

RAPE CRISIS CENTER

**FINANCIAL STATEMENTS WITH COMPLIANCE
AND SINGLE AUDIT REPORTING**

JUNE 30, 2011 AND 2010

RAPE CRISIS CENTER
FINANCIAL STATEMENTS WITH COMPLIANCE
AND SINGLE AUDIT REPORTING
June 30, 2011 and 2010

TABLE OF CONTENTS

Independent auditor's report	1
Financial statements:	
Statements of financial position	2
Statement of activities	3
Statement of functional expenses	4
Statements of cash flows	5
Notes to financial statements	6-11
Federal financial awards section:	
Schedule of expenditures of federal and state awards	12
Notes to schedule of expenditures of federal awards	13
Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with <i>Government Auditing Standards</i>	14-15
Independent auditor's report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with OMB Circular A-133	16-17
Schedule of findings and questioned costs	18
Schedule of prior year findings and questioned costs	19

RANDY WALKER & Co.

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Rape Crisis Center
San Antonio, Texas

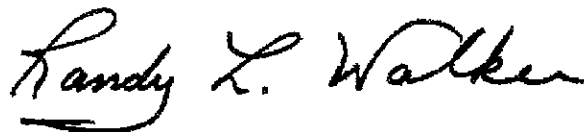
We have audited the accompanying statements of financial position of Alamo Area Rape Crisis Center dba Rape Crisis Center as of June 30, 2011 and 2010 and the related statements of activities (with comparative totals for 2010), functional expenses (with comparative totals for 2010), and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit 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 audit provides 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 Rape Crisis Center as of June 30, 2011 and 2010, 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.

In accordance with Government Auditing Standards, we have also issued our report on our consideration of Rape Crisis Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office on Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



San Antonio, Texas
October 24, 2011

RAPE CRISIS CENTER
STATEMENTS OF FINANCIAL POSITION
June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 17,105	\$ 125,396
Grant receivables	99,904	85,103
Pledge receivables	60,000	110,500
Prepaid expenses	11,202	17,643
Property and equipment, net of accumulated depreciation	<u>32,552</u>	<u>42,780</u>
Total Assets	<u>\$ 220,763</u>	<u>\$ 381,422</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Liabilities		
Accounts payable	\$ 23,043	\$ 18,960
Accrued expenses	<u>27,687</u>	<u>57,392</u>
Total Liabilities	<u>50,730</u>	<u>76,352</u>
Net assets		
Unrestricted	69,070	154,157
Temporarily restricted	<u>100,963</u>	<u>150,913</u>
Total Net Assets	<u>170,033</u>	<u>305,070</u>
Total Liabilities and Net Assets	<u>\$ 220,763</u>	<u>\$ 381,422</u>

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

RAPE CRISIS CENTER
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2011
(with comparative totals for 2010)

	2011			2010 Total
	Unrestricted	Temporarily Restricted	Total	
<u>SUPPORT AND REVENUE</u>				
Government grants	\$ 913,022	\$ -	\$ 913,022	\$ 707,086
United Way	296,290	-	296,290	284,408
Foundation grants	27,000	75,000	102,000	275,500
Other income	35,423	-	35,423	23,478
Contributions	32,481	-	32,481	23,188
Special events	57,936	-	57,936	53,375
Net assets released from restrictions	124,950	(124,950)	-	-
Total Support and Revenue	1,487,102	(49,950)	1,437,152	1,367,035
<u>EXPENSES</u>				
Program services				
Client services	933,317	-	933,317	755,464
Public education	330,300	-	330,300	287,120
Total program services	1,263,617	-	1,263,617	1,042,584
Supporting services				
General and administrative	244,488	-	244,488	154,834
Fundraising	64,084	-	64,084	83,828
Total supporting services	308,572	-	308,572	238,662
Total Expenses	1,572,189	-	1,572,189	1,281,246
CHANGE IN NET ASSETS	(85,087)	(49,950)	(135,037)	85,789
NET ASSETS - BEGINNING OF YEAR	154,157	150,913	305,070	219,281
NET ASSETS - END OF YEAR	\$ 69,070	\$ 100,963	\$ 170,033	\$ 305,070

