

DOMESTIC AND SEXUAL VIOLENCE SERVICES

REVIEWED FINANCIAL STATEMENTS

December 31, 2024 and 2023



AMATICS
CPA GROUP

**DOMESTIC AND SEXUAL VIOLENCE SERVICES
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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Domestic and Sexual Violence Services
Red Lodge, MT

We have reviewed the accompanying financial statements of the Domestic and Sexual Violence Services (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Domestic and Sexual Violence Services and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Bozeman, Montana
October 28, 2025



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**DOMESTIC AND SEXUAL VIOLENCE SERVICES
STATEMENTS OF FINANCIAL POSITION**

	December 31	
	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 146,405	\$ 95,880
Grants receivable	185,488	155,454
Inventories	<u>1,517</u>	<u>4,774</u>
Total current assets	<u>333,410</u>	<u>\$ 256,108</u>
FIXED ASSETS		
Property and equipment	87,770	84,912
Less: Accumulated depreciation	<u>(76,036)</u>	<u>(68,727)</u>
Fixed assets, net of depreciation	<u>11,734</u>	<u>16,185</u>
OTHER ASSETS		
Unemployment savings reserve	26,686	24,191
Right-of-use assets	89,603	123,246
Beneficial interest in assets held by Montana Community Foundation	<u>71,478</u>	<u>63,489</u>
Total other assets	<u>187,767</u>	<u>210,926</u>
Total assets	<u><u>\$ 532,911</u></u>	<u><u>\$ 483,219</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 33,322	\$ 21,846
Accrued annual leave	21,440	16,944
Current portion of lease liabilities	<u>35,616</u>	<u>40,016</u>
Total current liabilities	<u>90,378</u>	<u>78,806</u>
LONG-TERM LIABILITIES		
Lease liabilities, net of current portion	<u>53,987</u>	<u>83,230</u>
NET ASSETS		
Without donor restrictions	317,066	257,694
With donor restrictions	<u>71,478</u>	<u>63,489</u>
Total net assets	<u>388,544</u>	<u>321,183</u>
Total liabilities and net assets	<u><u>\$ 532,909</u></u>	<u><u>\$ 483,219</u></u>

See the accompanying independent accountant's review report and the notes to financial statements.

DOMESTIC AND SEXUAL VIOLENCE SERVICES
STATEMENT OF ACTIVITIES
Year ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Totals
REVENUE AND SUPPORT			
Federal grants	\$ 872,999	\$ -	\$ 872,999
State grants	208,682	-	208,682
Contributions	220,014	-	220,014
Donated goods and services	32,385	-	32,385
Educator toolkit sales	3,411	-	3,411
Court surcharge	<u>605</u>	<u>-</u>	<u>605</u>
Total revenue and support	<u>1,338,096</u>	<u>-</u>	<u>1,338,096</u>
EXPENSES			
Program services	923,189	-	923,189
General and administrative	144,643	-	144,643
Fundraising	<u>85,858</u>	<u>-</u>	<u>85,858</u>
Total expenses	<u>1,153,690</u>	<u>-</u>	<u>1,153,690</u>
OTHER REVENUE AND EXPENSES			
Grants to other organizations	(129,178)	-	(129,178)
Other revenue	3,136	-	3,136
Change in fair value of beneficial interest	-	7,989	7,989
Investment income	<u>1,008</u>	<u>-</u>	<u>1,008</u>
Total other revenue and expenses	<u>(125,034)</u>	<u>7,989</u>	<u>(117,045)</u>
CHANGE IN NET ASSETS	59,372	7,989	67,361
Net assets at beginning of year	<u>257,694</u>	<u>63,489</u>	<u>321,183</u>
NET ASSETS AT END OF YEAR	<u>\$ 317,066</u>	<u>\$ 71,478</u>	<u>\$ 388,544</u>

See the accompanying independent accountant's review report and the notes to financial statements.

