Violence Intervention Program, Inc.

Independent Auditor's Reports, Financial Statements, and Supplementary Information

June 30, 2024

Violence Intervention Program, Inc.
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Independent Auditor's Report

Board of Directors
Violence Intervention Program, Inc.
New York, New York

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Violence Intervention Program, Inc. which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Violence Intervention Program, Inc. as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of Violence Intervention Program, Inc. 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 opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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. 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 GAAS 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 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 financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 Violence Intervention Program, Inc.'s 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Violence Intervention Program, Inc.'s 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2025, on our consideration of Violence Intervention Program, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Violence Intervention Program, Inc.'s 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 Violence Intervention Program, Inc.'s internal control over financial reporting and compliance.

Forvis Mazars, LLP

New York, New York
March 28, 2025

Violence Intervention Program, Inc.
Statement of Financial Position
June 30, 2024

ASSETS		
Cash	$	263,960
Grants receivable		3,646,421
Other receivables		9,341
Restricted cash - reserve for replacement		162,565
Prepaid expenses		43,976
Property and equipment, net of accumulated depreciation		894,994
Right of use asset		569,648
Security deposits and other assets		48,448
Total Assets	$	5,639,353
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	$	307,134
Deferred revenue and refundable advances		311,441
Line of credit		465
Loans payable		650,000
Security deposits payable		4,188
Reserve for replacement		160,970
Lease liability		557,604
Total Liabilities		1,991,802
Net Assets		
Without donor restrictions		3,328,965
With donor restrictions		318,586
Total Net Assets		3,647,551
Total Liabilities and Net Assets	$	5,639,353

Violence Intervention Program, Inc.
Statement of Activities and Changes in Net Assets
Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenue			
Government grants	$ -	$ 7,091,780	$ 7,091,780
Rent housing stability	70,289	-	70,289
Contributions	260,368	611,839	872,207
In-kind revenue	85,218	-	85,218
Special event income, net of direct expenses of $45,858	75,041	-	75,041
Other revenue	23,438	-	23,438
Interest income	1,270	-	1,270
Net assets released from restrictions	7,385,033	(7,385,033)	-
Total Public Support and Revenue	7,900,657	318,586	8,219,243
Expenses			
Program	6,280,455	-	6,280,455
Management and general	1,220,235	-	1,220,235
Fundraising	259,756	-	259,756
Total Expenses	7,760,446	-	7,760,446
Change in Net Assets	140,211	318,586	458,797
Net Assets, Beginning of Year	3,188,754	-	3,188,754
Net Assets, End Year	$ 3,328,965	$ 318,586	$ 3,647,551

Violence Intervention Program, Inc.
Statement of Function Expenses
Year Ended June 30, 2024

	Program Services						
	Residential	Non-Residential	Communications and Outreach	Total Program Services	Management and General	Fundraising	Total
Salaries and Related Expenses							
Salaries	$ 1,158,049	$ 1,701,366	$ 144,842	$ 3,004,257	$ 462,901	$ 106,630	$ 3,573,788
Employee taxes and benefits	442,005	511,976	45,920	999,901	200,338	49,128	1,249,367
Total Salaries and Related Expenses	1,600,054	2,213,342	190,762	4,004,158	663,239	155,758	4,823,155
Other Expenses							
Rent	313,760	163,194	28,572	505,526	53,266	-	558,792
Consultants	42,921	55,822	33,138	131,881	165,148	91,199	388,228
Utilities	92,821	25,397	3,810	122,028	19,047	-	141,075
Telephone	46,177	24,416	2,351	72,944	38,506	774	112,224
Maintenance and repairs	93,662	20,286	2,765	116,713	11,635	-	128,348
Travel and conferences	67,986	22,726	14,955	105,667	1,737	-	107,404
Insurance	-	-	-	-	66,949	-	66,949
Participant activities	359,693	8,949	6,036	374,678	1,110	1,000	376,788
Supplies	291,585	243,458	20,353	555,396	16,026	15,164	586,586
Equipment rental	11,396	11,430	1,825	24,651	3,838	-	28,489
Printing	-	48	10,681	10,729	162	-	10,891
Payroll services	-	-	-	-	7,753	-	7,753
Bad debt	-	-	-	-	83,367	-	83,367
Postage and courier service	259	-	-	259	5,168	45	5,472
Software	-	-	-	-	9,546	2,184	11,730
Dues and subscriptions	8,307	13,726	15,163	37,196	36,073	6,155	79,424
Miscellaneous	5,906	17,869	3,962	27,737	12,992	33,335	74,064
Interest	-	-	-	-	12,671	-	12,671
In-kind counseling and outreach services	-	73,215	-	73,215	12,002	-	85,217
Total Other Expenses	2,934,527	2,893,878	334,373	6,162,778	1,220,235	305,614	7,688,627
Depreciation	117,677	-	-	117,677	-	-	117,677
Less: special event expenses	-	-	-	-	-	(45,858)	(45,858)
Net Expenses Reported by Function in the Statement of Activities	$ 3,052,204	$ 2,893,878	$ 334,373	$ 6,280,455	$ 1,220,235	$ 259,756	$ 7,760,446

