Domestic Violence Project, Inc.
d/b/a SafeHouse Center

Financial Statements

September 30, 2022 and 2021

YEO & YEO

BUSINESS SUCCESS PARTNERS

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Independent Auditors' Report

Management and the Board of Directors
Domestic Violence Project, Inc.
d/b/a SafeHouse Center
Ann Arbor, MI 48105

Opinion

We have audited the accompanying financial statements of Domestic Violence Project, Inc. d/b/a SafeHouse Center, which comprise the balance sheet as of September 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Domestic Violence Project, Inc. d/b/a SafeHouse Center as of September 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Domestic Violence Project, Inc. d/b/a SafeHouse Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Domestic Violence Project, Inc. d/b/a SafeHouse Center'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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Domestic Violence Project, Inc. d/b/a SafeHouse Center's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregated, that raise substantial doubt about Domestic Violence Project, Inc. d/b/a SafeHouse Center's ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2023 on our consideration of Domestic Violence Project, Inc. d/b/a SafeHouse Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Domestic Violence Project, Inc. d/b/a SafeHouse Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Domestic Violence Project, Inc. d/b/a SafeHouse Center's internal control over financial reporting and compliance.

Yeo & Yeo, P.C.

Ann Arbor, Michigan
May 12, 2023

Domestic Violence Project, Inc.
d/b/a SafeHouse Center
Balance Sheet
September 30, 2022 and 2021

	2022	2021
Assets		
Current assets		
Cash and cash equivalents	**$ 144,901**	$ 380,873
Investments	**249,792**	176,808
Receivables		
Grant billing receivable and unbilled grant costs	**330,812**	313,934
Promises to give, current portion	**-**	8,200
Donated use of building, current portion	**57,618**	54,271
Prepaid expenses	**38,775**	34,167
Total current assets	**821,898**	968,253
Long-term assets		
Beneficial interest in the assets of the Ann Arbor Area Community Foundation	**308,289**	351,988
Property and equipment, net	**170,081**	183,864
Donated use of building	**2,653,755**	2,711,373
Total long-term assets	**3,132,125**	3,247,225
Total assets	**$ 3,954,023**	$ 4,215,478
Liabilities and Net Assets		
Current liabilities		
Accounts payable	**$ 6,408**	$ 23,445
Deferred revenue	**2,898**	-
Accrued payroll and withholdings	**30,775**	24,586
Accrued compensated absences	**59,450**	74,156
Total current liabilities	**99,531**	122,187
Long-term liabilities		
Due to funders	**183,141**	194,421
Total liabilities	**282,672**	316,608

See Accompanying Notes to the Financial Statements

Domestic Violence Project, Inc.
d/b/a SafeHouse Center
Balance Sheet
September 30, 2022 and 2021

	2022	2021
Net assets		
Without donor restrictions		
Undesignated	**538,273**	664,683
Board designated	**9,959**	12,061
Total without donor restrictions	**548,232**	676,744
With donor restrictions		
Purpose restrictions	**283,598**	320,134
Time-restricted for future periods	**2,711,373**	2,773,844
Perpetual in nature	**128,148**	128,148
Total with donor restrictions	**3,123,119**	3,222,126
Total net assets	**3,671,351**	3,898,870
Total liabilities and net assets	**$ 3,954,023**	$ 4,215,478

