

COMMITTEE AGAINST DOMESTIC ABUSE, INC.

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEARS ENDED JUNE 30, 2021 AND 2020



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YEARS ENDED JUNE 30, 2021 AND 2020**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Committee Against Domestic Abuse, Inc.
Mankato, Minnesota

We have audited the accompanying financial statements of Committee Against Domestic Abuse, Inc. (a nonprofit organization) (the Organization), which comprise the statements of financial position as of June 30, 2021 and 2020, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 auditors' 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 Committee Against Domestic Abuse, Inc. as of June 30, 2021 and 2020, 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.

Other Matters

Other Information – Schedule of Expenditures of Federal Awards

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The 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 auditing standards generally accepted in the United States of America. In our opinion, the information 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 January 21, 2022, on our consideration of Committee Against Domestic Abuse, 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 result of that testing, and not to provide an opinion on the effectiveness of Committee Against Domestic Abuse, 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 Committee Against Domestic Abuse, Inc.'s internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Austin, Minnesota
January 21, 2022

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

	2021	2020
ASSETS		
Cash and Cash Equivalents	\$ 1,096,207	\$ 1,092,667
Grant Receivable	336,909	289,176
Other Receivables	10,011	6,794
Prepaid Expenses	35,472	43,164
Property and Equipment, Net	918,457	985,015
Investments	135,800	163,589
Cash Surrender Value of Life Insurance	147,754	144,167
	\$ 2,680,610	\$ 2,724,572
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 44,262	\$ 23,523
Accrued Payroll Liabilities	146,202	118,864
Deferred Revenue	-	-
Total Liabilities	190,464	142,387
NET ASSETS		
Without Donor Restrictions:		
Board-Designated	1,143,512	1,236,844
Designated for Capital Asset Purchases	918,457	985,015
Undesignated	420,677	357,411
Total Without Donor Restrictions	2,482,646	2,579,270
With Donor Restrictions	7,500	2,915
Total Net Assets	2,490,146	2,582,185
Total Liabilities and Net Assets	\$ 2,680,610	\$ 2,724,572

See accompanying Notes to Financial Statements.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND LOSSES			
OJP Grants	\$ 1,647,171	\$ -	\$ 1,647,171
United Way	23,810	7,500	31,310
Contributions	194,601	-	194,601
Program Service Fees	75,529	-	75,529
Interest Income	8,912	-	8,912
Net Realized and Unrealized Losses	480	-	480
Miscellaneous Income	60	-	60
Net Assets Released From Restrictions	2,915	(2,915)	-
Total Revenues, Gains, and Losses	1,953,478	4,585	1,958,063
EXPENSES			
Salaries and Benefits	1,576,736	-	1,576,736
Contract Services	49,894	-	49,894
Conferences and Meetings	15,492	-	15,492
Program Expenses	203,946	-	203,946
Promotions	6,112	-	6,112
Occupancy	123,387	-	123,387
Fundraising Expense	-	-	-
Administration	74,535	-	74,535
Total Expenses	2,050,102	-	2,050,102
CHANGE IN NET ASSETS	(96,624)	4,585	(92,039)
Net Assets - Beginning of Year	2,579,270	2,915	2,582,185
NET ASSETS - END OF YEAR	\$ 2,482,646	\$ 7,500	\$ 2,490,146

See accompanying Notes to Financial Statements.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND LOSSES			
OJP Grants	\$ 1,697,423	\$ -	\$ 1,697,423
United Way	21,480	-	21,480
Contributions	434,961	-	434,961
Program Service Fees	77,517	-	77,517
Interest Income	11,904	-	11,904
Net Realized and Unrealized Losses	(357)	-	(357)
Miscellaneous Income	340	-	340
Net Assets Released From Restrictions	14,236	(14,236)	-
Total Revenues, Gains, and Losses	2,257,504	(14,236)	2,243,268
EXPENSES			
Salaries and Benefits	1,484,482	-	1,484,482
Contract Services	37,603	-	37,603
Conferences and Meetings	12,694	-	12,694
Program Expenses	193,036	-	193,036
Promotions	13,904	-	13,904
Occupancy	135,202	-	135,202
Fundraising Expense	2,650	-	2,650
Administration	72,412	-	72,412
Total Expenses	1,951,983	-	1,951,983
CHANGE IN NET ASSETS	305,521	(14,236)	291,285
Net Assets - Beginning of Year	2,273,749	17,151	2,290,900
NET ASSETS - END OF YEAR	\$ 2,579,270	\$ 2,915	\$ 2,582,185