Violence Intervention Program, Inc.
Statement of Cash Flows
Year Ended June 30, 2024

Operating Activities	
Change in net assets	$ 458,797
Adjustments to reconcile change in net assets to net cash used in operating activities	
Depreciation	117,677
Bad debt expense	83,367
Amortization of right-of-use asset	259,041
(Increase) decrease in	
Grants receivable	(752,897)
Other receivables	(31,493)
Prepaid expenses	46,923
Security deposits and other assets	7,959
Accounts payable and accrued expenses	86,986
Deferred revenue and refundable advances	(34,433)
Lease liability	(271,632)
Security deposits payable	(3,453)
Net Cash Used in Operating Activities	(33,158)
Financing Activities	
Proceeds from line of credit	465
Net Cash Provided by Financing Activities	465
Net Decrease in Cash and Restricted Cash	(32,693)
Cash and Restricted Cash, Beginning of Year	459,218
Cash and Restricted Cash, End of Year	$ 426,525
Supplemental Disclosure of Cash Flows Information	
Cash paid for interest	$ 12,671
Cash and restricted cash consist of	
Cash	$ 263,960
Restricted cash - reserve for replacement	162,565
	$ 426,525

Note 1. Description of Organization

Violence Intervention Program, Inc. (VIP or the Organization) is a community based nonprofit organization with a mission to lead Latina victims of domestic violence to safety, empower them to live free of violence, and help them reach and sustain their full potential. VIP collaborates with other social and legal service organizations to develop a safety net of support for survivors of domestic violence and sexual assault. VIP runs a live operated Helpline, community based social service programs, emergency and transitional shelter, permanent housing programs, specialized economic justice, sexual violence and children and adolescent programs, and a robust community engagement team targeting the most vulnerable survivors of abuse.

Demographics and Client Population

VIP works with all survivors of domestic and sexual violence, regardless of race gender or national origin. Working primarily within low-income neighborhoods, VIP's client demographics continue to reflect a growing need for economic and housing stability.

Housing Programs

Morivivi Safe Dwelling Program is an emergency domestic violence shelter that offers immediate sanctuary to survivors fleeing imminent harm to them and their families. Shelter residents have a safe place to stay for up to 180 days and access to intensive support services, including individual and group counseling, advocacy, case management and referrals to legal and mental health services.

Casa Sandra, Transitional Housing Program for Social Change has provided transitional housing to families stabilizing after violence since 2005. Casa Sandra is a stepping stone towards independent living, free from violence. Program participants learn the rights and responsibilities of being private tenants so that they are set to succeed when they move into permanent housing. Casa Sandra residents are provided social services such as domestic violence counseling, housing and economic advocacy and community activities.

Rapid Re-Housing (RRH) provides survivors of domestic violence who are homeless, or at risk of imminent homelessness, with financial resources needed to secure permanent, private housing. During and after the housing placement process, survivors are also receiving intensive case management to establish and attain financial goals for ongoing income and housing security. This new program provides a flexible and practical early intervention to prevent chronic homelessness among survivors of domestic violence.

