

COMMITTEE AGAINST DOMESTIC ABUSE, INC.

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEARS ENDED JUNE 30, 2023 AND 2022



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COMMITTEE AGAINST DOMESTIC ABUSE, INC.
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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Committee Against Domestic Abuse, Inc., which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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, 2023 and 2022, and its changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Committee Against Domestic Abuse, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Committee Against Domestic Abuse, Inc.'s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' 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 auditors' 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 Committee Against Domestic Abuse, 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 Committee Against Domestic Abuse, 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 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 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 November 20, 2023, 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 results 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
November 20, 2023

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022

ASSETS	2023	2022
Cash and Cash Equivalents	\$ 938,704	\$ 1,510,717
Grant Receivable	210,986	195,644
Other Receivables	556	643
Prepaid Expenses	31,808	33,283
Property and Equipment, Net	806,436	860,374
Investments	991,752	279,735
Cash Surrender Value of Life Insurance	154,952	151,360
ROU Operating Asset	51,223	-
	<u>\$ 3,186,417</u>	<u>\$ 3,031,756</u>
Total Assets		
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 20,199	\$ 24,116
Accrued Payroll Liabilities	80,725	138,106
Refundable Advance	-	6,421
ROU Operating Liability	51,223	-
	<u>152,147</u>	<u>168,643</u>
Total Liabilities		
NET ASSETS		
Without Donor Restrictions:		
Board-Designated	1,909,182	1,723,128
Designated for Capital Asset Purchases	806,436	860,374
Undesignated	298,652	261,367
Total Without Donor Restrictions	<u>3,014,270</u>	<u>2,844,869</u>
With Donor Restrictions	20,000	18,244
Total Net Assets	<u>3,034,270</u>	<u>2,863,113</u>
	<u>\$ 3,186,417</u>	<u>\$ 3,031,756</u>
Total Liabilities and Net Assets		

See accompanying Notes to Financial Statements.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND LOSSES			
OJP Grants	\$ 1,721,993	\$ -	\$ 1,721,993
United Way	31,876	10,000	41,876
Other Government Grants	25,557	-	25,557
Contributions of Cash and Other Financials Assets	428,058	10,000	438,058
Contributions of Nonfinancial Assets	8,526	-	8,526
Program Service Fees	6,035	-	6,035
Interest Income	26,441	-	26,441
Net Realized and Unrealized Losses	6,044	-	6,044
Miscellaneous Income	240	-	240
Net Assets Released From Restrictions	18,244	(18,244)	-
Total Revenues, Gains, and Losses	<u>2,273,014</u>	<u>1,756</u>	<u>2,274,770</u>
EXPENSES			
Salaries and Benefits	1,586,501	-	1,586,501
Contract Services	22,263	-	22,263
Conferences and Meetings	19,010	-	19,010
Program Expenses	212,977	-	212,977
Promotions	5,744	-	5,744
Occupancy	172,002	-	172,002
Administration	85,116	-	85,116
Total Expenses	<u>2,103,613</u>	<u>-</u>	<u>2,103,613</u>
CHANGE IN NET ASSETS	169,401	1,756	171,157
Net Assets - Beginning of Year	<u>2,844,869</u>	<u>18,244</u>	<u>2,863,113</u>
NET ASSETS - END OF YEAR	<u>\$ 3,014,270</u>	<u>\$ 20,000</u>	<u>\$ 3,034,270</u>

See accompanying Notes to Financial Statements.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND LOSSES			
OJP Grants	\$ 1,737,860	\$ -	\$ 1,737,860
United Way	16,272	8,750	25,022
Contributions of Cash and Other Financials Assets	692,544	9,494	702,038
Contributions of Nonfinancial Assets	4,590	-	4,590
Program Service Fees	71,114	-	71,114
Interest Income	11,921	-	11,921
Net Realized and Unrealized Gains	(34,009)	-	(34,009)
Miscellaneous Income	160	-	160
Net Assets Released From Restrictions	7,500	(7,500)	-
Total Revenues, Gains, and Losses	2,507,952	10,744	2,518,696
EXPENSES			
Salaries and Benefits	1,550,020	-	1,550,020
Contract Services	60,353	-	60,353
Conferences and Meetings	14,095	-	14,095
Program Expenses	167,648	-	167,648
Promotions	12,246	-	12,246
Occupancy	157,057	-	157,057
Administration	184,306	-	184,306
Total Expenses	2,145,725	-	2,145,725
CHANGE IN NET ASSETS	362,227	10,744	372,971
Net Assets - Beginning of Year	2,482,642	7,500	2,490,142
NET ASSETS - END OF YEAR	\$ 2,844,869	\$ 18,244	\$ 2,863,113

