows for the year ended December 31, 2020:

<u>Years Ending December 31,</u>	
2021	\$ 56,452
2022	56,452
2023	<u>37,635</u>
	\$ <u>150,539</u>

8. CONCENTRATIONS OF FUNDING SOURCES

The Organization is largely dependent on a major portion of revenues received from various governmental grant programs offered by federal and state departments. The monies available from these grant programs fluctuates from year to year based upon the amount allocated to the various federal and state departments and the amounts awarded to the Organization. As of December 31, 2020, and 2019, federal and state grants accounted for 41.8% and 78.6% of the Organization’s total revenue, respectively. In 2020, the Organization also received a grant from the City of Austin that accounted for 38% of total revenue. The Organization is dependent upon these funds along with contributions in order to perform its program activities.

9. LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Organization’s financial assets as of December 31, 2020 and 2019, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	<u>2020</u>	<u>2019</u>
Cash & cash equivalents	\$ 356,152	\$ 91,177
Grant receivable	<u>151,740</u>	<u>156,141</u>
Financial assets, at year-end	507,892	247,318
Less:		
Assets restricted by donor	<u>-</u>	<u>-</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>507,892</u>	\$ <u>247,318</u>

10. RELATED PARTIES

In the normal course of business, the Organization has business dealings with individuals who are members of the board. In the opinion of Management, all business dealings are conducted at arm’s length.

11. RECOGNITION OF REVENUE

The Organization earns revenue from a variety of sources. The Organization’s principal sources of revenue are grants and contracts, donations, contributions, and fundraisers as discussed above in note 2.

Grants and contracts that are exchange transactions are within the scope of and accounted for under ASC 606. ASC 606 requires revenue to be recognized when the Organization satisfies the related performance obligations by transferring the goods or services to a customer through a 5-step process:

- 1) Identify the contract with the customer,
- 2) Identify the associated performance obligations,
- 3) Determine the transaction price,
- 4) Allocate the transaction price to the performance obligations, and
- 5) Recognize revenue when the performance obligations have been satisfied and the good or service has been transferred.

Grants and contract awards that are considered contributions, donations, contributions and fundraisers are not considered exchange transactions under ASC 606, therefore revenue from these transactions are recognized in accordance with ASC 958, *Not-for-profit Entities*.

ASC 606 related revenue consists of grant and contract awards that are exchange transactions, which are recognized in the period the service is performed or the performance obligation is satisfied. For the years ended December 31, 2020 and 2019, all federal and state grants and contracts as well as the City of Austin RISE grant were considered to be exchange transactions. All the other local grants are grant awards that are contributions.

For all revenue streams, the overall economy will have a direct impact on the Organization. If the economy were impacted negatively, it will result in less disposable income for programs, and thus, less investment in non-essential items.

12. SUBSEQUENT EVENTS

For the year ended December 31, 2020, the Organization has evaluated subsequent events through September 29, 2021, the date which the financial statements were available to be issued. No events have occurred that require additional disclosure.

COMPLIANCE SECTION



**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 and Management of
SAHELI dba Asian Family Support Services of Austin
Austin, Texas

We have audited the financial statements of SAHELI (the “Organization”) (a nonprofit organization) dba Asian Family Support Services of Austin, which comprise the statement of financial position as of December 31, 2020, 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 dated September 29, 2021. We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The financial statements of the Organization were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of noncompliance with the Organization.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization’s internal control over financial reporting (internal control) as a basis for designing 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 the Organization’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’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.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
September 29, 2021



INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB UNIFORM GUIDANCE FOR FEDERAL AWARDS

To the Board of Directors and Management of
SAHELI dba Asian Family Support Services of Austin
Austin, Texas

Report on Compliance for Each Major Federal and State Program

We have audited SAHELI (the “Organization”) dba Asian Family Support Services of Austin 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 the Organization’s major federal programs for the year ended December 31, 2020. The Organization’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 the Organization’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 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 the Organization’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 the Organization’s compliance.

Opinion on Each Major Federal Program

In our opinion, the Organization 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, 2020.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston

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Report on Internal Control over Compliance

Management of the Organization 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 the Organization'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 OMB Uniform Guidance for Federal Awards, 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 the Organization'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 a 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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.

