COMMUNITY VIOLENCE INTERVENTION CENTER
GRAND FORKS, NORTH DAKOTA

AUDITED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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BradyMartz

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Community Violence Intervention Center
Grand Forks, North Dakota

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Community Violence Intervention Center (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, 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 Community Violence Intervention Center as of December 31, 2022 and 2021, 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 audit 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 Community Violence Intervention Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Organization changes its method of accounting for leases in 2022 due to the adoption of FASB ASC 842 effective January 1, 2022, using the modified retrospective approach by recognizing a cumulative effect adjustment at the beginning of the period of adoption.

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 Community Violence Intervention Center'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 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 Community Violence Intervention Center'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 Community Violence Intervention Center's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2023, on our consideration of Community Violence Intervention Center'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 Community Violence Intervention Center'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 Community Violence Intervention Center's internal control over financial reporting and compliance.

Brady Martz

BRADY, MARTZ & ASSOCIATES, P.C.
GRAND FORKS, NORTH DAKOTA

June 8, 2023

COMMUNITY VIOLENCE INTERVENTION CENTER
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021

ASSETS	2022	2021
CURRENT		
Cash and Cash Equivalents	$ 2,400,507	$ 2,146,697
Grants Receivable	246,525	227,616
Other Receivables	4,073	1,205
Prepaid Expenses	68,972	44,393
Inventory	4,713	7,070
Promises to Give, Net	791,450	1,015,589
Total	3,516,240	3,442,570
PROPERTY AND EQUIPMENT		
Building	3,549,501	3,525,202
Furniture and Equipment	391,625	458,816
Leasehold Improvements	340,570	340,570
Total	4,281,696	4,324,588
Accumulated Depreciation	(1,509,759)	(1,366,941)
Net Property and Equipment	2,771,937	2,957,647
Finance Lease Right-of-Use Assets, Net	14,342	-
Total	2,786,279	2,957,647
NONCURRENT		
Promises to Give, Net	1,006,436	770,625
Operating Lease Right-of-Use Assets	70,060	-
Other Assets	31,747	31,747
Beneficial Interest in Perpetual Trust	28,807	-
Assets Whose Use is Limited		
Board Designated	1,810,888	1,742,906
Donor Restricted		
Investments Held for Endowment Purposes	1,224,646	1,479,716
Total	4,172,584	4,024,994
TOTAL ASSETS	$ 10,475,103	$ 10,425,211
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	$ 140,562	$ 63,748
Accrued Payroll	144,986	132,105
Accrued Payroll Taxes	10,001	9,967
Payroll Withholdings	22,641	14,604
Accrued Compensated Absences	131,510	135,894
Accrued Interest Payable	213	477
Current Portion of Long-Term Debt	22,195	16,374
Current Portion of Finance Lease Obligation	8,095	8,324
Current Portion of Operating Lease Obligation	38,545	-
Total	518,748	381,493
LONG-TERM LIABILITIES		
Finance Lease Obligation, Net of Current Portion	6,448	10,456
Operating Lease Obligation, Net of Current Portion	32,389	-
Other Long-Term Obligation	16,283	35,079
Long-Term Debt	75,118	96,505
Total	130,238	142,040
TOTAL LIABILITIES	648,986	523,533
NET ASSETS		
Without Donor Restrictions		
Undesignated	4,120,938	4,310,554
Board Designated	1,810,888	1,742,906
Total Without Donor Restrictions	5,931,826	6,053,460
With Donor Restrictions	3,894,291	3,848,218
Total Net Assets	9,826,117	9,901,678
TOTAL LIABILITIES AND NET ASSETS	$ 10,475,103	$ 10,425,211

See Notes to the Financial Statements

COMMUNITY VIOLENCE INTERVENTION CENTER
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT						
Grants						
Federal Flow Through	$ 1,978,083	$ -	$ 1,978,083	$ 2,325,535	$ -	$ 2,325,535
State	261,979	-	261,979	270,521	-	270,521
Local	1,271,673	-	1,271,673	1,221,298	-	1,221,298
Payroll Protection Program Income	-	-	-	657,157	-	657,157
Donations and Other	315,254	1,455,397	1,770,651	130,263	1,366,295	1,496,558
Contributions of Nonfinancial Assets	251,947	-	251,947	178,601	-	178,601
Net Assets Released from Restrictions	1,409,324	(1,409,324)	-	1,158,540	(1,158,540)	-
Total	5,488,260	46,073	5,534,333	5,941,915	207,755	6,149,670
EXPENSES						
Program Expenses	4,266,755	-	4,266,755	4,125,659	-	4,125,659
Management and General	937,400	-	937,400	918,660	-	918,660
Fundraising and Development	405,739	-	405,739	346,507	-	346,507
Total	5,609,894	-	5,609,894	5,390,826	-	5,390,826
CHANGE IN NET ASSETS	(121,634)	46,073	(75,561)	551,089	207,755	758,844
BEGINNING NET ASSETS	6,053,460	3,848,218	9,901,678	5,502,371	3,640,463	9,142,834
ENDING NET ASSETS	$ 5,931,826	$ 3,894,291	$ 9,826,117	$ 6,053,460	$ 3,848,218	$ 9,901,678