The Home+ program prevents homelessness by increasing safety so that survivors do not have to flee in order to remain safe. This program installs alarm systems and provides security-related repairs to support survivors to remain safely in their homes, and provides case management services to address ongoing safety needs.

Community-Based Programming

VIP runs three community-based offices in Queens, Bronx, and Manhattan so that survivors have accessible, confidential locations to obtain services within their communities. Counseling services support healing after trauma. Group counseling emphasizes peer support and psychoeducational support to survivors about intersecting needs and resources related to poverty and housing instability. Underpinning all services are ongoing in-depth safety plans, developed in partnership with VIP staff, a lifesaving practice for people experiencing constant threat of harm by an abusive partner. VIP staff serve as a critical information and referral source for all clients, connecting survivors to legal and housing benefits and additional mental health services, as needed. Nonresidential program staff participate in outreach activities and facilitate presentations and events to prevent violence.

Specialized Programs

VIP's Economic Justice Program (EJP) addresses survivors' needs with a strengths-based approach. EJP helps survivors to build assets and attain financial literacy and increase income/establish new income sources. EJP assists with credit repair, bankruptcy, banking, and small business development. Educational workshops explore survivor's relationships with money and build skills for long-term stability. Seed money provides survivors with a critical starting point for building small businesses. ArteSanando (Healing Arts) is a small business development initiative designed to enhance the marketing, financial, and business skills that participants need to build and grow their businesses.

VIP's Sexual Violence Program (SVP) provides a survivor-informed healing space for survivors of sexual violence. Group and individual counseling and empowerment workshops cultivate a compassionate community where survivors can heal after violence.

The Child and Adolescent Program (CAP) is VIP's first clinical program to provide early trauma intervention for children who witnessed or experienced domestic violence as a way to end intergenerational transmission of abuse. Children and abused parents strengthen their bonds and increase resiliency and healthful coping mechanisms after violence.

Community Engagement Program (CEP)

CEP raises awareness about the detrimental impact of domestic and sexual violence while promoting access to services, developing meaningful community partnerships and organizing survivors to establish their own awareness and advocacy campaigns. VIP conducts domestic violence workshops and presentations in schools, community centers, senior centers, social service agencies, faith-based organizations, as well as nontraditional settings such as restaurants, doctor's offices, and beauty salons throughout New York City. Our Promotoras initiative invests in the leadership of survivors of domestic and sexual violence by training them to provide grassroots community education and outreach. Building on evidence-based community health worker models, survivors use their own experiences of healing and empowerment to bring a powerful antiviolence message to their communities. Promotoras are role models that are able to bridge gaps among providers, clients, family members, communities, and resources.

Note 2. Summary of Significant Accounting Policies

General

In the statement of financial position, assets are presented in order of liquidity or conversion to cash and liabilities are presented according to their maturity resulting in the use of cash.

Financial Statement Presentation

The financial statements of VIP have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets without donor restrictions are available for use at the discretion of the Board of Directors (Board) and/or management for general operating purposes. The Board may designate a portion of these net assets for a specific purpose which makes them unavailable for use at management's discretion.

Net Assets With Donor Restrictions – Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions.

As of June 30, 2024, there were no net assets with board restrictions.

Adoption of New Accounting Policy

On July 1, 2023, the Organization adopted Accounting Standards Update (ASU) No. 2016-13, *Financial Instruments – Credit Losses (Topic 326)* (ASC 326): *Measurement of Credit Losses on Financial Instruments*, as amended, which replaces the incurred loss methodology with an expected credit loss methodology that is referred to as the current expected credit loss (CECL) methodology. ASC 326 replaces the existing incurred loss model with a current expected credit loss model that requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The Organization uses a forward-looking CECL model for trade accounts receivables. ASC 326 did not have a material impact on the financial statements.

Cash

As of June 30, 2024, cash balances with one financial institution exceeded Federal Deposit Insurance Corporation limits by approximately $125,000. VIP believes it mitigates its risks by banking with major financial institutions.

Allowance for Credit Losses – Trade Receivables

While management used the best information available to make its evaluation, future adjustments to the allowance may be necessary based on changes in economic conditions. As of June 30, 2024, VIP does not have an amount recorded as an allowance for credit losses because management deems that all trade receivables are fully collectible.

