

**BRADLEY ANGLE**  
**FINANCIAL STATEMENTS AND**  
**SINGLE AUDIT COMPLIANCE REPORTS**  
**YEAR ENDED JUNE 30, 2023**



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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Bradley Angle  
Portland, Oregon

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the accompanying financial statements of Bradley Angle, 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 referred to above present fairly, in all material respects, the financial position of Bradley Angle, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Bradley Angle 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 Bradley Angle's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bradley Angle'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 Bradley Angle'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.

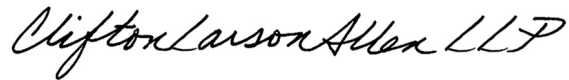
Board of Directors  
Bradley Angle

**Supplementary Information**

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2024, on our consideration of Bradley Angle’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 Bradley Angle’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 Bradley Angle’s internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Bellevue, Washington  
March 27, 2024

**BRADLEY ANGLE  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2023**

**ASSETS**

Cash and Cash Equivalents	\$	1,414,940
Investments		100,000
Grants and Pledges Receivable		845,265
Prepaid Expenses		44,852
Deposits		6,450
Operating Lease Right-of-Use Asset		64,008
Finance Lease Right-of-Use Asset		15,491
Property and Equipment, Net		<u>316,560</u>
Total Assets	\$	<u>2,807,566</u>

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts Payable	\$	37,323
Accrued Payroll		138,506
Paycheck Protection Program Loan		19,414
Operating Lease Obligation		83,139
Financing Lease Obligation		15,809
Refundable Advances		721,908
Deferred Revenue		16,250
Funds Held for Participants		<u>112</u>
Total Liabilities		1,032,461

**NET ASSETS**

Without Donor Restrictions		1,634,394
With Donor Restrictions		<u>140,711</u>
Total Net Assets		<u>1,775,105</u>
Total Liabilities and Net Assets	\$	<u>2,807,566</u>

See accompanying Notes to Financial Statements.

**BRADLEY ANGLE  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>			
Contributions and Grants	\$ 616,786	\$ 249,847	\$ 866,633
Government Grants	2,791,089	-	2,791,089
Contributed Nonfinancial Assets	58,672	-	58,672
Special Event Revenue, Net of Direct Benefit			
Costs of \$12,727	27,142	-	27,142
Interest Income	3,391	-	3,391
Other Income	5,072	-	5,072
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	217,299	(217,299)	-
Total Support and Revenue	<u>3,719,451</u>	<u>32,548</u>	<u>3,751,999</u>
 <b>EXPENSES</b>			
Program	2,571,255	-	2,571,255
Management and General	683,958	-	683,958
Fundraising	206,715	-	206,715
Total Expenses	<u>3,461,928</u>	<u>-</u>	<u>3,461,928</u>
 <b>CHANGE IN NET ASSETS</b>	257,523	32,548	290,071
Net Assets - Beginning of Year	<u>1,376,871</u>	<u>108,163</u>	<u>1,485,034</u>
 <b>NET ASSETS - END OF YEAR</b>	<u>\$ 1,634,394</u>	<u>\$ 140,711</u>	<u>\$ 1,775,105</u>

See accompanying Notes to Financial Statements.

**BRADLEY ANGLE**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2023**

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and Wages	\$ 1,021,298	\$ 369,587	\$ 138,845	\$ 1,529,730
Payroll Taxes	97,744	32,309	12,108	142,161
Employee Benefits	96,364	38,933	4,760	140,057
Housing Assistance	646,269	1,645	-	647,914
Participant Assistance	251,776	-	-	251,776
Contract Services	92,910	89,119	17,684	199,713
Supplies Expense	96,804	17,045	7,872	121,721
Office Expenses	3,271	5,597	9,358	18,226
Telephone	33,888	3,397	1,502	38,787
Facilities and Equipment	9,346	-	-	9,346
Occupancy	149,563	17,484	5,686	172,733
Depreciation and Amortization	-	76,913	-	76,913
Auto and Travel	25,223	3,651	241	29,115
Advertising	1,262	138	51	1,451
Donated Goods and Services	27,795	23,546	7,331	58,672
Insurance	17,742	3,192	1,277	22,211
Interest Expense	-	1,402	-	1,402
Fundraising Event	-	-	12,727	12,727
Subtotal	<u>2,571,255</u>	<u>683,958</u>	<u>219,442</u>	<u>3,474,655</u>
Less: Direct Benefit Costs				
Netted with Revenue	<u>-</u>	<u>-</u>	<u>(12,727)</u>	<u>(12,727)</u>
Total Expenses	<u>\$ 2,571,255</u>	<u>\$ 683,958</u>	<u>\$ 206,715</u>	<u>\$ 3,461,928</u>

See accompanying Notes to Financial Statements.