See Notes to the Financial Statements

COMMUNITY VIOLENCE INTERVENTION CENTER
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Services				Management	Fundraising and	
	Safety	Healing	Education	Total	and General	Development	Total
Salaries and Wages	$ 1,913,489	$ 472,936	$ 313,091	$ 2,699,516	$ 634,876	$ 248,606	$ 3,582,998
Payroll Taxes	138,066	33,599	22,955	194,620	47,040	17,651	259,311
Fringe Benefits	184,139	39,445	28,081	251,665	58,028	27,979	337,672
Contracts and Services	30,445	19,710	17,506	67,661	769	-	68,430
Professional Fees	28,151	12,815	4,998	45,964	55,133	23,892	124,989
Professional Resources	1,012	91	216	1,319	792	-	2,111
Food Service Expenses	10,197	-	-	10,197	-	-	10,197
Client Expenses	343,015	1,089	-	344,104	-	-	344,104
Printing, Advertising and Promotion	7,978	1,908	21,497	31,383	7,066	2,904	41,353
Lease Expense	52,487	6,328	5,273	64,088	8,581	2,637	75,306
Occupancy	132,309	14,625	9,407	156,341	14,231	5,687	176,259
Insurance	20,978	3,300	2,750	27,028	4,124	1,375	32,527
Postage	5,153	950	770	6,873	2,260	3,617	12,750
Dues and Fees	2,975	240	1,655	4,870	9,007	1,150	15,027
Seminars and Workshops	24,056	6,204	1,515	31,775	16,966	1,344	50,085
Depreciation and Amortization	149,478	14,778	12,315	176,571	18,473	6,157	201,201
Supplies	15,689	3,103	8,167	26,959	13,598	1,380	41,937
Travel	33,171	4,856	5,100	43,127	8,101	353	51,581
Special Events	-	-	-	-	-	37,507	37,507
Bank and Other Fees	2,508	492	420	3,420	1,626	7,234	12,280
Furniture and Furnishings	6,984	943	810	8,737	1,179	2,253	12,169
Information Technology	48,580	9,333	7,504	65,417	25,299	12,135	102,851
Interest	3,251	235	205	3,691	302	105	4,098
Bad Debts	-	-	-	-	6,992	-	6,992
Other	1,362	1	66	1,429	2,957	1,773	6,159
Total Expenses	$ 3,155,473	$ 646,981	$ 464,301	$ 4,266,755	$ 937,400	$ 405,739	$ 5,609,894

See Notes to the Financial Statements

COMMUNITY VIOLENCE INTERVENTION CENTER
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Program Services				Management	Fundraising and	
	Safety	Healing	Education	Total	and General	Development	Total
Salaries and Wages	$ 1,883,789	$ 500,998	$ 290,437	$ 2,675,224	$ 570,543	$ 205,501	$ 3,451,268
Payroll Taxes	135,119	35,685	21,477	192,281	42,514	14,509	249,304
Fringe Benefits	174,837	45,424	21,588	241,849	47,274	17,687	306,810
Contracts and Services	29,295	91,632	11,595	132,522	17	-	132,539
Professional Fees	26,578	14,037	3,849	44,464	53,089	28,070	125,623
Professional Resources	549	38	422	1,009	-	-	1,009
Food Service Expenses	7,568	-	-	7,568	-	-	7,568
Client Expenses	208,888	243	18	209,149	30	6	209,185
Printing, Advertising and Promotion	9,931	3,278	16,936	30,145	16,572	9,534	56,251
Lease Expense	52,444	8,573	4,822	65,839	8,037	1,607	75,483
Occupancy	111,525	13,788	6,566	131,879	11,119	3,081	146,079
Insurance	20,019	4,245	2,388	26,652	4,029	796	31,477
Postage	5,474	1,103	769	7,346	2,480	1,519	11,345
Dues and Fees	3,626	1,372	1,374	6,372	9,207	985	16,564
Seminars and Workshops	24,593	20,072	8,517	53,182	4,530	663	58,375
Depreciation and Amortization	137,771	17,089	9,613	164,473	16,021	3,204	183,698
Supplies	22,032	3,977	9,187	35,196	9,581	1,099	45,876
Travel	16,197	7,282	1,913	25,392	583	881	26,856
Special Events	-	-	-	-	3,082	35,998	39,080
Bank and Other Fees	4,043	614	356	5,013	1,463	7,294	13,770
Furniture and Furnishings	7,423	2,854	429	10,706	6,779	301	17,786
Information Technology	36,004	7,792	8,390	52,186	19,256	12,578	84,020
Interest	4,568	572	321	5,461	542	107	6,110
Bad Debts	-	-	-	-	89,302	1,000	90,302
Other	1,751	-	-	1,751	2,610	87	4,448
Total Expenses	$ 2,924,024	$ 780,668	$ 420,967	$ 4,125,659	$ 918,660	$ 346,507	$ 5,390,826

