

CLACKAMAS WOMEN'S SERVICES

Audited Financial Statements

For the Year Ended June 30, 2023



MCDONALD JACOBS

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Clackamas Women's Services

### Opinion

We have audited the accompanying financial statements of Clackamas Women's Services (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Clackamas Women's Services as of June 30, 2023, and the changes in its net assets and its cash flows for the year 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. 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 Clackamas Women's Services 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 opinion.

### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Clackamas Women's Services' 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 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 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 Clackamas Women's Services' 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 Clackamas Women's Services' 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.

### Report on Summarized Comparative Information

We have previously audited Clackamas Women's Services' 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 12, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*McDonald Jacobson, P.C.*

Portland, Oregon  
December 20, 2023

CLACKAMAS WOMEN'S SERVICES  
STATEMENT OF FINANCIAL POSITION  
June 30, 2023  
(With comparative totals for 2022)

	2023	2022
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,064,461	\$ 1,512,828
Contracts and grants receivable	1,637,046	1,895,540
Prepaid expenses	164,712	86,357
Right-of-use assets	83,008	-
Property and equipment, net	1,149,078	1,219,981
 TOTAL ASSETS	 \$ 5,098,305	 \$ 4,714,706
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable	\$ 120,623	\$ 80,919
Accrued personnel expenses	150,603	407,064
Deferred revenue	9,450	631,850
Operating lease liabilities	84,077	-
Total liabilities	364,753	1,119,833
Net assets:		
Net assets without donor restrictions:		
Undesignated	3,134,362	1,922,942
Net property and equipment	1,149,078	1,219,981
Total net assets without donor restrictions	4,283,440	3,142,923
Net assets with donor restrictions	450,112	451,950
Total net assets	4,733,552	3,594,873
 TOTAL LIABILITIES AND NET ASSETS	 \$ 5,098,305	 \$ 4,714,706

See notes to financial statements.

CLACKAMAS WOMEN'S SERVICES  
STATEMENT OF ACTIVITIES  
For the year ended June 30, 2023  
(With comparative totals for 2022)

	2023			2022 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>Support and revenue:</b>				
Contributions	\$ 742,788	\$ 471,960	\$ 1,214,748	\$ 1,260,149
Government grants and contracts	6,579,710	-	6,579,710	6,051,643
Donated assets and facilities	111,782	-	111,782	117,937
Special events revenue, net of direct benefit expenses of \$6,229 for 2023 and \$12,773 for 2022	49,883	-	49,883	38,038
Paycheck Protection Program grant	-	-	-	447,232
Interest income	27,288	-	27,288	-
Other income	57,517	-	57,517	26,950
Net assets released from restrictions:				
Satisfaction of purpose restrictions	473,798	(473,798)	-	-
<b>Total support and revenue</b>	<b>8,042,766</b>	<b>(1,838)</b>	<b>8,040,928</b>	<b>7,941,949</b>
<b>Expenses:</b>				
Program services:				
Shelter and housing	2,730,734	-	2,730,734	3,437,632
Community based services	1,310,796	-	1,310,796	1,317,692
Counseling and support group	278,488	-	278,488	238,764
Education and prevention	401,979	-	401,979	370,541
Children and youth services	589,202	-	589,202	295,295
<b>Total program services</b>	5,311,199	-	5,311,199	5,659,924
Management and general	1,192,062	-	1,192,062	917,051
Development	398,988	-	398,988	363,783
<b>Total expenses</b>	<b>6,902,249</b>	<b>-</b>	<b>6,902,249</b>	<b>6,940,758</b>
 Change in net assets	 1,140,517	 (1,838)	 1,138,679	 1,001,191
<b>Net assets:</b>				
Beginning of year	3,142,923	451,950	3,594,873	2,593,682
End of year	<b>\$ 4,283,440</b>	<b>\$ 450,112</b>	<b>\$ 4,733,552</b>	<b>\$ 3,594,873</b>

See notes to financial statements.

