

**DOMESTIC ABUSE INTERVENTION SERVICES, INC.**

**FINANCIAL STATEMENTS**

**December 31, 2009 and 2008**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Domestic Abuse Intervention Services, Inc.  
Madison, Wisconsin

We have audited the accompanying statements of financial position of Domestic Abuse Intervention Services, Inc. as of December 31, 2009 and 2008, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of Domestic Abuse Intervention Services, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Domestic Abuse Intervention Services, Inc. as of December 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Wegner LLP*

Wegner LLP  
Madison, Wisconsin  
April 16, 2010



**DOMESTIC ABUSE INTERVENTION SERVICES, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
December 31, 2009 and 2008

	2009	2008
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 273,609	\$ 199,110
Accounts receivable	53,598	52,500
Stock	2,789	2,618
Prepaid expenses	8,218	22,174
Total current assets	338,214	276,402
Property and equipment - net	133,796	157,503
<b>Total assets</b>	<b>\$ 472,010</b>	<b>\$ 433,905</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITES</b>		
Accounts payable and accrued expenses	\$ 7,647	\$ 7,018
Accrued salary and related expenses	57,744	51,924
Deferred revenue	2,000	-
Total liabilities	67,391	58,942
<b>NET ASSETS</b>		
Unrestricted	383,021	351,065
Temporarily restricted	21,598	23,898
Total net assets	404,619	374,963
<b>Total liabilities and net assets</b>	<b>\$ 472,010</b>	<b>\$ 433,905</b>

See accompanying notes.

**DOMESTIC ABUSE INTERVENTION SERVICES, INC.**  
**STATEMENTS OF ACTIVITIES**  
Years ended December 31, 2009 and 2008

	2009	2008
<b>UNRESTRICTED NET ASSETS</b>		
<b>SUPPORT AND REVENUE</b>		
Grants	\$ 706,619	\$ 662,571
United Way of Dane County	206,162	226,227
Other contributions and events	221,841	198,124
Investment return	2,255	(2,279)
Other income	64	1,000
	<u>1,136,941</u>	<u>1,085,643</u>
<b>EXPENSES</b>		
Program services		
Shelter and support	333,978	323,491
Children services	142,204	142,048
Legal services	135,148	137,139
Crisis intervention	105,835	71,214
Outreach and education	77,984	146,150
DELTA	56,199	49,890
	<u>851,348</u>	<u>869,932</u>
Total program services	851,348	869,932
Supporting activities		
Administrative	169,323	168,186
Development	98,614	60,099
	<u>267,937</u>	<u>228,285</u>
Total supporting activities	267,937	228,285
Total expenses	1,119,285	1,098,217
Net assets released from restrictions	<u>14,300</u>	<u>21,447</u>
<b>Change in unrestricted net assets</b>	31,956	8,873
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Contributions	12,000	-
Net assets released from restrictions	<u>(14,300)</u>	<u>(21,447)</u>
<b>Change in temporarily restricted net assets</b>	<u>(2,300)</u>	<u>(21,447)</u>
Change in net assets	29,656	(12,574)
Net assets - beginning of year	<u>374,963</u>	<u>387,537</u>
<b>Net assets - end of year</b>	<u>\$ 404,619</u>	<u>\$ 374,963</u>

See accompanying notes.

**DOMESTIC ABUSE INTERVENTION SERVICES, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
Years ended December 31, 2009 and 2008