See Notes to the Financial Statements

COMMUNITY VIOLENCE INTERVENTION CENTER
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
NET CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	$ (75,561)	$ 758,844
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
In-Kind Donation Acquisitions of Property	-	(40,300)
Donated Securities	(46,532)	(15,920)
Donated Mineral Rights	-	(31,747)
Proceeds from Sale of Contributed Securities	45,970	15,582
Depreciation & Amortization	201,202	183,698
Contributions Restricted for Long-term Purposes	(35,885)	(55,338)
Beneficial Interest in Trust	(28,807)	-
Loss (Gain) on Sale of Assets	521	2,839
Provision for Bad Debt	(13,600)	13,300
Assets Whose Use is Limited - Unrealized Loss (Gain) on Investments	275,325	(43,515)
Assets Whose Use is Limited - Realized Loss (Gain) on Investments	688	(49,232)
Effects on Operating Cash Flows Due to Changes in:		
Grants Receivable	(18,909)	166,537
Other Receivable	(2,868)	(155)
Prepaid Expenses	(24,579)	17,985
Inventory	2,357	(7,070)
Promises to Give	1,928	465,370
Accounts Payable	77,569	(5,687)
Accrued Interest Payable	(264)	(115)
Payroll Withholdings	20,952	24,704
Unearned Revenue	-	(980)
Operating Lease Assets and Liabilities	874	-
Other Obligations	(20,418)	(17,266)
Accrued Compensated Absences	(4,384)	(20,183)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	355,579	1,361,351
NET CASH FLOWS FROM INVESTING ACTIVITIES:		
Assets Whose Use is Limited - Purchase of Investments	(78,533)	(265,973)
Assets Whose Use is Limited - Proceeds from Sale of Investments	58,152	198,243
Purchase of Property and Equipment	(24,299)	(12,741)
Proceeds from Sale of Property	75	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(44,605)	(80,471)
NET CASH FLOW FROM FINANCING ACTIVITIES:		
Principal Payments on Long-Term Debt	(15,566)	(27,476)
Payments on Finance Lease Obligations	(9,501)	(7,433)
Proceeds from Contributions Restricted for:		
Investment in Permanent Endowment	35,885	55,338
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	10,818	20,429
NET CHANGE IN CASH AND CASH EQUIVALENTS	321,792	1,301,309
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	3,889,603	2,588,294
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 4,211,395	$ 3,889,603
RECONCILIATION OF CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalents	$ 2,400,507	$ 2,146,697
Board Designated Cash	1,810,888	1,742,906
Total	$ 4,211,395	$ 3,889,603
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest	$ 4,362	$ 6,225

See Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Community Violence Intervention Center (CVIC) is a nonprofit organization that serves as a catalyst offering energy, momentum and vision toward ending local violence. With a bold, comprehensive approach, CVIC disrupts cultural norms to end violence in two generations. CVIC delivers vital safety and healing services to adults and children experiencing trauma and educate youth and professionals about how to prevent violence and develop healthy relationships. Because violence is predictable, CVIC knows it is preventable. Through an alliance of collaborative partners and donors CVIC is creating a safer tomorrow for children and adults experiencing trauma and at the greatest risk of school failure, addictions and suicide. CVIC supports those impacted by violence at all levels with shelter, advocacy, therapy, self-sufficiency, intervention, and prevention with programs that are changing the trajectory of the community. Serving tens of thousands of survivors and victims since 1980, CVIC has been leading regional violence intervention efforts with an innovative model of collaboration that is recognized nationally as a best practice. CVIC employs more than 80 professionals who serve victims, survivors, and those who use violence in personal relationships.

Basis of Presentation

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of American, (“GAAP”), as codified by the Financial Accounting Standards Board.

Income Tax

The Organization was formed on September 10, 1980, as a nonprofit organization exempt from tax under Section 501(c)(3) of the Internal Revenue Code.

The Organization’s policy is to evaluate the likelihood that its uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support within the Internal Revenue Code and Regulations, Revenue Rulings, court decisions, and other evidence.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Property and Equipment

Property and equipment consist of the building and office equipment which are carried at cost less accumulated depreciation. The Organization’s policy is to capitalize items greater than $2,500. Equipment is depreciated over its estimated useful life of five to ten years and the building is depreciated over 39 years, both using the straight-line method of depreciation. The Organization has also capitalized leasehold improvements. Leasehold improvements are depreciated over 5- 20 years using the straight-line method of depreciation.

Investments

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return/(loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) as codified by the Financial Accounting Standards Board requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Advertising Costs

Advertising costs are expensed as incurred.

Net Assets

The Organization is required to report information regarding its financial position and activities according to two classes of net assets; net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations. Net assets without donor restrictions include unrestricted resources and are subject to self-imposed limits by action of the governing board. Board designated net assets may be earmarked for future programs, investment, contingencies, purchase or construction of fixed assets, or other uses. The governing board may delegate designation decisions to internal management. Such designations are considered to be included in board-designated net assets.

Net Assets With Donor Restrictions – Net assets with donor restrictions represent net assets resulting from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations. Some donor-imposed restrictions are temporary in nature, stipulating that resources used after a specified date, for particular programs or services, or to acquire building or equipment. Other donors impose restrictions that are perpetual in nature, stipulating that resources be maintained in perpetuity. Laws may extend those limits to investment return from those resources and to other enhancements (diminishments) of those resources. Thus, those laws extend donor-imposed restrictions.

Assets Whose Use is Limited

Assets limited as to use include designated assets set aside by the Board of Directors for future capital improvements and operating reserves as well as donor restricted endowment funds. The board retains control of the board designated funds and may at its discretion subsequently use for other purposes.

