

SOMEPLACE SAFE

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

Years Ended September 30, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Someplace Safe
Fergus Falls, Minnesota

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Someplace Safe (a nonprofit organization), which comprise the statements of financial position as of September 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 present fairly, in all material respects, the financial position of Someplace Safe as of September 30, 2023 and 2022, 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.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Someplace Safe and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, including omissions, 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 generally accepted auditing standards 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 Someplace Safe'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 Someplace Safe's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of program services expenses is presented for purposes of additional analysis and is not a required part of the financial statements. 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 auditing standards generally accepted in the United States of America. In our opinion, the schedules of program services and schedule of expenditures of federal awards are 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 11, 2024, on our consideration of Someplace Safe'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 Someplace Safe'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 Someplace Safe's internal control over financial reporting and compliance.



Amery, Wisconsin
January 11, 2024

SOMEPLACE SAFE
STATEMENTS OF FINANCIAL POSITION
September 30, 2023 and 2022

ASSETS		
	2023	2022
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,201,952	\$ 1,114,577
Accounts receivable, net	450	64,994
Unconditional promises to give	89,211	248,564
Inventories	36,259	36,259
Prepaid expenses	4,505	22,758
Total Current Assets	1,332,377	1,487,152
PROPERTY AND EQUIPMENT		
Property and equipment	545,710	531,329
Accumulated depreciation	(293,022)	(273,017)
Property and Equipment, Net	252,688	258,312
OTHER ASSETS		
Operating lease right-of-use asset	175,591	-
Security deposits	5,600	5,600
Goodwill, net	1,390	2,780
Other Assets, Net	182,581	8,380
TOTAL ASSETS	\$ 1,767,646	\$ 1,753,844
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 23,714	\$ 59,380
Accrued expenses and other liabilities	172,816	156,664
Obligations under operating leases	102,708	-
Total Current Liabilities	299,238	216,044
LONG-TERM LIABILITIES		
Obligations under operating leases	55,826	-
Total Liabilities	355,064	216,044
NET ASSETS		
Without donor restrictions	1,412,582	1,537,800
TOTAL LIABILITIES AND NET ASSETS	\$ 1,767,646	\$ 1,753,844

(The accompanying notes are an integral part of these financial statements.)

SOMEPLACE SAFE
STATEMENTS OF ACTIVITIES
For the Years Ended September 30, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT						
Contributions and grants						
State financial assistance	\$ 908,553	\$ -	\$ 908,553	\$ 670,875	\$ -	\$ 670,875
Federal financial assistance	706,799	-	706,799	992,498	-	992,498
United Way services	57,153	-	57,153	72,875	-	72,875
Other grants and contracts	74,651	-	74,651	69,165	-	69,165
Fundraising events	137,186	-	137,186	98,838	-	98,838
In-kind contributions	70,171	-	70,171	70,742	-	70,742
All other contributions	308,684	-	308,684	325,589	-	325,589
Thrift store sales	844,688	-	844,688	692,233	-	692,233
Program service revenue (fines and PTC fees)	137,795	-	137,795	155,977	-	155,977
Interest	9,766	-	9,766	1,612	-	1,612
Other revenue	16,367	-	16,367	76,520	-	76,520
Assets released from restrictions	-	-	-	6,090	(6,090)	-
Total Revenues, Gains, and Other Support	<u>3,271,813</u>	<u>-</u>	<u>3,271,813</u>	<u>3,233,014</u>	<u>(6,090)</u>	<u>3,226,924</u>
EXPENSES						
Program services	2,922,370	-	2,922,370	2,565,705	-	2,565,705
Support services						
General and administrative	305,632	-	305,632	290,599	-	290,599
Fundraising	169,029	-	169,029	135,097	-	135,097
Total Expenses	<u>3,397,031</u>	<u>-</u>	<u>3,397,031</u>	<u>2,991,401</u>	<u>-</u>	<u>2,991,401</u>
CHANGE IN NET ASSETS	(125,218)	-	(125,218)	241,613	(6,090)	235,523
NET ASSETS, BEGINNING OF YEAR	<u>1,537,800</u>	<u>-</u>	<u>1,537,800</u>	<u>1,296,187</u>	<u>6,090</u>	<u>1,302,277</u>
NET ASSETS, END OF YEAR	<u><u>\$ 1,412,582</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,412,582</u></u>	<u><u>\$ 1,537,800</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,537,800</u></u>

(The accompanying notes are an integral part of these financial statements.)