Domestic Violence Project, Inc.
d/b/a SafeHouse Center
Statement of Activities
For the Years Ended September 30, 2022 and 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	**Total**	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support						
Contributions	$ 1,116,039	$ 55,475	**$ 1,171,514**	$ 990,815	$ 132,797	$ 1,123,612
Contributed nonfinancial assets	271,654	-	**271,654**	226,081	-	226,081
Government grants	1,613,537	-	**1,613,537**	1,658,130	-	1,658,130
Special event revenue	50,790	-	**50,790**	98,085	-	98,085
Change in beneficial interest	(43,699)	-	**(43,699)**	75,501	-	75,501
Investment income (loss)	(29,970)	-	**(29,970)**	14,292	-	14,292
Rental income	60,510	-	**60,510**	54,705	-	54,705
PPP loan forgiveness	-	-	**-**	142,887	-	142,887
Miscellaneous income	8,381	-	**8,381**	14,358	-	14,358
Total revenue and support	3,047,242	55,475	**3,102,717**	3,274,854	132,797	3,407,651
Net assets released from restrictions	154,482	(154,482)	**-**	125,528	(125,528)	-
Total revenue, support and net assets released from restrictions	3,201,724	(99,007)	**3,102,717**	3,400,382	7,269	3,407,651
Expenses						
Program services	2,725,321	-	**2,725,321**	2,716,873	-	2,716,873
Support services						
Management and general	347,071	-	**347,071**	287,676	-	287,676
Fundraising	257,844	-	**257,844**	302,368	-	302,368
Total expenses	3,330,236	-	**3,330,236**	3,306,917	-	3,306,917
Change in net assets	(128,512)	(99,007)	**(227,519)**	93,465	7,269	100,734
Net assets - beginning of the year	676,744	3,222,126	**3,898,870**	583,279	3,214,857	3,798,136
Net assets - end of the year	$ 548,232	$ 3,123,119	**$ 3,671,351**	$ 676,744	$ 3,222,126	$ 3,898,870

See Accompanying Notes to the Financial Statements

Domestic Violence Project, Inc.
d/b/a SafeHouse Center
Statement of Functional Expenses
For the Years Ended September 30, 2022 and 2021

	Program Services	Support Services: Management and General	Support Services: Fundraising	**Total 2022**	Program Services	Support Services: Management and General	Support Services: Fundraising	Total 2021
Salaries and wages	$ 1,507,441	$ 165,451	$ 165,451	**$ 1,838,343**	$ 1,583,288	$ 173,764	$ 173,764	$ 1,930,816
Employee benefits	170,255	17,663	28,605	**216,523**	165,012	17,148	27,437	209,597
Payroll taxes	119,544	13,121	13,121	**145,786**	128,663	14,120	14,120	156,903
Total payroll expenses	1,797,240	196,235	207,177	**2,200,652**	1,876,963	205,032	215,321	2,297,316
Specific assistance to individuals	127,588	-	-	**127,588**	149,238	-	-	149,238
Accounting fees	-	33,607	-	**33,607**	-	31,412	-	31,412
Office expenses	162,522	12,048	25,053	**199,623**	110,066	14,285	21,586	145,937
Occupancy	510,238	5,422	2,711	**518,371**	447,757	5,426	2,713	455,896
Information technology	1,595	148	111	**1,854**	3,095	288	216	3,599
Travel	4,990	555	-	**5,545**	3,738	429	-	4,167
Conferences and meetings	7,833	-	-	**7,833**	1,654	-	-	1,654
Interest	-	9,756	-	**9,756**	-	10,411	-	10,411
Depreciation	28,715	592	296	**29,603**	21,439	442	221	22,102
Insurance	36,573	1,186	732	**38,491**	34,755	1,250	796	36,801
Cost of direct benefit to donors	-	-	9,367	**9,367**	-	-	18,830	18,830
Other professional fees	42,215	86,638	5,885	**134,738**	65,275	9,993	9,089	84,357
Advertising and promotion	4,135	-	6,406	**10,541**	2,473	-	31,322	33,795
Miscellaneous	1,677	884	106	**2,667**	420	474	2,274	3,168
Loss on disposal of property and equipment	-	-	-	**-**	-	8,234	-	8,234
Total expenses	$ 2,725,321	$ 347,071	$ 257,844	**$ 3,330,236**	$ 2,716,873	$ 287,676	$ 302,368	$ 3,306,917

Domestic Violence Project, Inc.
d/b/a SafeHouse Center
Statement of Cash Flows
For the Years Ended September 30, 2022 and 2021