See accompanying Notes to Financial Statements.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021

	Shelter Program	Other Programs	Total Program	Administrative	Fundraising	Total
Salaries and Benefits	\$ 395,536	\$ 812,351	\$ 1,207,887	\$ 352,550	\$ 16,299	\$ 1,576,736
Contract Services	1,250	19,992	21,242	23,652	5,000	49,894
Conferences and Meetings	626	3,289	3,915	11,463	114	15,492
Program Expenses	106,008	92,671	198,679	5,267	-	203,946
Promotions	-	2,511	2,511	3,601	-	6,112
Occupancy	32,202	85,280	117,482	5,905	-	123,387
Administration	9,936	32,820	42,756	29,671	2,108	74,535
Total Expenses by Function	\$ 545,558	\$ 1,048,914	\$ 1,594,472	\$ 432,109	\$ 23,521	\$ 2,050,102

See accompanying Notes to Financial Statements.

**COMMITTEE AGAINST DOMESTIC ABUSE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2020**

	Shelter Program	Other Programs	Total Program	Administrative	Fundraising	Total
Salaries and Benefits	\$ 389,407	\$ 764,814	\$ 1,154,221	\$ 315,740	\$ 14,521	\$ 1,484,482
Contract Services	3,625	13,186	16,811	20,792	-	37,603
Conferences and Meetings	2,985	4,045	7,030	3,494	2,170	12,694
Program Expenses	112,572	72,560	185,132	7,816	88	193,036
Promotions	35	11,946	11,981	1,806	117	13,904
Occupancy	35,116	92,952	128,068	7,134	-	135,202
Fundraising Expense	-	-	-	-	2,650	2,650
Administration	8,055	32,402	40,457	29,414	2,541	72,412
Total Expenses by Function	\$ 551,795	\$ 991,905	\$ 1,543,700	\$ 386,196	\$ 22,087	\$ 1,951,983

See accompanying Notes to Financial Statements.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (92,039)	\$ 291,285
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	72,697	73,771
Net Realized and Unrealized (Gains) Losses on Investments	(480)	357
(Increase) Decrease in:		
Receivables	(50,950)	7,894
Prepaid Expenses	7,692	(21,130)
Increase (Decrease) in:		
Accounts Payable	20,739	9,191
Payroll Liabilities	27,338	19,129
Deferred Revenue	-	(74,280)
Net Cash Provided (Used) by Operating Activities	(15,003)	306,217
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(6,139)	(146,649)
Net Reinvested Interest	-	(1,812)
Proceeds from Sale of Investments	28,269	-
Increase in Cash Surrender Value of Life Insurance	(3,587)	(3,652)
Net Cash Provided (Used) by Investing Activities	18,543	(152,113)
 NET INCREASE IN CASH AND CASH EQUIVALENTS	3,540	154,104
 Cash and Cash Equivalents - Beginning of Year	1,092,667	938,563
 CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,096,207	\$ 1,092,667
 SUPPLEMENTAL DATA - NONCASH CONTRIBUTIONS	\$ 7,929	\$ 14,368

See accompanying Notes to Financial Statements.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Committee Against Domestic Abuse, Inc. (the Organization) is a Minnesota nonprofit charitable corporation committed to providing safety and support to victims of domestic violence and sexual violence through community engagement, legal and community advocacy, shelter, supervised parenting time services, and therapeutic support. The Organization coordinates services across nine counties in south central Minnesota to address domestic violence and sexual violence, meaning, violence manifested in societal norms and behaviors like teen dating violence, battering, rape, child abuse, sexual violence, and the trafficking of women and children. The trauma of sexual violence, being stalked, surviving child sexual abuse, feeling threatened, and or witnessing a parent being hurt, will likely impact any human's sense of dignity, trust, and safety. The ability to thrive in one's own home, maintain emotional and financial stability and the fabric of family support are often at risk for those experiencing violence. The Organization seeks to assist individuals and communities at risk.

Basis of Accounting

The Organization uses the accrual method of accounting. Revenues are recognized when earned and expenditures are recognized when incurred.

Basis of Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for various purposes.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as Net Assets Released from Restrictions.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Program service fees are recorded over time as services are performed.