SOMEPLACE SAFE
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended September 30, 2023

	SUPPORTING SERVICES			Total
	Program Services	General and Administrative	Fundraising	
Salaries	\$ 1,516,684	\$ 221,097	\$ 112,526	\$ 1,850,307
Payroll taxes and fringe benefits	288,733	47,269	16,193	352,195
Communications	75,065	78	-	75,143
Travel and meetings	75,313	-	1,344	76,657
Repairs and maintenance	13,970	-	60	14,030
Rent	224,374	-	20	224,394
Depreciation	16,443	3,563	-	20,006
Impairment of goodwill	1,390	-	-	1,390
Contracted services	36,798	33,625	-	70,423
Utilities	67,667	-	-	67,667
Insurance	21,880	-	-	21,880
Training	26,936	-	3,000	29,936
Printing and publications	21,355	-	1,440	22,795
Supplies	202,185	-	12,136	214,321
Postage	4,222	-	1,751	5,973
Food and meals	4,217	-	10,732	14,949
Advertising	8,036	-	1,199	9,235
Hotels	53,717	-	-	53,717
Technical support	31,001	-	785	31,786
Miscellaneous	19,444	-	7,843	27,287
Client emergency needs	196,806	-	-	196,806
Prevention/awareness	16,134	-	-	16,134
TOTAL	<u>\$ 2,922,370</u>	<u>\$ 305,632</u>	<u>\$ 169,029</u>	<u>\$ 3,397,031</u>

(The accompanying notes are an integral part of these financial statements.)

SOMEPLACE SAFE
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended September 30, 2022

	SUPPORT SERVICES			Total
	Program Services	General and Administrative	Fundraising	
Salaries	\$ 1,312,416	\$ 209,538	\$ 99,265	\$ 1,621,219
Payroll taxes and fringe benefits	272,971	45,066	20,743	338,780
Communications	82,610	35	-	82,645
Travel and meetings	51,199	-	334	51,533
Repairs and maintenance	24,724	-	-	24,724
Rent	211,212	-	228	211,440
Depreciation	13,725	2,913	-	16,638
Impairment of goodwill	1,390	-	-	1,390
Contracted services	27,589	33,046	-	60,635
Utilities	65,879	-	-	65,879
Insurance	13,402	-	-	13,402
Training	27,159	-	-	27,159
Printing and publications	16,647	-	710	17,357
Supplies	193,065	-	8,120	201,185
Postage	6,571	-	2,161	8,732
Food and meals	3,547	-	2,086	5,633
Advertising	25,167	-	1,110	26,277
Hotels	42,702	-	-	42,702
Technical support	25,141	-	-	25,141
Miscellaneous	24,460	1	340	24,801
Client emergency needs	124,129	-	-	124,129
TOTAL	<u>\$ 2,565,705</u>	<u>\$ 290,599</u>	<u>\$ 135,097</u>	<u>\$ 2,991,401</u>

(The accompanying notes are an integral part of these financial statements.)

SOMEPLACE SAFE
STATEMENTS OF CASH FLOWS
For the Years Ended September 30, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (125,218)	\$ 235,523
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	20,005	16,638
Impairment of goodwill	1,390	1,390
Net operating changes in		
Other receivable	64,544	(64,221)
Unconditional promises to give	159,353	(189,256)
Prepaid expenses	18,253	(10,217)
Inventories	-	(17,535)
Operating lease assets and liabilities	(17,057)	-
Accounts payable	(35,666)	46,083
Accrued expenses and other liabilities	16,152	50,511
Net Cash Provided by Operating Activities	101,756	68,916
 CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(14,381)	(13,836)
 NET INCREASE IN CASH AND CASH EQUIVALENTS	87,375	55,080
 CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,114,577	1,059,497
 CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,201,952	\$ 1,114,577
 SUPPLEMENTAL DISCLOSURE		
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	\$ 115,194	\$ -
Right-of-use assets obtained in exchange for lease liabilities		
Operating leases	20,400	-

(The accompanying notes are an integral part of these financial statements.)