Promises to Give

The Organization records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give 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 statement of activities. We determine the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable.

Contributions of Nonfinancial Assets and Services

Contributed nonfinancial assets include equipment, land and facility use, and other in-kind contributions which are recorded at the respective fair values of the goods or services received (Note 12). The Organization does not sell donated gifts-in-kind. Contributed goods are recorded at fair value at the date of donation. Donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair value. In addition, the Organization receives significant amounts of donated volunteer services which were not recognized in the financial statements because they did not meet the criteria for recognition under FASB ASC Topic 958.

Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. 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 a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

Contributions received are recorded as net assets without donor restrictions and net assets with donor restrictions, depending on the existence and nature of restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. If the restriction is satisfied in the same period the contribution is received, the contribution is reported as net assets without donor restrictions.

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 statement of financial position.

Fair Value Measurements

The Organization follows FASB ASC Topic 820, *Fair Value Measurements*. This standard applies to all assets and liabilities that are being measured and reported on a fair value basis. It defines fair value, establishes a framework for measuring fair value in accordance with accounting principles generally accepted in the United States of America and expands disclosure about fair value measurements.

When fair value measurements are required, various data is used in determining those values. This statement requires that assets and liabilities that are carried at fair value must be classified and disclosed in the following levels based on the nature of the data used.

Level 1: Quoted market prices in active markets for identical assets or liabilities.
Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.
Level 3: Unobservable inputs that are not corroborated by market data.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset.

A significant portion of our investment assets are classified within Level 1 because they comprise open-end mutual funds with readily determinable fair values based on daily redemption values. The application of valuation techniques applied to similar assets and liabilities has been consistently applied. See Note 2.

Functional Expenses

The cost of providing programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

Leases

The Organization leases equipment and real estate under finance and operating leases with various terms. The determination of whether an arrangement contains a lease is made at inception by evaluating whether the arrangement conveys the right to use an identified asset and whether the Organization obtain substantially all of the economic benefits from and have the ability to direct the use of the asset. Operating and finance lease right-of-use (“ROU”) assets and liabilities for leases with an initial lease term of more than 12 months, or that contain an option to purchase that the Organization is reasonably certain to exercise, are recognized based on the present value of lease payments over the lease term discounted using the interest rate implicit in the lease. In cases where the implicit rate is not readily determinable, the Organization has made an accounting policy election to use a risk free rate based on US Treasury T-bill rate as of the lease commencement.

The Organization has elected to not recognize ROU assets and lease liabilities for short-term leases. Short-term leases have a term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that the Organization is reasonably certain to exercise. The Organization continues to record rent expense for short-term leases on a straight-line basis over the lease term.

The depreciable life of assets and leasehold improvements are limited by the expected lease term unless there is a transfer of title or purchase option reasonably certain of exercise.

Variable payments are not determinable at the lease commencement and are not included in the measurement of the lease assets and liabilities. The Organization recognizes variable lease payments in the period in which the obligation for those payments is incurred.

The Organization’s lease agreements do not include any material residual value guarantees or restrictive covenants.

Operating Leases

Operating lease assets represent the Organization’s right to use an underlying asset for the lease term and ROU lease liabilities represent the Organization’s obligation to make lease payments arising from the lease. Operating lease agreements may contain tenant improvement allowances, rent holiday, rent escalation clauses and/or contingent rent provisions. The ROU lease asset includes any required base rent payments and excludes lease incentives and variable operating expenses. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Finance Leases

For finance leases, the Organization recognizes interest expense on ROU lease liabilities using the effective interest method and amortizes the ROU assets on a straight-line basis over the lease term.

Implementation of New Accounting Pronouncements

Effective January 1, 2022, the Organization adopted FASB ASC 842, Leases. The Organization determines if an arrangement contains a lease at inception based on whether the Organization has the right to control the asset during the contract period and other facts and circumstances. The Organization elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed it to carry forward the historical lease classification.

The adoption of FASB ASC 842 resulted in the recognition of right-of-use-assets, net of prepaid lease payment and lease incentives, of $131,814 and finance lease liabilities of $131,814 as of January 1, 2022. Results for periods beginning prior to January 1, 2022 continue to be reported in accordance with the Organization’s historical accounting treatment. The adoption of FASB ASC 842 did not have a material impact on the Organization’s results of operations, cash flows or debt covenants.

In September 2020, FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The purpose of the ASU is to clarify the presentation and disclosure of contributed nonfinancial assets. The Organization has implemented the provisions of ASU 2020-07, effective January 1, 2021, in the accompanying financial statements under a retrospective basis.

NOTE 2 ASSETS WHOSE USE IS LIMITED

The composition of assets whose use is limited is as follows:

Board Designated:

The Board has designated assets in an operating reserve in the amount of 90 days of expense to be used for operating, prevention, intervention and technology expenses in future years. The reserve is funded through revenue brought in through endowment earnings, year-end unrestricted revenue surplus, at least 2% of the total raised in fundraising and donations each year, and other strategies incorporated into the Organization's fundraising plan. The general purpose of the fund is to help to ensure the long-term financial stability of CVIC and position it to respond to varying economic conditions and changes affecting CVIC's financial position and the ability of the organization to continuously carry out it's mission. The amounts designated as of December 31, 2022 and 2021 were $1,787,225 and $1,719,331, respectively.