	Personnel	Operating Costs	Space Costs	Special Costs	2009 Total
Program services					
Shelter and support	\$ 207,458	\$ 33,996	\$ 40,899	\$ 51,625	\$ 333,978
Children services	128,316	10,512	3,336	40	142,204
Legal services	123,085	8,783	3,195	85	135,148
Crisis intervention	77,216	24,882	2,737	1,000	105,835
Outreach and education	66,038	10,053	1,893	-	77,984
DELTA	44,160	11,660	379	-	56,199
Total program services	646,273	99,886	52,439	52,750	851,348
Supporting activities					
Administrative	124,553	35,831	8,939	-	169,323
Development	60,191	37,692	731	-	98,614
Total supporting activities	184,744	73,523	9,670	-	267,937
Total expenses	<u>\$ 831,017</u>	<u>\$ 173,409</u>	<u>\$ 62,109</u>	<u>\$ 52,750</u>	<u>\$ 1,119,285</u>
	Personnel	Operating Costs	Space Costs	Special Costs	2008 Total
Program services					
Shelter and support	\$ 205,805	\$ 30,064	\$ 23,170	\$ 64,452	\$ 323,491
Children services	126,788	4,931	9,087	1,242	142,048
Legal services	121,733	8,656	6,186	564	137,139
Crisis intervention	57,085	9,124	5,005	-	71,214
Outreach and education	125,929	13,265	3,062	3,894	146,150
DELTA	49,890	-	-	-	49,890
Total program services	687,230	66,040	46,510	70,152	869,932
Supporting activities					
Administrative	110,012	49,445	8,729	-	168,186
Development	26,563	32,577	959	-	60,099
Total supporting activities	136,575	82,022	9,688	-	228,285
Total expenses	<u>\$ 823,805</u>	<u>\$ 148,062</u>	<u>\$ 56,198</u>	<u>\$ 70,152</u>	<u>\$ 1,098,217</u>

See accompanying notes.

**DOMESTIC ABUSE INTERVENTION SERVICES, INC.**  
**STATEMENTS OF CASH FLOWS**  
Years ended December 31, 2009 and 2008

	2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 29,656	\$ (12,574)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	23,707	24,028
Unrealized (gain) loss on stock	(171)	5,367
(Increase) decrease in assets		
Accounts receivable	(1,098)	5,641
Unconditional promises to give	-	41,845
Prepaid expenses	13,956	(10,012)
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	629	(3,067)
Accrued salary and related expenses	5,820	7,344
Deferred revenue	2,000	(1,000)
Estimated contract repayment	-	(19,000)
<b>Net cash provided by operating activities</b>	<b>74,499</b>	<b>38,572</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	-	(5,195)
Change in cash	74,499	33,377
Cash - beginning of year	199,110	165,733
<b>Cash - end of year</b>	<b>\$ 273,609</b>	<b>\$ 199,110</b>

See accompanying notes.

**DOMESTIC ABUSE INTERVENTION SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2009 and 2008

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Domestic Abuse Intervention Services, Inc. (DAIS) is a nonprofit corporation located in Madison, Wisconsin, which offers help to domestic violence survivors and their families by providing shelter, counseling services, support groups, and enrichment programs. DAIS' primary support and revenue is provided by contracts and grants with Dane County Department of Human Services, City of Madison Office of Community Services, Wisconsin Department of Health and Family Services, and contributions from United Way of Dane County and the general public. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES**

**Basis of Presentation**

DAIS is required to report information regarding its financial position and activities according to three classes of net assets:

*Unrestricted net assets*—Net assets that are not restricted by donors. Designations are voluntary board-approved segregations of unrestricted net assets for specific purposes, projects, or investments.

*Temporarily restricted net assets*—Net assets whose use has been limited by donor-imposed time restrictions or purpose restrictions.

*Permanently restricted net assets*—Net assets that have been restricted by donors to be maintained by DAIS in perpetuity.

**Accounts Receivable**

DAIS considers all accounts receivable to be fully collectible. Accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

**Promises to Give**

Unconditional promises to give are recognized as support or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Uncollectible promises are written off after management has used reasonable collection efforts and determines the promises will not be collected.