Property and Equipment

Property and equipment are carried at cost (or fair value if donated), less accumulated depreciation. Items costing $5,000 or more and with a useful life of greater than one year are capitalized. Depreciation is calculated on the straight-line basis over the estimated useful lives of the assets.

Leases

VIP is accounting for its leases in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 842, *Leases* (ASC 842). Per ASC 842 the lease contract gives rise to the recognition of a lease liability in the lessee's balance sheet, representing the present value of lease payments including fixed rental payments The lease liability is recognized against a right-of-use asset corresponding to the leased item. VIP defines the lease term as the noncancelable term of the lease plus any renewables covered by renewal options that are reasonably certain of exercise based on management's assessment of the economic factors relevant to the lessee.

VIP recognizes a right-of-use asset and lease liability at the adoption date, which is measured by discounting lease payments using the incremental borrowing rate. As the implicit rate in VIP's leases is unknown, VIP uses the practical expedient available to use the risk-free rate at the adoption date in determining the present value of future lease payments.

Contributions and Government Grants

Contributions are recorded as revenue upon the receipt of cash, gift, or unconditional pledge. Contributions are recorded as without donor restrictions or with donor restrictions support, depending on the existence and or nature of any donor restrictions. Contributions received with specific donor restrictions are reported as increases in net assets with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Conditional contributions with or without restriction depend on VIP overcoming a donor-imposed barrier to be entitled to the funds. These contributions are not recognized until the gift becomes unconditional (*i.e.*, the donor-imposed barrier is met). Conditional contributions having donor stipulations which are satisfied in the period the gift is received are recorded as revenue and net assets without donor restrictions.

VIP receives grants funding from various funding sources that specify certain conditions to be met. Accordingly, VIP records these funds as deferred revenue when received and recognizes these as contributions when the conditions are fulfilled.

Government Funding

Reimbursements from grant-related expenses and overhead applicable to programs relating to contracts funded by the U.S. Federal Government, the State of New York, and The City of New York are subject to audit, which may result in adjustments for disallowances. The amounts of disallowance, if any, cannot be determined as of the date of this report. Therefore, no provision is made for these potential liabilities.

VIP derives a significant portion of its revenue from federal grants. A reduction in the amount of revenue provided by federal grants, should this occur, could have a significant impact on VIP's ability to carry out its activities at current levels.

Rent Housing Stability

Revenue is recognized over time in which the performance obligations are simultaneously provided by VIP and consumed by the counterparty.

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.

Income Taxes

VIP qualifies as a tax-exempt non-profit organization under 501(c)(3) of the Internal Revenue Code. No provision for income taxes has been made in the financial statements for 2024.

Gifts-in-Kind and Contributed Services

VIP records various types of contributions in-kind. Contributed services are recognized at the fair value if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying financial statements as gifts-in-kind and contributed services are offset by like amounts included in expenses or additions to property and equipment.

Functional Allocation of Expenses

Expenses directly attributable to specific functions of VIP are reported as expenses of those functional areas. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation basis that is consistently applied. The expenses that are allocated include rent, utilities, telephone, maintenance and repairs and depreciation, which are allocated on the basis of office utilization estimates, as well as salaries and fringe benefit, which are allocated on the estimate of time and effort.

Note 3. Liquidity and Availability

VIP's financial assets available, within one year of the statement of financial position date for general and operational expenditures as of June 30, 2024, are as follows:

	2024
Financial assets at year-end	
Cash	$ 263,960
Grants receivable	3,646,421
Other receivables	9,341
Total financial assets available within one year	3,919,722
Less	
Amounts unavailable for general expenditures within one year due to restriction by donors with time or purpose restriction	(318,586)
Financial assets available to meet cash needs for general expenditures within on year	$ 3,601,136

Liquidity Management

VIP maintains a policy of structuring its financial assets to be available as its general liabilities and other obligations become due. VIP also has a line of credit of $149,535 available should it need additional funds. Additionally, subsequent to June 30, 2024 the line of credit was amended and increased from $150,000 to $300,000.

