



AUDIT REPORT

**FINANCIAL AND FEDERAL AWARD
COMPLIANCE EXAMINATION**

FOR THE YEAR ENDED JUNE 30, 2023

DOORWAYS FOR WOMEN AND FAMILIES, INC.

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CONSOLIDATED FINANCIAL STATEMENTS



**FOR THE YEAR ENDED JUNE 30, 2023
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2022**

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

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CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Doorways for Women and Families, Inc.
Doorways Cameron, LLC
Arlington, Virginia

Opinion

We have audited the accompanying consolidated financial statements of Doorways for Women and Families, Inc. and Doorways Cameron, LLC (collectively, Doorways), which comprise the consolidated statement of financial position as of June 30, 2023, and the related consolidated statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Doorways as of June 30, 2023, and the consolidated change 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Doorways and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Doorways' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Doorways' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Doorways' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Doorways' 2022 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated October 7, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards on pages I-(25 - 27), as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2023, on our consideration of Doorways' 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 Doorways' 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 Doorways' internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Gelman Rosenberg & Freedman".

October 6, 2023

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2023
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2022

ASSETS

	<u>2023</u>	<u>2022</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 6,951,949	\$ 6,545,589
Grants receivable	234,662	277,345
Pledges receivable	207,723	250,810
Inventory	10,426	16,531
Prepaid expenses	<u>132,167</u>	<u>75,235</u>
Total current assets	<u>7,536,927</u>	<u>7,165,510</u>
FIXED ASSETS		
Land	154,800	154,800
Building - Family Home	2,266,432	2,266,432
Building - Safehouse	549,859	549,859
Furniture and fixtures	124,428	124,428
Computer equipment	153,333	146,899
Leasehold improvements	<u>28,782</u>	<u>28,782</u>
Total fixed assets	3,277,634	3,271,200
Less: Accumulated depreciation and amortization	<u>(1,791,498)</u>	<u>(1,662,712)</u>
Net fixed assets	<u>1,486,136</u>	<u>1,608,488</u>
NONCURRENT ASSETS		
Investments	1,481,307	1,187,910
Investment in Cameron Commons, LLC	1,009,992	1,022,447
Pledges receivable, net of allowance for uncollectible accounts and discount of \$81,052	108,772	268,079
Deposits	<u>37,298</u>	<u>12,545</u>
Total noncurrent assets	<u>2,637,369</u>	<u>2,490,981</u>
TOTAL ASSETS	<u>\$ 11,660,432</u>	<u>\$ 11,264,979</u>

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2023
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2022

LIABILITIES AND NET ASSETS

	<u>2023</u>	<u>2022</u>
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ <u>352,133</u>	\$ <u>314,027</u>
LONG-TERM LIABILITIES		
Community Development Block Grant Fund conditional debt	600,000	600,000
Arlington County conditional debt	<u>757,495</u>	<u>757,495</u>
Total long-term liabilities	<u>1,357,495</u>	<u>1,357,495</u>
Total liabilities	<u>1,709,628</u>	<u>1,671,522</u>
NET ASSETS		
Without donor restrictions:		
Undesignated	2,465,547	1,539,137
Invested in fixed assets without restrictions	1,486,136	1,608,488
Board designated	<u>3,212,875</u>	<u>2,819,319</u>
Total net assets without donor restrictions	7,164,558	5,966,944
With donor restrictions	<u>2,786,246</u>	<u>3,626,513</u>
Total net assets	<u>9,950,804</u>	<u>9,593,457</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>11,660,432</u>	\$ <u>11,264,979</u>

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2023
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2022**

	2023			2022
	Without Donor Restrictions	With Donor Restrictions	Total	Total
SUPPORT AND REVENUE				
Government grants and contracts	\$ 2,850,739	\$ -	\$ 2,850,739	\$ 2,732,063
Contributions	1,584,911	247,142	1,832,053	1,900,595
Private grants	531,440	60,000	591,440	2,999,576
Investment income (loss), net	211,636	-	211,636	(191,037)
Investment loss in Cameron Commons, LLC	(12,455)	-	(12,455)	(14,898)
In-kind contributions	151,353	-	151,353	187,903
Event revenue	208,287	-	208,287	190,642
Other revenue	2,310	-	2,310	(765)
Net assets released from donor restrictions	<u>1,147,409</u>	<u>(1,147,409)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>6,675,630</u>	<u>(840,267)</u>	<u>5,835,363</u>	<u>7,804,079</u>
EXPENSES				
Program Services:				
Domestic and Sexual Violence	1,816,194	-	1,816,194	1,624,992
Family Home	940,219	-	940,219	936,269
HomeStart	967,455	-	967,455	823,499
Counseling	684,205	-	684,205	508,602
Prevention	179,686	-	179,686	95,338
Community Education	<u>78,773</u>	<u>-</u>	<u>78,773</u>	<u>88,339</u>
Total program services	<u>4,666,532</u>	<u>-</u>	<u>4,666,532</u>	<u>4,077,039</u>
Supporting Services:				
Management and General	1,050,884	-	1,050,884	640,099
Fundraising	<u>670,241</u>	<u>-</u>	<u>670,241</u>	<u>555,525</u>
Total supporting services	<u>1,721,125</u>	<u>-</u>	<u>1,721,125</u>	<u>1,195,624</u>
Total expenses	<u>6,387,657</u>	<u>-</u>	<u>6,387,657</u>	<u>5,272,663</u>
Change in net assets before other item	287,973	(840,267)	(552,294)	2,531,416
OTHER ITEM				
Employee retention credits	<u>909,641</u>	<u>-</u>	<u>909,641</u>	<u>-</u>
Change in net assets	1,197,614	(840,267)	357,347	2,531,416
Net assets at beginning of year	<u>5,966,944</u>	<u>3,626,513</u>	<u>9,593,457</u>	<u>7,062,041</u>
NET ASSETS AT END OF YEAR	<u>\$ 7,164,558</u>	<u>\$ 2,786,246</u>	<u>\$ 9,950,804</u>	<u>\$ 9,593,457</u>