**Property and Equipment**

All acquisitions of property and equipment in excess of \$1,000 and all expenses for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

**DOMESTIC ABUSE INTERVENTION SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2009 and 2008

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)**

**Government Grants**

Some of DAIS' programs are funded by contracts and grant agreements with various government agencies. Revenue for the agreements is based upon the actual cost of providing such services up to the maximum amount specified. Costs allocated to these programs are in accordance with established procedures and are subject to audit by the government agency contracted to fund such programs. No determination has been made regarding the effect, if any, such audits could have on the financial statements.

**Contributions**

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

**Donated Equipment and Services**

In-kind donations are reflected as contributions in the accompanying financial statements at their fair values at the date of receipt. No amounts have been reflected in the statements for donated services because they did not meet the criteria for recognition. Management records indicate that volunteers helping in the programs donated 5,584 hours to DAIS in 2009.

**Income Tax Status**

DAIS is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, DAIS qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). DAIS's federal exempt organization returns are subject to examination by the Internal Revenue Service, generally for three years after they are filed. With few exceptions, DAIS is no longer subject to such examinations for tax years before 2006.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Date of Management's Review**

Management has evaluated subsequent events through April 16, 2010, the date which the financial statements were available to be issued.

**DOMESTIC ABUSE INTERVENTION SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2009 and 2008

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)**

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

*Shelter and Support* – DAIS operates the only domestic violence shelter in Dane County. The 25 bed, emergency shelter is for women and their children who have immediate safety risks due to domestic violence. Hotel vouchers may be provided when the shelter is at capacity or when there is a male client seeking shelter. These hotel vouchers are supported with monies from the City of Madison CDBG office. Shelter screenings are available 24/7 through the DAIS crisis line and on-call system. While in shelter, residents are provided with food, emergency clothing, bedding, toiletries, and assistance with transportation if needed. The shelter is staffed 24/7. Family Advocates (case managers) work with clients to identify their goals for services, safety plan, and assist them in accessing community resources. These Family Advocates each have an area of expertise in housing advocacy, mental health and AODA issues, and children and youth issues. Besides increasing safety, goals often include securing new housing, including furnishings and supplies, school relocation, and working toward economic stabilization. Residents also may use their time in shelter and resources to increase their understanding of the dynamics of domestic violence and identify the impact of trauma on their lives and the lives of their children. In 2009, 798 unduplicated people were served either in the on-site shelter or in hotels. There were 1,533 nights in the second half of 2009 when families were waitlisted for shelter due to the shelter being full and hotel voucher money being expended for the year. In 2008, 483 unduplicated people were served either in the on-site shelter or in hotels. There were 213 nights in the second half of 2008 when families were waitlisted for shelter due to the shelter being full and hotel voucher money being expended for the year.

*Children Services* – The DAIS Children's Program offers programming for children residing in our shelter or for children from the community whose parents are attending the drop-in support group. The purpose of this programming is to provide children from violent homes with: physical and emotional safety, structure and consistency, opportunities to process their feelings through play and creative activities, and experience with positive discipline. Programming includes recreational groups, as well as educational and support groups. Most of our Children's Advocates are volunteers or interns and are supervised by a full time Children's Services Coordinator. Additionally, we make a concerted effort to recruit men to work in this program to offer children an opportunity to connect with healthy and safe adult male role models. In 2009, DAIS served 327 children. Of those served, 149 participated in children's programming. In 2008, DAIS served 298 children – a 40 percent increase over 2007. 186 of those children participated in children's programming – up from 150 in the previous year.

**DOMESTIC ABUSE INTERVENTION SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2009 and 2008

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)**

**Functional Allocation of Expenses (continued)**

*Legal Services* – The DAIS Legal Advocacy Program offers safety planning, support, information, and resources to victims of domestic violence in the areas of family law, civil restraining orders, criminal law, immigration law, child abuse, and others. Legal advocates are not lawyers and do not provide legal advice. The work of the DAIS Legal Advocates may include assisting clients in filing for restraining orders, developing safety plans with clients, preparing clients for injunction hearings, providing support to clients during hearings, and advocating on behalf of clients within the criminal, civil and family court systems or with law enforcement and other service providers. In addition, interns in the DAIS Legal program conduct a “Court Watch” study each summer to monitor the treatment of domestic violence victims in the civil court process. In 2009, the DAIS Legal Advocates served 577 unduplicated adults and fielded 1,301 calls from clients and community partners. In 2008, the DAIS Legal Advocates served 511 unduplicated adults and fielded 973 calls from clients and community partners.