**CLACKAMAS WOMEN'S SERVICES**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the year ended June 30, 2023  
(With comparative totals for 2022)

	Program Services					Support Services			2023 Total	2022 Total
	Shelter and Housing	Community Based Services	Counseling and Support Group	Education and Prevention	Children and Youth Services	Total Program Services	Management and General	Development		
Personnel expenses	\$ 1,197,813	\$ 922,109	\$ 245,330	\$ 356,463	\$ 417,776	\$ 3,139,491	\$ 674,215	\$ 336,508	\$ 4,150,214	\$ 3,308,518
Professional fees	26,073	47,496	12,934	625	365	87,493	295,527	9,272	392,292	257,102
Subcontractor/subrecipients	6,299	251,850	-	-	-	258,149	-	-	258,149	357,092
Client assistance	1,193,553	22,466	2,889	4,582	134,090	1,357,580	2,379	955	1,360,914	2,363,686
Occupancy	149,469	13,816	3,949	11,624	9,881	188,739	40,576	9,102	238,417	221,037
Telephone and information technology	21,959	13,504	1,542	4,628	2,910	44,543	5,708	492	50,743	44,078
Office expenses	10,240	3,426	1,827	952	2,467	18,912	15,883	7,055	41,850	37,228
Advertising	-	-	-	-	-	-	-	11,514	11,514	29,444
Conferences and meetings	16,376	24,764	5,063	3,219	10,564	59,986	52,113	3,914	116,013	71,483
Event costs	-	-	-	-	-	-	-	6,229	6,229	12,773
Dues and subscriptions	95	261	3,643	-	100	4,099	7,482	2,988	14,569	5,603
Insurance	-	-	-	-	-	-	52,596	-	52,596	44,987
Other expenses	4,819	1,999	417	18,428	4,246	29,909	2,032	10,043	41,984	32,742
Equipment and maintenance	31,744	8,091	894	1,458	6,803	48,990	43,551	4,225	96,766	83,189
Depreciation	72,294	1,014	-	-	-	73,308	-	2,920	76,228	84,569
	<u>2,730,734</u>	<u>1,310,796</u>	<u>278,488</u>	<u>401,979</u>	<u>589,202</u>	<u>5,311,199</u>	<u>1,192,062</u>	<u>405,217</u>	<u>6,908,478</u>	<u>6,953,531</u>
Less event direct benefit expenses netted with revenue	-	-	-	-	-	-	-	(6,229)	(6,229)	(12,773)
Total expenses	<u>\$ 2,730,734</u>	<u>\$ 1,310,796</u>	<u>\$ 278,488</u>	<u>\$ 401,979</u>	<u>\$ 589,202</u>	<u>\$ 5,311,199</u>	<u>\$ 1,192,062</u>	<u>\$ 398,988</u>	<u>\$ 6,902,249</u>	<u>\$ 6,940,758</u>

See notes to financial statements.

CLACKAMAS WOMEN'S SERVICES  
STATEMENT OF CASH FLOWS  
For the year ended June 30, 2023  
(With comparative totals for 2022)

	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 1,138,679	\$ 1,001,191
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	76,228	84,569
Amortization of right-of-use assets	84,085	-
Donated vehicle	-	(3,173)
(Increase) decrease in:		
Contracts and grants receivable	258,494	(1,035,915)
Prepaid expenses	(78,355)	29,869
Increase (decrease) in:		
Accounts payable	39,704	30,165
Accrued personnel expenses	(256,461)	125,969
Deferred revenue	(622,400)	534,481
Refundable advance	-	(447,232)
Operating lease liabilities	(83,016)	-
Net cash flows from operating activities	<u>556,958</u>	<u>319,924</u>
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment	<u>(5,325)</u>	<u>(20,829)</u>
Net cash flows from investing activities	<u>(5,325)</u>	<u>(20,829)</u>
Net change in cash and cash equivalents	551,633	299,095
Cash and cash equivalents - beginning of year	<u>1,512,828</u>	<u>1,213,733</u>
Cash and cash equivalents - end of year	<u>\$ 2,064,461</u>	<u>\$ 1,512,828</u>
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid for operating leases	<u>\$ 86,285</u>	<u>\$ -</u>
Non-cash investing and financing activities:		
Obtaining right-of-use assets in exchange for lease liabilities	<u>\$ 167,093</u>	<u>\$ -</u>

See notes to financial statements.

