

NATIONAL CRIME VICTIM  
LAW INSTITUTE

Audited Financial Statements

For the Year Ended May 31, 2016



MCDONALD JACOBS

Shareholders

Mark A. Clift, CPA

Jill Oswald

Karin S. Wandtke, CPA

Sang Ahn, CPA

Gerard DeBlois Jr., CPA

Mary Strasdin, CPA

Anthony Almer, CPA

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
National Crime Victim Law Institute

We have audited the accompanying financial statements of National Crime Victim Law Institute (a nonprofit corporation), which comprise the statement of financial position as of May 31, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Principals

Jake Jacobs, CPA

Susan J. Marks, CPA

Tyee Carr, CPA

Victor Epstein, CPA

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Crime Victim Law Institute as of May 31, 2016, and changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Report on Summarized Comparative Information*

We have previously audited National Crime Victim Law Institute's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 9, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2015 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*McDonald Jacobson, P.C.*

Portland, Oregon  
September 22, 2016

NATIONAL CRIME VICTIM LAW INSTITUTE  
STATEMENT OF FINANCIAL POSITION  
May 31, 2016  
(With comparative totals for 2015)

	2016	2015
<b>ASSETS</b>		
Cash and cash equivalents	\$ 487,485	\$ 353,688
Accounts receivable	129,331	108,240
Prepaid expenses	49,860	4,539
Website, net of accumulated depreciation of \$2,500 in 2016	15,500	6,675
 TOTAL ASSETS	 \$ 682,176	 \$ 473,142
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 30,396	\$ 41,007
Deferred revenue	58,945	-
Due to College	456,927	297,657
 Total liabilities	 546,268	 338,664
Net assets:		
Unrestricted net assets	135,908	134,478
 TOTAL LIABILITIES AND NET ASSETS	 \$ 682,176	 \$ 473,142

See notes to financial statements.

NATIONAL CRIME VICTIM LAW INSTITUTE  
STATEMENT OF ACTIVITIES  
For the year ended May 31, 2016  
(With comparative totals for 2015)

	<u>2016</u>	<u>2015</u>
<b>Change in unrestricted net assets:</b>		
<b>Support and revenue:</b>		
Contributions	\$ 185,337	\$ 146,865
Government grants	442,582	209,364
Program service revenue	124,867	374,214
Donated assets and services	48,927	40,989
Interest income	1,367	1,445
Other income	3,399	12,346
Total support and revenue	<u>806,479</u>	<u>785,223</u>
<b>Expenses:</b>		
Program services	600,145	558,806
Management and general	126,232	130,714
Fundraising	78,672	87,600
Total expenses	<u>805,049</u>	<u>777,120</u>
Change in unrestricted net assets	1,430	8,103
<b>Unrestricted net assets:</b>		
Beginning of year	<u>134,478</u>	<u>126,375</u>
End of year	<u>\$ 135,908</u>	<u>\$ 134,478</u>

See notes to financial statements.

NATIONAL CRIME VICTIM LAW INSTITUTE  
STATEMENT OF FUNCTIONAL EXPENSES  
For the year ended May 31, 2016  
(With comparative totals for 2015)

	Program Services						Supporting Services		2016 Total	2015 Total	
	TTAC	OVC Wrap-Around	AVCV	Public Policy	NAVRA	Other Programs	Total Program Services	Management and General			Fundraising
Salaries and related expenses	\$ 35,104	\$ 274,448	\$ 9,216	\$ 8,488	\$ 18,848	\$102,493	\$448,597	\$ 63,626	\$ 50,072	\$ 562,295	\$ 544,925
Professional fees	283	95,090	61	1,500	1,879	969	99,782	46,531	2,352	148,665	108,948
Services and supplies	2	3,554	-	-	944	114	4,614	7,987	20,941	33,542	65,454
Travel	-	8,345	-	-	-	2,809	11,154	-	1,383	12,537	7,011
Rent	2,829	22,141	706	511	1,979	7,832	35,998	5,588	3,924	45,510	50,782
Depreciation expense	-	-	-	-	-	-	-	2,500	-	2,500	-
<b>Total expenses</b>	<b>\$ 38,218</b>	<b>\$ 403,578</b>	<b>\$ 9,983</b>	<b>\$ 10,499</b>	<b>\$ 23,650</b>	<b>\$ 114,217</b>	<b>\$ 600,145</b>	<b>\$ 126,232</b>	<b>\$ 78,672</b>	<b>\$ 805,049</b>	<b>\$ 777,120</b>

See notes to financial statements.