The Board has also designated assets for building maintenance. The amounts designated as of December 31, 2022 and 2021 were $23,663 and $23,575, respectively.

The funds on deposit at December 31, 2022 and 2021 were held in cash and all reported as noncurrent on the financial statements.

Assets Restricted by Donors – Investments Held for Endowment Purposes:

	2022	2021
Cash and Money Market Funds	$ 5,000	$ 146,490
Growth Fund of America	244,347	271,937
Small Cap World Fund Inc	64,257	91,667
Bond Fund of America Inc	200,548	233,332
American High Income Trust	165,241	151,601
American Balanced Fund Inc	269,654	295,932
Income Fund of America Inc	275,599	288,757
Total	$ 1,224,646	$ 1,479,716

The following tables present assets measured at fair value on a recurring basis:

Investments as of December 31, 2022, are summarized as follows:

	Fair Value Measurements at Reporting Date Using			
	2022	Quoted Prices (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Cash and Money Market	$ 5,000	$ 5,000	$ -	$ -
US Equities				
Large Growth	244,347	244,347	-	-
International Equities				
World Small/Mid Stock	64,257	64,257	-	-
Taxable Fixed Income				
High Yield Bond	200,548	200,548	-	-
Short Term Bond	165,241	165,241	-	-
Mixed Assets				
Allocation	545,253	545,253	-	-
Total	$ 1,224,646	$ 1,224,646	$ -	$ -

Investments as of December 31, 2021, are summarized as follows:

	Fair Value Measurements at Reporting Date Using			
	2021	Quoted Prices (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Cash and Money Market	$ 146,490	$ 146,490	$ -	$ -
US Equities				
Large Growth	271,937	271,937	-	-
International Equities				
World Small/Mid Stock	91,667	91,667	-	-
Taxable Fixed Income				
High Yield Bond	233,332	233,332	-	-
Short Term Bond	151,601	151,601	-	-
Mixed Assets				
Allocation	584,689	584,689	-	-
Total	$ 1,479,716	$ 1,479,716	$ -	$ -

NOTE 3 GRANTS RECEIVABLE

The grants receivable balance at December 31, 2022 and 2021 represents amounts due from various granting agencies for expenses incurred during the year.

NOTE 4 PROMISES TO GIVE

Unconditional promises are included in the financial statements as promises to give and revenue of the appropriate net asset category. Promises to give are recorded after discounting at a rate of 4.25 to 8.50 percent to the present value of the future cash flows.

Unconditional promises to give at December 31, 2022 and 2021 consist of the following:

	2022	2021
Gross Unconditional Promises to Give	$ 2,015,791	$ 1,960,718
Less: Discounts to Net Present Value	(178,805)	(121,804)
Allowance for Uncollectible Promises to Give	(39,100)	(52,700)
Net Unconditional Promises to Give	$ 1,797,886	$ 1,786,214
Promises to Give as shown on the Statement of Financial Position:		
Current	$ 791,450	$ 1,015,589
Non-current	1,006,436	770,625
Total	$ 1,797,886	$ 1,786,214

Amounts Due in:	
In one year or less	$ 791,450
Between one year and five years	970,096
More than five years	36,340

NOTE 5 CONCENTRATIONS

The Organization maintains its cash in a bank deposit account which, at times, may exceed federally insured limits as guaranteed by the Federal Deposit Insurance Corporation (FDIC). The Organization has not experienced any losses in such account nor does the Organization believe it is exposed to any significant credit risk on cash accounts.

NOTE 6 LINES OF CREDIT

The Organization has an agency line of credit in the amount of $250,000 that bears a variable rate of interest and matures on July 6, 2023 with Bremer Bank. The Organization did not owe any funds on the line as of December 31, 2022 and 2021.

NOTE 7 LONG-TERM DEBT

Long-term debt consisted of the following at December 31:

	2022	2021
1.80% note payable to Gate City Bank, due in quarterly installments of $5,958, including interest, from June 2017 through March 2027. Secured by building located at 211 S 4th St, Grand Forks, ND 58201.	$ 97,313	$ 112,879
Less: Current maturities included in long-term debt	(22,195)	(16,374)
Total long-term debt	$ 75,118	$ 96,505

Repayment requirements are as follows:

2023	$ 22,195
2024	22,635
2025	23,045
2026	23,462
2027	5,976
Total	$ 97,313

The Organization also has an obligation recorded for the lease buildout costs incurred. The obligations are payable in monthly installments of $1,660 through October 2024. The current portion of the obligation is included in accounts payable and other long term in other long-term obligations on the statement of financial position.

NOTE 8 LEASES

The Organization leases certain office equipment and space under long-term non-cancelable finance and operating lease agreements. The Organization included in the determination of the right-of-use assets and lease liabilities' terms any renewal options when the options are reasonably certain to be exercised.