	2022	2021
Cash flows from operating activities		
Change in net assets	**$ (227,519)**	$ 100,734
Adjustments to reconcile change in net assets to net cash provided (used) by operations		
Depreciation	**29,603**	22,102
Loss on sale of property and equipment	**-**	8,234
Amortization of present value discount on donated use of building	**54,271**	51,118
Change in beneficial interest in assets of the Ann Arbor Community Foundation	**43,699**	(75,501)
Donated stock	**(14,058)**	(3,257)
Realized and unrealized (gain) loss on investments	**58,104**	(11,861)
PPP loan forgiveness	**-**	(142,887)
Changes in operating assets and liabilities		
Investments	**(117,030)**	1,541
Grant billing receivable and unbilled grant costs	**(16,878)**	(58,035)
Promises to give	**8,200**	(1,439)
Prepaid expenses	**(4,608)**	(7,665)
Accounts payable	**(17,037)**	9,865
Deferred revenue	**2,898**	-
Accrued payroll and withholdings	**6,189**	(72,180)
Accrued compensated absences	**(14,706)**	(12,145)
Net cash used by operations	**(208,872)**	(191,376)
Cash flows from investing activities		
Purchases of property and equipment	**(15,820)**	(141,628)
Cash flows from financing activities		
Payments made to funders	**(11,280)**	(10,625)
Net change in cash and cash equivalents	**(235,972)**	(343,629)
Cash and cash equivalents, beginning of the year	**380,873**	724,502
Cash and cash equivalents, end of the year	**$ 144,901**	$ 380,873

See Accompanying Notes to the Financial Statements

Note 1 – Summary of Significant Accounting Policies

Nature of Activities

Domestic Violence Project, Inc. ("SafeHouse Center" or "the Organization") is a Michigan non-profit organization based in Ann Arbor, Michigan, which provides services to survivors of domestic violence and sexual assault who live or work in Washtenaw County, Michigan. Services include a 24-hour crisis line, emergency shelter for survivors of domestic violence and their children, counseling and support groups, legal advocacy, referrals and accompaniment, children's services, post residential support, referral for counseling and education, alcohol and other drug information and assessment, and assistance in finding housing, employment and transportation. SafeHouse Center is funded by various grants from federal, state, local and community agencies, as well as contributions from the general public.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

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. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

Net assets with donor restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service.

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

The SafeHouse Center considers all highly liquid investments purchased with maturity of three months or less to be cash equivalents. As September 30, 2022, the entire cash and cash equivalents balance of $192,889 was FDIC insured.

Accounts Receivables

The SafeHouse Center uses the allowance method for accounting for doubtful accounts. Management regularly reviews the collection history of its receivables balances with particular attention given to those amounts greater than 90 days old. Based on management's review, no allowance was deemed necessary as of September 30, 2022 and 2021.

Investments
Investments are stated at fair value based on quoted prices in active markets. Realized gains and losses on sales of investments represent the difference between the net sales price and the cost of securities sold. Unrealized gains and losses on investments represent the net change for the reported year in unrealized appreciation between the balance at the beginning and the end of the year. Any donated investments received during the year are reflected as contributions at their market values at date of receipt.

Prepaid Expenses
Prepaid expenses are amounts paid for insurance and miscellaneous items in advance.

Property and Equipment
The SafeHouse Center follows the practice of capitalizing all expenditures in excess of $1,000 for property and equipment at cost; the fair value of donated fixed assets is similarly capitalized. Major improvements are capitalized while ordinary maintenance and repairs are expensed.

The SafeHouse Center evaluates long-lived assets for impairment using a discounted cash flow method whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable in accordance with accounting principles generally accepted in the United States of America.

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets.

Gifts of land, buildings, equipment and other long-lived assets are also reported as revenue without donor restrictions and net assets, unless subject to time restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the long-lived assets are placed in service.