CLACKAMAS WOMEN'S SERVICES  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023

1. DESCRIPTION OF ORGANIZATION

Clackamas Women's Services (CWS or the Organization) was established and incorporated in Oregon in August 1985. CWS is a non-profit corporation that operates a shelter for and provides support services to, victims of domestic and sexual violence and provides community education regarding domestic violence issues.

A description of CWS' major program services is as follows:

**Shelter and Housing**

The Village of Hope Emergency Shelter and Housing Program, the historic core program of CWS, is designed to break the isolation of domestic violence by helping survivors reconnect to a social fabric in which they feel valued, supported, and to which they contribute meaningfully. The Village nurtures a rich and diverse community, serving a wide range of languages, those needing service animals, and women struggling with mental health or addiction issues – all in one community. In this supportive environment, survivors can step away from their current home lives, regain their strength, and individually shape the ways they want to move forward in the world. It is a place where participants feel trusted to make their own life choices and do what is meaningful to them. The Village emergency shelter accommodates up to 15 adults and 25 children at a time, serving approximately 100 survivors each year. The CWS Housing program services over 150 households annually through a housing first model that includes transitional housing, homeless prevention, permanent supportive housing, rapid re-housing, and ongoing supportive services.

**Community Based Services**

CWS Community Based services are headquartered at A Safe Place Family Justice Center for Clackamas County (ASP-FJC). ASP-FJC provides a safe location where law enforcement officials, legal service providers, victim advocates, and community providers can work together, under one roof, supporting victims and their children through a continuum of care. Victims can report a crime, plan for their safety, get counseling, obtain help with a restraining order through a video court program, and get information on shelter, enter the homeless service coordinated system for housing through an onsite intake, connect with medical help, and transportation-all in one location. The co-location and the integration of these services addresses many issues of access and provides cohesive services that were previously non-existent and/or sporadically offered. The opening of ASP-FJC created the pivotal foundation for achieving our community's vision to implement a coordinated approach to address the shattering impacts of domestic violence, sexual assault, stalking, dating violence, elder abuse, sexual exploitation, and trafficking through a common vision, vast reaching improvements and systemic change, service integration across multiple disciplines, changes in policy and practice, increased investments, and a robust well-functioning public/private partnership.

CLACKAMAS WOMEN'S SERVICES  
NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2023

1. DESCRIPTION OF ORGANIZATION, Continued

**Community Based Services, Continued**

CWS provides over 75% of the services offered at A Safe Place including mental health counseling, crisis intervention and long term advocacy and case management services, economic empowerment class, parenting support, rural outreach, legal advocacy, housing assessments, co-located services at DHS, community education and so forth. In addition, CWS has a rural outreach office and has a sexual assault advocate located at Clackamas Community College. There are an average of 25 visits daily of victims seeking support through this office and CWS provided over 25,000 units of service this year. CWS works with partners at ASP-FJC on an elder abuse coordinated community response that provides specialized training across multiple disciplines, increases service capacity and build a collaborative response to Abuse in Later Life. CWS also continues to expand the Promotoras Program. This program is a community outreach model that CWS is pioneering in Clackamas County. The model trains members of the Latino community to become paraprofessionals, called Promotor as, to increase the accessibility of domestic and sexual violence services to communities that historically have been denied adequate and equitable access to services. The goal of this program is to increase the accessibility of domestic and sexual violence services to communities that have typically been denied adequate and equitable access to services.

**Counseling and Support Groups**

CWS continues to offer mental health counseling services that are trauma specific and individually tailored to survivors of domestic and sexual violence, trafficking, child abuse and elder abuse. The Counseling and Support Group Program provides individual, family and group therapy for children, youth and adults through licensed therapist with advanced expertise in trauma recovery. A combination of grant funding and insurance reimbursements help to promote sustainability of the program and allows us to continue to prioritize equity in services. Additionally, Advanced Standing Master of Social Work student interns provide additional capacity to serve uninsured, other insured, or folks for whom it may not be safe to bill insurance. CWS counseling services are provided in three certified counseling locations including A Safe Place Family Justice Center, CWS office in Sandy, OR, and the CWS Clackamas Community College office. In some circumstances, meetings may also take place with folks in their homes, at shelter or at school. This flexibility helps increase accessibility and equity in services. Clinicians use evidence-based treatment modalities, including cognitive behavioral therapy, EMDR sensorimotor psychotherapy, mindfulness, motivational interviewing, as well as art and play-based interventions with kids including A Window Between Worlds. Culturally specific services are offered through the Latina Counselor.

