

**CHILD PROTECTIVE SERVICES COMMUNITY PARTNERS, INC.**

**FINANCIAL STATEMENTS**

**December 31, 2017 & 2016**

## TABLE OF CONTENTS

	PAGE #
INDEPENDENT AUDITOR'S REPORT	1
Statements of Financial Position as of December 31, 2017 & 2016	2
Statement of Activities for the Year Ended December 31, 2017	3
Statement of Activities for the Year Ended December 31, 2016	4
Statements of Cash Flows for the Years Ending December 31, 2017 & 2016	5
Statement of Functional Expenses for the Year Ended December 31, 2017	6
Statement of Functional Expenses for the Year Ended December 31, 2016	7
Notes to the Financial Statements	8-12

**WILLIAM C. SPORE, P.C.**  
**Certified Public Accountants**  
**200 N. Rufe Snow Drive, Ste 116**  
**Keller, TX 76248**  
**817-421-6619**

---

Independent Auditor's Report

To the Board of Directors of  
Child Protective Services Community Partners, Inc.

I have audited the accompanying financial statements of Child Protective Services Community Partners, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

***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***

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 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 entity's preparation and fair presentation of the financial statements in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that my audit evidence I have optioned is sufficient and appropriate to provide a basis for my audit opinion.

*Opinion*

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Child Protective Services Community Partners, Inc. as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*William C. Spore, P.C.*

Keller, Texas

August 7, 2018

**CHILD PROTECTIVE SERVICES COMMUNITY PARTNERS, INC.**

**STATEMENTS OF FINANCIAL POSITION**

**December 31, 2017 & 2016**

	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash & Cash Equivalents	\$ 4,759,981	\$ 754,426
Unconditional Promises to Give, Net	778,432	1,368,500
Certificate of Deposit	567,042	686,823
Prepaid Expenses	73,859	61,125
Inventory	676,739	704,118
<b>TOTAL CURRENT ASSETS</b>	<b>6,856,053</b>	<b>3,574,992</b>
<b>PROPERTY &amp; EQUIPMENT</b>		
Land & Building	1,699,922	1,204,894
Furniture, Fixtures and Equipment	124,957	134,204
Less - Accumulated Depreciation	(118,112)	(120,352)
<b>NET PROPERTY &amp; EQUIPMENT</b>	<b>1,706,767</b>	<b>1,218,746</b>
<b>OTHER ASSETS</b>		
Unconditional promises to Give, Net, Less Current Portion	372,978	1,348,547
<b>TOTAL ASSETS</b>	<b>\$ 8,935,798</b>	<b>\$ 6,142,285</b>
<b>LIABILITIES &amp; NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Note Payable - Line of Credit	\$ 0	\$ 960,000
Accounts Payable & Accrued Expenses	138,016	36,858
Unearned Fund Raising Revenues	0	25,000
<b>TOTAL CURRENT LIABILITIES</b>	<b>138,016</b>	<b>1,021,858</b>
<b>NET ASSETS</b>		
Unrestricted	2,299,700	1,980,070
Temporarily Restricted	6,498,082	3,140,357
Permanently Restricted	0	0
<b>TOTAL NET ASSETS</b>	<b>8,797,782</b>	<b>5,120,427</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 8,935,798</b>	<b>\$ 6,142,285</b>

**CHILD PROTECTIVE SERVICES COMMUNITY PARTNERS, INC.**

**STATEMENT OF ACTIVITIES**

**For the Year Ended December 31, 2017**

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
<b>REVENUE &amp; PUBLIC SUPPORT</b>				
Contributions	\$ 768,418	0	0	768,418
Contribution-In Kind	1,071,321	0	0	1,071,321
Title IV-B Grant	17,485	0	0	17,485
Special Events (Net of Expenses)	511,160	0	0	511,160
Federated Campaigns	5,942	0	0	5,942
Kids-In-Crisis Funding	0	41,577	0	41,577
Capital Campaign	0	4,110,975	0	4,110,975
Interest Income	2,516	0	0	2,516
Net Assets Released from Restrictions	794,827	(794,827)	0	0
<b>TOTAL REVENUE &amp; PUBLIC SUPPORT</b>	<u>3,171,669</u>	<u>3,357,725</u>	<u>0</u>	<u>6,529,394</u>
<b>EXPENSES</b>				
Program Services	2,177,376	0	0	2,177,376
Fund Raising	426,943	0	0	426,943
General & Administrative	247,720	0	0	247,720
<b>TOTAL EXPENSES</b>	<u>2,852,039</u>	<u>0</u>	<u>0</u>	<u>2,852,039</u>
<b>CHANGE IN NET ASSETS</b>	319,630	3,357,725	0	3,677,355
<b>NET ASSETS-BEGINNING OF YEAR</b>	<u>1,980,070</u>	<u>3,140,357</u>	<u>0</u>	<u>5,120,427</u>
<b>NET ASSETS-END OF YEAR</b>	\$ <u>2,299,700</u>	\$ <u>6,498,082</u>	\$ <u>0</u>	\$ <u>8,797,782</u>