Note 4. Restricted Cash – Reserve for Replacement

Reserve for replacement account represents amounts received from the Homeless Housing and Assistance Program reserve, which is a required fund restricted by the New York State Office of Temporary Disability Assistance (NYSOTDA) for VIP's Casa Sandra building. The cash reserve is maintained under a business savings account. The funds can only be used for necessary repairs upon approval from NYSOTDA. Any unused funds become VIP's at the end of twenty-five years from the time they were granted, which was in 2001. As of June 30, 2024, the unused portion of $160,970 is reflected as a liability in the statement of financial position.

Note 5. Grants Receivable

Grants receivable as of June 30, 2024 consists of:

Human Resource Administration - nonresidential	$ 626,945
Office of Victim Services	927,261
City Council	581,074
Human Resource Administration - residential	579,442
Dove	194,556
U.S. Department of Housing and Urban Development	170,405
Office of Violence Against Women	150,515
Office of Children Services	131,979
Department of Health and Human Services	91,189
Office for the Prevention of Domestic Violence	53,349
Unlocal-Community Immigration Legal Services	42,018
The City University Of New York-CUNY	5,736
Esperanza United	34,684
Northern Manhattan Improvement Corporation	33,913
Office of Temporary and Disability Assistance	14,995
Engage Men and Boys	4,417
NY Legal Assistance Group	3,943
Total	$ 3,646,421

Note 6. Property and Equipment, Net

Property and equipment consist of the following at June 30, 2024:

	Amount	Estimated Useful Lives
Land	$ 52,170	
Building	3,236,118	27.5 years
Furniture, fixtures, and equipment	646,275	3 - 5 years
Total property and equipment	3,934,563	
Less accumulated depreciation	(3,039,569)	
Property and equipment, net	$ 894,994	

Note 7. Economic Injury Disaster Loan

On July 13, 2020, VIP entered into a loan agreement with the U.S. Small business Administration for a loan of $150,000 under the *Small Business Act*. This loan is evidenced by a promissory note dated July 13, 2020, and matures 30 years from the disbursement date which is the date of the loan agreement. This loan bears interest at a rate of 2.75% per annum, with the first 12 months of principal and interest deferred. Principal and interest of $641 are payable monthly commencing one year after the disbursement date and may be prepaid by the Organization at any time prior to maturity with no prepayment penalties. The commencement of the repayment of the loan was deferred to November 2025. As of June 30, 2024, interest only payments were made. This loan contains customary events of default relating to, among other things, payment defaults or breaches of the terms of the loan. Upon the occurrence of an event of default, the lender may require immediate repayment of all amounts outstanding under the note.

Future principal payments on the loan are as follows:

Years Ending June 30,	Total
2025	$ -
2026	2,166
2027	3,325
2028	3,417
2029	3,512
Thereafter	137,580
	$ 150,000

Note 8. Working Capital Loan

During the year ended June 30, 2022, VIP entered into a loan agreement with a nonprofit lender for a loan of $500,000. The loan bears no interest and is to be repaid in four quarterly payments beginning on November 1, 2024. The loan is scheduled to mature on August 1, 2025. Principal payments of $375,000 and $125,000 are due in fiscal years ending June 30, 2025 and 2026, respectively. This loan contains customary events of default relating to, among other things, payment defaults or breaches of the terms of the loan. Upon the occurrence of an event of default, the lender may require immediate repayment of all amounts outstanding under the note.

Note 9. Bank Credit Line

VIP has a line of credit with a bank in the amount of $150,000. VIP must maintain a minimum average depository balance of $150,000, tested quarterly. The line of credit was renewed in September 2024 and has a maturity date of September 2025, and interest is charged at the stated rate of 7.5% per annum. The line of credit is collateralized by all business assets of VIP. As of June 30, 2024, the outstanding balance amounted to $465.

Subsequent to June 30, 2024, the line of credit was further amended to increase the principal amount available on the line from $150,000 to $300,000.

Note 10. Leases Commitments

VIP leases office space in New York under various noncancelable operating leases expiring in 2027.