See accompanying Notes to Financial Statements.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

	Shelter Program	Outreach Program	Other Programs	Total Program	Administrative	Fundraising	Total
Salaries and Benefits	\$ 483,494	\$ 443,934	\$ 185,723	\$ 1,113,151	\$ 394,248	\$ 79,102	\$ 1,586,501
Contract Services	-	5,963	-	5,963	13,075	3,225	22,263
Conferences and Meetings	2,440	3,037	1,773	7,250	11,631	129	19,010
Program Expenses	124,238	76,227	8,880	209,345	3,521	111	212,977
Promotions	-	-	36	36	5,027	681	5,744
Occupancy	63,464	76,726	15,767	155,957	14,758	1,287	172,002
Administration	14,741	14,590	5,455	34,786	36,264	14,066	85,116
Total Expenses by Function	<u>\$ 688,377</u>	<u>\$ 620,477</u>	<u>\$ 217,634</u>	<u>\$ 1,526,488</u>	<u>\$ 478,524</u>	<u>\$ 98,601</u>	<u>\$ 2,103,613</u>

See accompanying Notes to Financial Statements.

**COMMITTEE AGAINST DOMESTIC ABUSE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022**

	Shelter Program	Other Programs	Total Program	Administrative	Fundraising	Total
Salaries and Benefits	\$ 454,356	\$ 697,938	\$ 1,152,294	\$ 378,423	\$ 19,303	\$ 1,550,020
Contract Services	100	18,476	18,576	39,307	2,470	60,353
Conferences and Meetings	1,045	2,145	3,190	10,884	21	14,095
Program Expenses	104,641	60,081	164,722	2,926	-	167,648
Promotions	-	-	-	12,246	-	12,246
Occupancy	51,578	91,311	142,889	13,418	750	157,057
Administration	43,083	67,214	110,297	61,086	12,923	184,306
	<u>\$ 654,803</u>	<u>\$ 937,165</u>	<u>\$ 1,591,968</u>	<u>\$ 518,290</u>	<u>\$ 35,467</u>	<u>\$ 2,145,725</u>
Total Expenses by Function						

See accompanying Notes to Financial Statements.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 171,157	\$ 372,971
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	53,938	58,083
Net Realized and Unrealized (Gains) Losses on Investments	(6,044)	34,009
(Increase) Decrease in:		
Receivables	(15,255)	150,633
Prepaid Expenses	1,475	2,189
Increase (Decrease) in:		
Accounts Payable	(3,917)	(20,150)
Payroll Liabilities	(57,381)	(8,096)
Refundable Advance	(6,421)	6,421
Net Cash Provided by Operating Activities	137,552	596,060
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(798,420)	(259,299)
Proceeds from Sale of Investments	92,447	81,355
Increase in Cash Surrender Value of Life Insurance	(3,592)	(3,606)
Net Cash Used by Investing Activities	(709,565)	(181,550)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(572,013)	414,510
Cash and Cash Equivalents - Beginning of Year	1,510,717	1,096,207
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 938,704	\$ 1,510,717
SUPPLEMENTAL DATA - NONCASH CONTRIBUTIONS	\$ 8,526	\$ 4,590

See accompanying Notes to Financial Statements.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

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 and sexual violence through community engagement, legal and community advocacy, emergency safety shelter, and supervised parenting visits and exchanges. The Organization coordinates services across nine counties in southcentral Minnesota to address domestic violence and sexual violence - violence manifesting in social norms and behaviors including intimate partner abuse, all forms of sexual violence, child abuse, stalking and harassment, teen dating violence, and sex trafficking. Trauma caused by these various forms of violence and abuse impacts any human's sense of dignity, trust, and safety. The Organization seeks to assist individuals and families at risk, as the ability to thrive in one's own home and to maintain emotional and financial stability and the fabric of family support are often compromised for those experiencing violence.

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, 2023 AND 2022

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. As of June 30, 2023 and 2022, the Organization received cost-reimbursable grants of \$762,893 and \$2,064,167, respectively, for which qualifying expenditures have not yet been incurred, with progress payments of \$-0- and \$6,421, respectively, recognized in the statement of financial position as a refundable 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, 2023 and 2022, with a fair value of \$8,526 and \$4,590 in program expenses, respectively.