*Crisis Intervention* – The DAIS Crisis Line is the point of first contact for all DAIS services. The Crisis Line provides crisis intervention, safety planning, support, information and referrals to victims and survivors of domestic violence and is available 24 hours a day, 7 days a week. The goal of the Crisis Line is to help victims increase their safety and decrease their isolation. The Crisis Line is staffed by a combination of trained volunteers, paid staff, and work-study students. In 2009, the DAIS Crisis Line fielded 5,840 calls. In 2008, the DAIS Crisis Line fielded 6,625 calls.

*Outreach and Education* – DAIS provides a wide array of supportive services to victims of abuse throughout Dane County. Programs include: 1) *Crisis Response* – The Crisis Response Program offers face-to-face support and advocacy services for victims of domestic violence. Clients may set up a Crisis Response appointment through the Crisis Line. Crisis Response Advocates meet with clients at safe, confidential partnership sites across Dane County. These sites may include hospitals, clinics, libraries, or other human services organizations. There are sites located both within Madison and in rural communities in Dane County to increase accessibility of services to victims living in rural areas. Crisis Response Advocates assist victims with safety planning, information about restraining orders, access to direct aid funds for lock changes or relocation, referrals to on-going services. Crisis Response Advocates assist victims with safety planning, information about restraining orders, access to direct aid funds for lock changes or relocation, referrals to on-going services with other organizations, and emotional support. In 2009, the Crisis Response Program served 347 unduplicated adults, compared with 262 people in 2008 – an increase of 32%! 2) *Support Group* – Due to generous support from A Fund for Women, in 2009 DAIS was once again able to offer a drop-in support group for women from the community. Community groups had been eliminated in 2007 due to lack of funding though support groups were still offered to women residing in the shelter as part of shelter programming. The drop-in support group served 109 unduplicated community women in 2009. In 2008, the Crisis Response Program served 262 unduplicated adults, compared with 187 people in 2007 – an increase of 40%! 2) *Support Group* – Due to generous support from A Fund for Women, in 2008 DAIS was once again able to offer a drop-in support group for women from the community. The one drop-in support group served 118 unduplicated community women in 2008, 90 percent of the group participants said the group helped them increase their safety.

**DOMESTIC ABUSE INTERVENTION SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2009 and 2008

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)**

**Functional Allocation of Expenses (continued)**

*DELTA Project* – is a community-based, collaborative primary prevention project that seeks to eradicate domestic violence and sexual assault through social change and community building. DAIS is the lead partner on this innovative project working with young men on primary prevention of intimate partner violence through the examination of gender role expectations. The DELTA Project Coordinator is a DAIS employee and is the primary hub of this project. However, the project brings together a myriad of community partners including the Madison Metropolitan School District, Youth Services of Southern Wisconsin - Briarpatch, the Goodman Atwood Community Center, UW-Madison, as well as others, to provide opportunities for young men to connect with one another to examine root causes of dating violence and sexual assault.

**NOTE 2 – ACCOUNTS RECEIVABLE**

Accounts receivable at December 31, 2009 and 2008 consisted of the following:

	2009	2008
Wisconsin Coalition Against Domestic Violence	\$ 19,252	\$ 33,508
Wisconsin Department of Justice	19,026	18,420
City of Madison Office of Community Services	12,440	11
Wisconsin Department of Public Instruction	1,356	561
City of Madison CDBG	45	-
UW Health Services	1,479	-
Accounts receivable	\$ 53,598	\$ 52,500

**NOTE 3 – PROPERTY AND EQUIPMENT**

Property and equipment at December 31, 2009 and 2008 consisted of the following:

	2009	2008
Land	\$ 39,544	\$ 39,544
Buildings and improvements	507,687	507,687
Furniture and equipment	22,834	22,834
Less accumulated depreciation	(436,269)	(412,562)
Property and equipment - net	\$ 133,796	\$ 157,503

Depreciation expense for 2009 and 2008 was \$23,707 and \$24,028.