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2022**

	2023						
	Program Services						Total Program Services
	Domestic and Sexual Violence	Family Home	HomeStart	Counseling	Prevention	Community Education	
Salaries, taxes and benefits	\$ 1,218,999	\$ 648,669	\$ 544,349	\$ 561,480	\$ 153,367	\$ 66,683	\$ 3,193,547
Client assistance	342,053	72,111	333,311	23,432	-	-	770,907
Office occupancy expenses	114,016	56,481	56,557	70,259	12,633	6,469	316,415
Professional fees	2,079	1,140	1,140	805	268	134	5,566
Facilities management	65,476	67,175	-	-	-	-	132,651
Depreciation and amortization	32,012	69,450	9,121	7,388	1,261	565	119,797
Uncollectible pledge and grant expense	-	-	-	-	-	-	-
Third party software fees/licenses	13,767	10,556	9,988	10,725	1,125	311	46,472
Event venue expenses	-	-	-	-	-	-	-
Insurance	13,446	7,374	7,374	5,205	1,735	868	36,002
Membership dues and fees	1,407	802	1,005	1,069	1	1	4,285
Supplies and expenses	5,601	1,669	592	512	448	60	8,882
Credit card and web fees	-	-	-	-	-	-	-
Advertising and publicity	-	-	-	-	-	3,370	3,370
Staff cell phone reimbursement	2,442	2,594	2,784	2,135	585	-	10,540
Printing and graphics	-	-	-	-	-	-	-
Postage and shipping	-	-	-	71	-	92	163
Prevention and outreach supplies	107	-	-	-	7,779	-	7,886
Staff travel expenses	2,227	563	895	394	230	-	4,309
Volunteer recruitment/retention	2,063	1,440	8	402	-	209	4,122
Meetings, food and miscellaneous	499	195	331	328	254	11	1,618
Donor relations	-	-	-	-	-	-	-
TOTAL	\$ 1,816,194	\$ 940,219	\$ 967,455	\$ 684,205	\$ 179,686	\$ 78,773	\$ 4,666,532

See accompanying notes to consolidated financial statements.

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2022

	2023 (Continued)			2022	
	Supporting Services			Total Expenses	Total Expenses
	Management and General	Fundraising	Total Supporting Services		
Salaries, taxes and benefits	\$ 679,370	\$ 404,950	\$ 1,084,320	\$ 4,277,867	\$ 3,449,622
Client assistance	-	-	-	770,907	812,862
Office occupancy expenses	40,822	22,821	63,643	380,058	408,314
Professional fees	273,373	469	273,842	279,408	64,965
Facilities management	-	-	-	132,651	148,790
Depreciation and amortization	4,153	4,836	8,989	128,786	115,213
Uncollectible pledge and grant expense	-	122,290	122,290	122,290	14,159
Third party software fees/licenses	16,329	32,937	49,266	95,738	85,872
Event venue expenses	-	46,746	46,746	46,746	24,083
Insurance	4,380	3,036	7,416	43,418	38,318
Membership dues and fees	13,340	1,903	15,243	19,528	17,597
Supplies and expenses	2,901	3,573	6,474	15,356	25,564
Credit card and web fees	14,871	-	14,871	14,871	17,612
Advertising and publicity	-	8,374	8,374	11,744	11,274
Staff cell phone reimbursement	112	-	112	10,652	8,120
Printing and graphics	43	9,314	9,357	9,357	10,591
Postage and shipping	137	7,945	8,082	8,245	8,180
Prevention and outreach supplies	-	355	355	8,241	4,250
Staff travel expenses	806	476	1,282	5,591	2,389
Volunteer recruitment/retention	39	8	47	4,169	1,439
Meetings, food and miscellaneous	208	60	268	1,886	726
Donor relations	-	148	148	148	2,723
TOTAL	\$ 1,050,884	\$ 670,241	\$ 1,721,125	\$ 6,387,657	\$ 5,272,663

See accompanying notes to consolidated financial statements.