Revenue and Revenue Recognition
Revenue is recognized when earned. Program service fees are deferred to the applicable period in which the performance obligations are met. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Special Event
The amount listed on the statement of activities as special event revenue pertain to the annual golf outing and other events. The amounts exclude in-kind revenue and expenses. The in-kind amounts have no net effect on the overall revenue.

Advertising
The SafeHouse Center expenses advertising costs the first time the advertising occurs. Advertising expense for the years ended September 30, 2022 and 2021 was $10,541 and $33,795, respectively.

Functional Expenses

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

The expenses that are allocated include the following:

Expense	Method and Allocation
Salaries, benefits and payroll taxes	Time and effort
Occupancy	Square footage
Insurance	Square footage
Depreciation	Square footage

Income Tax Status

The SafeHouse Center is qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and is classified as an organization other than a private foundation, as described in Section 509(a).

Use of Estimates

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

Date of Management's Review

Management has evaluated subsequent events through May 12, 2023, which is the date the financial statements were available to be issued.

Adoption of New Accounting Standard

The Organization adopted FASB Topic, Presentation and Disclosures by Not-For-Profit Entities for *Contributed Nonfinancial Assets*, as of the beginning of the year ended September 30, 2022.

Note 2 – Liquidity and Availability

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

	2022	2021
Cash and cash equivalents	**$ 31,485**	$ 264,318
Investments	**203,894**	130,207
Grant billing receivable and unbilled grant costs	**330,812**	313,934
Promises to give	**-**	8,200
Total financial assets - end of year	**$ 566,191**	$ 716,659

The Organization's goal is generally to maintain financial assets to meet six months of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts and certificates of deposit.

The Organization's endowment funds consist of donor restricted endowments and funds designated by the board as endowments. Income from donor restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use.

Donor restricted endowment funds are not available for general expenditure.

Note 3 – Unconditional Promises to Give

Unconditional promises to give as of September 30 consist of the following:

	2022	2021
Promise to give	**$ -**	$ 8,200

Note 4 – Conditional Promises to Give

During the fiscal year, the Organization received conditional promises to give related to state and federal grants. Payment of the grants is contingent upon spending the funds for the designated allowable purpose and various compliance requirements including 2 CFR 200.

The conditional contributions consisted of the following as of September 30, 2022:

Condition/ Grant Purpose	Total Contract/Grant Amount	Spent to Date	Conditional Contribution
Housing 22-23	$ 46,986	$ 29,915	$ 17,071
Victim Services 22-23	1,177,374	-	1,177,374
	$ 1,224,360	$ 29,915	$ 1,194,445

The conditional contributions consisted of the following as of September 30, 2021:

Condition/ Grant Purpose	Total Contract/Grant Amount	Spent to Date	Conditional Contribution
Housing 21-22	$ 47,258	$ -	$ 47,258
Victim Services 21-22	959,804	-	959,804
	$ 1,007,062	$ -	$ 1,007,062

Note 5 – Investments

Fair value of marketable debt and equity securities at September 30, 2022 and 2021 consist of:

	Fair Value	
	2022	2021
Available for sale		
Money market funds	$ 46,414	$ 46,601
Mutual funds	203,378	130,207
Total investments	$ 249,792	$ 176,808

Investment income is composed of the following at September 30:

	2022	2021
Dividends and interest	$ 14,191	$ 2,431
Realized gain (loss)	14,057	-
Unrealized gain (loss)	(58,218)	11,861
Total investment income	$ (29,970)	$ 14,292

Note 6 – Community Foundation

In 2003, the Organization transferred $123,440 to the Ann Arbor Area Community Foundation (AAACF) for the Shirley Trout/SafeHouse Center Fund for Women, and $4,708 to establish the SafeHouse Center Endowment Fund. AAACF holds and manages the funds transferred. In accordance with ASC 95-605-25, transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Holds Contributions for Others, the fair market value of these funds, as reflected in the financial statements is $308,289 and $351,988 at September 30, 2022 and 2021, respectively. There were no contributions received by the Organization in 2022 and 2021.