Total lease costs for the year ended December 31, 2022 was as follows:

	2022
Lease expense	
Finance lease expense	
Amortization of ROU assets	$ 9,687
Interest on lease liabilities	179
Operating lease expense	38,523
Contributed space	21,902
Short-term lease expense	14,207
Total	$ 84,498

The following table summarizes the supplemental cash flow information for the year ended December 31, 2022:

Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from finance leases (i.e. Interest)	$	165
Financing cash flows from finance leases (i.e. principal portion)		9,501
Operating cash flows from operating leases		37,650
ROU assets obtained in exchange for new finance lease liabilities		24,030
ROU assets obtained in exchange for new operating lease liabilities		107,784

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

Weighted-average remaining lease term in years for finance leases	2.46
Weighted-average remaining lease term in years for operating leases	1.83
Weighted-average discount rate for finance leases	1.01%
Weighted-average discount rate for operating leases	0.91%

The future minimum lease payments under noncancelable finance leases with terms greater than one year are listed below as of December 31, 2022:

	Finance	Operating
2023-12	$ 8,202	$ 39,000
2024-12	3,243	32,500
2025-12	1,560	-
2026-12	1,476	-
2027-12	276	-
Total undiscounted cash flows	14,757	71,500
Less: present value discount	(214)	(566)
Total lease liabilities	$ 14,543	$ 70,934

Beginning November 1, 2019, the Organization entered into two lease agreements for the office space. Rental payments were $3,115 and $1,350 per month in 2021. Rental expense amounted to $37,876 for in 2021.

NOTE 9 ENDOWMENTS

The Organization's endowment consists of a fund established to support victim services and two funds established by the board of directors for a variety of purposes. As required by accounting principles generally accepted in the United States of America, net assets associated with the endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of Community Violence Intervention Center has interpreted the North Dakota State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Community Violence Intervention Center classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is also classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the endowment fund.
2. The purposes of the donor-restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation or deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Organization.
7. The investment policies of the Organization.

On an annual basis, the board shall determine the percent of investment earnings that will be paid to the Community Violence Intervention Center for support of operations. In determining the payout amount, the Board will target an amount equal to 5 percent of a previous 3 years annual moving average of the fund's market value. All earnings from donor restricted funds are classified as net assets with donor restrictions until they are spent.

Endowment net asset composition by type of fund at December 31, 2022, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Net Endowment Assets
Donor-Restricted Endowment Funds			
Original donor-restricted gift amounts	$ -	$ 1,070,906	$ 1,070,906
Accumulated invested gains	-	162,625	162,625
Total	$ -	$ 1,233,531	$ 1,233,531

Endowment net asset composition by type of fund at December 31, 2021, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Net Endowment Assets
Donor-Restricted Endowment Funds			
Original donor-restricted gift amounts	$ -	$ 1,035,021	$ 1,035,021
Accumulated invested gains	-	444,695	444,695
Total	$ -	$ 1,479,716	$ 1,479,716

The changes in endowment net assets as of December 31, 2022, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Net Endowment Assets
Endowment Net Assets, January 1, 2022	$ -	$ 1,479,716	$ 1,479,716
Contributions	-	35,885	35,885
Investment Income	-	51,407	51,407
Net Appreciation (Depreciation)	-	(275,325)	(275,325)
Amounts Appropriated for Expenditure	-	(58,152)	(58,152)
Endowment Net Assets, December 31, 2022	$ -	$ 1,233,531	$ 1,233,531

The changes in endowment net assets as of December 31, 2021, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Net Endowment Assets
Endowment Net Assets, January 1, 2021	$ -	$ 1,318,901	$ 1,318,901
Contributions	-	55,338	55,338
Investment Income	-	120,950	120,950
Net Appreciation (Depreciation)	-	43,515	43,515
Amounts Appropriated for Expenditure	-	(58,988)	(58,988)
Endowment Net Assets, December 31, 2021	$ -	$ 1,479,716	$ 1,479,716

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Organization to retain as a fund of perpetual duration. There were no deficiencies of this nature as of December 31, 2022 and 2021.

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that allow for distributions of dividends and interest income while maintaining the purchasing power of the investment portfolio. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Allocation of the fund in equities will fall between 50 and 70 percent, with the balance in fixed income assets and money market accounts, enabling sufficient liquidity.

NOTE 10 SUMMARY OF FINANCIAL ASSETS AVAILABLE FOR GENERAL USE

The following reflects the Organization's financial assets as of December 31, 2022 and 2021, reduced by amounts not available for general use because of restrictions within one year of the statement of financial position date.

	2022	2021
Cash and cash equivalents	$ 4,211,395	$ 3,889,603
Grants and other receivable	250,598	228,821
Promises to give	1,797,886	1,786,214
Investments	1,224,646	1,479,716
Total financial assets, end of period	7,484,525	7,384,354
Less those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	1,846,537	1,321,255
Board designated	1,810,888	1,742,906
Endowment	1,233,531	1,479,716
Financial assets available to meet cash needs for general expenditures within one year	$ 2,593,569	$ 2,840,477

As part of the Organization's liquidity management plan, the Organization invests cash in excess of daily requirements in money market funds. Occasionally the Board designates a portion of any operating surplus to its operating reserve, as described in Note 2. The Organization also has an open line of credit as disclosed in Note 6.