DOMESTIC AND SEXUAL VIOLENCE SERVICES
STATEMENT OF ACTIVITIES
Year ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Totals
REVENUE AND SUPPORT			
Federal grants	\$ 630,266	\$ -	\$ 630,266
State grants	79,284	-	79,284
Contributions	115,416	10,550	125,966
Donated goods and services	15,070	-	15,070
Educator toolkit sales	1,895	-	1,895
Court surcharge	<u>364</u>	<u>-</u>	<u>364</u>
Total revenue and support	<u>842,295</u>	<u>10,550</u>	<u>852,845</u>
EXPENSES			
Program services	677,628	-	677,628
General and administrative	126,977	-	126,977
Fundraising	<u>82,517</u>	<u>-</u>	<u>82,517</u>
Total expenses	<u>887,122</u>	<u>-</u>	<u>887,122</u>
OTHER REVENUE AND EXPENSES			
Grants to other organizations	(58,344)	-	(58,344)
Change in fair value of beneficial interest	-	4,980	4,980
Investment income	<u>760</u>	<u>-</u>	<u>760</u>
Total other revenue and expenses	<u>(57,584)</u>	<u>4,980</u>	<u>(52,604)</u>
CHANGE IN NET ASSETS	(102,411)	15,530	(86,881)
Net assets at beginning of year	<u>360,105</u>	<u>47,959</u>	<u>408,064</u>
NET ASSETS AT END OF YEAR	<u>\$ 257,694</u>	<u>\$ 63,489</u>	<u>\$ 321,183</u>

See the accompanying independent accountant's review report and the notes to financial statements.

DOMESTIC AND SEXUAL VIOLENCE SERVICES
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2024

	Program Services					Support Services		
	Direct Services	Transitional Housing	Education/ Prevention	Coordinated Community Response	Total Program Services	General and Administrative	Fundraising	Totals
Advertising	\$ 1,198	\$ -	\$ 2,679	\$ -	\$ 3,877	\$ 75	\$ 490	\$ 4,442
Community partners/staff development	32,881	1,805	1,984	83	36,753	833	83	37,669
Contract service	24,058	2,422	2,722	2,422	31,624	2,544	4,254	38,422
Depreciation	2,690	1,048	842	-	4,580	2,274	455	7,309
Dues and publications	122	82	1,186	82	1,472	2,227	2,047	5,746
Emergency assistance	197,293	79,295	-	-	276,588	-	-	276,588
Equipment rental	524	458	4,730	410	6,122	518	410	7,050
Fringe benefits	27,865	9,816	14,340	423	52,444	10,147	5,613	68,203
Fundraising	963	143	2,510	143	3,759	2,375	12,516	18,649
In-kind contribution expense	9,514	-	1,031	-	10,545	-	2,743	13,288
Insurance	985	440	440	440	2,305	1,435	732	4,472
Miscellaneous	33	-	256	-	289	1,137	883	2,309
Occupancy	37,461	7,639	1,665	855	47,620	1,800	6,992	56,411
Payroll taxes	17,283	7,697	10,885	1,145	37,010	5,134	3,915	46,059
Printing	2,987	174	1,248	274	4,683	238	5,335	10,256
Salaries and wages	172,729	73,164	107,861	7,230	360,984	104,227	38,185	503,396
Supplies	1,210	1,669	1,892	-	4,771	2,074	544	7,389
Teacher education materials	92	397	-	-	489	1,455	31	1,975
Technology	6,097	467	3,344	167	10,075	4,231	165	14,471
Telephone and utilities	11,826	1,739	330	72	13,967	531	181	14,679
Therapy supplies	51	-	-	-	51	-	-	51
Travel and meals	5,016	692	7,058	415	13,181	1,388	284	14,854
	<u>\$ 552,878</u>	<u>\$ 189,147</u>	<u>\$ 167,003</u>	<u>\$ 14,161</u>	<u>\$ 923,189</u>	<u>\$ 144,643</u>	<u>\$ 85,858</u>	<u>\$ 1,153,688</u>

See the accompanying independent accountant's review report and the notes to financial statements.

DOMESTIC AND SEXUAL VIOLENCE SERVICES
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2023