**BRADLEY ANGLE  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2023**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in Net Assets	\$ 290,071
Adjustments to Reconcile Change in Net Assets to	
Cash Provided by Operating Activities:	
Depreciation and Amortization	76,913
Interest on Financing Lease Liabilities	304
Noncash Lease Expense	20,770
Changes in Operating Assets and Liabilities:	
Grants and Pledges Receivable	(484,740)
Prepaid Expenses	(27,639)
Accounts Payable	10,658
Accrued Payroll	26,625
Deferred Revenue	(46,890)
Refundable Advances	721,908
Deferred Rent	(39,638)
Funds Held for Participants	(498)
Net Cash Provided by Operating Activities	<u>547,844</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of Property and Equipment	(11,843)
Purchase of Investments	(100,000)
Net Cash Used by Investing Activities	<u>(111,843)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Principal Payments on PPP Loan	(10,210)
Finance Lease Payments	(6,656)
Net Cash Used by Financing Activities	<u>(16,866)</u>

**NET INCREASE IN CASH AND CASH EQUIVALENTS**

419,135

Cash and Cash Equivalents - Beginning of Year

995,805

**CASH AND CASH EQUIVALENTS - END OF YEAR**

\$ 1,414,940

**SUPPLEMENTAL DISCLOSURE OF NONCASH ITEMS**

Right-of-Use Assets Obtained in Exchange for Lease Liabilities:

Operating Leases	\$ 64,008
Financing Leases	\$ 15,491

See accompanying Notes to Financial Statements.

**BRADLEY ANGLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 NATURE OF ACTIVITIES**

Bradley Angle is a nonprofit organization, incorporated in the state of Oregon in 1975, whose purpose is to provide shelter and related services for any person experiencing or at risk of domestic violence in the Portland, Oregon metropolitan area. Bradley Angle receives funding from government grants and contributions.

Bradley Angle's programs are as follows:

Emergency Shelter

The Bonnie Tinker House provides emergency shelter for up to 60 days for survivors of domestic violence and their children fleeing abusive situations. Residents receive help with immediate needs and work with a trained advocate to find a housing solution, explore legal options, and access other needed support. The Bonnie Tinker House is a confidential location.

Housing Assistance

Housing assistance services are available to survivors who are not in immediate danger and are feeling stable enough to move forward. Services are designed to foster financial independence and long-term stability through rental assistance for up to one year, supportive case management, and skill-building and educational opportunities. Bradley Angle serves up to 20 families at a time in the Housing Assistance Program.

Youth and Family Support Services

Domestic violence affects every member of the family, including the children. Growing up in a violent home can be a terrifying and traumatic experience that can affect every aspect of a child's life, growth, and development. Youth services are designed to create a sense of safety, to assess and address trauma symptoms, and provide nurturing support to children of all ages. Bradley Angle also provides supportive parenting education and volunteers help with after-school tutoring and group activities.

Healing Roots

The Healing Roots program offers culturally specific services for African American survivors of domestic violence, who are over-represented in domestic violence statistics. Services include advocacy, case management, help with basic needs, and support groups.

Marsha's Folx Program

Bradley Angle is committed to survivors of domestic violence regardless of relationship status, sexual orientation, or gender identity/expression. Services for the LGBTQ community include advocacy, case management, support groups, and our popular Healthy Relationships group. Bradley Angle also trains community groups about the impact of domestic violence in the community.

**BRADLEY ANGLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 NATURE OF ACTIVITIES (CONTINUED)**

Economic Empowerment Program

For many survivors of domestic violence, access to their own financial resources and financial management skills are key to getting and staying free of abusive relationships. The Economic Empowerment program is one of a kind. It offers financial education and economic empowerment tools like match-savings accounts to help survivors increase their financial self-sufficiency. The popular Making Cent\$ classes are offered four times a year.