NOTE 11 NET ASSETS WITH DONOR RESTRICTIONS

The net assets of the Organization with donor restrictions were comprised of the following:

	2022	2021
Subject to the passage of time:		
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	$ 1,811,774	$ 1,817,872
Subject to expenditure for specified purpose:		
Client Assistance - Education	3,461	19,349
Client Assistance - Other	11,173	10,609
Equipment and Improvements	9,700	12,772
Shelter Operations	28,000	1,500
Organizational Expenditures	796,652	506,400
Endowments:		
Subject to appropriation and expenditure when a specified event occurs:		
Available for general use	162,625	444,695
Perpetual in nature, earnings from which are subject to endowment spending policy and appropriation:		
Investments	1,062,021	1,035,021
Unconditional promises to give, net - permanently restricted to general endowment	8,885	-
Total net assets with donor restrictions	$ 3,894,291	$ 3,848,218

Net assets were released from donor restrictions by the passage of time for the years ended December 31:

Expiration of time restrictions	$ 1,077,920	$ 1,080,810
Purpose Restrictions accomplished	273,252	18,742
Restricted-purpose spending -rate distributions and appropriations		
General use	58,152	58,988
Total	$ 1,409,324	$ 1,158,540

NOTE 12 DONATED SERVICES AND ASSETS

The Organization receives significant in-kind contributions of time and pro bono services from members of the community and volunteers related to program operations. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation.

In 2022 and 2021, the Organization received donated services for tax preparation, legal consultation, and other professional services. The Organization also received contributions of the use of facilities and donated goods. The below tables summarize the donated services and assets:

Program or Support Service	Donated Space	Donated Services	Donated Goods	2022
Safety	$ 9,630	$ 27,641	$ 193,879	$ 231,150
Healing	-	5,473	36	5,509
Education	-	4,561	30	4,591
Fundraising	-	2,280	15	2,295
Management and General	-	8,307	95	8,402
	$ 9,630	$ 48,262	$ 194,055	$ 251,947

Program or Support Service	Donated Space	Donated Services	Donated Goods	2021
Safety	$ 9,630	$ 4,210	$ 67,318	$ 81,158
Healing	-	800	277	1,077
Education	-	450	156	606
Fundraising	-	22,500	202	22,702
Management and General	-	72,798	260	73,058
	$ 9,630	$ 100,758	$ 68,213	$ 178,601

All donated services and assets were utilized by the Organization's programs and supporting services. There were no donor-imposed restrictions associated with the donated services and assets.

Donated space is valued at the fair value of similar properties available in commercial real estate listings. Donated services are valued at the standard hourly rates charged for those services. Donated goods are valued at the wholesale prices that would be received for selling similar products.

NOTE 13 EMPLOYEE BENEFITS PLAN

Effective January 1, 2006, the Organization adopted a 403(b) thrift plan that covers employees who have achieved at least one year of service and are 21 years of age or older. The plan allows for elective deferrals by employees with qualified matching contributions by the Organization of 50 percent up to 3 percent of qualified wages. For the years ended December 31, 2022 and 2021, employer contributions to the plan charged to operations amounted to $55,497 and $47,307, respectively.

NOTE 14 ACCOUNTING FOR UNCERTAINTIES IN INCOME TAXES

It is the opinion of management that the Organization has no significant uncertain tax positions that would be subject to change upon examination. The income tax returns of the Organization are subject to examination by the IRS and state tax authorities, generally for three years after they were filed; all filings are current.

NOTE 15 PAYROLL PROTECTION PROGRAM

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) which established the Paycheck Protection Program (the “Program”). The Program was created to assist small businesses in paying their employees and certain other expenses during the COVID-19 crisis. On January 11, 2021, the First Draw Program was reopened and on January 13, 2021 the Second Draw Paycheck Protection Program opened. Under the Second Draw Program, certain eligible borrowers that previously received a First Draw PPP Loan can apply for a Second Draw PPP Loan with the same general loan terms. The Organization applied for a second draw under this Program and received a loan from Bremer Bank, NA in the amount of $657,157 on May 1, 2021. The loan is forgivable if the Organization meets certain criteria as established under the Program. Any portion of the loan not forgiven will be due May 1, 2026 and will accrue interest at a rate of 1.0%. The loan does not require personal guarantees or any other collateral from the Organization.

The Organization has analogized the guidance provided in FASB ASC 958-605, which allows the Organization to recognize revenue as it incurs qualifying expenses related to the loan program. The Organization believes it incurred qualifying expenses during the years ended December 31, 2021 equal to or exceeding the amount of loan proceeds, and asserts that the conditions for loan forgiveness have been substantially met prior to December 31, 2021 for the second draw. Therefore, the Organization has included the entire proceeds from the second PPP loan for $657,157 in payroll protection program income on the accompanying statement of activities in 2021.

NOTE 16 SUBSEQUENT EVENTS

No significant events occurred subsequent to the Organization’s year-end. Subsequent events have been evaluated through June 8, 2023, which is the date these financial statements were available to be issued.