SOMEPLACE SAFE
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023 and 2022

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Someplace Safe is a non-profit 501(c)(3) organization that coordinates services for victims and survivors of crimes. These services include crime victim advocacy, specialized trafficking services, parenting time centers, emergency safe housing, and fundraising to benefit victims of crimes.

The following is a summary of significant accounting policies followed in the preparation of these financial statements:

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors or grantors: net assets without donor restrictions and net assets with donor restrictions.

Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Receivables and Credit Policies

Accounts receivable consist primarily of a payroll tax refund. The Organization determines the allowance for uncollectible accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectible. At September 30, 2023 and 2022, an evaluation of the aging and collectability of receivables indicated that no allowance was necessary.

Receivables from contracts with customers are reported as accounts receivable, net in the accompanying statements of financial position. Contract liabilities are reported as deferred in the accompanying statements of financial position.

SOMEPLACE SAFE
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023 and 2022

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. The Organization determines the allowance for uncollectible contributions receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions receivable are written off when deemed uncollectible. At September 30, 2023 and 2022, an evaluation of the aging and collectability of receivables indicated that no allowance was necessary.

Inventories

Inventories consist of thrift store inventory and are stated at the fair market value.

Intangible Assets

Goodwill resulted from the acquisition of the Organization's thrift store business in Alexandria, Minnesota, for an amount in excess of the fair value of the net assets acquired. The goodwill has an indefinite life, is tested for impairment on an annual basis, and is dependent on events and circumstances. The value of goodwill at September 30, 2023 and 2022 was \$1,390 and \$2,780, respectively. Impairment of goodwill was \$1,390 and \$1,390 for the years ended September 30, 2023 and 2022, respectively.

Property and Equipment

The Organization records property and equipment additions over \$5,000 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the lesser of the estimated useful lives of the assets ranging from three to thirty years, or in the case of capitalized leased assets or leasehold improvement, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying amount of long-lived assets may not be recoverable from the estimated future cash flows expected to result from their use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended September 30, 2023 and 2022.

SOMEPLACE SAFE
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023 and 2022

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets

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.

Net Assets With Donor Restrictions

Net assets subject to donor (or certain grantor) imposed restrictions. Some donor 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 by the donor stipulates that resources be maintained in perpetuity. The Organization reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. The Organization reports condition contributions restricted by donors as increases in net assets without donor restrictions if the restrictions and conditions expire simultaneously in the reporting period.

Revenue and Revenue Recognition

The Organization recognizes revenue from services when the performance obligations of providing the services are met. Thrift store sales are recognized at the time of purchase. The Organization records special events revenue equal to the cost of direct benefits to donors, and contribution revenue for the difference. All goods and services are transferred at a point in time.

SOMEPLACE SAFE
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023 and 2022

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Revenue Recognition (Continued)

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

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and 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 contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position. The Organization received cost-reimbursable grants of \$322,117 and \$176,669 that have not been recognized at September 30, 2023 and 2022 because qualifying expenditures have not yet been incurred. Not amounts have been received in advance under federal and state contracts and grants.

In-Kind Contributions

Contributed nonfinancial assets includes donated thrift store inventory, shelter supplies and donated use of facilities. The Organization sells the inventory at its various thrift stores. The Organization does not sell donated shelter supplies. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to the Organization's program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

Advertising

The Organization expenses advertising costs as they are incurred.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include office expenses, contract services, advertising, utilities which are allocated on a full-time equivalent basis as allowed by the grantor, as well as salaries and payroll-related expenses, which are allocated on the basis of estimates of time and effort.

SOMEPLACE SAFE
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023 and 2022

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Tax Status

Someplace Safe is organized as a Minnesota nonprofit corporation and has been recognized by the IRS as exempt from federal income tax under IRC Section 501(a) as organizations described in IRC Section 501(c)(3), qualify for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and have been determined not to be a private foundation under IRC Sections 509(a)(1) and (3), respectively. The Organization is annually required to file a Return of Organization exempt from Income Tax (Form 990) with the IRS. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. Management has determined that the Organization is not subject to unrelated business income tax and has not filed and Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Financial Instruments and Credit Risk

The Organization manages deposit concentration risk by placing cash and cash equivalents with financial institution believed to be creditworthy. At times, amounts on deposit may exceed insured limits. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. To date, the Organization has not experienced, nor does it anticipate, any losses with respect to such accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and organizations supportive of the Organization's mission.