	Program Services					Support Services		
	Direct Services	Transitional Housing	Education/ Prevention	Coordinated Community Response	Total Program Services	General and Administrative	Fundraising	Totals
Advertising	\$ 681	\$ 658	\$ 813	\$ -	\$ 2,152	\$ 1,641	\$ -	\$ 3,793
Community partners/staff development	10,771	1,612	1,625	83	14,091	1,688	84	15,863
Contract service	8,134	3,451	4,339	3,962	19,886	3,923	1,988	25,797
Depreciation	4,501	1,753	1,410	-	7,664	3,805	762	12,231
Dues and publications	33	33	1,213	33	1,312	2,900	1,790	6,002
Emergency assistance	72,322	73,637	-	-	145,959	-	-	145,959
Equipment rental	174	130	4,393	73	4,770	351	73	5,194
Fringe benefits	21,076	4,650	12,444	1,953	40,123	7,433	4,656	52,212
Fundraising	2,414	87	1,008	87	3,596	329	2,676	6,601
In-kind contribution expense	1,189	156	1,220	-	2,565	1,775	2,456	6,796
Insurance	782	-	-	-	782	3,296	453	4,531
Miscellaneous	35	7	69	-	111	943	389	1,443
Occupancy	38,762	2,219	1,959	711	43,651	2,009	8,500	54,160
Payroll taxes	13,365	4,615	10,755	2,702	31,437	4,459	4,490	40,386
Printing	1,578	161	1,225	10	2,974	361	2,939	6,274
Salaries and wages	138,892	45,447	110,261	25,903	320,503	85,085	47,738	453,326
Supplies	1,468	1,335	1,785	8	4,596	1,995	913	7,504
Teacher education materials	73	-	-	-	73	1,287	21	1,381
Technology	4,181	926	1,397	206	6,710	1,520	265	8,495
Telephone and utilities	10,128	1,302	325	-	11,755	442	1,079	13,276
Travel and meals	4,800	1,657	5,513	948	12,918	1,735	1,245	15,898
	<u>\$ 335,359</u>	<u>\$ 143,836</u>	<u>\$ 161,754</u>	<u>\$ 36,679</u>	<u>\$ 677,628</u>	<u>\$ 126,977</u>	<u>\$ 82,517</u>	<u>\$ 887,122</u>

See the accompanying independent accountant's review report and the notes to financial statements.

**DOMESTIC AND SEXUAL VIOLENCE SERVICES
STATEMENT OF CASH FLOWS**

	Years ended December 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 67,361	\$ (86,881)
Adjustments to reconcile change in net assets to cash flows from operating activities:		
Depreciation	7,309	12,231
Change in fair value of beneficial interest	(7,989)	(4,980)
Contribution to Montana Community Foundation	-	(31,648)
Noncash changes in right-of-use assets and lease liabilities	-	27
(Increase) decrease in current assets:		
Grants receivable	(30,032)	(35,715)
Inventories	3,257	140
Unemployment savings reserve	(2,495)	(2,100)
Increase (decrease) in current liabilities:		
Accounts payable	11,477	812
Accrued annual leave	<u>4,495</u>	<u>(1,217)</u>
Net cash provided (used) by operating activities	53,383	(149,331)
CASH FLOWS USED BY INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(2,858)</u>	<u>-</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	50,525	(149,331)
Cash and cash equivalents at beginning of year	<u>95,880</u>	<u>245,211</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 146,405</u>	<u>\$ 95,880</u>

See the accompanying independent accountant's review report and the notes to financial statements.

DOMESTIC AND SEXUAL VIOLENCE SERVICES
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Operations:

Domestic and Sexual Violence Services (the Organization) operates a not-for-profit program located in Red Lodge, Montana, providing services to survivors of domestic and sexual violence in Carbon, Stillwater, Sweet Grass, Park, and Meagher counties. The Organization also provides outreach and education throughout the state of Montana to raise awareness and prevention of domestic and sexual violence. The mission of the Organization is to serve individuals, families, and communities impacted by physical, sexual, and emotional abuse and to promote healthy, equitable and violence-free relationships.

Basis of Accounting:

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. This basis of accounting recognizes revenues and related receivables when they are earned and expenses and related liabilities when incurred.

Use of Estimates:

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

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.

Inventories:

Inventories consist of donated goods and furniture held for resale. Donated inventory items are recorded as contributions at their fair values at the date of donation.

Property and Equipment:

Purchased assets are carried at their historical cost. The Organization capitalizes all property and equipment in excess of \$2,000 and minor replacements, maintenance, and repairs are charged to expense as incurred. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Depreciation of equipment is provided over the estimated useful lives of the respective assets on the straight-line method over their useful lives ranging from five to ten years.

Revenue Recognition:

Support received under grants with the United States Government, Montana State Government, and private foundations are recorded as public support when earned. Grants receivable represent amounts due from grantors at year end. All of these grants receivable are expected to be collected within one year.