**CHILD PROTECTIVE SERVICES COMMUNITY PARTNERS, INC.**

**STATEMENT OF ACTIVITIES**

**For the Year Ended December 31, 2016**

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
<b>REVENUE &amp; PUBLIC SUPPORT</b>				
Contributions	\$ 766,150	0	0	766,150
Contribution-In Kind	1,060,306	0	0	1,060,306
Title IV-B Grant	18,770	0	0	18,770
Special Events (Net of Expenses)	451,472	0	0	451,472
Federated Campaigns	9,363	0	0	9,363
Kids-In-Crisis Funding	0	89,548	0	89,548
Capital Campaign	0	3,058,082	0	3,058,082
Interest Income	2,945	0	0	2,945
Net Assets Released from Restrictions	187,155	(187,155)	0	0
<b>TOTAL REVENUE &amp; PUBLIC SUPPORT</b>	<u>2,496,161</u>	<u>2,960,475</u>	<u>0</u>	<u>5,456,636</u>
<b>EXPENSES</b>				
Program Services	1,958,282	0	0	1,958,282
Fund Raising	357,910	0	0	357,910
General & Administrative	229,251	0	0	229,251
<b>TOTAL EXPENSES</b>	<u>2,545,443</u>	<u>0</u>	<u>0</u>	<u>2,545,443</u>
<b>CHANGE IN NET ASSETS</b>	(49,282)	2,960,475	0	2,911,193
<b>NET ASSETS-BEGINNING OF YEAR</b>	<u>2,029,352</u>	<u>179,882</u>	<u>0</u>	<u>2,209,234</u>
<b>NET ASSETS-END OF YEAR</b>	\$ <u>1,980,070</u>	\$ <u>3,140,357</u>	\$ <u>0</u>	\$ <u>5,120,427</u>

**CHILD PROTECTIVE SERVICES COMMUNITY PARTNERS, INC.**

**STATEMENT OF CASH FLOWS**

**For the Years Ending December 31, 2017 & 2016**

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in Net Assets	\$ 3,677,355	\$ 2,911,193
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation - Non Cash	10,023	11,972
(Increase) Decrease in Receivables and Pledges to Give	1,565,637	(2,717,047)
(Increase) Decrease in Inventory	27,379	(7,590)
(Increase) Decrease in Prepaid Expenses	(12,734)	(14,078)
Increase (Decrease) in Payables \$ Accrued Expenses	101,158	(23,669)
Increase (Decrease) in Unearned Revenues	(25,000)	(27,900)
<b>NET CASH PROVIDED BY OPERATIONS</b>	<u>5,343,818</u>	<u>132,881</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of Equipment	(498,044)	(1,556)
Proceeds from Certificate of Deposit	121,178	0
Interest added to Principle of Certificate of Deposit	(1,397)	(1,847)
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<u>(378,263)</u>	<u>(3,403)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of Note Payable	<u>(960,000)</u>	<u>0</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	4,005,555	129,478
<b>CASH - BEGINNING OF YEAR</b>	<u>754,426</u>	<u>624,948</u>
<b>CASH - END OF YEAR</b>	\$ <u>4,759,981</u>	\$ <u>754,426</u>
<b>CASH PER BALANCE SHEET:</b>		
Cash & Cash Equivalents	\$ <u>4,759,981</u>	\$ <u>754,426</u>
<b>SUPPLEMENTAL DISCLOSURES</b>		
Cash Paid for Interest Expense	\$ <u>14,600</u>	\$ <u>41,193</u>



**CHILD PROTECTIVE SERVICES COMMUNITY PARTNERS, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**For the Year Ended December 31, 2017**