Resource Center

The Healing Roots, Marsha's Folx Program, and Economic Empowerment programs operate out of a Resource Center in Northeast Portland. Participants also attend support groups and educational workshops at the Resource Center and meet with trained and caring advocates.

**NOTE 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, Bradley Angle 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. Included in cash and cash equivalents are funds held for participants.

**Grants and Pledges Receivable**

Grants and pledges 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.

**BRADLEY ANGLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property and Equipment**

Acquisitions of property and equipment in excess of \$5,000 are capitalized. Property and equipment purchased are recorded at cost. Donated assets are reflected as contributions at their estimated values on the date received.

**Depreciation**

Depreciation of property and equipment is calculated using the straight-line method over the estimated useful lives of the assets which range from 3 to 20 years.

**Funds Held for Participants**

Funds held for participants represent funds invested by survivors in match-savings accounts.

**Deferred Rent**

For lease agreements that contain rent holidays and/or rent escalation clauses, Bradley Angle amortizes the lease on a straight-line basis over the term of the lease and records a deferred lease liability as an addition or reduction to rent expense.

**Revenue Recognition**

Revenues from various sources are recognized as follows:

**Contributions and Grants:** Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period Bradley Angle is notified of the commitment. Bequests are recorded as revenue at the time Bradley Angle 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.

**Government Grants:** Government grants are conditioned upon certain performance requirements and/or incurring allowable qualifying expenses. Amounts received are recognized as revenue when Bradley Angle 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 totaling \$721,908 at June 30, 2023. Bradley Angle has been awarded cost-reimbursable grants of approximately \$844,373 that have not been recognized at June 30, 2023 because qualifying expenditures have not yet been incurred. Bradley Angle has not received any advances on these grants as of June 30, 2023.

**Special Events:** Bradley Angle 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.

**BRADLEY ANGLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Donated Goods and Services**

Bradley Angle receives in-kind contributions from various donors. Contributions of donated goods and services that create or enhance nonfinancial assets or that require specialized skills, 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 the period received.

**Income Tax Status**

Bradley Angle 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 Bradley Angle has no activities subject to unrelated business income tax. Bradley Angle is not a private foundation.

Bradley Angle follows the provisions of FASB ASC Topic 740, *Accounting for Uncertainty in Income Taxes*. Management has evaluated Bradley Angle'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.

**Expense Allocation**

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 expenses that are allocated include personnel expenses, contract services, business expenses, office expenses and supplies, meetings, facilities and utilities, rent, depreciation, staff and board development and auto and travel, which are allocated on the basis of estimates of time and effort.

**Use of Estimates**

The preparation of financial statements in conformity 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.

**Investments**

Bradley Angle added an investment policy in 2023 to support its strategy of generating additional income. In this policy, the Finance Committee and is authorized to recommend to the board of directors one or more investment advisors to assist in carrying out the objectives of the policy. The Finance Committee and the investment advisor shall mutually agree to performance objectives and ensure they are appropriately aligned with overall fund objectives. For long-term investments (with a timeline of five years or more) the benchmarks shall match or exceed the performance of a blended benchmark of:

- 60% stocks (as measured by the MSCI All Country World Index or equivalent);
- 40% bonds (as measured by the Barclays Capital Intermediate government/Credit Bond Index or equivalent).

**BRADLEY ANGLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investments (Continued)**

For short term investments, the approved investments are:

- Interest-bearing checking accounts for cash needs within the next 60 days;
- FDIC insured money market accounts.

The portfolio will be invested so all assets will be diversified, with the intent of minimizing the risk of large loss. The total portfolio will be constructed and maintained to meet the Uniform Prudent Management of Institutional Funds Act (UPMIFA), including providing for reasonable diversification with regard to the concentration of holdings in individual issues, corporations or industries.

**Adoption of New Accounting Standard**

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

Bradley Angle adopted the requirements of the guidance effective July 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption through a cumulative effect adjustment, with certain practical expedients available (see Note 7).

Bradley Angle has elected to adopt the package of practical expedients available in the year of adoption. Bradley Angle has not elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of Bradley Angle's ROU assets. Bradley Angle has not elected to separate nonlease components from lease components.