CLACKAMAS WOMEN'S SERVICES  
NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2023

1. DESCRIPTION OF ORGANIZATION, Continued

**Education and Prevention Program**

The Violence Prevention Program works to build a community that stands against domestic and sexual violence by developing young role models who disrupt social and cultural norms that currently perpetuate violence against women. The goal is to reduce the rate of sexual and dating violence perpetration and victimization in our community before the violence occurs by addressing known risk factors and promoting healthy relationships and behaviors among youth. CWS is the only agency specifically offering sexual and dating violence prevention programming to schools across Clackamas County. The program interacts with thousands of high school and middle school students in Clackamas County, providing them with classroom presentations on dating/domestic violence, sexual violence, and bystander intervention. CWS provides a ten- module violence-prevention curriculum that targets root causes of gender-based violence. The ten modules cover bystander intervention, dating violence, sexual violence, oppression, sexual orientation, healthy sexuality, media literacy, pornography, and victim empathy. The program includes elementary schools through our Communities for Safe Kids program as well as a Coaching Boys into Men program.

**Children and Youth Services Program**

The Children and Youth Services program is dedicated to interrupting the generational cycle of domestic and sexual violence. The program consists of several evidence based components: Camp HOPE Oregon and Pathways Program, the evidence based trauma recovery empowerment model love and life group for teens, A Windows Between Worlds art-based therapy, the Make Parenting a Pleasure curriculum, advocacy services, individual and family counseling, animal assisted therapy and field trip experiences for children in the emergency shelter program. The program reduces the impact of domestic and sexual violence on to young Oregonians by promoting resiliency through individual, family, and community protective factors and by building skills to increase the healthiness of relationships within their lives and offers healing and hope for children and youth who have experienced or witnessed domestic or sexual violence. This year the program added Parenting Cafes that provide on-going peer-based support and community building spaces for parents and caregivers, added a full time mobile youth advocate, began participation in the Clackamas County student threat assessment protocol and expanded the number of support groups and after school programming available in the schools.

CLACKAMAS WOMEN'S SERVICES  
NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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. 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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with maturities of three months or less at the time of purchase to be cash equivalents.

Contracts and Grants Receivable

Contracts and grants receivable are reported at the amount management expects to collect on balances outstanding at year-end. Based on an assessment of the credit history with those having outstanding balances and current relationships with them, management has concluded that realization losses on balances outstanding at year-end will be immaterial.

Property and Equipment

Additions to property and equipment of \$5,000 or more are capitalized. Property and equipment are carried at cost, or at fair value when acquired by gift. The Organization received donated vehicles in 2022 valued at \$3,173. There were no donated assets in 2023.

Depreciation

Depreciation is provided on a straight-line method over the estimated useful lives of the assets which range from 5 to 39 years.

CLACKAMAS WOMEN'S SERVICES  
NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Leases

The Organization determines if an arrangement is or contains a lease at inception. Under FASB ASC 842, *Leases*, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise the option.

The Organization does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Revenue Recognition

A summary of the revenue recognition policies is as follows:

**Contributions**

Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period the Organization is notified of the commitment. Bequests are recorded as revenue at the time the Organization has an established right to the bequest and the proceeds are measurable. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

CLACKAMAS WOMEN'S SERVICES  
NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Revenue Recognition, Continued

**Government Contracts and Grants**

Government contracts and grants are conditioned upon certain performance requirements and/or incurring 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 deferred revenue in the statement of financial position. The Organization has been awarded cost-reimbursable grants of approximately \$9,280,000 for the period through June 2026 that have not been recognized at June 30, 2023 because qualifying expenditures have not yet been incurred.

**Donated Assets, Facilities, Materials, and Services**

Donations of facilities, materials, assets and services are recorded as support at their estimated fair value at the date of donation. Such donations are reported as support without donor restrictions unless the donor has restricted the donation to a specific purpose.