SOMEPLACE SAFE
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023 and 2022

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Change in Accounting Principle

Leases

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which supersedes existing guidance for accounting for leases under Topic 840, Leases. The FASB also subsequently issued additional ASUs, which amend and clarify Topic 842. The most significant change in the new leasing guidance is the requirement to recognize right-to-use (ROU) assets and lease liabilities for operating leases on the statements of financial position.

The Organization elected to adopt these ASUs effective October 1, 2022 and utilized all of the available practical expedients. The adoption had a material impact on the Organization's statement of financial position but did not have a material impact on the statement of activities. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases. The accounting for finance leases remained substantially unchanged. Adoption of the standard required the Organization to restate amounts as of October 1, 2022, resulting in an increase in operating lease ROU assets of \$190,582, an increase in operating lease liabilities of \$94,550, and an increase in long-term liabilities of \$96,032.

Subsequent Events Consideration

Management has evaluated subsequent events through January 11, 2024, the date on which the financial statements were available to be issued. Management has determined that there were no material events that would require recognition or disclosure in the Organization's financial statements through this date.

NOTE 2 – AVAILABILITY AND LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position consists of the following at September 30:

Financial assets at year end	2023	2022
Cash and cash equivalents	\$ 1,201,952	\$ 1,114,577
Receivables	89,661	313,558
Total Financial Assets	1,291,613	1,428,135
Less amounts not available to be used within one year		
Net assets with donor restrictions	-	-
FINANCIAL ASSETS AVAILABLE TO MEET GENERAL EXPENDITURES OVER THE NEXT TWELVE MONTHS	\$ 1,291,613	\$ 1,428,135

SOMEPLACE SAFE
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023 and 2022

NOTE 2 – AVAILABILITY AND LIQUIDITY (Continued)

As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenses, liabilities, and other obligations become due. As part of its liquidity plan, excess cash is invested in short-term investments, including savings accounts.

NOTE 3 – PROPERTY AND EQUIPMENT

Cost of property and equipment as of September 30 consists of the following:

	<u>2023</u>	<u>2022</u>
Land, land improvements, and buildings	\$ 438,846	\$ 424,465
Equipment	<u>106,864</u>	<u>106,864</u>
TOTAL	<u>\$ 545,710</u>	<u>\$ 531,329</u>

Depreciation expense on property and equipment was \$20,006 and \$16,638 for the years ended September 30, 2023 and 2022, respectively.

NOTE 4 – LEASES

The Organization leases certain office and retail facilities at various terms under long-term non-cancelable operating lease agreements. The lease expires at various dates through 2027. The Organization includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. The Organization’s operating leases provide for no increases in future minimum rental payments. Additionally, some of the operating lease agreements require the Organization to pay expenses based off the Organization’s proportionate share of the leased facilities space.

The weighted-average discount rate is based on the discount rate implicit in the lease. The Organization has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The Organization has applied the risk-free rate option to the office and retail facilities classes of assets.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

SOMEPLACE SAFE
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023 and 2022

NOTE 4 – LEASES (Continued)

Total lease costs for the year ended September 30, 2023 are as follows:

	2023
Operating lease cost	\$ 115,194
Short-term lease cost	<u>109,200</u>
TOTAL	<u>\$ 224,394</u>

The following summarizes the weighted-average remaining lease-term and weighted average discount rate:

	2023
Weighted-average remaining lease term in years	
Operating leases	2.07
Weighted-average discount rate	
Operating leases	4.12%

The future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of September 30, 2023:

	2023
September 30, 2024	\$ 107,107
September 30, 2025	31,450
September 30, 2026	12,000
September 30, 2027	12,000
September 30, 2028	<u>3,000</u>
Total lease payments	165,557
Less interest	<u>(7,023)</u>
PRESENT VALUE OF LEASE LIABILITIES	<u>\$ 158,534</u>

SOMEPLACE SAFE
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023 and 2022

NOTE 5 –IN-KIND CONTRIBUTIONS

For the years ended September 30, 2023 and 2022, contributed nonfinancial assets recognized within the statements of activities included the following:

	<u>2023</u>	<u>2022</u>
Supplies for victims	\$ 69,271	\$ 69,842
Office rent	<u>900</u>	<u>900</u>
TOTAL	<u><u>\$ 70,171</u></u>	<u><u>\$ 70,742</u></u>

Contributed supplies are values using estimated prices of identical or similar products considering the goods' condition and utility for use at the time of the contribution. Contributed supplies are used in program services.