Bradley Angle elected the available practical expedients to account for existing capital and operating leases as finance and operating leases, respectively, under the new guidance, without reassessing (a) whether the contracts contain leases under the new standard, (b) whether classification of operating leases would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

**BRADLEY ANGLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Adoption of New Accounting Standard (Continued)**

As a result of the adoption of the new lease accounting guidance, Bradley Angle recognized on July 1, 2022, a lease liability of \$177,553 and \$19,254, which represents the present value of the remaining operating and finance lease payments, discounted using the applicable risk-free discount rate, and ROU asset of \$177,553 and \$22,102 for operating and finance leases, respectively.

The standard had material impact on the statement of financial position at adoption but did not have a material impact on the statement of activities, nor statement of cash flows for the year ended June 30, 2023. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases and finance leases.

**Subsequent Events**

Bradley Angle has evaluated all subsequent events through March 27, 2024, the date the financial statements were available to be issued.

**NOTE 3 LIQUIDITY AND AVAILABILITY**

Bradley Angle 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, Bradley Angle considers all expenditures related to its primary operations to be general expenditures. It excludes financial assets with donor or other restrictions limiting their use.

Financial assets of Bradley Angle consist of the following at June 30, 2023:

Cash and Equivalents	\$ 1,414,940
Investments	100,000
Grants and Pledges Receivable	<u>845,265</u>
Subtotal	2,360,205
Less Amounts Unavailable for General Expenditure:	
Net Assets with Donor Restrictions	(140,711)
Funds Held for Participants	<u>(112)</u>
Financial Assets Available for General Expenditure	<u><u>\$ 2,219,382</u></u>

**BRADLEY ANGLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 4 FAIR VALUE MEASUREMENTS**

Bradley Angle reports certain assets and liabilities at fair value in the consolidated financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

*Level 1* – Quoted prices (unadjusted) in active markets for identical assets or liabilities that Bradley Angle can access at the measurement date.

*Level 2* – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

*Level 3* – Unobservable inputs for the asset or liability. In these situations, Bradley Angle develops inputs using the best information available in the circumstances.

Bradley Angle's investments at June 30, 2023 consisted entirely of cash, which is not classified within the fair value hierarchy.

**NOTE 5 PROPERTY AND EQUIPMENT**

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

Land	\$ 15,000
Buildings	1,073,130
Leasehold Improvements	73,401
Furniture and Equipment	111,371
Vehicles	53,720
Subtotal	<u>1,326,622</u>
Less: Accumulated Depreciation	<u>(1,010,062)</u>
Property and Equipment, Net	<u>\$ 316,560</u>



**BRADLEY ANGLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 6 CONTRIBUTED NONFINANCIAL ASSETS**

Contributed nonfinancial assets consisted of the following for the year ended June 30, 2023:

Donated Goods	\$ 35,126
Donated Legal Services	<u>23,546</u>
Total	<u>\$ 58,672</u>

Bradley Angle records donated goods and services in accordance with Accounting Standards Update (ASU) 2020-07, at the fair value at the date of the gift. Donated goods are valued at the value of the goods if otherwise purchased and donated legal services are valued at the hourly rates of the attorneys providing the pro bono services, which approximates fair value. These donations are disclosed separately in the statement of activities as contributions of nonfinancial assets.

**NOTE 7 LEASES**

Bradley Angle leases office space and equipment. Bradley Angle determines if an arrangement is a lease at inception. Operating leases are included in the operating ROU assets and operating lease liabilities. Financing leases are included in the financing ROU asset and financing lease liabilities on the statement of financial position as of June 30, 2023.

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

Bradley Angle has elected not to separate nonlease components from lease components and instead accounts for these as a single lease component.

Bradley Angle's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

In evaluating contracts to determine if they qualify as a lease, Bradley Angle considers factors such as if Bradley Angle has obtained substantially all of the rights to the underlying asset through exclusivity, if Bradley Angle can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgement.