Cash and Cash Equivalents

For purposes of the statements 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, 2023 AND 2022

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

All major expenditures for property and equipment greater than \$5,000 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 three to five years, or the lease term.

Advertising

The Organization expenses advertising costs as incurred. Advertising expenses were \$5,744 and \$12,246 for the years ended June 30, 2023 and 2022, respectively.

Concentration of Credit Risk

Approximately 77% and 69% of the Organization's revenue during 2023 and 2022, respectively, came as grants from the state of Minnesota or federal government. 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, 2023. The Organization is exempt from income taxes under Sections 501(c)(3) of the Internal Revenue Code IRC), thus there is no provision for income taxes at June 30, 2023 and 2022.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) 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 IRC to all employees. The Organization makes matching contributions at 100% up to \$40 per pay period for all employees with zero to four years of experience and \$80 per pay period for employees with more than four years of experience. The Organization's contributions were \$32,968 and \$33,754 for the years ended June 30, 2023 and 2022, respectively.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

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.

Leases

The Organization leases office space. The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities on the statements of financial position. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities on the statements of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of leases do not provide an implicit rate, the Organization uses a federal risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the balance sheet.

Change in Accounting Principle

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. This new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities be lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization adopted the requirements of the guidance effective July 1, 2022 and has elected to apply the provisions of this standard to the beginning of the period of adoption, with certain practical expedients available. Lease disclosures for the year ended June 30, 2022 are made under prior lease guidance in FASB Accounting Standards Codification 840.

The Organization has elected to adopt the package of practical expedients available in the year of adoption. The Organization has elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the Organization's ROU assets.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 20, 2023, 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:

	2023	2022
Land	\$ 138,483	\$ 138,483
Building	1,395,048	1,395,048
Building Improvements	275,970	284,068
Leasehold Improvements	-	13,362
Equipment	157,272	162,631
Vehicles	27,498	27,498
Total	<u>1,994,271</u>	<u>2,021,090</u>
Accumulated Depreciation	<u>(1,187,835)</u>	<u>(1,160,716)</u>
Net Property and Equipment	<u>\$ 806,436</u>	<u>\$ 860,374</u>

Depreciation expense for the years ended June 30, 2023 and 2022 was \$53,938 and \$58,081, respectively.

NOTE 3 LEASES - ASC 842

The Organization leases facility space for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2026. In the normal course of business, it is expected that these leases will be renewed or replaced by similar leases.

The following table provides quantitative information concerning the Organization's leases:

Lease Costs:	
Operating Lease Costs	\$ 25,344
Total Lease Costs	<u>\$ 25,344</u>
Other Information:	
Operating Cash Flows from Operating Leases	\$ 25,344
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	\$ 75,481
Weighted-Average Remaining Lease Term - Operating Leases	1.6 Years
Weighted-Average Discount Rate - Operating Leases	3.85%

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 3 LEASES - ASC 842 (CONTINUED)

The Organization classifies the total undiscounted lease payments that are due in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2023 is as follows

<u>Year Ending June 30,</u>	<u>Operating Leases</u>
2024	\$ 34,994
2025	17,598
2026	258
Total Lease Payments	<u>52,850</u>
Less: Interest	<u>(1,627)</u>
Present Value of Lease Liabilities	<u><u>\$ 51,223</u></u>

NOTE 4 LEASES – ASC 840

The Organization elected to apply the provisions of FASB ASC 842 to the beginning of the period of adoption, through a cumulative effect adjustment, with certain practical expedients available. Lease disclosures for the year ended June 30, 2022 are made under prior lease guidance in FASB ASC 840.

The Organization leases space for its various offices that expire at various times. The organization also has a copier lease that expires December 1, 2024. The total rental expense included in the statements of activities is \$59,783 for the year ended June 30, 2022.