In addition, certain funds donated by outside donors for the benefit of the Organization are held and managed by AAACF. Such contribution are subject to variance power maintained by AAACF. The fair market value of these funds is $30,280 and $34,483 at September 30, 2022 and 2021, respectively. Earnings are available for distribution to the Organization for operations at the discretion of AAACF; therefore, principal balances are not reflected in the financial statements.

Note 7 – Property and Equipment

Property and equipment as of September 30 consist of the following:

	2022	2021
Computer and office equipment	**$ 83,751**	$ 80,734
Vehicle	**30,893**	30,893
Leasehold improvements	**242,726**	243,805
Total cost	**357,370**	355,432
Accumulated depreciation	**(187,289)**	(171,568)
Net property and equipment	**$ 170,081**	$ 183,864

Depreciation expense was $29,603 and $22,102 for the years ended September 30, 2022 and 2021, respectively.

Note 8 – Donated Use of Building

SafeHouse Center leases its office space for $1 per year from the County of Washtenaw under an agreement expiring in 2045. The related promise to give (at net present value) and in-kind rent income and expense have been reflected in the financial statements based on the fair rental value of the property. The contribution is scheduled to be recognized as follows:

	2022	2021
Donated use of building	**$ 4,976,176**	$ 5,194,909
Unamortized discount	**(2,264,803)**	(2,429,265)
Donated use of building, net	**$ 2,711,373**	$ 2,765,644

Amounts earned in	
2023	$ 218,733
2024	218,733
2025	218,733
2025	218,733
2026	218,733
Thereafter	3,882,511
Total	$ 4,976,176

The donated used of the building is recorded using the original discount rate of 6%.

Note 9 – Operating Leases

SafeHouse Center has various leases for equipment that are classified as operating leases. The following table is the future minimum payment schedule:

2023	$ 8,286
2024	3,178
2025	492
Total	$ 11,956

Total rent expense on these leases for 2022 and 2021 was approximately $8,286 and $7,495 respectively.

Note 10 – Minimum Future Rentals

SafeHouse Center subleases a portion of its leased property under certain operating leases having initial or remaining noncancelable lease terms in excess of one year. The future rentals schedule only includes the current term in effect for leases that may have automatic renewals.

Minimum future rentals to be received on noncancelable leases as of September 30, 2022 are listed as follows:

2023	$ 62,712
2024	64,935
2025	37,475
Total	$ 165,122

Total rental revenue on these rentals for 2022 and 2021 was approximately $60,510 and $54,705 respectively.

Note 11 – Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes and periods at September 30:

	2022	2021
Subject to expenditure for specified purpose:		
Health clinic	**$ 830**	$ 830
Fresh Start	**49,960**	47,071
Programs for children	**11,056**	8,889
Programs for older women	**12,953**	14,849
Other programs	**38,617**	36,716
	113,416	108,355
Subject to the passage of time:		
United Way allocation	**-**	8,200
Long-term building lease	**2,711,373**	2,765,644
	2,711,373	2,773,844
Endowments:		
Subject to spending policy and appropriation		
Programs for older women	**170,182**	211,779
Perpetual in nature		
Programs for older women	**128,148**	128,148
	298,330	339,927
Total net assets with donor restrictions	**$ 3,123,119**	$ 3,222,126

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended September 30:

	2022	2021
Satisfaction of purpose restrictions:		
Fresh Start	**$ 10,586**	$ 9,517
Programs for children	**433**	5
Programs for older women	**1,896**	4,067
Shelter improvements	**37,500**	-
Other programs	**41,596**	39,872
	92,011	53,461
Expiration of time restrictions:		
United Way allocation	**8,200**	15,644
Promises to give, net of purpose restrictions already captured above	**-**	5,305
Long-term building lease	**54,271**	51,118
	62,471	72,067
Total net assets released from donor restrictions	**$ 154,482**	$ 125,528

Note 12 – Amounts Owed to Funders

SafeHouse Center and the Michigan Department of Human Services (DHS) signed a settlement agreement and release on November 28, 2007 regarding unallowable questioned costs in audits for the years 2000 – 2003.