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

RAPE CRISIS CENTER
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2011
(with comparative totals for 2010)

	Program Services		Supporting Services		2011 Total	2010 Total
	Client Services	Public Education	General and Administrative	Fundraising		
Payroll expenses	\$ 813,799	\$ 275,642	\$ 196,887	\$ 26,251	\$ 1,312,579	\$ 1,034,291
Occupancy	54,226	18,222	13,117	2,465	88,030	84,680
Supplies	9,037	13,943	2,582	258	25,820	15,870
Fundraising expenses	-	-	-	24,098	24,098	23,317
Travel	3,489	12,212	3,683	-	19,384	18,498
Advertising	14,383	-	-	-	14,383	16,813
Telephone	8,733	2,935	2,112	397	14,177	15,668
Equipment rental/maintenance	2,240	791	527	9,621	13,179	9,789
Depreciation	6,265	2,317	1,146	500	10,228	13,995
Accounting	-	-	10,143	-	10,143	9,345
Survivor assistance	9,920	-	-	-	9,920	10,371
Insurance	1,103	-	7,484	-	8,587	7,413
Contract services	4,317	1,060	2,045	152	7,574	9,433
Conferences and meetings	2,773	1,350	1,411	-	5,534	1,935
Other	700	541	1,655	286	3,183	4,533
Staff training	1,046	833	256	-	2,135	1,925
Postage	1,201	404	290	55	1,950	2,030
Memberships	85	50	1,150	-	1,285	375
Printing and publications	-	-	-	-	-	965
Total Expenses	\$ 933,317	\$ 330,300	\$ 244,488	\$ 64,084	\$ 1,572,189	\$ 1,281,246

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

RAPE CRISIS CENTER
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>CASH FLOWS FROM OPERATIONS</u>		
(Decrease)/Increase in net assets from operations	\$(135,037)	\$ 85,789
Adjustments to reconcile net excess to net cash provided by operations:		
Depreciation	10,228	13,995
Decrease (increase) in assets:		
Grant receivables	(14,801)	16,670
Pledge receivables	50,500	(93,000)
Prepaid expenses	6,441	14,456
Increase (decrease) in liabilities:		
Accounts payable	4,083	5,892
Accrued expenses	(29,705)	11,020
Net cash provided by operations	<u>(108,291)</u>	<u>54,822</u>
 <u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Payments from line of credit	-	(67,483)
Net cash used on financing activities	<u>-</u>	<u>(67,483)</u>
 Net Change in Cash and Cash Equivalents	 (108,291)	 (12,661)
 Cash and Cash Equivalents, Beginning of Year	 <u>125,396</u>	 <u>138,057</u>
 Cash and Cash Equivalents, End of Year	 <u>\$ 17,105</u>	 <u>\$ 125,396</u>
 Supplemental Disclosures		
Cash paid for interest	<u>\$ -</u>	<u>\$ 2,805</u>

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

RAPE CRISIS CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 and 2010

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

The following statements of Rape Crisis Center have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Nature of Activities

Alamo Area Rape Crisis Center dba Rape Crisis Center (the Center) is a nonprofit corporation chartered in 1975. The two programs of the Center are as follows:

- Client services – the purpose of which is to provide supportive services of crisis intervention and counseling to survivors of sexual assault in Bexar County. This program strives to ensure that the survivors of sexual assault are treated humanely and with sensitivity. The Center advocates that all sexual assault survivors have the right to receive proper medical care, sensitive police response and vigorous prosecution of the perpetrator. The Center provides emotional support to sexual assault survivors, informs them about the legal process, and accompanies them through the court proceedings. The Center assists sexual assault survivors and refers them to other agencies in Bexar County based on their individual needs.
- Public education – which strives to educate the general public about the nature and scope of sexual assault and about the services that are available to the survivors. The Center also offers safety suggestions to the public.