DOMESTIC AND SEXUAL VIOLENCE SERVICES
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (continued):

- *Grant Awards as Contributions* – Grants that qualify as contributions are recorded as invoiced to the funding sources in accordance with the terms of the award and FASB ASC 958-605. Revenue is recognized in the period when the related allowable expenses or asset acquisition costs are incurred.
- *Grant Awards as Exchange Transactions* – Exchange transactions typically reimburse based on a predetermined rate for services performed in accordance with the terms of the award and FASB ASC 606. The revenue is recognized when control of the promised goods and services is transferred to the grantor in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

Contributions and 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-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Bad Debts:

The Organization uses the direct write-off method to account for bad debts. Generally accepted accounting principles require the allowance method be used to recognize bad debts. However, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Advertising Costs:

Advertising costs are expensed as incurred.

Functional Allocation of Expenses:

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The Organization performed this functional analysis by allocating employee time and expenses using time sheet data.

DOMESTIC AND SEXUAL VIOLENCE SERVICES
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes:

Domestic and Sexual Violence Services is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, and therefore no provision for federal income taxes has been included in the accompanying financial statements. Domestic and Sexual Violence Services has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(a)(vi). The Organization's information returns (Form 990) are open to examination by the IRS, generally, for three years after they were filed or the due date of the return, whichever is later.

Contributed Goods and Services:

The Organization records various types of in-kind support including goods, services, and inventory. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Additionally, the Organization receives a significant amount of contributed time which does not meet the recognition criteria described above. Accordingly, the value of this contributed time has not been determined and is not reflected in the accompanying financial statements.

Operating Lease Right-of-use Assets and Lease Liabilities:

The Organization obtains the right to control the use of various assets under long-term agreements. The Organization evaluates contracts to determine whether they include a lease and uses the lessee non-lease component accounting policy election, for all asset classes, to account for the lease and non-lease components separately. Variable lease payments, which are primarily comprised of common area maintenance, utilities, and real estate taxes, are recognized in operating expenses in the period in which the obligation for those payments were incurred. Qualifying leases are recognized on the statement of financial position as right-of-use assets with corresponding lease liabilities.

Reclassifications:

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

2. CREDIT RISK

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Balances held in financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank, per depositor. The Organization has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents. As of December 31, 2024 and 2023, the bank deposits did not exceed the federally insured limits.

DOMESTIC AND SEXUAL VIOLENCE SERVICES
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

3. LIQUIDITY AND AVAILABILITY

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

	<u>2024</u>	<u>2023</u>
Financial assets		
Cash and cash equivalents	\$ 146,405	\$ 95,880
Unemployment savings reserve	26,686	24,191
Beneficial interest in assets held by Montana		
Community Foundation	71,478	63,489
Grants receivable	<u>185,488</u>	<u>155,454</u>
	<u>430,057</u>	<u>339,014</u>
Unavailable for general expenditure in one year:		
Restricted unemployment savings reserve	(26,686)	(24,191)
Restricted beneficial interest in assets held by Montana		
Community Foundation	<u>(71,478)</u>	<u>(63,489)</u>
	<u>(98,164)</u>	<u>(87,680)</u>
Total financial resources available for general expenditure	\$ <u>331,893</u>	\$ <u>251,334</u>

The beneficial interest in assets held by Montana Community Foundation consists of donor-restricted funds to be held in perpetuity. Income from these funds is restricted for specific purposes, with the exception of the amounts available for general use. These funds are not available for general expenditure. As part of the Organization's liquidity management plan, cash in excess of daily requirement is invested in short term investments, certificates of deposit, and money market funds.

4. LEASE COMMITMENTS

Lease Liabilities and Right-of-Use Assets

In August 2011, the Organization entered into a lease agreement to lease office space in Red Lodge, Montana. In March 2019, the Organization renewed the lease for four years at a rate of \$2,494 per month, which expired in February 2023. In October 2023, the Organization extended this lease for four years through September 2027 at a monthly rate of \$2,750. Under the lease, the Organization is required to pay for its own utilities, repairs and maintenance. The Organization must also maintain a general public liability insurance and personal property insurance as deemed necessary for their functions.

In December 2021, the Organization entered into a lease agreement to lease an office suite in Red Lodge, Montana, which expired in November 2024. In December 2024, the Organization extended this lease for another year through November 2025 with fixed monthly lease payments of \$400.

DOMESTIC AND SEXUAL VIOLENCE SERVICES
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

4. LEASE COMMITMENTS (Continued)

In July 2022, the Organization entered into an agreement to lease a copier. The lease term runs through July 2027, with fixed lease payments of \$218 per month.