Safehouse Center agreed to pay DHS $483,856 no later than calendar year 2033. No payment schedule is specified. Interest and penalties are due only if assessed by a federal agency and are not waived.

Management has established a projected payment schedule of $250 per month starting in October 2008 and then $1,753 per month starting in February 2010 and ending in December 2032. The present value of the projected future payment stream (with interest assumed at 6 percent) is recorded as a liability.

The expected management established future principal payments are as follows:

2023	$ 11,976
2024	12,714
2025	13,499
2026	14,331
2027	15,215
Thereafter	88,699
Total	$ 156,434

The Organization also has a $26,707 liability with the Department of Justice recorded for amounts due to other funders. Payment dates are not specified.

Note 13 – Contributed Nonfinancial Assets

Contributed nonfinancial assets for the year ended September 30, 2022 were:

Category	Revenue Recognized	Utilization in Programs/ Activities	Donor Restrictions	Valuation Techniques and Inputs
Building	$ 218,733	Shelter	Restricted for shelter usage	Building recorded at fair value at time of donation; amortized over 50 years to occupancy expense
Building maintenance services	219,565	Shelter	No associated donor restrictions	In valuing the contributed maintenance services, the Organization records the value of the services provided by the third party, Washtenaw County.
Household goods and clothing	52,089	Shelter	No associated donor restrictions	The Organization estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States.
	$ 490,387			

Contributed nonfinancial assets for the year ended September 30, 2021 were:

Category	Revenue Recognized	Utilization in Programs/ Activities	Donor Restrictions	Valuation Techniques and Inputs
Building	$ 218,733	Shelter	Restricted for shelter usage	Building recorded at fair value at time of donation; amortized over 50 years to occupancy expense
Building maintenance services	171,186	Shelter	No associated donor restrictions	In valuing the contributed maintenance services, the Organization records the value of the services provided by the third party, Washtenaw County.
Household goods and clothing	54,895	Shelter	No associated donor restrictions	The Organization estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States.
	$ 444,814			

The Organization also received volunteer services that are not recordable under generally accepted accounting principles. The services are utilized for grant match.

Note 14 – Fair Value Measurements

The following tables represent information about the Organization's assets and liabilities measured at fair value on a recurring basis at September 30, 2022 and 2021, and the valuation techniques used by the Organization to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in the entirety are categorized based on the lowest level input that is significant to the valuation. The Organization's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Disclosures concerning assets measured at fair value on a recurring basis for the year ended September 30 are as follows:

	Balance at 2022	Quoted prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Beneficial Interest in Community Foundation Endowment	$ 308,289	$ -	$ -	$ 308,289
Corporate bonds	28,911	-	28,911	-
Alternative investments	1,588	-	-	1,588
Mutual Funds	219,293	219,293	-	-
	$ 558,081	$ 219,293	$ 28,911	$ 309,877

	Balance at 2021	Quoted prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Beneficial Interest in Community Foundation Endowment	$ 351,988	$ -	$ -	$ 351,988
Corporate bonds	29,354	-	29,354	-
Alternative investments	1,612	-	-	1,612
Mutual Funds	145,842	145,842	-	-
	$ 528,796	$ 145,842	$ 29,354	$ 353,600

The Beneficial Interest in Community Foundation Endowment changes in level 3 assets and liabilities measured at fair value on a recurring basis are described in Note 15.

The Organization measures the beneficial interest funds held at the AAACF at fair value on a recurring basis. The fair value of the beneficial interest and promises to give were determined primarily based on Level 3 inputs. The Organization estimates the fair value of the investments based upon the Organization's relative share of assets held and reported by the AAACF, unless the facts and circumstances indicate the fair value would be different from the present value of the estimated future distributions. The Organization estimates the fair value of the promises to give based on the net present value of pledges.