**BRADLEY ANGLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 7 LEASES (CONTINUED)**

The individual lease contracts do not provide information about discount rate implicit in the lease. Therefore, Bradley Angle has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

Bradley Angle rents office space and copier equipment. Amounts reported on the statement of financial position as of June 30, 2023 are as follows:

Operating Lease Right-of-Use Asset	\$ 64,008
Operating Lease Obligation	\$ 83,139
Finance Lease Right-of-Use Asset	\$ 15,491
Finance Lease Obligation	\$ 15,809

The following is a schedule of total future minimum lease payments and the present value of future minimum lease payments for operating leases:

<u>Year Ending June 30,</u>	<u>Operating</u>	<u>Finance</u>	<u>Total</u>
2024	\$ 84,158	\$ 6,960	\$ 91,118
2025	-	6,690	6,690
2026	-	2,450	2,450
2027	-	-	-
2028	-	-	-
Thereafter	-	-	-
Total Undiscounted Lease Payments	<u>84,158</u>	<u>16,100</u>	<u>100,258</u>
Less: Imputed Interest	1,019	291	1,310
Total Present Value	<u>\$ 83,139</u>	<u>\$ 15,809</u>	<u>\$ 98,948</u>
Short-Term Operating Lease Obligation	\$ 83,139	\$ 6,764	\$ 89,903
Long-Term Operating Lease Obligation	-	9,045	9,045
Total	<u>\$ 83,139</u>	<u>\$ 15,809</u>	<u>\$ 98,948</u>

Other information related to the Bradley Angle Leases as of June 30, 2023 was as follows:

Cash Paid for Amounts Included in the Measurement of Lease Liabilities:	
Operating Cash Flows from Finance Leases	\$ 304
Operating Cash Flows from Operating Leases	\$ 98,538
Financing Cash Flows from Finance Leases	\$ 6,656
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liability	\$ 147,915
Right-of-Use Assets Obtained in Exchange for New Finance Lease Liabilities	\$ -
Weighted-Average Remaining Lease Term - Finance Leases	2.40
Weighted-Average Remaining Lease Term - Operating Leases	0.80
Weighted-Average Discount Rate - Finance Leases	1.61%
Weighted-Average Discount Rate - Operating Leases	3.26%

**BRADLEY ANGLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 8 RETIREMENT PLAN**

Bradley Angle has a “Savings Incentive Match Plan for Employees of Small Employers” (SIMPLE) IRA plan. Eligibility is limited to employees who are reasonably expected to receive at least \$5,000 in compensation for the calendar year. An eligible employee may make elective deferrals to the plan and, regardless of whether an employee contributes or not, Bradley Angle contributes 2% of gross wages. Bradley Angle 's contributions to the plan for 2023 totaled approximately \$15,010.

**NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with expiring donor restrictions consist of the following at June 30, 2023:

Economic Empowerment	\$	88,919
Other Purpose Restrictions		51,792
Total Net Assets with Expiring Restrictions	<u>\$</u>	<u>140,711</u>

**NOTE 10 CONCENTRATIONS OF CREDIT RISK**

Bradley Angle maintains its cash balances in several financial institutions. Balances in 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.

Bradley Angle's revenues are have the following concentrations at June 30, 2023:

DHHS/FVPSA	\$	412,863	11.2%
DOJ		573,444	15.5%
DSVCO		358,065	9.7%
JOHS		998,511	27.0%
ODHS		720,599	19.5%

Bradley Angle's credit risk for accounts receivable have the following concentrations at June 30, 2023:

JOHS	\$	146,413	17.4%
ODHS SIP		544,000	64.5%

**BRADLEY ANGLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 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 Bradley Angle if so determined in the future. It is management's belief that no significant amounts received or receivable will be required to be returned in the future.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors  
Bradley Angle  
Portland, Oregon

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 Bradley Angle, which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 27, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Bradley Angle'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 Bradley Angle's internal control. Accordingly, we do not express an opinion on the effectiveness of Bradley Angle'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal controls, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

**Report on Compliance and Other Matters**


As part of obtaining reasonable assurance about whether Bradley Angle’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*.

***Bradley Angle’s Response to Findings***

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

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’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 entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Bellevue, Washington  
March 27, 2024



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

Board of Directors  
Bradley Angle  
Portland, Oregon

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Bradley Angle'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 Bradley Angle's major federal programs for the year ended June 30, 2023. Bradley Angle's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Bradley Angle complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Bradley Angle 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 Bradley Angle'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 Bradley Angle's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Bradley Angle's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Bradley Angle's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Bradley Angle'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 Bradley Angle'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 Bradley Angle'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**

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



*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-002 to be a material weakness.

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.