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

A portion of the Organization's revenue is derived from cost-reimbursable grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advance in the statement of financial position. The Organization received cost-reimbursable grants of \$693,053 and \$2,199,173 that have not been recognized at June 30, 2021 and 2020 because qualifying expenditures have not yet been incurred. No funds were received in advance.

Donated Goods

Contributed goods are recorded at fair value at the date of donation. The Organization received donated goods for the years ended June 30, 2021 and 2020, with a fair value of \$7,929 and \$14,368 in program expenses, respectively.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all monies in banks and highly liquid investments with original maturity dates of three months or less to be cash equivalents. Accumulated deposits at these financial institutions, at times, may exceed federally insured limits.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Certificates of deposit are carried at cost, which approximates fair value. For management efficiency, invested assets of various accounts are pooled and the income and realized and unrealized gains and losses from those investments are allocated to the individual accounts based on the relationship of the market value of each account to the total market value of all the accounts, as adjusted for additions to or deductions from those accounts.

Cash Surrender Value of Life Insurance

Cash surrender value of life insurance represents the cash value of an insurance policy that was donated to the Organization.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

All major expenditures for property and equipment greater than \$1,000 are capitalized at cost. Assets sold, retired, or otherwise disposed of are removed from the asset and accumulated depreciation accounts and any gain or loss thereon is reflected in the statement of activities. Depreciation is computed on the straight-line method at the following rates:

Building and Building Improvements	10 to 40 Years
Furniture and Equipment	5 to 10 Years
Vehicles	5 Years

Leasehold improvements are depreciated over the shorter of the estimated useful life, which is typically 3 to 5 years, or the lease term.

Advertising

The Organization expenses advertising costs as incurred. Advertising expenses were \$6,112 and \$13,904 for the years ended June 30, 2021 and 2020, respectively.

Concentration of Credit Risk

Approximately 84% and 76% of the Organization's revenue during 2021 and 2020, respectively, came as grants from the state of Minnesota. If a significant reduction in the level of this support were to occur, it might have a significant effect on the Organization's activities and programs.

Income Tax Exemption

The Organization has evaluated its tax positions and determined it has no uncertain tax positions as of June 30, 2021. The Organization is exempt from income taxes under Sections 501(c)(3) of the Internal Revenue Code, thus there is no provision for income taxes at June 30, 2021 and 2020.

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from the estimates used.

Retirement-Savings Plan

The Organization offers a contributory retirement-savings plan under Section 403(b) of the Internal Revenue Code to all employees. The Organization makes matching contributions at 100% up to \$40 per pay period for all employees with 0-4 years of experience and \$80 per pay period for employees with more than 4 years of experience. The Organization's contributions were \$30,251 and \$30,631 for the years ended June 30, 2021 and 2020, respectively.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of managements estimates. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Change in Accounting Principle

In May 2014, FASB issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*. Subsequent to May 2014, the FASB has issued six ASUs to clarify certain matters related to Topic 606. Topic 606 supersedes the revenue recognition requirements in FASB ASC 605, *Revenue Recognition*, and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The updates address the complexity and understandability of revenue recognition and provide sufficient information to enable financial statements users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The financial statements reflect the application of ASC 606 guidance beginning in 2018. No cumulative-effect adjustment in net assets was recorded as the adoption of ASU 2014-09 did not significantly impact the Organization's reported historical revenue.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through January 21, 2022, the date the financial statements were available to be issued.

NOTE 2 PROPERTY AND EQUIPMENT

The following is a summary of property and equipment at June 30:

	2021	2020
Land	\$ 138,483	\$ 138,483
Building	1,395,048	1,395,048
Building Improvements	284,068	282,568
Leasehold Improvements	13,362	13,362
Equipment	234,705	233,460
Vehicles	27,498	27,498
Total	2,093,164	2,090,419
Accumulated Depreciation	(1,174,707)	(1,105,404)
Net Property and Equipment	<u>\$ 918,457</u>	<u>\$ 985,015</u>

Depreciation expense for the years ended June 30, 2021 and 2020 was \$72,697 and \$73,771, respectively.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 3 LEASE COMMITMENTS

The Organization leases space for its various shelters that expire at various times. The organization also has a copier lease that expires December 1, 2024. All other spaces are leased on a short-term basis. The total rental expense included in the statements of activities is \$59,954 and \$61,835 for the years ended June 30, 2021 and 2020, respectively.