The Organization recognizes 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.

**Special Events**

The Organization records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place. Sponsorships are recorded as revenue at the time of the commitment unless commensurate value is included a part of the agreements. The portion of the sponsorship revenue that relates to commensurate value of the sponsor received in return is recognized when the related events are held and performance obligations are met.

CLACKAMAS WOMEN'S SERVICES  
NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The allocation methodology and associated expenses that are allocated include:

- Time and effort – Personnel expenses
- Square footage – Occupancy
- Direct expenses – Education and training, communications, office

Income Taxes

The Organization is a nonprofit corporation exempt from income tax under section 501(c)(3) of the Internal Revenue Code and applicable state law. No provision for income taxes is made in the accompanying financial statements, as the Organization has no activities subject to unrelated business income tax. The Organization is not a private foundation.

The Organization follows the provisions of FASB ASC Topic 740 *Accounting for Uncertainty in Income Taxes*. Management has evaluated the Organization's tax positions and concluded that there are no uncertain tax positions that require adjustment to the financial statements to comply with provisions of this Topic.

Use of Estimates

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CLACKAMAS WOMEN'S SERVICES  
NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Change in Accounting Standard

Effective July 1, 2022, the Organization adopted Accounting Standards Update (ASU) No. 2016-02, *Leases*, which requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. The Organization elected not to restate the comparative period (2022). It also elected not to reassess at adoption (i) expired or existing contracts to determine whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial direct costs for existing leases. As a result of implementing ASU No. 2016-02, the Organization recognized right-of-use assets of \$167,093 and lease liabilities totaling \$167,093 in its statement of financial position as of July 1, 2022. The adoption did not result in a significant effect on amounts reported in the statement of activities for the year ended June 30, 2023.

Summarized Financial Information for 2022

The accompanying financial information for the year ended June 30, 2022 is presented for comparative purposes only and is not intended to represent a complete financial statement presentation.

Subsequent Events

The Organization has evaluated all subsequent events through December 20, 2023, the date the financial statements were available to be issued.

3. AVAILABLE RESOURCES AND LIQUIDITY

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its primary operations to be general expenditures. It excludes financial assets with donor or other restrictions limiting their use.

CLACKAMAS WOMEN'S SERVICES  
NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2023

3. AVAILABLE RESOURCES AND LIQUIDITY, Continued

Financial assets available for general expenditure consist of the following at June 30, 2023 and 2022:

	2023	2022
Cash and cash equivalents	\$ 2,064,461	\$ 1,512,828
Contracts and grants receivable	1,637,046	1,895,540
	3,701,507	3,408,368
Less amounts unavailable for general expenditure:		
Net assets with donor restrictions	450,112	451,950
Financial assets available for general expenditure	\$ 3,251,395	\$ 2,956,418

4. CONTRACTS AND GRANTS RECEIVABLE

Contracts and grants receivables are unsecured and consist of the following at June 30, 2023 and 2022:

	2023	2022
Contracts receivable	\$ 1,498,530	\$ 1,678,590
Grants receivable	138,516	216,950
Total contracts and grants receivable	\$ 1,637,046	\$ 1,895,540

Grants receivables are expected to be received in one year.

The Organization is the beneficiary of a living trust and the final distribution is dependent on tax obligations and resolution on the trust estate has been finalized. As of June 30, 2023, the contribution receivable from the is not known has not been recognized in the accompanying financial statements.

CLACKAMAS WOMEN'S SERVICES  
NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2023

5. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2023 and 2022:

	2023	2022
Buildings and improvements	\$ 1,741,781	\$ 1,736,456
Furniture and equipment	233,198	233,198
Website	14,600	14,600
Vehicles	71,884	72,085
Total property and equipment	2,061,463	2,056,339
Less accumulated depreciation	912,385	836,358
Net property and equipment	\$ 1,149,078	\$ 1,219,981

6. LINE OF CREDIT

During the year ended June 30, 2022, the Organization had a \$82,100 stand-alone revolving line of credit with a financial institution. Interest on the line was payable monthly on outstanding advances at a rate of 6.25%. The line was secured by assets of the Organization. Interest expense approximated \$300 for the year ended June 30, 2022. The line of credit matured in June 2022 and was not renewed.