***Bradley Angle's Response to Findings***

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

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



**CliftonLarsonAllen LLP**

Bellevue, Washington  
March 27, 2024

**BRADLEY ANGLE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2023**

Federal Grantor/Pass Through Grantor Program Title	Contract Number	Pass-Through Entity Identifying Number	COVID Funding	Federal Assistance Listing Number	Federal Expenditures
<b>U.S. Department of Housing and Urban Development</b>					
Assistance Competition	OR0020L0E011912		No	14.267	\$ 329,619
Multnomah County:					
Continuum of Care Program		JOHS-SVCSGEN-772-2019-conv	No	14.267	<u>177,238</u>
Total U.S. Department of Housing and Urban Development					506,857
<b>U.S. Department of Justice</b>					
Oregon Department of Justice:					
Crime Victim Assistance		Joint-2021-BradleyAngle-00003	No	16.575	122,454
Crime Victim Assistance		VOCA-CS-2021-BradleyAngle-00007	No	16.575	87,033
Crime Victim Assistance		VOCA-C-2019-BradleyAngle-00040	No	16.575	<u>4,697</u>
Total U.S. Department of Justice					214,184
<b>U.S. Department of Treasury</b>					
Multnomah County:					
Coronavirus State and Local Fiscal Recovery Funds		DCHS-SVCSGEN-14071-2022	Yes	21.027	71,178
Coronavirus State and Local Fiscal Recovery Funds		DCHS-SVCSGEN-14071-2022	Yes	21.027	59,998
Coronavirus State and Local Fiscal Recovery Funds		ARPA-2022-BradleyAngle-00042	Yes	21.027	<u>8,656</u>
Total U.S. Department of Treasury					139,832
<b>U.S. Department of Health and Human Services</b>					
Free from Violence Project	90EV0467-03		No	93.592	283,264
Free from Violence Project	90EV0467-02		No	93.592	80,280
ARP Healing Roots	90EV0494-01-C6		No	93.592	45,216
Family Violence Prevention and Services - Grants for Battered Womens Shelters Discretionary Grants	90EV0467-02		No	93.592	<u>4,103</u>
Subtotal					412,863
Oregon Department of Health and Human Services:					
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services		172565	No	93.671	37,005
		172565	No	93.671	18,819
		172565	No	93.671	<u>12,661</u>
Subtotal					68,485
Total U.S. Department of Health and Human Services					<u>481,348</u>
Total Expenditures of Federal Awards					<u>\$ 1,342,221</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**BRADLEY ANGLE**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2023**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the schedule) includes all federal grant activity of Bradley Angle under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of the 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 Bradley Angle, it is not intended to and does not present the financial position, changes in net assets or cash flows of Bradley Angle.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported in accordance with auditing standards generally accepted in the United States of America. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3 INDIRECT COSTS**

Bradley Angle has not elected the 10% de minimus indirect cost rate.

**NOTE 4 SUBRECIPIENT PAYMENTS**

During the year ended June 30, 2023, Bradley Angle did not pass-through funding to subrecipients.

**BRADLEY ANGLE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

***Section I – Summary of Auditors’ Results***

***Financial Statements***

1. Type of auditors' report issued: **Unmodified**
2. Internal control over financial reporting:
- Material weakness(es) identified?     X     yes            no
  - Significant deficiency(ies) identified that are not considered to be material weakness(es)?            yes     X     no
3. Noncompliance material to financial statements noted?            yes     X     no

***Federal Awards***

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

***Identification of Major Programs***

<b><u>Federal Assistance Listing Number(s)</u></b>	<b><u>Name of Federal Program or Cluster</u></b>
14.267	Continuum of Care
93.952	Family Violence Prevention and Services

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

**BRADLEY ANGLE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**

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***Section II – Financial Statement Findings***

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**2023-001**

**Type of Finding: Material Weakness in Internal Control over Financial Reporting**

**Condition:** During our audit, we identified material adjustments necessary to properly state account balances and activity of Bradley Angle in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

**Criteria or Specific Requirement:** An internal control structure should be designed to prevent and detect material misstatements to the financial statements, account balances, and activity.

**Context:** The following errors and adjusting journal entries were necessary to properly state the financial statements and balances in accordance with U.S. GAAP.

- During the audit, we noted accrued payroll liabilities as of yearend, totaling \$62,705 had not been recorded.

**Effect:** This error resulted in material entries to properly state the financial statements and account balances in accordance with U.S. GAAP.