The expected future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 60,020
2023	24,965
2024	15,186
2025	15,186
Total	<u>\$ 115,357</u>

NOTE 4 BOARD-DESIGNATED NET ASSETS

The following summarizes various designations established by the Organization's board of directors and their respective balances at June 30:

	<u>2021</u>	<u>2020</u>
Capital Improvement/Replacement Fund	\$ 100,099	\$ 80,040
Oordt Memorial Housing Fund	267,094	264,981
Scherrer Memorial Program/Development Fund	204,246	207,162
Operating Cash Flow Fund	572,073	684,661
Total	<u>\$ 1,143,512</u>	<u>\$ 1,236,844</u>

NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes.

	<u>2021</u>	<u>2020</u>
Financial Empowerment	\$ -	\$ 2,915
Therapeutic Counseling	7,500	-
Total	<u>\$ 7,500</u>	<u>\$ 2,915</u>

NOTE 6 FAIR VALUE MEASUREMENTS

The Organization categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 6 FAIR VALUE MEASUREMENTS (CONTINUED)

Investments recorded on the financial statements are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access (examples include active exchange-traded equity securities).

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity (examples include certain private equity investments).

Subsequent to initial recognition, the Organization may re-measure the carrying value of assets and liabilities measured on a nonrecurring basis to fair value. Adjustments to fair value usually result when certain assets are impaired. Such assets are written down from their carrying amounts to their fair value.

Professional standards allow entities the irrevocable option to elect to measure certain financial instruments and other items at fair value for the initial and subsequent measurement on an instrument-by-instrument basis. The Organization has not elected to measure any existing financial instruments at fair value. However, it may elect to measure newly acquired financial instruments at fair value in the future.

The Organization had no assets or liabilities measured at fair value on a recurring basis as of June 30, 2021.

The following table presents the balances of assets and liabilities measured at fair value on a recurring basis as of June 30, 2020:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Investments - Corporate Bonds	<u>\$ 28,140</u>	<u>\$ -</u>	<u>\$ -</u>	\$ 28,140
Certificates of Deposit*				135,449
Total				<u>\$ 163,589</u>

* Certificates of deposit are not measured at fair value, but are included in the fair value measurement table to facilitate reconciliation to the Investments shown on the statements of financial position.

NOTE 7 LINE OF CREDIT

The Organization has available until May 2022, a \$50,000 line of credit with a local bank. There were no outstanding balances on this agreement at June 30, 2021 and 2020.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 8 LIQUIDITY AND AVAILABILITY

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing program-related activities as well as the conduct of services undertaken to support those programs to be general expenditures.

As of June 30, 2021 and 2020, the following financial assets could be readily made available within one year of the balance sheet date to meet general expenditures:

	<u>2021</u>	<u>2020</u>
Financial Assets at Year-End:		
Cash and Cash Equivalents	\$ 1,096,207	\$ 1,092,667
Investments	283,554	307,756
Accounts Receivable, Net	346,920	295,970
Total Financial Assets at Year-End	<u>1,726,681</u>	<u>1,696,393</u>
Less: Amounts Not Available to Meet General Expenditures Within One Year:		
Board-Designated	(1,143,512)	(1,236,844)
Donor-Restricted	<u>(7,500)</u>	<u>(2,915)</u>
Financial Assets Available to Meet General Expenditures Within One Year	<u>\$ 575,669</u>	<u>\$ 456,634</u>

NOTE 9 RISKS AND CONTINGENCIES

The Coronavirus Disease 2019 (COVID-19) has affected global markets, supply chains, employees of organizations, and local communities. Specific to the Organization, COVID-19 may impact various parts of its 2022 operations and financial results. Management believes the Organization is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as of January 21, 2022.

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**INDEPENDENT AUDITORS' 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**

Board of Directors
Committee Against Domestic Abuse, Inc.
Mankato, Minnesota

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, the financial statements of Committee Against Domestic Abuse, Inc., which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, 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 January 21, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Committee Against Domestic Abuse, Inc.'s internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Committee Against Domestic Abuse, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Committee Against Domestic Abuse, 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings, and questioned costs as item 2021-01 that we consider to be a material weakness.

Compliance and Other Matters

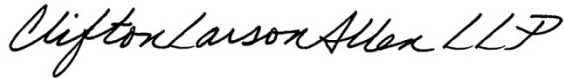
As part of obtaining reasonable assurance about whether Committee Against Domestic Abuse, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on 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*.