All gifts-in-kind received during the years ended September 30, 2023 and 2022 were unrestricted.

NOTE 6 – RETIREMENT PLAN

The Organization sponsors a defined contribution plan (the Plan) covering all employees at least 18 years old, with at least one month of service. The Organization, in its sole discretion, may make a profit sharing contribution to eligible employee accounts. For the years ended September 30, 2023 and 2022, no profit sharing contributions were made.

NOTE 7 – ECONOMIC DEPENDENCY

Approximately 49 percent of the Organization's revenues are from grants with state and federal agencies. These grants are paid primarily by the state including federal pass-through monies. The Organization's operations and funding are subject to the administrative directives, rules, and regulations of federal and state agencies. Such administrative directives, rules, and regulations are subject to change by acts of Congress or state agencies. Such changes may occur with little notice or inadequate funding to pay for the related costs, including the administrative burden to comply with a change.

SUPPLEMENTARY INFORMATION

SOMEPLACE SAFE
SCHEDULES OF PROGRAM SERVICES EXPENSES
For the Years Ended September 30, 2023 and 2022

	2023																	
	Otter Tail Outreach	Grant Outreach	Wilkin Outreach	Traverse Outreach	Pope Outreach	Stevens Outreach	Big Stone Outreach	Douglas Outreach	Wadena Outreach	Crime Victim Services	Parenting Time Center	SH Supportive Services	SH Regional Navigator	Development	Youth Advocate	Thrift Stores	Other Program Services	Total
Salaries	\$ 160,288	\$ 58,059	\$ 46,771	\$ 18,424	\$ 53,448	\$ 54,510	\$ 18,580	\$ 161,926	\$ 48,559	\$ 86,907	\$ 184,388	\$ 52,414	\$ 68,290	\$ 7,744	\$ 57,196	\$ 413,817	\$ 25,363	\$ 1,516,684
Payroll taxes and fringe benefits	43,202	20,008	8,250	5,576	7,841	7,780	6,029	29,433	8,196	23,906	22,491	7,195	9,454	13,270	11,605	62,217	2,280	288,733
Communications	9,164	3,069	2,554	3,034	3,052	2,379	1,136	6,751	2,298	2,284	11,170	1,707	2,433	7,264	1,192	15,578	-	75,065
Travel and meetings	2,183	1,547	2,594	2,035	1,744	2,206	1,952	1,791	1,453	8,355	11,400	14,885	616	9,550	4,749	-	-	75,313
Repairs and maintenance	5,475	-	3,309	-	-	-	-	-	-	-	4,227	-	-	-	-	959	-	13,970
Rent	13,253	2,205	5,094	2,793	11,133	5,999	4,080	21,243	4,420	189	14,476	135	70	2,280	2,121	134,883	-	224,374
Depreciation	2,157	-	-	-	-	-	-	-	-	-	14,286	-	-	-	-	-	-	16,443
Impairment of goodwill	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,390	-	1,390
Contracted services	4,665	904	8,628	485	904	1,804	485	3,198	922	1,058	3,049	436	471	907	578	8,304	-	36,798
Utilities and security	6,940	320	661	334	351	2,499	334	640	3,059	73	9,304	194	8	328	685	41,937	-	67,667
Insurance	2,789	632	698	440	698	698	374	2,416	698	698	2,585	281	281	969	646	6,977	-	21,880
Training	1,895	494	362	607	927	362	564	4,779	983	553	4,510	230	8,704	392	876	698	-	26,936
Printing and publications	1,889	430	630	281	370	470	281	1,466	501	582	1,530	706	560	7,499	879	3,281	-	21,355
Supplies	40,210	5,447	12,671	3,210	6,658	8,357	7,667	25,706	10,462	2,958	30,539	1,642	3,450	253	3,229	39,552	174	202,185
Postage	710	155	143	124	58	89	29	547	385	26	476	-	52	1,219	-	209	-	4,222
Food and meals	191	15	15	8	52	15	39	235	51	15	147	15	2,799	292	193	135	-	4,217
Advertising	390	48	1,250	346	136	59	117	359	259	54	295	-	-	1,139	50	3,534	-	8,036
Hotels	18	-	-	-	-	-	-	3,179	-	-	-	-	-	-	-	-	50,520	53,717
Technical support	2,715	670	690	339	670	670	339	2,655	670	662	5,089	70	119	8,621	544	6,478	-	31,001
Miscellaneous	700	99	269	53	274	99	153	706	111	45	1,539	49	-	356	76	14,915	-	19,444
Client emergency needs	1,936	1,021	7,669	17	77	231	17	56,125	4,131	-	-	13,230	-	420	1,270	-	110,662	196,806
Prevention/awareness	-	-	-	20	50	-	-	60	10	-	-	-	15,994	-	-	-	-	16,134
TOTAL	\$ 300,770	\$ 95,123	\$ 102,258	\$ 38,126	\$ 88,443	\$ 88,227	\$ 42,176	\$ 323,215	\$ 87,168	\$ 128,263	\$ 318,456	\$ 89,704	\$ 127,570	\$ 53,569	\$ 90,690	\$ 759,613	\$ 188,999	\$ 2,922,370