**Cause:** The internal control structure is not designed to prevent material and detect material errors in account balances and the consolidated financial statements.

**Recommendation:** We recommend management perform a thorough review of its internal controls over its accounting processes and financial reporting, including but not limited to timely reconciliation of accounts, independent detail review of account reconciliations, and a monthly closing process. These recommendations, if implemented, can help to ensure accounts are appropriately reported and all activity is captured.

**View of Responsible Official:** Management agrees with the finding and has provided its corrective action plan.

**BRADLEY ANGLE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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**2023 – 002**

**Type of Finding: Material Weakness in Internal Control over Compliance**

Federal Agency: United States Department of Health and Human Services

Federal Program Name: Family Violence Prevention and Services/Discretionary

Assistance Listing Number: 93.592

Federal Award Identification Number and Year: 90EV0467

Award Period for 90EV0467-02 and 90EV0467-03: September 30, 2020 through September 29, 2024

Award Period for 90EV0467-C6: March 15, 2021 through September 30, 2025

**Criteria or specific requirement:** CFR 200.318 states the non-Federal entity's documented procurement procedures must conform to the procurement standards identified in CFR sections 200.317 through 200.327.

**Condition:** During our procurement testing, it was noted the procurement policy was written to comply with OMB Circular A-110 (2 CFR 215). As the requirements stated in the Circular have been superseded by OMB Uniform Guidance 2 CFR part 200, the policy as it is written is out of compliance.

**Questioned costs:** None.

**Context:** Though the current procurement policy was not updated to comply with 2 CFR Part 200 procurement standards the 3 samples selected during our audit did not identify instances of non-compliance with procurement standards.

**Cause:** Management was not aware of the specific compliance requirement changes and thus, did not update its procurement policy.

**Effect:** By not having an updated policy, the Organization could enter into a material transaction that is not compliant with 2 CFR Part 200.

**Repeat Finding:** No.

**Recommendation:** We recommend the client update its procurement policy so it is compliant with 2 CFR Part 200.

**Views of responsible officials:** Management agrees with the finding and has provided its corrective action plan.



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**BRADLEY ANGLE  
CORRECTIVE ACTION PLAN  
YEAR ENDED JUNE 30, 2023**

U.S. Department of Health and Human Services

Bradley Angle respectfully submits the following corrective action plan for the year ended June 30, 2023.

Audit period: Year ended June 30, 2023

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

**FINDINGS—FINANCIAL STATEMENT AUDIT**

**MATERIAL WEAKNESS**

2023-001 Material payroll accrual journal entry not recorded at year end.

Recommendation: We recommend management perform a thorough review of its internal controls over its accounting processes (specifically payroll) and financial reporting, including but not limited to timely reconciliation of accounts, independent detail review of account reconciliations, and a monthly closing process. These recommendations, if implemented, can help to ensure accounts are appropriately reported and all activity is captured.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.  
Action taken in response to finding: Our audit identified a weakness in our journal entry review practices. An internal control structure will be designed to prevent and detect material misstatements to the financial statements, account balances, and activity. We will implement a control structure where our outside accounting contractors create the journal entries at monthly closing, and those entries will be reviewed by our Finance Director prior to final close.

Name(s) of the contact person(s) responsible for corrective action: Richard Seymour, Finance Director

Planned completion date for corrective action plan: By April 1, 2024





**BRADLEY ANGLE  
CORRECTIVE ACTION PLAN  
YEAR ENDED JUNE 30, 2023**

**FINDINGS—FINANCIAL STATEMENT AUDIT**

U.S. Department of Health and Human Services

20XX-003 Family Violence Prevention and Services/Discretionary – Assistance Listing No. 93.592

Recommendation: Update procurement policy to be compliant with Uniform Guidance..

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Our audit identified a weakness in our policy surrounding procurement. CFR 200.318 states the non-Federal entity's documented procurement procedures must conform to the procurement standards identified in Uniform Guidance CFR sections 200.317 through 200.327. We will align our spending thresholds and policy language with that Uniform Guidance.

Name(s) of the contact person(s) responsible for corrective action: Richard Seymour, Finance Director

Planned completion date for corrective action plan: By May 10, 2024

If the U.S. Department of Health and Human Services has questions regarding this plan, please call Richard Seymour at (503) 504-2586.