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 357,347	\$ 2,531,416
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	128,786	115,213
Realized (gain) loss on sales of investments	(50,008)	29,013
Unrealized (gain) loss on investments	(21,701)	205,431
Share of loss on investment in Cameron Commons	12,455	14,897
Change in reserve for uncollectible pledges	(20,000)	(4,000)
Change in discount on pledges receivable	6,858	(19,244)
Receipt of donated securities	(94,869)	(2,681,348)
Proceeds from sales of donated securities	95,019	2,652,335
Decrease (increase) in:		
Grants receivable	42,683	28,825
Pledges receivable	215,536	69,344
Inventory	6,105	13,432
Prepaid expenses	(56,932)	(42,388)
Deposits	(24,753)	-
Increase (decrease) in:		
Accounts payable and accrued liabilities	38,106	91,135
Deferred income	-	(2,952)
Net cash provided by operating activities	<u>634,632</u>	<u>3,001,109</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(6,434)	(30,382)
Purchase of investments	(1,377,252)	(152,050)
Proceeds from sale of investments	<u>1,155,414</u>	<u>-</u>
Net cash used by investing activities	<u>(228,272)</u>	<u>(182,432)</u>
Net increase in cash and cash equivalents	406,360	2,818,677
Cash and cash equivalents at beginning of year	<u>6,545,589</u>	<u>3,726,912</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 6,951,949	\$ 6,545,589

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

For 45 years, Doorways for Women and Families, Inc. (Doorways) has played a vital role in the Arlington community, providing safe shelter, housing, and life-changing support services to adults, youth, and families experiencing the traumas of domestic violence, sexual assault, and homelessness.

Doorways Cameron, LLC (the LLC) is a limited liability company, organized in the Commonwealth of Virginia in 2008. The primary purpose of the LLC is to invest in Cameron Commons, LLC (see Note 4).

Doorways creates pathways out of homelessness, domestic violence, and sexual assault leading to safe, stable, and empowered lives. Doorways is committed to providing holistic, trauma-informed care to individuals and families in crisis, to ultimately put an end to the cycles of violence and homelessness in our community. In fiscal year 2023, our agency continued navigating the long-term financial and social impacts of the COVID-19 pandemic, seeing a record number of individuals and families in need of immediate support. Our client services programs combined reached over 2,191 individuals (adults, youth, and children); plus 956 youth and adults attended prevention and educational sessions.

Together, Doorways' programs offer a range of options and a continuum of help for persons as they move from crisis to safety and stability.

Client Services Programs:

- The Domestic and Sexual Violence Program serves as Arlington's only dually accredited service provider for sexual and domestic violence and operates a wide range of services for persons impacted by abuse. These services include emergency response programs such as the Safehouse, an emergency shelter response comprised of congregate and non-congregate facilities serving individuals and families, adults, and children. In addition, Doorways operates Arlington County's only 24-Hour Domestic and Sexual Violence Hotline and Hospital Accompaniment Response Program (HARP), along with the community-based Mobile Advocacy and Court Advocacy programs for persons seeking safety planning, support, and legal protection from intimate partner violence and sexual assault. In fiscal year 2023, the Safehouse program provided emergency shelter to more households than any other year, serving 135 adults and children (in 62 households) who found immediate safe harbor from harm and violence. The Hotline provided safety planning, crisis support, and information and referral services to 1,411 calls, 1,218 of which were for domestic and sexual crisis counseling and information. The Court Advocacy program assisted 240 adults and 120 children in navigating legal pathways to safety. The number of Hospital Accompaniments for Sexual Assault Nurse Exams and Domestic Violence Forensic Exams was 29. The community-based Mobile Advocacy program assisted 50 adults with safety planning and advocacy to increase their pathways to safety, advocacy, and referrals.
- The Revive Domestic and Sexual Violence Counseling Program provided counseling and safety planning for 236 adults, youth, and children impacted by abuse. As a result of services received at Doorways, 98% reported increased understanding and knowledge of the impact of trauma and domestic violence/sexual assault, and 92% reported that they have learned coping skills to manage symptoms related to trauma.

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Organization (continued) -

Client Services Programs (continued):

- The 22-bed Family Home provides emergency shelter, skill-building opportunities, referrals, and supportive counseling and goal planning services to families and youth experiencing homelessness. The Family Home served 77 adults, youth, and children (in 33 households) in fiscal year 2023, and 100% of households exited shelter to long-term, stable housing.
- The HomeStart Supportive Housing Program (HomeStart) offers rapid rehousing and long-term supportive housing for individuals and families who need assistance to leave shelter and obtain safe housing of their own. HomeStart offers residential stability (through rental subsidies) and intensive support focused on skill-building, case management, and safety planning to prevent the recurrence of homelessness and domestic violence. HomeStart assisted 129 adults and children (in 51 households) in fiscal year 2023, and 93% of 29 households graduating from the program were able to meet their basic living expenses in safe, stable housing.

Prevention and Outreach Program:

- In addition to Doorways' client services programs, the Prevention and Outreach Program developed new educational curriculum, created and strengthened new partnerships, and facilitated 82 community workshops and events educating 956 individuals in the Arlington area on topics that support the development of healthy relationships. Based on the primary prevention framework, Doorways' prevention efforts aim to change the social norms that tolerate and perpetuate violence via meaningful outreach and prevention curricula developed for youth of historically marginalized groups. The goal is to create a culture where everyone has the tools to build healthy relationships based on respect, equality, and safety.