Purpose of this Report

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 OMB Uniform Guidance for Federal Awards. Accordingly, this report is not suitable for any other purpose.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
September 29, 2021

SAHELI
dba ASIAN FAMILY SUPPORT SERVICES OF AUSTIN

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2020

Federal Grantor/Pass-through Agency/Program Name	Program/Grant/ Project Number	CFDA Number	Expenditures
US Department of Justice			
Direct Program			
<i>Building Asian American and Pacific Islander Community Capacity and Leadership to Address Domestic and Sexual Violence</i>	2017-UW-AX-0017	16.016	\$ 122,938
<i>The Asian Sexual Assault Program of Central Texas</i>	2016-KS-AX-0009	16.023	<u>95,389</u>
Total Direct Program			218,327
Pass-through Texas Office of the Governor - Criminal Justice Division:			
<i>Transitional Housing Initiative</i>	2018-V2-GX-0040	16.575	160,323
<i>Asian Domestic & Sexual Violence Advocacy and Community Outreach</i>	2018-WF-AX-0022	16.588	197,188
<i>Asian Domestic & Sexual Violence Advocacy and Community Outreach</i>	2019-WF-AX-0022	16.588	123,915
<i>Asian Domestic/Sexual Violence Advocacy and Counseling Services</i>	2018-WF-AX-0022	16.588	<u>83,914</u>
		CFDA 16.588 subtotal	<u>405,017</u>
Total pass-through Texas Office of the Governor - Criminal Justice Division			565,340
Pass-through Texas Association Against Sexual Assault:			
<i>Sexual Assault Services</i>	SI-98721	16.017	<u>44,931</u>
Total pass-through Texas Association Against Sexual Assault			44,931
		Total US Department of Justice	<u>828,598</u>
US Department of Health and Human Services			
Pass-through The SAFE Alliance:			
<i>Family Violence Prevention and Services Discretionary Grants</i>	90EV0453-03-00	93.526	<u>50,100</u>
Total pass-through The SAFE Alliance			50,100
Pass-through Texas Health and Human Services Commission:			
<i>Family Violence Prevention and Services</i>	HHS000380000047	93.671	11,646
<i>Family Violence Prevention and Services</i>	HHS000380000047	93.671	5,823
<i>Family Violence Prevention and Services - CARES Act</i>	HHS000380000047	93.671	6,704
<i>Family Violence Prevention and Services - CARES Act</i>	HHS000380000047	93.671	<u>2,234</u>
		CFDA 93.671 subtotal	26,407
<i>Social Security Block Grant</i>	HHS000380000047	93.667	2,386
<i>Social Security Block Grant</i>	HHS000380000047	93.667	<u>1,193</u>
		CFDA 93.667 subtotal	<u>3,579</u>
TANF Cluster:			
<i>Temporary Assistance for Needy Families to Title XX</i>	HHS000380000047	93.558	22,502
<i>Temporary Assistance for Needy Families to Title XX</i>	HHS000380000047	93.558	<u>11,251</u>
			<u>33,753</u>
Total pass-through Texas Health and Human Services Commission			<u>63,739</u>
		Total US Department of Health and Human Services	<u>113,839</u>
		TOTAL FEDERAL PROGRAMS	<u>\$ 942,437</u>

SAHELI
dba ASIAN FAMILY SUPPORT SERVICES OF AUSTIN

NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS

DECEMBER 31, 2020

1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Saheli (the "Organization") dba Asian Family Support Services of Austin for the year ended December 31, 2020. The Organization's reporting entity is defined in the Notes to the Organization's basic financial statements. Federal financial assistance received directly from federal agencies and other agencies are included in the Schedule of Expenditures of Federal Awards.

2. BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting. The accrual basis of accounting is described in Note 2 of the financial statements. The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance for Federal Awards, *Audits of States, Local Governments, and Nonprofit Organizations*.

3. PASS-THROUGH EXPENDITURES

None of the federal programs expended by the Organization were provided to subrecipients.

4. INDIRECT COSTS

The Organization elected to apply the 10% de minimis indirect cost rate.

SAHELI
dba ASIAN FAMILY SUPPORT SERVICES OF AUSTIN

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2020

Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued	Unmodified
Internal control over financial reporting: Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	None

Federal Awards:

Internal control over major programs: Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Uniform Guidance for Federal Awards?	None
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Identification of major programs:

<u>CFDA Number(s)</u> 16.588	<u>Name of Federal Program or Cluster:</u> Violence Against Women Formula Grants - Asian Domestic & Sexual Violence Advocacy and Community Outreach
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Dollar threshold used to distinguish between type A and type B programs	\$750,000
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Auditee qualified as low-risk auditee for federal single audit?	No
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Findings Relating to the Financial Statements

Which are Required to be Reported in Accordance With Generally Accepted Government Auditing Standards

None

Findings and Questioned Costs for Federal Awards

None

SAHELI
dba ASIAN FAMILY SUPPORT SERVICES OF AUSTIN

SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2020

There were no findings or questioned costs in the prior year.