	<u>PROGRAM SERVICES</u>	<u>FUND- RAISING</u>	<u>GENERAL &amp; ADMINSTRATIVE</u>	<u>TOTAL</u>
Rainbow Room Distributions to Clients	\$ 1,074,798	\$ 0	\$ 0	\$ 1,074,798
Rainbow-Room-Supplies & Services	36,871	0	0	36,871
Heart Program-Supplies & Services	7,050	0	0	7,050
Heart Program-Professional Fees	26,325	0	0	26,325
Kids in Crisis-Specific Assistance	142,340	0	0	142,340
Spirit of Christmas-Supplies and Services	12,261	0	0	12,261
Storyline-Supplies & Services	3,784	0	0	3,784
Caseworker Appreciation	11,933	0	0	11,933
Salaries	513,562	178,817	76,775	769,154
Payroll Taxes	41,201	14,105	5,878	61,184
Fringe Benefits	58,638	21,323	8,885	88,846
Bank & Credit Card Fees	8,881	2,813	0	11,694
Computer Support	16,233	0	10,822	27,055
Conferences & Education	0	0	9,791	9,791
Depreciation	4,631	2,173	3,219	10,023
Development Expenses	0	68,341	0	68,341
Dues & Subscriptions	0	0	2,715	2,715
Future Building Capital Campaign	0	114,951	0	114,951
Future Building Operating Costs & Taxes	0	0	66,667	66,667
Insurance	1,527	0	3,005	4,532
Interest Expense	0	0	14,600	14,600
Travel, Meals & Entertainment	967	0	66	1,033
Postage & Shipping	1,221	4,274	611	6,106
Printing & Publications	2,737	8,769	622	12,128
Professional Services	6,759	1,655	1,655	10,069
Publicity & Promotional	522	0	4,449	4,971
Rent & Storage	182,869	4,064	16,255	203,188
Repair & Maintenance	2,785	0	2,785	5,570
Supplies & Materials	6,246	2,034	11,919	20,199
Telephone	4,585	2,293	3,674	10,552
Utilities	8,650	1,331	3,327	13,308
<b>TOTAL EXPENSES</b>	\$ <u>2,177,376</u>	\$ <u>426,943</u>	\$ <u>247,720</u>	\$ <u>2,852,039</u>

**CHILD PROTECTIVE SERVICES COMMUNITY PARTNERS, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**For the Year Ended December 31, 2016**

	<u>PROGRAM SERVICES</u>	<u>FUND- RAISING</u>	<u>GENERAL &amp; ADMINSTRATIVE</u>	<u>TOTAL</u>
Rainbow Room Distributions to Clients	\$ 965,936	\$ 0	\$ 0	\$ 965,936
Rainbow-Room-Supplies & Services	24,754	0	0	24,754
Heart Program-Supplies & Services	8,615	0	0	8,615
Heart Program-Professional Fees	36,323	0	0	36,323
Kids in Crisis-Specific Assistance	86,696	0	0	86,696
Spirit of Christmas-Supplies and Services	11,984	0	0	11,984
Storyline-Supplies & Services	3,485	0	0	3,485
Caseworker Appreciation	16,307	0	0	16,307
Salaries	453,097	126,924	60,404	640,425
Payroll Taxes	32,827	11,174	5,122	49,123
Fringe Benefits	43,397	16,024	7,344	66,765
Bank & Credit Card Fees	9,016	2,866	0	11,882
Computer Support	4,282	0	4,282	8,564
Conferences & Education	0	0	12,258	12,258
Depreciation	4,842	2,173	4,957	11,972
Development Expenses	0	67,022	0	67,022
Dues & Subscriptions	0	0	2,925	2,925
Future Building Capital Campaign	0	102,647	0	102,647
Future Building Operating Costs & Taxes	0	0	43,701	43,701
Insurance	385	0	755	1,140
Interest Expense	0	0	41,193	41,193
Travel, Meals & Entertainment	889	0	173	1,062
Postage & Shipping	757	2,651	379	3,787
Printing & Publications	6,732	14,723	1,410	22,865
Professional Services	7,102	1,825	1,825	10,752
Publicity & Promotional	365	0	3,433	3,798
Rent & Storage	220,514	4,900	19,601	245,015
Repair & Maintenance	2,675	0	2,675	5,350
Supplies & Materials	4,916	1,386	9,874	16,176
Telephone	4,876	2,439	4,051	11,366
Utilities	7,510	1,156	2,889	11,555
<b>TOTAL EXPENSES</b>	<b>\$ <u>1,958,282</u></b>	<b>\$ <u>357,910</u></b>	<b>\$ <u>229,251</u></b>	<b>\$ <u>2,545,443</u></b>