	2022																	
	Otter Tail Outreach	Grant Outreach	Wilkin Outreach	Traverse Outreach	Pope Outreach	Stevens Outreach	Big Stone Outreach	Douglas Outreach	Wadena Outreach	Crime Victim Services	Parenting Time Center	SH Supportive Services	SH Regional Navigator	Development	Youth Advocate	Thrift Stores	Other Program Services	Total
Salaries	\$ 124,146	\$ 56,668	\$ 58,423	\$ 30,819	\$ 47,490	\$ 39,212	\$ 31,075	\$ 154,106	\$ 47,507	\$ 59,577	\$ 194,191	\$ 47,643	\$ 70,363	\$ 1,027	\$ 27,334	\$ 321,441	\$ 1,394	\$ 1,312,416
Payroll taxes and fringe benefits	31,118	23,218	14,758	3,600	6,883	6,161	6,812	35,203	13,872	19,855	25,362	15,435	12,118	-	5,727	52,637	212	272,971
Communications	10,857	3,411	2,686	3,407	3,542	2,859	1,519	7,581	3,460	2,626	13,280	1,878	2,617	6,794	322	15,745	26	82,610
Travel and meetings	3,877	861	433	1,553	2,353	618	965	1,305	1,849	6,290	5,243	9	3,591	593	5,863	3,699	12,097	51,199
Repairs and maintenance	300	-	26	-	-	-	-	-	-	-	7,080	16	-	-	17,302	-	-	24,724
Rent	15,080	2,314	4,400	2,534	11,214	6,080	4,005	21,094	3,923	361	12,472	155	78	1,278	1,418	124,781	25	211,212
Depreciation	-	-	-	-	-	-	-	-	-	-	13,725	-	-	-	-	-	-	13,725
Impairment of goodwill	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,390	-	1,390
Contracted services	3,169	1,601	271	874	1,602	1,006	874	3,456	1,475	1,537	2,317	2,703	2,242	753	4	3,705	-	27,589
Utilities and security	3,824	498	512	562	600	2,612	505	559	3,487	13	6,756	173	7	11	302	45,458	-	65,879
Insurance	1,888	349	473	320	472	257	1,492	805	460	1,779	-	-	-	852	205	3,578	-	13,402
Training	4,742	495	445	227	774	795	482	2,427	471	504	4,651	661	9,644	133	523	185	-	27,159
Printing and publications	975	284	191	151	239	191	151	921	366	279	631	147	147	9,619	121	2,234	-	16,647
Supplies	36,144	4,365	7,521	2,797	5,370	8,028	9,256	20,371	8,450	2,337	30,384	1,162	3,450	13,881	2,884	36,665	-	193,065
Postage	713	117	335	186	131	165	130	447	520	67	894	58	-	2,202	-	606	-	6,571
Food and meals	179	5	7	4	43	7	4	254	34	6	127	-	2,378	452	18	29	-	3,547
Advertising	3,609	423	2,230	372	457	569	944	2,499	1,432	531	2,438	112	112	413	1,274	7,752	-	25,167
Hotels	1,112	-	-	-	-	96	-	1,414	-	-	-	-	-	-	-	-	40,080	42,702
Technical support	2,544	633	636	322	636	636	322	2,292	651	643	6,816	76	76	1,737	300	6,821	-	25,141
Miscellaneous	1,096	122	279	65	352	142	211	1,209	618	138	1,639	545	1,895	708	-	15,441	-	24,460
Client emergency needs	6,412	726	6,602	550	2,045	636	650	977	1,525	-	-	12,611	-	60	-	206	91,129	124,129
TOTAL	\$ 251,785	\$ 96,090	\$ 100,228	\$ 48,343	\$ 84,203	\$ 70,285	\$ 58,162	\$ 257,607	\$ 90,445	\$ 95,224	\$ 329,785	\$ 83,384	\$ 108,718	\$ 40,513	\$ 46,295	\$ 659,675	\$ 144,963	\$ 2,565,705