Lastly, through community engagement and strategic partnerships, Doorways ensures that community members in need can access our support. Doorways' outreach and education efforts raise awareness and provide information about the issues of domestic violence, sexual assault, and homelessness. Likewise, Doorways engages community-based volunteers and donors to help achieve its mission. Active volunteers supported our work with 4,366 hours of service during fiscal year 2023.

Doorways employs 48 full-time and 3 part-time employees and utilizes the expertise of 121 volunteers (including the Board of Directors).

Doorways continues to meet the varied and profound needs of our clients through holistic, trauma-informed, client-centered, and strength-based services that offer them the greatest chance of sustainable safety and stability.

Basis of consolidation -

The accompanying consolidated financial statements reflect the activity of Doorways for Women and Families, Inc. and Doorways Cameron, LLC (collectively, Doorways) for the year ended June 30, 2023. The financial statements of the two organizations have been consolidated based on common control. All intercompany transactions have been eliminated in consolidation.

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Basis of presentation -

The accompanying consolidated financial statements are presented on the accrual basis of accounting, and in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions.

Descriptions of the two net asset categories are as follows.

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Assets restricted solely through the actions of the Board are referred to as Board designated and are also reported as net assets without donor restrictions.
- **Net Assets With Donor Restrictions** - Contributions restricted by donors are reported as increases in "net assets with donor restrictions", depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Consolidated Statement of Activities and Change in Net Assets as net assets released from donor restrictions. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

The consolidated 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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with Doorways' consolidated financial statements for the year ended June 30, 2022, from which the summarized information was derived.

New accounting pronouncement adopted -

During 2023, Doorways adopted ASU 2019-01, *Leases* (Topic 842), which changed the accounting treatment for operating leases by requiring recognition of a lease asset and lease liability at the present value of the lease payments in the Consolidated Statement of Financial Position and disclosure of key information about leasing arrangements. Doorways applied the new standard using the modified retrospective approach and adopted the practical expedient package to not reassess at adoption (i) expired or existing contracts for whether they are or contain a lease, (ii) the lease classification of any existing leases or (iii) initial indirect costs for existing leases. See Note 13 for further details.

Cash and cash equivalents -

Doorways invests cash in excess of immediate requirements in a Money Market Fund or Certificate of Deposit. Because of the short-term and highly liquid nature of the instruments, such amount is considered to be a cash equivalent.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, Doorways maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Grants and pledges receivable -

Grants and pledges receivable are recorded at their net realizable values, which approximates fair value. Grants receivable are considered fully collectible within one year. The allowance for doubtful pledges receivable is determined based upon an annual review of account balances, including the age of the balance and the historical experience with the donor. Pledges receivable that are expected to be collected in future years are recorded at fair value, measured as the present value of their future cash flows. The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contributions revenue.

Inventory -

Inventory consists of various gift cards, which are recorded at the cards' value. Inventory is measured at the lower of cost and net realizable value using the first-in, first-out method of inventory in accordance with FASB ASU 2015-11 *Simplifying the Measurement of Inventory*.

Fixed assets -

Fixed assets greater than \$5,000 are capitalized and stated at cost. Buildings (and related improvements) are depreciated on a straight-line basis over the estimated useful life of thirty-nine years. Furniture and fixtures and computer equipment are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally five to ten years. Land is recorded as a capital asset based on the value assigned at the time of acquisition; the cost of land is not amortized. Software is amortized on a straight-line basis over the estimated useful lives of the related assets, generally five years. Leasehold improvements are amortized over the life of the lease. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the year ended June 30, 2023 totaled \$128,786.

Investments -

Investments are recorded at their readily determinable fair value. Realized and unrealized gains and losses are included in investment income (loss) net of investment expenses provided by external investment advisors and allocated internal management costs in the accompanying Consolidated Statement of Activities and Change in Net Assets.

Grants, contracts and contributions -

Doorways' receives contributions as well as contracts and grants from the U.S. and State and Local governments, and other entities.

Grants, contracts, and contributions are recognized in the appropriate category of net assets in the period received. Doorways performs an analysis of the individual grant, contract, or contribution to determine if the revenue streams follow the contribution rules, or if they are considered exchange transactions, depending upon whether the transaction is deemed reciprocal or nonreciprocal under ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*.

For grants, contracts, and contributions qualifying under the contribution rule, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable.

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Grants, contracts and contributions (continued) -

Grants, contracts, and contributions qualifying as contributions that are unconditional and have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions; such funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying consolidated financial statements.

Grants, contracts, and contributions qualifying as conditional contributions contain a right of return and a barrier. Revenue is recognized when the condition or conditions are satisfied. Most grants and awards from the United States Government and other entities are for direct and indirect program costs. These transactions are nonreciprocal and recognized as contributions when the revenue becomes unconditional. Funds received in advance of the incurrence of satisfaction of these conditions are recorded as refundable advances. For grants, contracts, and contributions treated as contributions, Doorways had approximately \$196,215 in unrecognized conditional awards as of June 30, 2023.