7. OPERATING LEASES

The Organization evaluated current contracts to determine which met the criteria of a lease. Right-of-use (ROU) assets represent the Organization's right to use underlying assets for the lease term, and lease liabilities represent the Organization's obligation to make lease payments arising from these leases. ROU assets and lease liabilities, all of which arise from operating leases, are calculated based on the present value of future lease payments over the lease terms.

The Organization's operating leases consist of leases for office space and equipment with remaining lease terms of 2 months to 2 years.

The statement of financial position reflects ROU assets of \$83,008 and operating lease liabilities of \$84,077 as of June 30, 2023.

CLACKAMAS WOMEN'S SERVICES  
NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2023

7. OPERATING LEASES, Continued

As of June 30, 2023, the weighted average remaining lease terms was 1.52 years and the discount rate was 2.84%.

The maturities of operating lease liabilities as of June 30, 2023, are as follows:

Year ending June 30, 2024	\$	54,615
2025		31,398
		86,013
Less discount/ interest		(1,936)
Present value of lease liabilities	\$	84,077

For the year ended June 30, 2023, total operating lease cost of approximately \$87,400 is included in occupancy on the statement of functional expenses.

The Organization also receives donated office space, see Note 9.

Rent expense under FASB ASC Topic 840, *Leases*, (pre-adoption of the new standards) for operating leases totaled approximately \$198,000 (including donated rent of \$104,200) for the year ended June 30, 2022. The aggregate minimum lease payments under those operating leases as of June 30, 2022, were as follows:

For the year ending June 30, 2023	\$	86,300
2024		55,800
2025		31,400
		\$ 173,500

Subsequent to year end, the Organization amended its program office lease to extend the lease term by 60 months. A ROU asset and operating lease liability approximating \$734,700 will be recorded during the year ending June 30, 2024.

CLACKAMAS WOMEN'S SERVICES  
NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2023

8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are as follows at June 30, 2023 and 2022:

	2023	2022
Time restrictions	\$ 165,000	\$ -
Housing	20,000	210,000
Education	60,152	110,000
Youth support	174,960	12,500
Summer programming	25,000	119,450
Latina services	5,000	-
Total net assets with donor restrictions	\$ 450,112	\$ 451,950

9. CONTRIBUTED NONFINANCIAL ASSETS

The Organization received the following contributions of nonfinancial assets for the years ended June 30, 2023 and 2022:

	Program	Total
<b>2023</b>		
Occupancy	\$ 104,200	\$ 104,200
Gift cards	7,582	7,582
	\$ 111,782	\$ 111,782
<b>2022</b>		
Occupancy	\$ 104,200	\$ 104,200
Gift cards	10,564	10,564
Vehicle (capitalized)	-	3,173
	\$ 114,764	\$ 117,937

All contributed nonfinancial assets are recorded at fair value based on the current cost to acquire the goods or services, or the sale price of comparable goods or services, and fair market rent.

CLACKAMAS WOMEN'S SERVICES  
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June 30, 2023

10. RETIREMENT PLAN

CWS adopted a 401(k) plan in March 2021 available to all eligible employees. The Organization matches employee contributions equal to 100% of elective deferrals that do not exceed 4% of compensation. Contributions to the plan approximated \$154,300 and \$97,700 for the years ended June 30, 2023 and 2022, respectively.

11. CONTINGENCIES

Amounts received or receivable from various contracting agencies are subject to audit and potential adjustment by the contracting agencies. Any disallowed claims, including amounts already collected, would become a liability of the Organization if so determined in the future. Management believes that no significant amounts received or receivable will be required to be returned in the future.

12. CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances in several financial institutions located in the Portland-Metro area. The balances at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The balances, at times, may exceed the federally insured limit. Cash in excess of the FDIC limit was approximately \$201,000 and \$1,114,000 as of June 30, 2023 and 2022, respectively.

Approximately 84% of total contracts and grants receivables at June 30, 2023 are receivable from two governmental entities (76% from three governmental entities at June 30, 2022). Revenue for 2023 is concentrated with approximately 64% of total revenue from three governmental entities (64% of total revenue from four governmental entities for 2022).