**FEDERAL AWARDS INFORMATION
AND OTHER REPORTS**

SOMEPLACE SAFE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2023

Federal Grantor Pass-through Grantor Grant Program Title	Pass-Through Grant Numbers	Federal Assistance Listing Number	Federal Expenditures	Passed-Through to Subrecipients
United States Department of Justice				
Passed through Minnesota Department of Public Safety Crime Victim Services	A-CVS-2022-SOMEPLAC-033	16.575	\$ 706,799	\$ -
United States Department of Health and Human Services				
Passed through Minnesota Department of Public Safety FVPSA ARPA COVID Special Projects	A-FARPC-2023-SOMEPLAC-00006	93.671	89,574	-
United States Department of the Treasury				
Passed through Minnesota Department of Public Safety American Rescue Plan Act Survivor Support and Prevention	A-ARPS-2022-SOMEPLAC-00002	21.027	59,993	-
TOTAL			\$ 856,366	\$ -

(The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.)

SOMEPLACE SAFE
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal award activity of Someplace Safe under programs of the federal government for the year ended September 30, 2023. The information in this schedule is presented in accordance with the 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). Because the schedule presents only a selected portion of the operations of Someplace Safe, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of Someplace Safe.

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 of the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

Someplace Safe has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



**INDEPENDENT AUDITOR’S 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***

To the Board of Directors of
Someplace Safe

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 Someplace Safe (a nonprofit organization), which comprise the statement of financial position as of September 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 January 11, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Someplace Safe’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 Someplace Safe’s internal control. Accordingly, we do not express an opinion on the effectiveness of Someplace Safe’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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified deficiencies in internal control, described in the accompanying schedule of current year 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 the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. 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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Someplace Safe's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Someplace Safe's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Someplace Safe'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.



Amery, Wisconsin
January 11, 2024



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Someplace Safe
Fergus Falls, Minnesota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Someplace Safe'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 Someplace Safe's major federal programs for the year ended September 30, 2023. Someplace Safe's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Someplace Safe 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 September 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; 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Someplace Safe and to meet our other ethical responsibilities, in accordance with relevant ethical requirement 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 Someplace Safe'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 Someplace Safe's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Someplace Safe'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 generally accepted auditing standards, *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 Someplace Safe's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Someplace Safe'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 Someplace Safe'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 Someplace Safe's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Carlson SV JH

Amery, Wisconsin
January 11, 2024

SOMEPLACE SAFE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2023

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the Organization were prepared in accordance with GAAP.
2. One significant deficiency disclosed during the audit of the financial statements is reported in Part 1 of this schedule. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of the Organization, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. One significant deficiency in internal control over major federal award programs disclosed during the audit is reported in Part 2 of this schedule. No material weaknesses are reported.
5. The auditor's report on compliance for each major federal program for the Organization expresses an unmodified opinion on all major federal programs.
6. There are no audit findings that are required to be reported in accordance 2 CFR section 200.516(a).
7. The programs tested as major were: Crime Victim Services, ALN number 16.575.
8. The threshold used for distinguishing between Type A and Type B programs was \$750,000.
9. The Organization was determined to be a low-risk auditee.

FINDINGS – FINANCIAL STATEMENTS AUDIT

SIGNIFICANT DEFICIENCIES

2023-001. Inadequate Segregation of Duties

Condition: The Organization has a limited number of office personnel and, accordingly, does not have adequate separation of duties. An effective internal control structure provides an adequate segregation of duties so that no one individual handles a transaction from its inception to its completion.