**CHILD PROTECTIVE SERVICES COMMUNITY PARTNERS, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2017 & 2016**

**NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -**

Nature of Activities: Child Protective Services Community Partners, Inc., d/b/a Community Partners of Dallas (CPD) is a community based, nonprofit organization formed to initiate, develop and support projects that enable Child Protective Services caseworkers to make the most positive impact possible on the victims of child abuse and neglect and those that are at risk in Dallas County. CPD has established December 31 as its fiscal year end.

Basis of Accounting: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting policies.

Financial Statement Presentation: The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Cash Equivalents: Cash equivalents consist of all monies held in banks and highly liquid investments with maturity dates of less than three months.

Revenue Recognition - Contributions: All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for a specific purpose are reported as temporarily restricted or permanently restricted support. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period are classified as unrestricted. CPD had no permanently restricted net assets in 2016 or 2017.

Donated materials and services represent the estimated fair value of materials and services provided. The contribution of services are recognized if the services received create non-financial assets or require specialized skills provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Grant Receivables: Receivables represent requests for funds submitted to grantors for expenditures made by CPD in the current fiscal year that had not been received at year end.

Promises to Give:

Unconditional promises to give are recorded when pledged. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received to discount the amounts.

# CHILD PROTECTIVE SERVICES COMMUNITY PARTNERS, INC.

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2017 & 2016

CPD uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Inventory: Donated clothing, toys, school supplies and other household items are stated at estimated fair value as of the date received, or cost if purchased. These items are held for future distribution to "qualified recipients" when identified. Inventory is estimated using the average price of inventory categories multiplied by the quantity on hand at year end. The average price of inventory categories is average cost (or donated value as described above) of all inventory items in a category.

Property & Equipment: CPD follows the practice of capitalizing all expenditures for property or equipment in excess of \$500. Purchased property and equipment are recorded at cost. Donations of property and equipment are recorded at their estimated fair value at the date of donation. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Depreciation is computed on a straight-line basis over the useful lives of the assets. Useful lives range from three to forty years.

Refundable advances: CPD records grant revenue as a refundable advance until it is expended for the purpose of the grant, at which time it is recognized as revenue. The balance in refundable advances represents amounts received in December for salaries to be paid in the subsequent year.

Compensated absences: Employees of CPD receive paid vacations and personal days off, depending on the length of service and other factors. The Organization's policy is to recognize the cost of compensated absences when actually paid as the amount of unpaid compensated absences at year end is immaterial.

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

Income Taxes: CPD is exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code and therefore has made no provision for income taxes in the accompanying financial statements. The Organization is not classified as a private foundation and there was no unrelated business income for the fiscal years ending December 31, 2017 and 2016. The Organization's Forms 990 for fiscal years 2015, 2016 and 2017 are subject to examination by the IRS, generally for three years after they are filed.

Donated Services: CPD receives a significant amount of donated services from unpaid volunteers who assist with the organizations various programs, fund-raising projects and with general and administrative functions. The value of these contributions has not been reflected in the financial statements as they did not meet the criteria for recognition.

**CHILD PROTECTIVE SERVICES COMMUNITY PARTNERS, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2017 & 2016**

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

**NOTE B: CASH:**

At December 31, 2017 CPD's cash and time deposit accounts totaled \$5,327,023. The organization's checking and savings account balances (per bank) totaled \$4,625,105 at December 31, 2017. Of these checking and savings balances, \$561,204 was secured by federal depository insurance and the remaining \$4,063,901 was uncollateralized. It was the opinion of management that the solvency of the financial institution with balances in excess of FDIC limits was not of particular concern at that time. A large majority of the funds held in checking and savings accounts represents capital campaign funds to be used in 2018 for building improvements.

At December 31, 2017, the organization held certificates of deposit totaling \$567,042. All the certificates of deposit were covered by federal depository insurance at December 31, 2017. The Company did not have any uncollateralized certificate of deposit accounts at December 31, 2017.