Note 15 – Donor and Board Restricted Endowments

The SafeHouse Center's endowment includes both donor-restricted endowment funds and funds designated by the board of trustees to function as endowments. Net assets associated with endowment funds, including funds designated by the board of trustees to function as endowments, are classified based on those donor-imposed restrictions.

Interpretation of Relevant Law

The board of directors of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor restricted endowment funds, unless there are explicit donor stipulations to the contrary. At September 30, 2022 and 2021, there were no such donor stipulations. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor restricted amounts not retained in perpetuity are subject to appropriation for expenditure by use in a manner consistent with the standard of prudence prescribed by UPMIFA. The Organization considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds: (1) The duration and preservation of the fund; (2) The purposes of the Organization and the donor restricted endowment fund; (3) General economic conditions; (4) The possible effect of inflation and deflation; (5) The expected total return from income and the appreciation of investments; (6) Other resources of the Organization; and (7) The investment policies of the Organization.

The endowment net asset composition by type of fund as of September 30, 2022 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 298,330	$ 298,330
Board-designated endowment funds	9,959	-	9,959
Total funds	$ 9,959	$ 298,330	$ 308,289

Changes in endowment net assets for the year ended September 30, 2022 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Beginning of year	$ 12,061	$ 339,927	$ 351,988
Change in beneficial interest	(2,102)	(41,597)	(43,699)
End of year	$ 9,959	$ 298,330	$ 308,289

The endowment net asset composition by type of fund as of September 30, 2021 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 339,927	$ 339,927
Board-designated endowment funds	12,061	-	12,061
Total funds	$ 12,061	$ 339,927	$ 351,988

The changes in endowment net assets for the year ended September 30, 2021 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Beginning of year	$ 8,485	$ 268,002	$ 276,487
Investment gain	3,576	71,925	75,501
End of year	$ 12,061	$ 339,927	$ 351,988

Return Objectives and Risk Parameters
The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The funds are held in beneficial interest at the Ann Arbor Area Community Foundation (AAACF) and are invested following AAACF's investment policy.

Spending Policy and How the Investment Objectives Relate to Spending Policy
The endowment funds are subject to the investment and distribution policies of AAACF. The Organization determines annually whether it will accept the distribution designated by AAACF or ask that it be reinvested for growth.

Note 16 – Revenue from Contracts with Customers

The following summarizes revenue by type for the years ended September 30:

	2022	2021
Revenue from contracts with customers	$ 24,983	$ 20,678
Contribution revenue	3,082,512	3,228,117
Interest revenue	14,191	2,431
Investment gain (loss)	(87,859)	87,362
Other revenue	68,890	69,063
Total revenue	$ 3,102,717	$ 3,407,651

The revenues from contracts with customers for the years ended September 30, 2022 and 2021 consists of:

	2022	2021
Revenue earned at a point in time	$ 24,983	$ 20,678

Revenue earned at a point in time consists of ticket sales for various fundraising events. Fundraising events are typically one day events and therefore the performance obligation is typically satisfied when the attendee attends the event; if the attendee does not attend the entire event, revenue is still earned if some portion of the event was attended. This is because if the attendee attends a portion of the event, they will not be refunded their money. There is variable consideration for the events depending on when they pay, however, the variable consideration is not constrained. The transaction price is calculated using the expected value method based on historical experience for each price. Because the majority of attendees are paying timely, there is no constraint.

There were no changes in judgments related to revenue recognition for the years ended September 30, 2022 and 2021.

Note 17 – Contingencies

The Organization participates in several federally assisted grant programs. These programs are subject to financial and compliance audits by the grantor or its representatives, the purpose of which is to ensure compliance with conditions precedent to the granting of the funds. Management feels that any liability for reimbursement which could arise as the result of a grantor audit would not be material.