The minimum lease payments include base rent payments. As the implicit rate in VIP's leases is unknown, VIP uses the practical expedient available to use the risk-free rate at the adoption date in determining the present value of future lease payments. Operating lease expense is recognized on a straight-line basis over the lease term.

Lease expense amounted to approximately $559,000 for the year ended June 30, 2024.

Supplemental Lease Information as June 30, 2024

Weighted average remaining lease term	3.30 years
Weighted average discount rate	3.75%

Future minimum lease payments under the operating lease agreements for office space are as follows:

Years Ending	Amount
2025	$ 208,583
2026	135,884
2027	134,695
2028	112,245
Total lease payments	591,407
Less imputed interest	(33,803)
Total lease liability	$ 557,604

Note 11. Retirement Plans

VIP sponsors two retirement plans, a 401(a) profit-sharing plan and a 403(b) plan. The 401(a) profit-sharing plan is noncontributory. Employees aged 21 and over are eligible to participate after one year of service. Vesting starts at 35% for one year of service, 50% for two years, 75% for three years and 100% for four years. Contributions to the plan are determined by a fixed percentage of an employee's gross annual income and are subject to the approval of the board of directors on an annual basis. For the year ended June 30, 2024, no employer contributions were made. The 403(b) plan is available for employee contributions only.

Note 12. In-Kind Contributions

A number of individuals volunteer their services to VIP. Contributed services from volunteer councils are reported at their estimated fair value based on current market rates for similar services. In-kind contributions amounted to $85,218 for the year ended June 30, 2024.

Note 13 Net Assets with Donor Restrictions

At June 30, 2024, net assets with donor restrictions are comprised of the following:

Time or Purpose Restriction

Security	$ 5,525
Restorative Justice	293,061
Economic Empowerment	20,000
	$ 318,586

Note 14 Subsequent Events

VIP has evaluated subsequent events through March 28, 2025, the date the financial statements were available for issuance.

Effective October 1, 2024, VIP entered into a new operating lease for office space. Lease payments of $11,825 per month are due from January 15, 2025 until the lease maturity date of March 31, 2035.

Supplementary Information

Violence Intervention Program, Inc.
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Agency or Pass-Through Identifying Number	Provided to Subrecipients	Total Federal Expenditures
Department of Health and Human Services				
Pass-through the NYC Human Resource Administration				
Temporary Assistance for Needy Families				
HRA Residential Services	93.558	20228800291	$ -	$ 1,107,481
Pass-through the NYC Human Resource Administration				
Social Services Block Grant				
HRA Nonresidential Services	93.667	CT106920248800895	-	344,772
Family Violence Prevention and Services				
Casa de Esperanza	93.496	90EV0556-01-00	-	113,606
Congressional Directives	93.493	90XP0627-01-00	-	58,685
Pass-through NYC Department of Children and Family				
NYS Office of Children and Family				
Family Violence Prevention and Services	93.671	C028788	-	52,948
Family Violence Prevention and Services	93.671	DV82	-	110,657
Family Violence Prevention and Services	93.671	C029184	-	81,539
			-	245,144
Administration for Children				
Family Violence Prevention and Services/Discretionary	93.592	90EV-050401C6	-	100,095
Family Violence Prevention and Services/Discretionary	93.592	90EV-0477-03-00	-	128,529
Family Violence Prevention and Services/Discretionary	93.592	90EV-0477-04-00	-	337,665
			-	566,289
Total Department of Health and Human Services			-	2,435,977
Department of Housing and Urban Development				
Continuum of Care Program	14.267	NY0410L2T002114	-	34,169
Continuum of Care Program	14.267	NY0410L2T002215	-	280,125
Continuum of Care Program	14.267	NY1275D2T002203	-	522,805
Continuum of Care Program	14.267	NY1275D2T002304	-	108,958
Total Department of Housing and Urban Development			-	946,057
U.S. Department of Justice				
Pass-through the NYS Office of Victim Services				
Crime Victim Assistance	16.575	C-11107GG	-	1,012,407
Consolidated And Technical Assistance Grant Program to Address Children and Youth Experiencing Domestic and Sexual Violence and Engage Men and Boys as Allies	16.888	15JOVW-23-GG-03964-ENG	-	4,417
Sexual Assault Services Culturally Specific Program	16.023	2019-WL-AX-0010	-	21,578
Culturally and Linguistically Specific Services Program	16.023	2020-KS-AX-0008	-	40,242
Culturally and Linguistically Specific Services Program	16.023	15JOVW-23-GG-02619-SASP	-	40,133
Culturally and Linguistically Specific Services Program	16.023	15JOVW-22-GG-02977-CSSP	-	129,044
Culturally and Linguistically Specific Services Program	16.023	15JOVW-23-GG-02938-TRAN	-	82,466
New York Legal Assistance	16.023	N/A	-	10,384
			-	323,847
Total Department of Justice			-	1,340,671
Department of Homeland Security / Federal Emergency Management Agency				
Pass-through the United Way of New York City				
Emergency Food and Shelter National Board Program	97.024	631400-537	-	4,356
Total Expenditures of Federal Awards			$ -	$ 4,727,061