**NOTE C: UNCONDITIONAL PROMISES TO GIVE:**

Unconditional promises to give consist of the following:

Unconditional Promises to Give consist of the following:

Gross Capital Campaign Promises to Give	\$ 1,220,095
Allowance for Uncollectable Promises to Give	<u>(24,600)</u>
	1,195,495
Less-Discout to Net Present Value	<u>(44,085)</u>
Net Unconditional Promises to Give	\$ <u>1,151,410</u>
Amounts Due In:	
Less than one year	\$ 778,432
One to four years	<u>372,978</u>
Total Promises to Give	\$ <u>1,151,410</u>

Unconditional promises to give due in more than one year are reflected at the present value of the estimated future cash flows using a discount rate of 4.50%

**CHILD PROTECTIVE SERVICES COMMUNITY PARTNERS, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2017 & 2016**

**NOTE D: LINE OF CREDIT:**

In September 2015 CPD entered into a line of credit agreement with BOKF, NA, d/b/a Bank of Texas in the amount of \$960,000. The line of credit proceeds were used by CPD to purchase a building for the future home of the organization. The loan was paid off in April 2017.

The agreement required monthly interest payments based on BOKF's prime rate (which was 4.50% in December 2016) and was collateralized by the real estate purchased with the loan proceeds and was further secured by a pledge of a \$120,000 certificate of deposit owned by the Company.

**NOTE E: RESTRICTED NET ASSETS:**

Temporarily restricted net asset balances and activities are as follows:

	BALANCE			BALANCE	
	12-31-16		ADDITIONS	RELEASES	12-31-17
Kids-in-Crisis	\$ 62,005		\$ 41,577	\$ 103,582	\$ 0
Capital Campaign	<u>3,078,352</u>		<u>4,110,975</u>	<u>691,245</u>	<u>6,498,082</u>
	<u>\$ 3,140,357</u>		<u>\$ 4,152,552</u>	<u>\$ 794,827</u>	<u>\$ 6,498,082</u>

In September 2015 CPD purchased a building for its future use. In combination with the purchase of the building the CPD's board of directors initiated a "Capital Campaign" to raise funds to pay off the debt incurred to purchase the building and to raise funds to refurbish the building.

**NOTE F: IN-KIND CONTRIBUTIONS:**

CPD received in-kind contributions from various donors during the fiscal years 2017 and 2016. The estimated values of these in-kind contributions are as follows:

IN-KIND CONTRIBUTIONS

	2017		2016	
Inventory	\$ 868,133		\$ 815,291	
Rent	203,188		245,015	
	<u>\$ 1,071,321</u>		<u>\$ 1,060,306</u>	

**CHILD PROTECTIVE SERVICES COMMUNITY PARTNERS, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2017 & 2016**

**NOTE G: OPERATING LEASES:**

In November 2008 CPD was provided office and storage space on Skiles Street in Dallas, Texas on a rent-free basis from the Meadows Foundation. The storage space houses the resources for all three Rainbow Rooms. The lease expires in October 2018. The fair rental value of this space is \$182,520 annually, which is included in In-Kind Contributions and in rent expense in the statement of activities. CPD also receives the use of space in an office building on Stemmons Freeway at no charge. This space houses the "Stemmons" Rainbow Room. The fair rental value of this space is \$20,668 annually and this amount is included in In-Kind Contribution revenues and in rent expense in the statement of activities.

CPD currently plans to move into its new office building in late December 2018. The lease with the Meadows Foundation has been extended until CPD moves into its new building in late 2018 or early 2019.

**NOTE H: EVALUATION OF SUBSEQUENT EVENTS:**

CPD has evaluated subsequent events through August 7, 2018, the date which the financial statements were available to be issued.

**WILLIAM C. SPORE, P.C.**  
**Certified Public Accountants**  
**200 N. Rufe Snow Drive, Ste 116, Keller, TX 76248**  
**817-421-6619**

---

To the Board of Directors  
Child Protective Services Community Partners, Inc.

In planning and performing my audit of the financial statements of Child Protective Services Community Partners, Inc. as of and for the year ending December 31, 2017, in accordance with auditing standards generally accepted in the United States of America, I considered the Child Protective Services Community Partners, Inc.'s internal control over financial reporting (internal control) as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, I do not express an opinion on the effectiveness of the Organization'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 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 statement will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control was for the limited purpose described in the first 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. I did not identify any deficiencies in internal control that I consider to be material weaknesses.

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

*William C. Spore, PC*  
Certified Public Accountants

August 7, 2018