Basis of Presentation

The Center 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 subject to donor-imposed stipulations.
- Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Center and/or the passage of time.
- Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Center.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

RAPE CRISIS CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 and 2010

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES (continued)

Donated Services

A number of volunteers have donated significant amounts of time to the Center's program services. Most donated services are for client advocacy and do not meet the criteria for recognition under Accounting Standards Codification 958; therefore, they have not been reflected in the accompanying financial statements. The Center pays for most services requiring specific expertise.

Cash and Cash Equivalents

For purposes of reporting cash flows, the Center considers all certificates of deposit and money market funds purchases with an original maturity of three months or less to be cash equivalents.

Property and Equipment

Purchased property and equipment are stated at cost. Donated assets are recorded at estimated market value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

Furniture and equipment	5 to 10 years
Leasehold improvements	15 years

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Expense Allocation

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

Income Taxes

The Center is exempt from federal income taxes under Code Section 501(c)(3) of the Internal Revenue Code.

RAPE CRISIS CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 and 2010

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES (continued)

Accounting Standards Codification

In June 2009, the Financial Accounting Standards Board (the FASB) issued SFAS No. 168, "The FASB Accounting Standards Codification (the ASC) and the Hierarchy of Generally Accepted Accounting Principles, collectively" (the Codification). This standard replaces Statement of Financial Accounting Standards (the SFAS) No. 162, "The Hierarchy of Generally Accepted Accounting Principles", and establishes only two levels of GAAP, authoritative and non-authoritative. The FASB ASC has become the source of authoritative nongovernmental GAAP, except for rules and interpretive releases of the U.S. Securities and Exchange Commission (the SEC), which are sources of authoritative Generally Accepted Account Principles (GAAP) for SEC registrants. All other non-grandfathered, non-SEC accounting literature not included in the Codification will become non-authoritative. This standard is effective for financial statements for interim or annual reporting periods ending after September 15, 2009. The adoption of the Codification changed the Center's references to GAAP accounting standards but did not impact the Center's results of activities, financial position or liquidity for the years ended June 30, 2011 and 2010.

The Center adopted the provisions of ASC 820, "Fair Value Measurements and Disclosures" (formerly SFAS 157). ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market, established a framework for measuring fair value in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. The adoption of ASC 820 did not affect the Center's financial position or results of operations.

NOTE 2 - CONCENTRATION OF REVENUE AND ACCOUNTS RECEIVABLE

Revenue from government fees and grants was as follows:

<u>Type of Grant</u>	<u>Original Source</u>	<u>2011</u>		<u>2010</u>	
		<u>Amount</u>	<u>Percent of total support and revenue</u>	<u>Amount</u>	<u>Percent of total support and revenue</u>
Victims of Crime Act	Federal	\$445,446	31%	\$344,378	25%
Violence Against Women Act	Federal	101,292	7%	19,007	1%
Sexual Assault Prevention & Crisis Services	Federal	97,262	7%	76,049	6%
Sexual Assault Prevention & Crisis Services	State	153,032	11%	161,997	12%
Other Victims Assistance Grant	State	47,472	3%	42,016	3%
Community Initiatives	City	68,518	5%	63,639	5%
Total		\$913,022	64%	\$707,086	52%

RAPE CRISIS CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 and 2010

NOTE 2 - CONCENTRATION OF REVENUE AND ACCOUNTS RECEIVABLE (continued)

Receivables consist primarily of cost reimbursement requests outstanding at year-end related to various contracts from the State of Texas under Federal grant programs.

The United Way support received for the years ended June 30, 2011 and 2010 amounted to \$296,290 and \$284,408, or 21% and 21%, respectively, of total support and revenue. The Center's approved United Way allocation for the year ending June 30, 2012 is \$288,102.

NOTE 3 - FAIR VALUE

Our financial instruments include cash and cash equivalents, grant receivables, accounts payable, and accrued expenses. The carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

NOTE 4 - PLEDGE RECEIVABLES

The Center received several pledges to help with client services and public education. The pledges are considered unconditional and, therefore, were recorded as a receivable when the award letter was received. The Center believes that all pledges will be fully collectible; therefore, no allowance has been established for the year ended June 30, 2011.