In-kind contributions -

Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Doorways. Periodically, Doorways receives gifts of cash or other assets restricted for use to acquire or construct a long-lived asset. In accordance with *Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14*, Doorways reports the expirations of donor restrictions used to acquire or construct long-lived assets using the placed-in-service approach.

Income taxes -

Doorways for Women and Families, Inc. is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying consolidated financial statements. Doorways for Women and Families, Inc. is not a private foundation.

Doorways Cameron, LLC is registered as a limited liability corporation under the laws of the State of Virginia. For tax purposes, because Doorways is the sole member of the LLC, it is considered a disregarded entity and its results are reported on Doorways' tax return.

Uncertain tax positions -

For the year ended June 30, 2023, Doorways has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the consolidated financial statements.

Use of estimates -

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Consolidated Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services that benefited. Expenses directly attributed to a specific functional area of Doorways are reported as direct expenses to the programmatic area. Personnel costs are allocated based on the considerations of job duties, the time devoted to those duties as well as guidance from FASB on joint costs. Those expenses that benefit more than one function are allocated in accordance with Doorways' policies which are a combination of the basis of time and effort or joint cost guidance.

Investment risks and uncertainties -

Doorways invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks.

Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

Fair value measurement -

Doorways adopted the provisions of FASB ASC 820, *Fair Value Measurement*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. Doorways accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

New accounting pronouncement not yet adopted -

Accounting Standard Update (ASU) 2016-13, *Financial Instruments – Credit Losses* (Topic 326), replaces the incurred loss impairment methodology in current U.S. GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The ASU is effective for Doorways for the year ending June 30, 2024. The ASU can be applied at the beginning of the earliest period presented using a modified retrospective approach.

Doorways plans to adopt the new ASU at the required implementation date and management is currently in the process of evaluating the adoption method and the impact of the new standard on its accompanying consolidated financial statements.

2. PLEDGES RECEIVABLE

As of June 30, 2023, contributors to Doorways have made written promises to give totaling \$397,547. Pledges receivable are discounted using Treasury bill rates for similar term investments. The applicable rate at June 30, 2023 was 8.25%.

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023**

2. PLEDGES RECEIVABLE (Continued)

Pledges are due as follows at June 30, 2023:

Less than one year	\$ 207,723
One to five years	156,126
Beyond five years	<u>33,698</u>
Subtotal	397,547
Less: Discount to present value	(36,052)
Less: Reserve for uncollectible pledges	<u>(45,000)</u>
TOTAL PLEDGES RECEIVABLE	<u>\$ 316,495</u>

3. INVESTMENTS

Investments consisted of the following at June 30, 2023:

	<u>Fair Value</u>
Fixed income	\$ 769,772
Equities	<u>711,535</u>
TOTAL INVESTMENTS	<u>\$ 1,481,307</u>

Included in investment income, net are the following for the year ended June 30, 2023:

Interest and dividends	\$ 155,431
Realized gain	50,008
Unrealized gain	21,701
Investment management fees	<u>(15,504)</u>
TOTAL INVESTMENT INCOME, NET	<u>\$ 211,636</u>

4. INVESTMENT IN CAMERON COMMONS, LLC

During 2009, Doorways formed a single member LLC, Doorways Cameron, LLC, whose sole purpose was to enter into an agreement with Cameron Commons Development Corporation (CCDC) to form Cameron Commons, LLC.

Cameron Commons, LLC purchased the Cameron Commons Apartments. Under the agreement, Doorways has an interest in five apartment units. In 2009, \$726,287 of initial funding for Doorways' interest in this partnership was provided on behalf of Doorways Cameron, LLC directly to CCDC by the Community Housing Finance Corporation (CHFC), a division of Arlington County, Virginia.

In 2010, an additional \$31,208 was provided by Arlington County for total funding of \$757,495. The funds were given as a conditional 30 year deferred-payment loan. This no-interest loan is to be repaid only in the event of sale, conveyance, or change in use of the property. After the 30 year period has expired, the debt will be forgiven. During fiscal year 2011, Doorways contributed an additional \$272,160, which increased their interest in Cameron Commons, LLC to 31%.

Doorways currently accounts for its investment in Cameron Commons, LLC using the equity method based on its current percentage of ownership interest as well as its ability to exert significant influence over Cameron Commons, LLC.

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023**

4. INVESTMENT IN CAMERON COMMONS, LLC (Continued)

For the calendar year ended December 31, 2022, Cameron Commons, LLC's audited net operating loss totaled \$52,374, of which \$16,236 was allocated to Doorways Cameron, LLC and \$7,115 was reversed for the period January 1, 2022 through June 30, 2022 not covered by this report; additionally, an operating loss for the period January 1, 2023 through June 30, 2023, has been estimated at \$3,592 and is included in the accompanying Consolidated Statement of Activities and Change in Net Assets.

5. COMMUNITY DEVELOPMENT BLOCK GRANT FUND CONDITIONAL DEBT

In May 2006, Doorways obtained a \$600,000 commitment from Arlington County, Virginia, through a Community Development Block Grant from the United States Department of Housing and Urban Development (HUD).