NATIONAL CRIME VICTIM LAW INSTITUTE  
STATEMENT OF CASH FLOWS  
For the year ended May 31, 2016  
(With comparative totals for 2015)

	<u>2016</u>	<u>2015</u>
<b>Cash flows from operating activities:</b>		
Cash received from contributions	\$ 185,337	\$ 146,865
Cash received from grants	397,756	205,446
Cash received from program services	207,547	371,003
Other cash receipts	4,766	13,791
Cash paid to employees and suppliers	<u>(650,284)</u>	<u>(622,541)</u>
Net cash provided by operating activities	<u>145,122</u>	<u>114,564</u>
 <b>Cash flows from investing activities:</b>		
Purchase of property and equipment	<u>(11,325)</u>	<u>(6,675)</u>
Net cash used in investing activities	<u>(11,325)</u>	<u>(6,675)</u>
 Net increase in cash and cash equivalents	133,797	107,889
 Cash and cash equivalents - beginning of year	<u>353,688</u>	<u>245,799</u>
 Cash and cash equivalents - end of year	<u>\$ 487,485</u>	<u>\$ 353,688</u>
 <b>Reconciliation of change in net assets to net cash provided by operating activities:</b>		
Change in net assets	\$ 1,430	\$ 8,103
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,500	-
(Increase) decrease in:		
Accounts receivable	(21,091)	24,678
Prepaid expenses	(45,321)	16,225
Increase (decrease) in:		
Accounts payable and accrued expenses	(10,611)	(1,776)
Deferred revenue	58,945	(31,807)
Due to College	<u>159,270</u>	<u>99,141</u>
 Net cash provided by operating activities	<u>\$ 145,122</u>	<u>\$ 114,564</u>

See notes to financial statements.

NATIONAL CRIME VICTIM LAW INSTITUTE  
NOTES TO FINANCIAL STATEMENTS  
May 31, 2016

I. THE ORGANIZATION

National Crime Victim Law Institute (NCVLI or the Organization) is a nonprofit corporation, conceived in 1998 and established in 2000, that actively promotes balance and fairness in the justice system through crime-victim-centered legal advocacy, education, and resource sharing. To achieve its mission, NCVLI pursues three program areas: legal advocacy, training and education, and public policy. NCVLI is supported primarily through federal grants from the U.S. Department of Justice, which comprise approximately 55% and 27% of total revenues for the years ended May 31, 2016 and 2015, respectively. Additional revenue from a training contract with one organization was approximately 29% of revenues for the year ended May 31, 2015.

NCVLI's activities include:

**National Alliance of Victims' Rights Attorneys (NAVRA).** NAVRA is NCVLI's membership alliance of attorneys, advocates, law students, and other persons interested in advancing victims' rights. To ensure that that this community has all of the tools necessary to effectively advocate for victims, NAVRA provides practical skills trainings and legal technical assistance in the form of research, writing, and strategic case consultation to practitioners nationwide, and facilitates an online community space.

**Amicus Curiae Participation.** In addition to its technical assistance to other victims' rights attorneys, NCVLI conducts impact litigation through the submission of amicus curiae ("friend of the court") briefs on victim law issues in state and federal trial and appellate cases around the nation.

**Responding to Violence Against Women.** Because victims of domestic violence, sexual assault, stalking, dating violence, and other acts of violence against women face unique hurdles in accessing justice, NCVLI launched this project to provide focused legal technical assistance and training to attorneys and advocates dedicated to serving these populations.

**Victim Law Education.** NCVLI provides educational resources and trainings on victims' rights to attorneys, judges, victims, victim advocates and members of the public nationwide. The core initiatives include: NCVLI's annual Crime Victim Law Conference which offers a wide range of training for novice and experienced attorneys and advocates; the Crime Victim Litigation Clinic at Lewis & Clark Law School, which trains second and third year law students how to be a victims' rights attorney; publication of the bi-annual legal newsletter, *NCVLI News*, which contains substantive victim law articles; and in-person and technology-assisted trainings on fundamental victims' rights issues.



NATIONAL CRIME VICTIM LAW INSTITUTE  
NOTES TO FINANCIAL STATEMENTS, Continued  
May 31, 2016

1. THE ORGANIZATION, Continued

**Office For Victims of Crime Training and Technical Assistance Center.** In 2012, NCVLI became active in a national initiative, working with the Office for Victims of Crime Training and Technical Assistance Center (OVC-TTAC) of Fairfax, Virginia on a national initiative Legal Assistance for Crime Victims: An OVC Capacity Building Initiative. The Initiative aims to develop and expand the availability of pro-bono and low cost legal assistance for victims of crime and promote rights recognition and their enforcement. This effort engaged the organization's central strengths of research, training, outreach and awareness building, and building collaborative relationships among legal professionals. The work has involved technical assistance for attorneys, victims, and advocates nationwide, amicus curiae participation in State, Federal and Military courts, production of webinars, and legal publications.

**Technical Assistance.** To ensure victims' rights advocacy nationally is of the highest quality, NCVLI provides legal technical assistance to advocates and attorneys across the country. The technical assistance comes in the form of legal research and writing, case consultation, strategic advice, sample pleadings, sample legislation, and more.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as unrestricted or restricted net assets. Unrestricted net assets are those that are not subject to donor-imposed stipulations. Temporarily restricted net assets are subject to donor-imposed stipulations that will be met, either by actions of the Organization and/or the passage of time.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with maturities of three months or less at the time of purchase to be cash equivalents.