The expected future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2024	\$ 11,405
2025	1,806
Total	<u><u>\$ 13,211</u></u>

NOTE 5 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>2023</u>	<u>2022</u>
Capital Improvement/Replacement Fund	\$ 97,060	\$ 94,809
Oordt Memorial Housing Fund	263,822	259,059
Scherrer Memorial Program/Development Fund	185,930	183,934
Operating Cash Flow Fund	1,362,370	1,185,326
Total	<u><u>\$ 1,909,182</u></u>	<u><u>\$ 1,723,128</u></u>

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 6 NET ASSETS WITH DONOR RESTRICTIONS

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

	<u>2023</u>	<u>2022</u>
Subject to Expenditure for Specified Purpose:		
Direct Client Assistance	\$ 10,000	\$ 9,494
Total	<u>10,000</u>	<u>9,494</u>
Subject to Expenditure for Specified Time:		
United Way	10,000	8,750
Total Net Assets with Donor Restrictions	<u>\$ 20,000</u>	<u>\$ 18,244</u>

Net assets were released from donor restrictions by incurring expenses satisfying the prior or current year purposes or time restrictions specified by donors as follows:

	<u>2023</u>	<u>2022</u>
Therapeutic Counseling	\$ 8,750	\$ 7,500
Direct Client Assistance	9,494	-
Total	<u>\$ 18,244</u>	<u>\$ 7,500</u>

NOTE 7 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.

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).

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 7 FAIR VALUE MEASUREMENTS (CONTINUED)

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 following table presents the balances of assets and liabilities measured at fair value on a recurring basis as of June 30, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Investments - Corporate Bonds	\$ 130,823	\$ -	\$ -	\$ 130,823
Investments - Equities	<u>89,042</u>	<u>-</u>	<u>-</u>	89,042
Certificates of Deposit*				<u>771,887</u>
Total				<u>\$ 991,752</u>

The following table presents the balances of assets and liabilities measured at fair value on a recurring basis as of June 30, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Investments - Corporate Bonds	\$ 129,194	\$ -	\$ -	\$ 129,194
Investments - Equities	<u>79,479</u>	<u>-</u>	<u>-</u>	79,479
Certificates of Deposit*				<u>71,062</u>
Total				<u>\$ 279,735</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 8 LINE OF CREDIT

The Organization has available until May 2024, a \$50,000 line of credit with a local bank. There were no outstanding balances on this agreement at June 30, 2023 and 2022.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 9 DONATED COMMODITIES

The Organization received food at no cost to provide low-income participants of the Organization's programs with emergency food assistance. The donated food is measured at fair value and totaled \$8,526 and \$4,590 for the years ended June 30, 2023 and 2022, respectively. The fair value of the food is based on the average value per pound evaluated by the most recently issued Feeding America Valuation Report.

All gifts in-kind received by the Organization for the years ended June 30, 2023 and 2022 were considered without donor restrictions and able to be used by the Organization as determined by the board of directors and management.

NOTE 10 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, 2023 and 2022, the following financial assets could be readily made available within one year of the balance sheet date to meet general expenditures:

	2023	2022
Financial Assets at Year-End:		
Cash and Cash Equivalents	\$ 938,704	\$ 1,510,717
Investments	1,146,704	431,095
Accounts Receivable, Net	211,542	196,287
Total Financial Assets at Year-End	2,296,950	2,138,099
Less: Amounts Not Available to Meet General Expenditures Within One Year:		
Board-Designated	(1,909,182)	(1,723,128)
Donor-Restricted	(20,000)	(18,244)
Financial Assets Available to Meet General Expenditures Within One Year	\$ 367,768	\$ 396,727



**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. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, 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 November 20, 2023.

Report on 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 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 Organization'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.

Board of Directors
Committee Against Domestic Abuse, Inc.

We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a significant deficiency.

Report on 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 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2023-001.

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

Government Auditing Standards requires the auditor to perform limited procedures on Committee Against Domestic Abuse, Inc.'s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Committee Against Domestic Abuse, Inc.'s response was not subjected to the other auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on the response.

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 the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Austin, Minnesota
November 20, 2023



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

Opinion on Each Major Federal Program

We have audited Committee Against Domestic Abuse, 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 each of Committee Against Domestic Abuse, Inc.'s major federal programs for the year ended June 30, 2023. 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.

In our opinion, Committee Against Domestic Abuse, Inc. complied, in all material respects, with the 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, 2023.

Basis for Opinion on Each 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; 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 *Auditors' Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of Committee Against Domestic Abuse, 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 each major federal program. Our audit does not provide a legal determination of Committee Against Domestic Abuse, 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 Committee Against Domestic Abuse, Inc.'s federal programs.