Committee Against Domestic Abuse, Inc.'s Response to Findings

Committee Against Domestic Abuse, Inc.'s response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Committee Against Domestic Abuse, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 result of that testing, and not to provide an opinion on the effectiveness of Committee Against Domestic Abuse, 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 Committee Against Domestic Abuse, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Austin, Minnesota
January 21, 2022



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Committee Against Domestic Abuse, Inc.
Mankato, Minnesota

Report on Compliance for Each Major Federal Program

We have audited Committee Against Domestic Abuse, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Committee Against Domestic Abuse, Inc.'s major federal programs for the year ended June 30, 2021. Committee Against Domestic Abuse, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Committee Against Domestic Abuse, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Committee Against Domestic Abuse, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Committee Against Domestic Abuse, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Committee Against Domestic Abuse, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

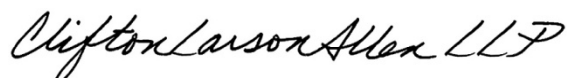
Report on Internal Control Over Compliance

Management of Committee Against Domestic Abuse, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Committee Against Domestic Abuse, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Committee Against Domestic Abuse, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.



CliftonLarsonAllen LLP

Austin, Minnesota
January 21, 2022

**COMMITTEE AGAINST DOMESTIC ABUSE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Justice			
Pass-Through Minnesota Department of Public Safety Office of Justice Programs			
Crime Victim Services	16.575	A-CVS-2020-CADA-00030	\$ 859,265
Coronavirus Emergency Response Grant	16.034	2020-VD-BX-0357	6,400
Total Department of Justice			<u>865,665</u>
Department of Agriculture			
Pass-Through Second Harvest Heartland Noncash Assistance (Commodities)			
Emergency Food Assistance Program	10.FDC	**	7,929
Total Department of Agriculture			<u>7,929</u>
Department of Treasury			
Pass-Through Blue Earth County Housing Provider			
Total Department of Treasury	21.019	**	6,268
			<u>6,268</u>
			<u>\$ 879,862</u>

** Agency or Pass-Through Number is Unavailable

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2021

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Committee Against Domestic Abuse, Inc. under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, functional expenses, or cash flows of the Organization.

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 SUBRECIPIENT PAYMENTS, NONCASH ASSISTANCE, INSURANCE, AND LOANS OR LOAN GUARANTEES

The purpose of the schedule of expenditures of federal awards is to present a summary of Committee Against Domestic Abuse, Inc.'s federal grant activity. Committee Against Domestic Abuse, Inc. did not provide any federal awards to subrecipients for the year ended June 30, 2021.

NOTE 4 INDIRECT COST RATE

Committee Against Domestic Abuse, Inc. has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**COMMITTEE AGAINST DOMESTIC ABUSE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified? yes x none reported
3. Noncompliance material to financial statements noted? yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? yes x no
 - Significant deficiency(ies) identified? yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes x no

Identification of Major Federal Programs

CFDA Number(s)

16.575

Name of Federal Program or Cluster

Crime Victim Services

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 yes X no

**COMMITTEE AGAINST DOMESTIC ABUSE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Section II – Financial Statement Findings

2021 – 001: Financial Statement Preparation

Type of Finding: Material Weakness in Internal Control Over Financial Reporting

Condition: The Organization does not have a policy in place to provide reasonable assurance that financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP); therefore, the potential exists that a material misstatement of the annual financial statements could occur and not be prevented, or detected and corrected, by the Organization's internal controls.

Criteria or specific requirement: Internal controls should be in place to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP.

Context: While performing audit procedures, it was noted that management does not have internal controls in place to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP including all necessary year-end adjustments being made.

Effect: The lack of controls in place over the financial reporting function increases the risk of misstatements, fraud, or errors occurring and not being detected and corrected.

Repeat Finding: Yes.

Cause: The Organization has limited resources and has not adopted a policy to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP; however, management has reviewed and approved the annual financial statements and related notes, as prepared by the audit firm, and has accepted responsibility for those financial statements.

Recommendation: The Organization should evaluate their financial reporting processes and controls, including the expertise of its internal staff, to determine whether additional controls over the preparation of annual financial statements can be implemented to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP.

Views of responsible officials and planned corrective actions: The Organization's management is aware of the limitations and risks as currently structured. As the Organization grows and additional employees are hired, management will again look for ways to add more layers of oversight.

**COMMITTEE AGAINST DOMESTIC ABUSE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).