Doorways has drawn the full \$600,000 under this commitment. The funds were given as a conditional 60 year deferred-payment loan in order to redevelop the Family Home, which collateralizes the loan. This no-interest loan is to be repaid only in the event of sale, conveyance, or change in use of the property. After the 60 year period expires, the debt will be forgiven.

6. BOARD DESIGNATED NET ASSETS

As of June 30, 2023, net assets have been designated by the Board of Directors for the following purposes:

Operating reserve	\$ 2,143,267
Working capital	512,763
Sustainability	502,953
Building improvements	<u>53,892</u>
TOTAL BOARD DESIGNATED NET ASSETS	<u>\$ 3,212,875</u>

- Amounts designated for Operating Reserve are intended to cover unexpected funding losses or significant catastrophes and represent approximately four months of average annualized expenses based on the fiscal period ended June 30, 2023.
- Amounts designated for Working Capital are intended to cover unexpected short-term cash flow requirements and represent approximately one month of average annualized expenses based on the fiscal period ended June 30, 2023.
- Amounts designated for Sustainability are intended to provide future funding to sustain Doorways mission if jeopardized by an anticipated shift in or loss of funding critical to Doorways delivery of service or to serve as an "opportunity fund" to provide Doorways with the flexibility to expand services or innovate to advance its mission as the need arises. Spending from this fund is not permitted until the market value of the fund reaches \$1 million. To ensure preservation of the fund, certain spending limitations are imposed.
- Amounts designated for Building improvements are intended to fund expenditures beyond ordinary operating expenses for long-term component replacement and deferred maintenance at the agency owned domestic violence and homeless shelters located in Arlington, Virginia.

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023**

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at June 30, 2023:

Program restricted:	
Bezos Day 1 Families Fund	\$ 2,267,231
Prevention program	118,800
Red Rover Kennel Project	<u>38,720</u>
Total program restricted	2,424,751
Time restricted	<u>361,495</u>
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ 2,786,246</u>

8. NET ASSETS RELEASED FROM RESTRICTIONS

The following net assets with donor restrictions were released from donor restrictions by incurring expenses, which satisfied the restricted purposes specified by the donors:

Program restricted:	
Bezos Day 1 Families Fund	\$ 282,852
Prevention program	121,300
Red Rover Kennel Project	<u>21,280</u>
Total program restricted	425,432
Passage of time	<u>721,977</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>\$ 1,147,409</u>

9. LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the Consolidated Statement of Financial Position date comprise the following at June 30, 2023:

Cash and cash equivalents	\$ 6,951,949
Investments	1,481,307
Grants receivable	234,662
Pledges receivable, net	<u>316,495</u>
Subtotal financial assets available	8,984,413
Less: Donor restricted funds	2,786,246
Less: Sustainability fund	502,953
Less: Building improvements fund	<u>53,892</u>
FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURE WITHIN ONE YEAR	<u>\$ 5,641,322</u>

Doorways has a policy to structure its financial assets to be available and liquid as its obligations become due.

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023**

9. LIQUIDITY AND AVAILABILITY (Continued)

Doorways invests cash in excess of daily requirements in investments, which can be drawn upon for liquidity needs. Additionally, the Board may designate a portion of any operating surplus to its operating reserve and working capital (further discussed in Note 6) and due to the nature of designations, are considered a part of financial assets available to meet cash needs for general expenditure within one year.

In the event of an unanticipated liquidity need, Doorways has a line of credit agreement (as further discussed in Note 15) which allows for additional available borrowings up to \$150,000.

10. IN-KIND CONTRIBUTIONS

In-kind contributions for the year ended June 30, 2023 consisted of services obtained from IT professionals, gift cards, and various goods and supplies. Services are valued at the rate to obtain similar services in the market. Gift cards are valued at their cash value. Goods and supplies are recorded at their fair market value as of the date of the gift. In-kind expenses are presented as Client Assistance and Professional Fees in the accompanying Consolidated Statement of Functional Expenses. There were no donor-imposed restrictions associated with the in-kind contributions during the year ended June 30, 2023.

In-kind contributions consisted of the following during the year ended June 30, 2023:

Goods and supplies	\$	94,716
Gift cards		49,930
Professional fees		<u>6,707</u>
TOTAL IN-KIND REVENUE	\$	<u>151,353</u>

In-kind contributions were classified in the following functional areas in the accompanying Consolidated Statement of Functional Expenses during the year ended June 30, 2023:

Domestic and Sexual Violence	\$	58,816
Family Home		43,611
HomeStart		40,943
Counseling		12,546
Management and General		670
Fundraising		470
Prevention		268
Community Education		<u>134</u>
TOTAL IN-KIND EXPENSE	\$	<u>157,458</u>

During the year ended June 30, 2023, in-kind contributions included \$6,105 of gift cards received prior to June 30, 2022 which were expensed during the year ended June 30, 2023.

Additionally, volunteers have donated time to Doorways in various capacities to further the mission of the organization. As these services are not deemed to be specialized in nature (and therefore the value of these services is not readily determinable), these contributions have not been recognized in the accompanying consolidated financial statements.