Criteria: A fundamental concept in a good system of internal controls is the segregation of incompatible duties.

SOMEPLACE SAFE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2023

FINDINGS – FINANCIAL STATEMENTS AUDIT (Continued)

2023-001. Inadequate Segregation of Duties (Continued)

Cause: Due to the relatively small size of the Organization’s staff, the Organization is not able to attain ideal segregation of duties of separating the assignment of different people to authorize transactions, record transactions, and maintain custody of assets.

Effect: This control deficiency could result in a misstatement to the financial statements that would not be prevented or detected.

Recommendation: Although it may not be economically feasible for the Organization to attain an ideal segregation of duties environment, the Organization can periodically observe and evaluate its current structure so as to make improvements when considered necessary.

Views of Responsible Officials and Planned Corrective Actions: The Organization has determined the benefit of adequately segregating duties is less than the cost. Based on the assessment, the Organization is accepting the risk posed by the deficiency while also evaluating mitigating controls that will help reduce the risk of material misstatement of the financial statements. Management attempts to mitigate the associated risks by doing the following:

1. Identifies areas where the lack of segregation of duties exists and where there are higher risks of errors or fraud occurring.
2. Implements limited segregation to the extent possible to reduce risks without impairing efficiency.
3. Uses the knowledge that management and the Board of Directors have of operations by having them review certain accounting records and reports.
4. Monitors the effectiveness of the above actions and makes changes as considered appropriate.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS
AUDIT

SIGNIFICANT DEFICIENCIES

2023-001. Inadequate Segregation of Duties

See above for information on this significant deficiency.

There are no questioned costs required to be reported.

SOMEPLACE SAFE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended September 30, 2023

STATUS OF PRIOR AUDIT FINDINGS

The prior year audit contained one finding.

2022-001. Inadequate Segregation of Duties

Condition: The Organization has a limited number of office personnel and, accordingly, does not have adequate separation of duties. An effective internal control structure provides an adequate segregation of duties so that no one individual handles a transaction from its inception to its completion.

Current status: This condition is noted again during the current year audit of the financial statements.



someplace safe

SAFETY. OPTIONS. HOPE.

Crime Victim Advocacy, Parenting Time Centers, and Community Thrift Stores

CORRECTIVE ACTION PLAN

January 17, 2024

To the United States Department of Justice:

Someplace Safe of Fergus Falls, Minnesota, respectfully submits the following corrective action plan for the fiscal year ended September 30, 2023.

Name and address of independent public accounting firm:

CarlsonSV LLP
301 Keller Avenue S
Amery, Wisconsin 54001

Audit Period: October 1, 2022 to September 30, 2023

The findings from the September 30, 2023 schedule of current year audit findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule. Summary of Auditor's Results from the schedule does not include findings and is not addressed.

FINDINGS – FINANCIAL STATEMENTS AUDIT

Significant Deficiency

Item 2023-001. Inadequate Segregation of Duties

Recommendation – Although it may not be economically feasible for the Organization to attain an ideal segregation of duties environment, the Organization can periodically observe and evaluate its current structure so as to make improvements when considered necessary.

FINDINGS – FINANCIAL STATEMENTS AUDIT (Continued)

Item 2023-001. Inadequate Segregation of Duties (Continued)

Action Planned – The Organization has determined the benefit of adequately segregating duties is less than the cost. Based on the assessment, the Organization is accepting the risk posed by the deficiency while also evaluating mitigating controls that will help reduce the risk of material misstatement of the financial statements. Management attempts to mitigate the associated risks by doing the following:

1. Identifies areas where the lack of segregation of duties exists and where there are higher risks of errors or fraud occurring.
2. Implements limited segregation to the extent possible to reduce risks without impairing efficiency.
3. Uses the knowledge that management and the Board of Directors have of operations by having them review certain accounting records and reports.
4. Monitors the effectiveness of the above actions and makes changes as considered appropriate.

FINDINGS – MAJOR FEDERAL AWARDS PROGRAMS AUDIT

Department of Justice

Item 2023-001. Inadequate Segregation of Duties

See above for information on this significant deficiency.

There are no questioned costs required to be reported.

If the United States Department of Justice has questions regarding this plan, please call 218-739-3486.

Respectfully submitted,



Sheila Korby
Executive Director