COMMUNITY VIOLENCE INTERVENTION CENTER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Federal AL Number	Pass-Through Number	Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
CDBG - Entitlement Grants Cluster			
Pass-Through City of Grand Forks:			
Community Development Block Grants/Entitlement Grants	14.218	B-22-MC-38-0002	$ 20,500
Total CDBG - Entitlement Grants Cluster			20,500
Pass-Through North Dakota Department of Commerce:			
Emergency Solutions Grant Program	14.231	4950-ESG21; 5107-ESG22	6,116
COVID-19 - Emergency Solutions Grant Program - CV (CARES)	14.231	4859-ESG20-CV	55,857
Total Emergency Solutions Grant Program			61,973
Total U.S. Department of Housing and Urban Development			**82,473**
U.S. DEPARTMENT OF JUSTICE			
Legal Assistance for Victims	16.524		200,636
Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault	16.736		162,424
Justice Systems Response to Families	16.021		150,607
Consolidated and Techinical Assistance Grant Program to Address Children and Youth Experiencing Domestic and Sexual Violence and Engage Men and Boys as Allies	16.888		14,444
Rural Domestic Violence, Dating Violence, Sexual Assault and Stalking Assistance Program	16.589		150,156
Pass-Through North Dakota Department of Health:			
Sexual Assault Services Formula Program	16.017	G21.458	81,888
STOP Violence Against Women Formula Grants	16.588	G21.981, G21.381, G21.381A	126,039
Pass-Through North Dakota Department of Corrections and Rehabilitation:			
VOCA Crime Victim Assistance	16.575	323, 324, 325, 362, 363	747,092
Pass-Through Grand Forks Police Department:			
STOP Violence Against Women Formula Grants	16.588	G21.388	13,273
Pass-Through City of Grand Forks:			
Edward Bryne Memorial Justice Assistance Grant Program	16.738	21212	12,023
Total U.S. Department of Justice			**1,658,582**
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Pass-Through North Dakota Department of Health:			
Injury Prevention and Control Research State and Community Based Programs Grant	93.136	G19.1201, G21.597	47,565
Pass-Through CAWS North Dakota:			
Grants to States for Access and Visitation Programs	93.597	420-10219-21.22-6;420-10219-22.23-6	17,323
Pass-Through North Dakota Department of Health:			
COVID-19 - Family Violence Prevention and Services / Sexual Assault Rape Crisis Services and Support (ARPA)	93.497	G21.724	21,418
Family Violence Prevention and Services / Domestic Violence Shelter and Supportive Services	93.671	G21.1041, G21.355	66,409
COVID-19 - Family Violence Prevention and Services / Domestic Violence Shelter and Supportive Services (ARPA)	93.671	G21.309; G21.716	73,475
Total Family Violence Prevention and Services / Domestic Violence	93.671		139,884
Prevention Health and Health Services Block Grant	93.991	G19.1201, G21.597	7,020
Total U.S. Department of Health and Human Services			**233,210**
U.S. DEPARTMENT OF HOMELAND SECURITY			
Emergency Food and National Shelter National Board Program - Phase 39	97.024		3,818
Total U.S. Department of Homeland Security			**3,818**
TOTAL FEDERAL ASSISTANCE			**$ 1,978,083**

See Notes to the Schedule of Expenditures of Federal Awards

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule of expenditures of federal awards (the schedule) are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 2 DE MINIMIS INDIRECT COST RATE

Community Violence Intervention Center has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance. The Organization had an approved indirect cost rate of 35.54% for the years ended December 31, 2022 and 2021.

NOTE 3 BASIS OF PRESENTATION

The accompanying schedule includes the federal award activity of Community Violence Intervention Center. 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 Community Violence Intervention Center, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Community Violence Intervention Center.

BradyMartz

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
Community Violence Intervention Center
Grand Forks, North Dakota

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 Community Violence Intervention Center (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, 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 June 8, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Community Violence Intervention Center'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 Community Violence Intervention Center's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Violence Intervention Center's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Brady Martz

BRADY, MARTZ & ASSOCIATES, P.C.
GRAND FORKS, NORTH DAKOTA

June 8, 2023

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
Community Violence Intervention Center
Grand Forks, North Dakota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Community Violence Intervention Center'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 Community Violence Intervention Center's major federal programs for the year ended December 31, 2022. Community Violence Intervention Center'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, Community Violence Intervention Center 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 December 31, 2022.

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 Community Violence Intervention Center 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 Community Violence Intervention Center'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 Community Violence Intervention Center'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 Community Violence Intervention Center'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 Community Violence Intervention Center'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 Community Violence Intervention Center'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 Community Violence Intervention Center'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 Community Violence Intervention Center's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Brady Martz

BRADY, MARTZ & ASSOCIATES, P.C.
GRAND FORKS, NORTH DAKOTA

June 8, 2023

COMMUNITY VIOLENCE INTERVENTION CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	___ yes _x_ no
Significant deficiency(ies) identified that are not considered to be material weaknesses?	___ yes _x_ none reported
Noncompliance material to financial statements noted?	___ yes _x_ no

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	___ yes _x_ no
Significant deficiency(ies) identified that are not considered to be material weaknesses?	___ yes _x_ none reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___ yes _x_ no

Identification of major programs:

AL Number(s)	Name of Federal Program or Cluster
16.575	Crime Victim Assistance

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	_x_ yes __ no

SECTION II - FINANCIAL STATEMENT FINDINGS

There are no findings which are required to be reported under this section.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no findings which are required to be reported under this section.

No prior audit findings were required to be reported.