Note 1 Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of VIP under programs of the federal government for the year ended June 30, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Guidance Requirements, Cost Principles*, and *Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Violence Intervention Program, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Violence Intervention Program, Inc.

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.

Note 3 Federal Award Allocations

The awards administered by the NYC Human Resources Administration Residential and Non-residential programs consist of federal, state, and local agencies and have been allocated based on percentages provided by the administrator, which reflect amounts funded by the respective agencies for the programs and only the federal allocated portion has been reflected on the Schedule of Expenditures of Federal Awards.

Note 4 Indirect Cost Rate

VIP has elected to use the 10% *de minimis* indirect cost rate as allowed under the Uniform Guidance.

Note 5 Federal Loan Programs

There are no federal loan programs administered directly by VIP as of the year ended June 30, 2024.

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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*

Independent Auditor's Report

Board of Directors
Violence Intervention Program, Inc.
New York, New York

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 *(Government Auditing Standards)*, the financial statements of Violence Intervention Program, Inc., which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 28, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Violence Intervention Program, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for expressing an opinion on the effectiveness of Violence Intervention Program, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Violence Intervention Program, Inc.'s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Violence Intervention Program, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Violence Intervention Program, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Forvis Mazars, LLP

New York, New York
March 28, 2025

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Report on Compliance for the Major Program and Report on Internal Control Over Compliance

Independent Auditor's Report

Board of Directors
Violence Intervention Program, Inc.
New York, New York

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Violence Intervention Program, 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 Violence Intervention Program, Inc.'s major federal program for the year ended June 30, 2024. Violence Intervention Program, Inc.'s major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Violence Intervention Program, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards)*; 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 Violence Intervention Program, Inc. 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 the major federal program. Our audit does not provide a legal determination of Violence Intervention Program, Inc.'s 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 Violence Intervention Program, Inc.'s federal programs.

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 Violence Intervention Program, Inc.'s 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 GAAS, *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 Violence Intervention Program, Inc.'s compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Violence Intervention Program, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Violence Intervention Program, Inc.'s 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 Violence Intervention Program, Inc.'s 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.

Forvis Mazars, LLP

New York, New York
March 28, 2025

Section I – Summary of Auditor's Results

Financial Statements

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP**:**

   ☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

2. Internal control over financial reporting:

   Significant deficiency(ies) identified? ☐ Yes ☒ None reported

   Material weakness(es) identified? ☐ Yes ☒ No

3. Noncompliance material to the financial statements noted? ☐ Yes ☒ No

Federal Awards

4. Internal control over major federal awards programs:

   Significant deficiency(ies) identified? ☐ Yes ☒ None reported

   Material weakness(es) identified? ☐ Yes ☒ No

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

   ☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

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:

Assistance Listing Number(s)	Name of Federal Program or Cluster
93.558	Temporary Assistance for Needy Families

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

Section II – Financial Statement Findings

Reference Number	Finding
	No matters are reportable.

Section III – Federal Awards Findings and Questioned Costs

Reference Number	Finding
	No matters are reportable.

Reference Number	Summary of Finding	Status
	No matters are reportable.	