Expected future receipts are as follows at June 30:

Years ending June 30:	
2012	\$ 30,000
2013	20,000
2014	<u>10,000</u>
Total Receivable	<u>\$ 60,000</u>

NOTE 5 - PROPERTY AND EQUIPMENT

Fixed assets consist of the following:

	<u>2011</u>	<u>2010</u>
Furniture and equipment	\$ 119,435	\$ 119,435
Leasehold improvements	35,256	35,256
Less accumulated depreciation	<u>(122,139)</u>	<u>(111,911)</u>
Total	<u>\$ 32,552</u>	<u>\$ 42,780</u>

RAPE CRISIS CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 and 2010

NOTE 5 - PROPERTY AND EQUIPMENT (continued)

Depreciation expense for the years ended June 30, 2011 and 2010 was \$10,228 and \$13,995, respectively.

NOTE 6 - RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	2011	2010
Crisis Intervention	\$ -	\$ 5,000
Haven for Hope	84,464	131,914
Children's Handprints	-	5,000
Counseling	16,499	8,999
Total Temporarily Restricted Net Assets	\$ 100,963	\$150,913

NOTE 7 - LEASE COMMITMENTS

During the year ended June 30, 2005, the Center entered into an office space lease beginning January 1, 2005 and expiring December 31, 2011. The lease is expected to be extended.

In addition, on February 2010, the Center entered into a service agreement and sublease with Haven for Hope of Bexar County. The agreement and sublease call for rent of \$1 per year, with a one-time \$100 initial charge and \$100 common area maintenance charge for the first year.

The amount of total rent expense for the years ended June 30, 2011 and 2010 was \$88,030 and \$84,680, respectively.

Future minimum lease payments under these leases are \$43,665 thru June 30, 2012.

NOTE 8 - CONTINGENCIES

The Center's programs are supported through federal, state, and local grant programs that are governed by various rules and regulations. Expenses charged to the grant programs are subject to audit and adjustments by the grantor agencies; therefore, to the extent that the Center has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of management, there are no contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been made in the accompanying financial statements for such contingencies.

RAPE CRISIS CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 and 2010

NOTE 9 - LINE OF CREDIT

The Center has an \$85,000 revolving line of credit dated July 21, 2009, due July 21, 2011 secured by the assets held by the Center. The line of credit has an interest rate equal to prime. There were no outstanding balances as of June 30, 2011 and 2010, respectively.

Subsequent to June 30, 2011, the Center borrowed \$45,000 on the line of credit. Additionally, the line of credit is in the process of being extended.

NOTE 10 - RECLASSIFICATION

Certain amounts in the 2010 financial statements have been reclassified to conform to the 2011 presentation.

NOTE 11 - SUBSEQUENT EVENTS

The Center has evaluated subsequent events through October 24, 2011, which is the date the financial statements were available to be issued.

FEDERAL FINANCIAL AWARDS SECTION

RAPE CRISIS CENTER
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
Year Ended June 30, 2011

<u>Federal Agency/ Pass through Agency</u>	<u>CFDA Number</u>	<u>Grant ID Number</u>	<u>Expended During the Year</u>
Department of Justice			
Pass Through Governor's Criminal Justice Division			
Violence Against Women Formula Grants - ARRA	16.588	WF-10-V30-24046-01	\$ 19,715
Violence Against Women Formula Grants - ARRA	16.588	EF-09-V30-22944-01	41,723
Violence Against Women Formula Grants - ARRA	16.588	EF-09-V30-23117-01	39,854
			<u>101,292</u>
Sexual Assault Services Formula Program	16.017	KF-10-V30-13755-12	169,561
State Victim Assistance Formula Grant Program - ARRA	16.801	SG-09-V30-13755-11	20,656
Pass Through Office of Justice Programs			
Crime Victim Assistance/Discretionary Grants	16.582	2009-D1-BX-K025	90,433
Crime Victim Assistance/Discretionary Grants	16.582	2010-DD-BX-0432	164,796
			<u>255,229</u>
<i>Total Department of Justice</i>			<u>546,738</u>
Department of Health and Human Services			
Pass Through Office of the Attorney General:			
Preventive Health and Health Services Block Grant	93.991	1014620-02	74,152
Preventive Health and Health Services Block Grant	93.991	1014620	23,110
<i>Total Department of Health and Human Services</i>			<u>97,262</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>644,000</u>
Office of the Attorney General			
Sexual Assault Prevention and Crisis Services		1017151	153,032
Other Victims Assistance Grant		1015262	47,472
TOTAL EXPENDITURES OF STATE AWARDS			<u>200,504</u>
TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS			<u>\$ 844,504</u>