Accounts Receivable

Accounts receivable are reported at the amount management expects to collect on balances outstanding at year-end. Based on an assessment of the credit history with those having outstanding balances and current relationships with them, management has concluded that realization losses on balances outstanding at year-end will be immaterial.

NATIONAL CRIME VICTIM LAW INSTITUTE  
NOTES TO FINANCIAL STATEMENTS, Continued  
May 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Website and Equipment

Costs incurred for website development and acquisitions of equipment in excess of \$5,000 are capitalized. Website development expenditures and equipment purchased are recorded at cost. Donated assets are reflected as contributions at their estimated values on the date received. Depreciation of the website and equipment is calculated using the straight-line method over the estimated useful lives of the assets.

Income Tax Status

National Crime Victim Law Institute is a nonprofit corporation exempt from income tax under section 501(c)(3) of the Internal Revenue Code and applicable state law. No provision for income taxes is made in the accompanying financial statements, as the Organization has no activities subject to unrelated business income tax. The Organization is not a private foundation.

The Organization follows the provisions of FASB ASC *Topic Accounting for Uncertainty in Income Taxes*. Management has evaluated the Organization's tax positions and concluded that there are no uncertain tax positions that require adjustment to the financial statements to comply with provisions of this Topic.

The Organization's information returns for years ended May 31, 2012 and prior are generally no longer subject to examination by taxing authorities in its major tax jurisdictions.

Contributions

Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period the Organization is notified of the commitment. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Bequests are recorded as revenue at the time the Organization has an established right to the bequest and the proceeds are measurable.

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. 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.

NATIONAL CRIME VICTIM LAW INSTITUTE  
NOTES TO FINANCIAL STATEMENTS, Continued  
May 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Program Services Revenue and Deferred Revenue

Revenues from program services are recognized as revenue in the period earned. Deferred revenue represents amounts collected in advance of providing services and is generally realized in the next year.

Donated Assets and Services

Donations of property, equipment, materials and other assets are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. The Organization recorded approximately \$8,300 and \$15,900 in donated supplies used for supporting services for the years ended May 31, 2016 and 2015, respectively.

The Organization recognizes donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Organization recorded approximately \$40,600 and \$25,100 of professional services for program activities for the years ended May 31, 2016 and 2015, respectively.

Expense Allocation

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

Use of Estimates

The preparation of 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Summarized Financial Information for 2015

The financial information as of May 31, 2015 and for the year then ended is presented for comparative purposes and is not intended to be a complete financial statement presentation.

Subsequent Events

The Organization has evaluated all subsequent events through September 22, 2016, the date the financial statements were available to be issued.

NATIONAL CRIME VICTIM LAW INSTITUTE  
NOTES TO FINANCIAL STATEMENTS, Continued  
May 31, 2016

3. ACCOUNTS RECEIVABLE

Accounts receivable are unsecured and consist of the following at May 31:

	2016	2015
U.S. Department of Justice	\$ 104,064	\$ 60,093
Training and Technical Assistance Center	-	23,735
Other receivables	25,267	24,412
Total accounts receivable	\$ 129,331	\$ 108,240

4. DUE TO COLLEGE

NCVLI was originally a program of Lewis & Clark College (the College) until being established as a separate nonprofit organization in 2003. The College continues to provide administrative, accounting and other supporting services to NCVLI under an administrative services agreement, and many transactions of NCVLI are processed by the College. The amounts owed to the College at year end for expenses incurred on behalf of NCVLI are reflected as Due to College on the statement of financial position and total \$456,927 and \$297,657 for the years ended May 31, 2016 and 2015, respectively.

5. LEASE COMMITMENT

The Organization leases administrative offices under an operating lease that expires in December 2016, with monthly rent of \$4,122. Rent expense under the agreement approximated \$45,500 and \$50,800 for the years ended May 31, 2016 and 2015, respectively.

Future minimum lease commitment under the office lease is \$28,900 for the year ending May 31, 2017.

NATIONAL CRIME VICTIM LAW INSTITUTE  
NOTES TO FINANCIAL STATEMENTS, Continued  
May 31, 2016

6. RETIREMENT PLAN

The Organization participates in a 403(b) retirement plan maintained by the College. The plan includes a salary deferral arrangement for eligible employees. Employer contributions to the plan were 9% of eligible compensation for the years ended May 31, 2016 and 2015. Contributions to the plan approximated \$35,600 and \$34,100 during the years ended May 31, 2016 and 2015, respectively.

7. COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from various contracting agencies are subject to audit and potential adjustment by the contracting agencies. Any disallowed claims, including amounts already collected, would become a liability of the Organization if so determined in the future. It is management's belief that no significant amounts received or receivable will be required to be returned in the future.

NCVLI entered into an administrative services agreement with Lewis & Clark College covering services provided by the college to NCVLI. NCVLI is billed periodically for actual costs incurred and the agreement may be terminated at any time with one year's notice.

8. CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances in one financial institution. Balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The balances, at times, may exceed the federally insured limit. Balances in excess of insured limits were approximately \$226,400 and \$82,400 as of May 31, 2016 and 2015, respectively.