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2023

11. EMPLOYEE RETENTION CREDIT

Doorways applied for and received \$909,641 in funds related to the Employee Retention Credit (ERC) under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) modified by the Taxpayer Certainty and Disaster Tax Relief Act of 2020 (Relief Act). This revenue is presented as a non-operating activity in the Consolidated Statement of Activities and Change in Net Assets. As of June 30, 2023, there was no outstanding balance to be collected.

12. CONTINGENCY

Doorways receives grants from various agencies of the United States Government. Such grants are subject to audit under the provisions 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)*.

The ultimate determination of amounts received under the United States Government grants is based upon the allowance of costs reported to and accepted by the United States Government as a result of the audits. An audit in accordance with the applicable provisions has been completed for the fiscal year 2023. Until the audit has been accepted by the United States Government, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from the audit.

13. LEASE COMMITMENT

During 2011, Doorways entered into a lease for office space under a seven year agreement. Doorways has amended this lease agreement to gain additional office space and extend its term to December 31, 2023. Commencing on January 1, 2022 base rent per month is \$17,679 plus a proportionate share of expenses, increasing by a factor of 1% per year through the end of the lease term, December 31, 2023.

In April of 2023, Doorways entered into a lease for office space under a ten year, nine month agreement, commencing on January 1, 2024 and expiring on September 30, 2034. Base rent is abated from commencement through September 30, 2024, at which time base rent per month will be \$24,754 plus a proportionate share of expenses, and increase by a factor of 2.5% annually thereafter.

ASU 2019-01, *Leases* (Topic 842), changes the accounting treatment for operating leases by requiring recognition of a lease asset and lease liability at the present value of the lease payments in the Consolidated Statement of Financial Position and disclosure of key information about leasing arrangements. Doorways implemented the ASU and elected the practical expedient package to not reassess at adoption (i) expired or existing contracts for whether they are or contain a lease, (ii) the lease classification of any existing leases or (iii) initial indirect costs for existing leases. Doorways also elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and are applying this expedient to all relevant asset classes. Doorways adopted the package of practical expedients to not perform any lease reclassification, did not reevaluate embedded leases and did not reassess initial direct costs. As of June 30, 2023, Doorways has not applied the ASU as management determined it was immaterial to the consolidated financial statements as a whole.

Lease expense, including utilities and taxes for the year ended June 30, 2023, was \$218,597. Lease expense is included in office occupancy expenses in the accompanying Consolidated Statement of Functional Expenses.

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023**

13. LEASE COMMITMENT (Continued)

Future minimum lease payments are as follows:

Year Ending June 30,

2024	\$ 107,136
2025	226,497
2026	308,277
2027	315,984
2028	323,884
Thereafter	<u>2,215,647</u>
	<u>\$ 3,497,425</u>

14. PENSION PLAN

Doorways has established a 403(b) plan for its employees. Eligible employees must be employed for at least one year and complete 1,000 hours of service during a 12-month period.

Employer discretionary contributions are allocated among eligible employees at a rate of 3% of annual compensation for employees with one to four years of services, and 4% of annual compensation for employees with five or more years of service. Plan contributions for the year ended June 30, 2023 totaled \$79,331 and are included in salaries, taxes and benefits in the accompanying Consolidated Statement of Functional Expenses.

15. LINE OF CREDIT

In January 2017, Doorways established a line of credit with a local financial institution to support ongoing working capital needs of the organization. The line of credit is currently set to expire in September 2023. Upon expiration, Doorways renewed the line of credit for another 24 months. The line of credit, in the amount of \$150,000, is unsecured and accrues interest at the Wall Street Journal Prime Rate (8.25% as of June 30, 2023) plus 1% or a minimum of 6.50%. There were no borrowings during the year or any outstanding amount on the line of credit as of June 30, 2023.

16. FAIR VALUE MEASUREMENT

In accordance with FASB ASC 820, *Fair Value Measurement*, Doorways has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Investments recorded in the Consolidated Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market Doorways has the ability to access.

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023**

16. FAIR VALUE MEASUREMENT (Continued)

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no transfers between levels or changes in the methodologies used at June 30, 2023.

- *Equities* - Valued at the closing price reported on the active market in which the individual securities are traded.
- *Fixed Income* - Fair value is based upon current yields available on comparable securities of issuers with similar ratings, the security's terms and conditions, and interest rate and credit risk.

The table below summarizes, by level within the fair value hierarchy, Doorways' investments as of June 30, 2023:

	Level 1	Level 2	Level 3	Total
Asset Class:				
Fixed income	\$ -	\$ 769,772	\$ -	\$ 769,772
Equities	711,535	-	-	711,535
TOTAL INVESTMENTS	\$ 711,535	\$ 769,772	\$ -	\$ 1,481,307

17. SUBSEQUENT EVENTS

In preparing these consolidated financial statements, Doorways has evaluated events and transactions for potential recognition or disclosure through October 6, 2023, the date the consolidated financial statements were issued, and determined that there were no events occurring subsequent to June 30, 2023 that require recognition or disclosure in the consolidated financial statements..