Fixed payments under these leases totaled \$40,016 and \$39,182 for the years ended December 31, 2024 and 2023, respectively. Lease costs associated with fixed payments on the Organization's operating leases were \$40,016 and \$39,211 for 2024 and 2023, respectively. Noncash activities involving right-of-use (ROU) assets obtained in exchange for lease liabilities were and \$117,096 for 2023.

The following table shows ROU assets and lease liabilities as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Right-of-use assets:		
Operating leases	\$ <u>89,603</u>	\$ <u>123,246</u>
Lease liabilities:		
Operating leases	\$ <u>89,603</u>	\$ <u>123,246</u>

Future minimum lease payments for the years ending December 31 are as follows:

2025	\$ 35,616	
2026	35,616	
2027	<u>26,058</u>	
Total undiscounted liability	97,290	
Less: imputed interest	<u>(7,687)</u>	
Total lease liabilities		\$ 89,603
Less: current portion		<u>(35,616)</u>
Lease liabilities, net of current portion		\$ <u>53,987</u>

The weighted-average remaining lease term related to the Organization's lease liabilities as of December 31, 2024 and 2023 was 33 and 44 months, respectively. The discount rate related to the Organization's lease liabilities as of December 31, 2024 and 2023 was 6%, based on estimates of the Organization's incremental borrowing rate as of the lease commencement date, as the discount rates implicit in the Organization's leases cannot be readily determined.

Short-Term Leases

The Organization leases other space under various short term or month-to-month lease arrangements. Lease costs associated with these leases have been recognized as expense on a straight-line basis over the lease terms.

DOMESTIC AND SEXUAL VIOLENCE SERVICES
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

4. LEASE COMMITMENTS (Continued)

In February 2020, the Organization entered into a lease agreement to lease space in Red Lodge, Montana. The lease has continued on a month-to-month basis with monthly rent of \$600. Through September 2021, \$300 of the monthly rent was donated as an in-kind contribution. Starting in October 2021, the in-kind rent contribution is \$100, for a net monthly payment of \$500. This lease ended in January 2024. Rent expense for this lease totaled approximately \$600 and \$7,200 for 2024 and 2023, respectively.

In February 2021, the Organization entered into a one year lease agreement to lease office space in Columbus, Montana. The lease has been renewed multiple times, each for one year lease terms, with a current lease term expiring February 2026. Fixed lease payments for rent were \$650 per month through February 2023, \$675 per month from March 2023 to February 2024, and \$700 per month from March 2024 to February 2025.

In December 2023 the Organization entered into a lease agreement to lease space for the Home Again Thrift Store at a rate of \$500 per month. The lease expired in November 2024. Rent expenses for this lease totaled \$5,500 for 2024.

5. UNEMPLOYMENT SAVINGS RESERVE

In fiscal year 2016, the Organization opted to self-insure and began contributing to an unemployment savings program rather than participate in the state unemployment insurance program. The Organization makes quarterly payments and receives interest on the account balance. Any unemployment claims are paid out of this reserve account. The balance as of December 31, 2024 and 2023 was \$26,686 and \$24,191, respectively.

6. ECONOMIC DEPENDENCY

The Organization earned \$1,081,681 and \$709,550 in the years ended December 31, 2024 and 2023, in federal grant funds administered by the Department of Health and Human Services and the Department of Justice. This represents 81% and 83% of total funding for 2024 and 2023, respectively. These funds are essential for the Organization to continue to meet its contractual obligations. A decrease could impair the Organization's operations.

7. RISK MANAGEMENT

The Organization faces a considerable number of risks of loss, including: Employee torts, professional liability (i.e. errors and omissions), workers' compensation (i.e. employee injuries), medical insurance costs of employees, and Damage to and loss of property and contents. A variety of methods are used to provide insurance for these risks. A commercial policy with Marsh McLennan Agency, transferring all risks of loss, except for relatively small deductible amounts, was purchased for property and content damage, employee torts and professional liabilities. The Organization uses the Montana State Funds Insurance for workers' compensation claims. The Organization does not carry coverage for environmental damages. The risk of potential loss is low and coverage is not cost beneficial.

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8. RETIREMENT PLAN

The Organization sponsors a simple IRA plan (the Plan) covering all employees with 60 days of service who agree to make contributions to the Plan. The Organization matches participants' contributions to the Plan up to 3% of the individual participant's compensation, if they are working at least 30 hours a week. The Organization matches participants' contributions to the Plan up to 2% of the individual participant's compensation, if they are working less than 30 hours a week. Total retirement expense for the years ended December 31, 2024 and 2023 was \$14,784 and \$11,369, respectively.