**DOMESTIC ABUSE INTERVENTION SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2009 and 2008

**NOTE 4 – STOCK**

Stock at December 31, 2009 and 2008 consists of 116 common shares of Principal Financial Group, Inc. DAIS received after the company completed the demutualization process. The stock is recorded at its fair value.

Investment return for 2009 and 2008 consisted of the following:

	<u>2009</u>	<u>2008</u>
Interest	\$ 2,084	\$ 3,088
Unrealized gain (loss)	<u>171</u>	<u>(5,367)</u>
Investment return	<u>\$ 2,255</u>	<u>\$ (2,279)</u>

**NOTE 5 – FAIR VALUE MEASUREMENTS**

Fair values of assets measured on a recurring basis at December 31, 2009 and 2008 are as follows:

	<u>Fair Value</u>	<u>Quoted Prices in Active Markets For Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Stock - 2009	<u>\$ 2,789</u>	<u>\$ 2,789</u>	<u>\$ -</u>	<u>\$ -</u>
Stock - 2008	<u>\$ 2,618</u>	<u>\$ 2,618</u>	<u>\$ -</u>	<u>\$ -</u>

Fair values for stock is determined by reference to quoted market prices and other relevant information generated by market transactions.

**DOMESTIC ABUSE INTERVENTION SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2009 and 2008

**NOTE 6 – LINE OF CREDIT**

DAIS has a \$100,000 line of credit (LOC) with First Business Bank, which had no outstanding balance at December 31, 2009 and 2008. The LOC provides for borrowing at the prime interest rate plus .5% (floor of 5.5%), with any outstanding principal payable due at September 12, 2010. Interest is payable monthly on the outstanding principal. The LOC is secured by a general business security agreement, selective business security agreement, and real estate mortgage.

**NOTE 7 – NET ASSETS**

DAIS board of directors has chosen to place the following limitations on unrestricted net assets:

	2009	2008
Designated for operations reserve	\$ 41,971	\$ 42,095
Designated for property and equipment fund	133,796	157,503
Undesignated	207,254	151,467
Unrestricted net assets	\$ 383,021	\$ 351,065

Temporarily restricted net assets are available for the following purposes:

	2009	2008
Outreach and education program	\$ 3,500	\$ 3,500
DELTA leadership program	14,038	20,398
DCBA - Legal Satellite Office	2,905	-
FFW - Support Group Funding	1,155	-
Temporarily restricted net assets	\$ 21,598	\$ 23,898

**NOTE 8 – GRANTS**

Grants for 2009 and 2008 consisted of the following:

	2009	2008
Dane County Department of Human Services	\$ 218,536	\$ 190,162
Wisconsin Department of Health Services	162,893	167,731
City of Madison Office of Community Services	149,287	144,939
Wisconsin Department of Justice	73,677	73,885
Wisconsin Coalition Against Domestic Violence	45,517	48,519
City of Madison CDBG	29,870	29,000
Wisconsin Department of Public Instruction	8,957	8,335
Others	17,882	-
Grants	\$ 706,619	\$ 662,571

**DOMESTIC ABUSE INTERVENTION SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2009 and 2008

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**NOTE 9 – DESCRIPTION OF LEASING ARRANGEMENT**

DAIS leases a copier that requires monthly payments of \$340 and expires in September 2013. Lease expense for 2009 and 2008 was \$4,283 and \$3,852. Future minimum lease payments are \$4,080 per year for 2010, 2011 and 2012 and \$3,060 for 2013.