SUPPLEMENTAL INFORMATION

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Program Title/Project Number/Subrecipient Name	Assistance Listing Number	Pass-through Entity	Grant/Contract Number	Pass-through to Subrecipients	Federal Expenditures
Department of Justice:					
Sexual Assault Services Formula	16.017	Arlington County Court Services, Office of Justice Programs, Office for Violence Against Women	22-B8614SP21	\$ -	\$ 7,237
Justice for Families	16.021	Arlington County Court Services, Office of Justice Programs, Office for Violence Against Women	N/A	-	6,833
Victims of Crime Act (VOCA)	16.575	Arlington County Court Services, Office of Justice Programs, Office for Violence Against Women	22-C3414VP20	-	437,752
Crime Victim Assistance Formula	16.575	Arlington County Court Services, Office of Justice Programs, Office for Violence Against Women	23-C8614SP22	-	9,058
Subtotal: ALN 16.575				-	446,810
Total Department of Justice				-	460,880
Department of Treasury:					
COVID-19: American Rescue Plan Act (ARPA)	21.027	US. Dept of Treasury	22-A3414ARRF	-	181,150
Total Department of Treasury				-	181,150
U.S. Department of Housing and Urban Development:					
Office of Community Planning and Development: Continuum of Care Program	14.267	Path Forward	VA0319L3G001802	-	15,000
Emergency Solutions	14.231	Virginia Department of Housing and Community Development, Office of Homeless and Special Needs Housing	23-VHSP-022	-	126,904
COVID-19: Homelessness Emergency Response Program Funding - CDBG	14.231	Virginia Department of Housing and Community Development, Office of Homeless and Special Needs Housing	20-CHERP-022	-	28,602
COVID-19: Cares Act	14.231	Virginia Department of Housing and Community Development, Office of Homeless and Special Needs Housing	20-CHERP-022	-	38,251
Subtotal: ALN 14.231				-	193,757
Total U.S. Department of Housing and Urban Development				-	208,757

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

Program Title/Project Number/Subrecipient Name	Assistance Listing Number	Pass-through Entity	Grant/Contract Number	Pass-through to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services:					
Temporary Assistance for Needy Families	93.557	Virginia Department of Social Services, Division of Family Services Domestic Violence Prevention and Services	FAM-22-078-11	\$ -	\$ 39,050
Family Violence Prevention and Services Act	93.592	Virginia Department of Social Services, Division of Family Services Domestic Violence Prevention and Services	FAM-22-078-11	-	100,000
Total U.S. Department of Health and Human Services				-	139,050
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ -	\$ 989,837

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the Federal award activity of Doorways under programs of the Federal Government for the year ended June 30, 2023. Information in the Schedule is presented in accordance with 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)*. The Schedule presents only a selected portion of the operations of Doorways; accordingly, it is not intended to and does not present the financial position, changes in net assets or cash flows of Doorways.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Doorways has elected to use the 10-percent de minimis indirect cost rate as allowed under Uniform Guidance for all awards that do not explicitly state that indirect costs are not allowed.

Note 3. Reconciliation of Federal Grants Revenue

Government grants and contracts are broken out as follows for the year ended June 30, 2023:

Total grants and contracts	\$ 2,850,739
Non-Federal grants and contracts	<u>(1,860,902)</u>
FEDERAL GRANT REVENUE	<u>\$ 989,837</u>

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

1). Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP on the accrual basis of accounting:

Unmodified

2). Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

3). Noncompliance material to financial statements noted?

Yes No

Federal Awards

4). Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

5). Type of auditor's report issued on compliance for major federal programs:

Unmodified

6). Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

Yes No

7). Identification of major federal programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
16.575	Crime Victim Assistance

8). Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

9). Auditee qualified as a low-risk auditee?

Yes No

DOORWAYS FOR WOMEN AND FAMILIES, INC. AND AFFILIATE

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

Section II - Financial Statement Findings

There were no reportable findings.

Section III - Federal Award Findings and Questioned Costs (2 CFR 200.516(a))

There were no reportable findings.

Section IV - Prior Year Findings and Questioned Costs With Current Year Status

There were no reportable findings.



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**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
Doorways for Women and Families, Inc.
Arlington, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Doorways for Women and Families, Inc. (Doorways) as of and for the year ended June 30, 2023, and the related notes to the consolidated financial statements, which collectively comprise Doorways' basic consolidated financial statements, and have issued our report thereon dated October 6, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Doorways' 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 opinions on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Doorways' internal control. Accordingly, we do not express an opinion on the effectiveness of Doorways' 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 Doorways' consolidated 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.

4550 MONTGOMERY AVENUE · SUITE 800 NORTH · BETHESDA, MARYLAND 20814
(301) 951-9090 · WWW.GRFCPA.COM

MEMBER OF CPAMERICA INTERNATIONAL, AN AFFILIATE OF CROWE GLOBAL
MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Doorways' consolidated 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 consolidated 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Gelman Rosenberg & Friedman".

October 6, 2023



CPAs & ADVISORS

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

To the Board of Directors
Doorways for Women and Families, Inc.
Arlington, Virginia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Doorways for Women and Families, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Doorways for Women and Families, Inc.'s major federal programs for the year ended June 30, 2023. Doorways' major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Doorways complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Doorways and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Doorways' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Doorways' federal programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Doorways' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Doorways' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Doorways' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Doorways' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Doorways' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Gelman Rosenberg & Freedman

October 6, 2023