9. ASSETS HELD AT COMMUNITY FOUNDATION

In 2018, the Organization established an agency fund with the Montana Community Foundation (the Foundation). The funds transferred on the date of establishment and those thereafter were gifts of a permanent nature; however, the Organization retained a beneficial interest in the endowment funds. As such, the fair value of the beneficial interest, and changes therein, are to be reported on the statement of financial position and statement of activities, respectively. At the time of the transfer, the Organization granted variance power to the Foundation. The Foundation Board has full authority to vary the terms of the endowment as appropriate. The Organization receives annual agency distributions subject to the payout policy approved by the Foundation Board of Directors. As of December 31, 2024 and 2023, the endowment fund was valued at \$71,478 and \$63,489, respectively. This is reported in the statement of financial position as beneficial interest in assets held by the Foundation.

Additionally, the Organization is the beneficiary of other donor funds held by the Montana Community Foundation. These funds total \$38,382 and \$33,130 as of December 31, 2024 and 2023, respectively. These amounts do not qualify to be included as assets in the Organization's statement of financial position, but may provide a future income stream.

10. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31, 2024 and 2023 are as follows:

	2024	2023
Beneficial interest in endowment funds	\$ <u>71,478</u>	\$ <u>63,489</u>

11. FAIR VALUE MEASUREMENTS

The beneficial interest in assets held by the Montana Community Foundation has been valued, as a practical expedient, at the fair value of the Organization's share of the Foundation's investment pool as of the measurement date. The Foundation values securities and other financial instruments on a fair value basis of accounting. The fair values of investments of the Foundation are determined by the management of the Foundation and are based on significant unobservable inputs (Level 3). The beneficial interest in assets held by the Foundation is not redeemable by the Organization as described in Note 9.

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11. FAIR VALUE MEASUREMENTS (Continued)

Financial instruments classified as Level 3 in the fair value hierarchy represent the Organization's investments in financial instruments in which management has used at least one significant unobservable input in the valuation model. The following table represents a reconciliation of activities for Level 3 financial instruments:

	2024	2023
Balance, beginning of year	\$ 63,489	\$ 26,861
Contributions	-	31,648
Change in fair value of beneficial interest	<u>7,989</u>	<u>4,980</u>
Balance, end of year	<u>\$ 71,478</u>	<u>\$ 63,489</u>

12. CONTRIBUTED SERVICES AND IN-KIND CONTRIBUTIONS

Domestic and Sexual Violence Services records various types of in-kind support including services and goods. The fair value of donated services and goods included as contributions in the financial statements for the year ended December 31, 2024, are as follows:

	Program	General and Administrative	Fundraising	Total
Advertising	\$ 600	\$ -	\$ 338	\$ 938
Facilities	749	-	400	1,149
Goods for resale	19,098	-	-	19,098
Other goods	4,422	-	605	5,027
Meals and entertainment	74	-	-	74
Professional services	<u>4,699</u>	<u>-</u>	<u>1,400</u>	<u>6,099</u>
	<u>\$ 29,642</u>	<u>\$ -</u>	<u>\$ 2,743</u>	<u>\$ 32,385</u>

Domestic and Sexual Violence Services records various types of in-kind support including services and goods. The fair value of donated services and goods included as contributions in the financial statements for the year ended December 31, 2023, are as follows:

	Program	General and Administrative	Fundraising	Total
Advertising	\$ 1,200	\$ -	\$ 194	\$ 1,394
Facilities	-	700	550	1,250
Goods for resale	8,274	-	-	8,274
Other goods	594	-	1,618	2,212
Meals and entertainment	20	-	-	20
Professional services	<u>750</u>	<u>1,075</u>	<u>95</u>	<u>1,920</u>
	<u>\$ 10,838</u>	<u>\$ 1,775</u>	<u>\$ 2,457</u>	<u>\$ 15,070</u>

Donated goods and services are valued at estimated fair value based on retail prices or comparable rates to obtain similar services.

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13. CONTINGENCY

The Organization participates in a number of federally assisted grant programs that are subject to audit and adjustment by the grantors. The grantor audits of these programs, if any, for or including the year ended December 31, 2024 have not yet been conducted. Accordingly, the Organization's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Organization expects such amounts, if any, to be immaterial.

14. SUBSEQUENT EVENTS

Date of Management Evaluation

Management has evaluated subsequent events through October 28, 2025, the date on which the financial statements were available to be issued.