Auditors' 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 Committee Against Domestic Abuse, 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 Committee Against Domestic Abuse, Inc.'s compliance with the requirements of each 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 Committee Against Domestic Abuse, 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 Committee Against Domestic Abuse, 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 Committee Against Domestic Abuse, 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Committee Against Domestic Abuse, Inc.'s response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Committee Against Domestic Abuse, Inc.'s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001, to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on Committee Against Domestic Abuse, Inc.'s response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Committee Against Domestic Abuse, Inc.'s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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
November 20, 2023

**COMMITTEE AGAINST DOMESTIC ABUSE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

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-2022-CADA-00030	\$ 864,868
Pass-Through Southwest Crisis Center Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Program	16.589	15JOVW-22-GG-01155-RURA	<u>19,386</u>
Total Department of Justice			<u>884,254</u>
Department of Agriculture			
Pass-Through Second Harvest Heartland Noncash Assistance (Commodities) Emergency Food Assistance Program	10.FDC	**	<u>722</u>
Total Department of Agriculture			<u>722</u>
Department of Treasury			
Pass-Through Minnesota Department of Public Safety Office of Justice Programs ARPA Survivor Support	21.027	ARPS-2022-CADA-00009	<u>66,644</u>
Total Department of Treasury			<u>66,644</u>
Department of Health and Human Services			
Pass-Through Minnesota Department of Public Safety Office of Justice Programs FVPSA ARPA COVID Special Projects 2023	93.671	A-FARPC-2023-CADA-00001	<u>87,961</u>
Total Department of Health and Human Services			<u>87,961</u>
Total Expenditures of Federal Awards			<u>\$ 1,039,581</u>

** Agency or Pass-Through Number is Unavailable

See accompanying Notes to Schedule of Expenditures of Federal Awards.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2023

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Committee Against Domestic Abuse, Inc. under programs of the federal government for the year ended June 30, 2023. 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, 2023.

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, 2023**

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? yes x no
 - Significant deficiency(ies) identified? x yes 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? x yes 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)? x yes no

Identification of Major Federal Programs

**Federal Assistance
Listing 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, 2023**

Section II – Financial Statement Findings

2023 – 001: Activities Allowed and Unallowed

Federal Agency: U.S. Department of Justice

Federal Program Name: Crime Victim Services

Assistance Listing Number: 16.575

Pass-Through Agency: Minnesota Department of Public Safety Office of Justice Programs

Pass-Through Number(s): A-CVS-2020-CADA-00030

Award Period: October 1, 2021 through September 30, 2023

Type of Finding:

- Significant Deficiency in Internal Control over Financial Reporting

Criteria or Specific Requirement: All pay rate changes require approval of the executive director or assistant executive director.

Condition: The Organization did not have documentation of executive director approval on all pay rate changes in 2023.

Questioned Costs: None

Context: One of 40 payroll files reviewed did not have documented approval of pay rate change by the executive director.

Cause: Administrative oversight of obtaining required signatures.

Effect: Payroll costs charged to the grant may not be compliant with Uniform Guidance.

Repeat Finding: No

Recommendation: We recommend the Organization review their processes for ensuring they are following their policy that all pay rate changes are approved by the Executive Director.

Views of Responsible Officials: There is no disagreement with the audit finding.

**COMMITTEE AGAINST DOMESTIC ABUSE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Section III – Findings and Questioned Costs – Major Federal Programs

2023 – 001: Activities Allowed and Unallowed

Federal Agency: U.S. Department of Justice

Federal Program Name: Crime Victim Services

Assistance Listing Number: 16.575

Pass-Through Agency: Minnesota Department of Public Safety Office of Justice Programs

Pass-Through Number(s): A-CVS-2020-CADA-00030

Award Period: October 1, 2021 through September 30, 2023

Type of Finding:

- Significant Deficiency in Internal Control over Compliance

Criteria or Specific Requirement: All pay rate changes require approval of the executive director or assistant executive director.

Condition: The Organization did not have documentation of executive director approval on all pay rate changes in 2023.

Questioned Costs: None

Context: One of 40 payroll files reviewed did not have documented approval of pay rate change by the executive director.

Cause: Administrative oversight of obtaining required signatures.

Effect: Payroll costs charged to the grant may not be compliant with Uniform Guidance.

Repeat Finding: No

Recommendation: We recommend the Organization review their processes for ensuring they are following their policy that all pay rate changes are approved by the Executive Director.

Views of Responsible Officials: There is no disagreement with the audit finding.



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