See accompanying notes to schedule of expenditures of federal awards.

RAPE CRISIS CENTER
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2011

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Rape Crisis Center and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**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
of Rape Crisis Center
San Antonio, Texas

We have audited the financial statements of Rape Crisis Center (a nonprofit organization) as of and for the year ended June 30, 2011, and have issued our report thereon dated October 24, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Rape Crisis Center's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Rape Crisis Center's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Rape Crisis Center's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

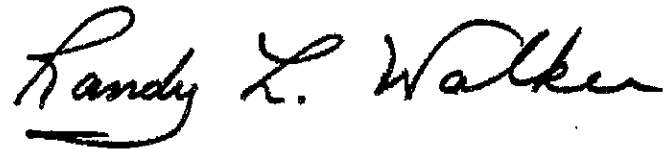
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rape Crisis Center's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Compliance report
Page 2

We noted certain matters that we reported to management of Rape Crisis Center in a separate letter dated October 24, 2011.

This report is intended solely for the information and use of the audit committee, management, others within the organization, the Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Randy L. Walker". The signature is written in a cursive style with a prominent underline under the first name.

San Antonio, Texas
October 24, 2011

RANDY WALKER & Co.

Certified Public Accountants

7800 IH 10 West, Suite 505 • San Antonio, Texas 78230
Phone (210) 366-9430 • Fax (210) 366-9451

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors
of Rape Crisis Center
San Antonio, Texas

Compliance

We have audited the compliance of Rape Crisis Center, a nonprofit organization, with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that are applicable to each of its major federal programs for the year ended June 30, 2011. Rape Crisis Center's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Rape Crisis Center's management. Our responsibility is to express an opinion on Rape Crisis Center's compliance based on our audit.

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 OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Rape Crisis Center's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Rape Crisis Center's compliance with those requirements.

In our opinion, Rape Crisis Center complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

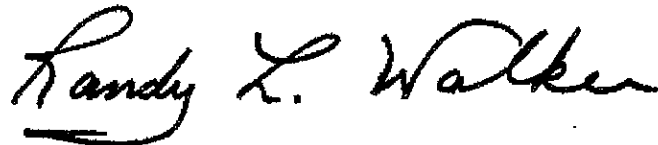
Management of Rape Crisis Center is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Rape Crisis Center's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over

compliance. Accordingly, we do not express an opinion on the effectiveness of Rape Crisis Center's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, others within the organizations, federal awarding agencies, and pass-through entities and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Randy L. Walker". The signature is written in a cursive style with a horizontal line underneath the name.

San Antonio, Texas
October 24, 2011

RAPE CRISIS CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2011

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified	None
Significant deficiencies identified that are not considered to be material weakness(es)	None
Noncompliance material to the financial statements	None

Federal Awards

Internal control over major programs:	
Material weakness(es) identified	None
Significant deficiencies identified that are not considered to be material weakness(es)	None
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133	None

Major Programs

Federal

- 16.588 Violence Against Women Formula Grant – ARRA
- 16.801 State Victim Assistance Formula Grant Program – ARRA
- 16.582 Crime Victim Assistance/Discretionary Grant

Dollar threshold used to distinguish between type A and type B programs	\$300,000
Audit qualified as low-risk auditee	No
Findings - Financial Statements Audit	None
Findings and Questioned Costs - Major Federal Award Programs Audit	None

RAPE CRISIS CENTER
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS
June 30, 2011

I. PRIOR YEAR FINDINGS – FINANCIAL STATEMENT AUDIT

-N/A-

II. PRIOR YEAR FINDINGS – MAJOR FEDERAL AWARD PROGRAMS
AUDIT

-N/A-

RANDY WALKER & CO.

Certified Public Accountants

7800 IH 10 West, Suite 505 • San Antonio, Texas 78230
Phone (210) 366-9430 • Fax (210) 366-9451

October 24, 2011

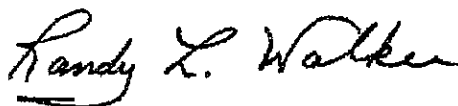
To the Board of Trustees
Rape Crisis Center

In planning and performing our audit of the financial statements of the Rape Crisis Center (the Center) as of and for the years ended June 30, 2011 and 2010, in accordance with auditing standards generally accepted in the United States of America, we considered The Center's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Center's internal control. Accordingly, we do not express an opinion on the effectiveness of The Center's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. However, we identified certain deficiencies in internal control that we consider to be control deficiencies, and communicated them in writing to management and those charged with governance on October 24, 2011.

This communication is intended solely for the information and use of management, Board of Directors, and others within the Center, and is not intended to be and should not be used by anyone other than these specified parties.



RANDY WALKER & Co.

Certified Public Accountants

7800 IH 10 West, Suite 505 • San Antonio, Texas 78230
Phone (210) 366-9430 • Fax (210) 366-9451

October 24, 2011

To the Board of Trustees
Rape Crisis Center

We have audited the financial statements of the Rape Crisis Center (the Center) for the years ended June 30, 2011 and 2010 and have issued our report thereon dated October 24, 2011. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 1, 2011. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Center is described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2011. We noted no transactions entered into by the Center during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Board of Trustees
Rape Crisis Center

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 24, 2011.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Center's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Center's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

PRIOR YEAR CONTROL DEFICIENCIES

Improve Review of Bank Reconciliations: During our audit, we noted that the checking and savings account reconciliations did not agree to the general ledger.

Current Year: We noted this has been corrected.

CURRENT YEAR CONTROL DEFICIENCIES

On-line Banking Access: During our audit, we noted that management has access to transfer funds on-line without board approval. Additionally, we noted the Center's bank also allows for new accounts to be set up under the Center's account without Board approval. This can allow for funds to be transferred to non-organizational accounts without the board having knowledge of these transfers.

Recommendation: We recommend that significant changes in the ability to transfer funds be implemented and approved by the Board. The Center may want to communicate to their banking institution on different safeguards that can be implemented. For example, requesting the banking institution communicate to the Board whenever a large transfer (over a specified amount) is done, or when any new bank accounts have opened under the Center's account.

Board of Trustees
Rape Crisis Center

We would like to express our appreciation for the courtesy and cooperation extended to us by Lynn Blanco and her staff.

This information is intended solely for the use of the Board of Trustees and management of the Center, and should not be used for any other purpose.

Please do not hesitate to contact us if you want to discuss any of the matters contained herein.

Very truly,

Randy L. Walker



THE
RAPE
CRISIS CENTER
SERVING CHILDREN, WOMEN AND MEN
www.rapecrisis.com

October 25, 2011

To The Board of Trustees:

The Rape Crisis Center for Children & Adult's Management Team would like to express its appreciation of Randy Walker, CPA, and his team during the 2011 audit.

Improved Review of On-line Banking Access

During the audit, Randy Walker, CPA, noted that management has access to transfer funds on-line without approval from the Board of Trustees. Additionally, Mr. Walker noted that the Center's bank allows for new accounts to be set up under the Center's name without approval from the Board. This could allow for funds to be transferred to non-organizational accounts without the Board having knowledge of these transfers.

Management Response: The Center's President/CEO and the Audit/Finance Committee are reviewing the identified deficiency and will determine an appropriate balance of controls, policies and procedures to mitigate the deficiency.

M. Lynn Blanco
President & CEO