

**MINNESOTA ELDER JUSTICE CENTER**  
**AUDITED FINANCIAL STATEMENTS**  
December 31, 2024



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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Minnesota Elder Justice Center  
Minneapolis, Minnesota

We have audited the accompanying financial statements of Minnesota Elder Justice Center (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, cash flows and functional expenses 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 Minnesota Elder Justice Center as of December 31, 2024, 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 audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Minnesota Elder Justice Center and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 Minnesota Elder Justice Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute

assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, 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 Minnesota Elder Justice Center's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Minnesota Elder Justice 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.

### **Report on Summarized Comparative Information**

We have previously audited Minnesota Elder Justice Center's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 10, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Harrington Longen & Associates*

June 9, 2025

**MINNESOTA ELDER JUSTICE CENTER**  
**STATEMENT OF FINANCIAL POSITION**  
December 31, 2024  
(With Comparative Totals for 2023)

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 318,034	\$ 375,956
Grants and contributions receivable	101,094	70,158
Prepaid expenses	<u>10,900</u>	<u>13,157</u>
<b>TOTAL CURRENT ASSETS</b>	<u>430,028</u>	<u>459,271</u>
<b>PROPERTY AND EQUIPMENT, at cost</b>		
Furniture and fixtures	-	26,847
Less: accumulated depreciation	<u>-</u>	<u>(17,679)</u>
<b>TOTAL PROPERTY AND EQUIPMENT, net</b>	<u>-</u>	<u>9,168</u>
<b>OTHER ASSETS</b>		
Operating lease right-of-use assets	<u>-</u>	<u>50,038</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 430,028</u></u>	<u><u>\$ 518,477</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 15,728	\$ 21,554
Accrued expenses	53,791	46,903
Current portion of operating lease liabilities	<u>-</u>	<u>19,249</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>69,519</u>	<u>87,706</u>
<b>LONG-TERM LIABILITIES</b>		
Operating lease liabilities, net of current portion	<u>-</u>	<u>31,322</u>
<b>TOTAL LIABILITIES</b>	<u>69,519</u>	<u>119,028</u>
<b>NET ASSETS</b>		
Without donor restrictions	314,676	352,616
With donor restrictions	<u>45,833</u>	<u>46,833</u>
<b>TOTAL NET ASSETS</b>	<u>360,509</u>	<u>399,449</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 430,028</u></u>	<u><u>\$ 518,477</u></u>

**MINNESOTA ELDER JUSTICE CENTER**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended December 31, 2024  
(With Comparative Totals for 2023)

	Without Donor Restrictions	With Donor Restrictions	Total 2024	Total 2023
<b>REVENUE AND SUPPORT</b>				
Government grants and contributions	\$ 790,119	\$ -	\$ 790,119	\$ 854,525
Grants and contributions	226,877	45,833	272,710	330,083
Conferences and training	85,038	-	85,038	94,645
Loss on disposal of assets	(5,137)		(5,137)	-
Net assets released from restrictions	46,833	(46,833)	-	-
<b>TOTAL REVENUE AND SUPPORT</b>	<b>1,143,730</b>	<b>(1,000)</b>	<b>1,142,730</b>	<b>1,279,253</b>
<b>EXPENSES</b>				
Program services	1,026,685	-	1,026,685	1,006,034
Management and general	111,452	-	111,452	115,341
Fundraising	43,533	-	43,533	45,354
<b>TOTAL EXPENSES</b>	<b>1,181,670</b>	<b>-</b>	<b>1,181,670</b>	<b>1,166,729</b>
<b>CHANGE IN NET ASSETS</b>	<b>(37,940)</b>	<b>(1,000)</b>	<b>(38,940)</b>	<b>112,524</b>
<b>NET ASSETS, BEGINNING</b>	<b>352,616</b>	<b>46,833</b>	<b>399,449</b>	<b>286,925</b>
<b>NET ASSETS, ENDING</b>	<b>\$ 314,676</b>	<b>\$ 45,833</b>	<b>\$ 360,509</b>	<b>\$ 399,449</b>

**MINNESOTA ELDER JUSTICE CENTER**  
**STATEMENT OF CASH FLOWS**  
December 31, 2024  
(With Comparative Totals for 2023)

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (38,940)	\$ 112,524
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Loss on disposal of assets	5,137	-
Depreciation	4,031	2,717
Decrease (increase) in:		
Grants and contributions receivable	(30,936)	(10,324)
Prepaid expenses	2,257	(3,536)
Increase (decrease) in:		
Accounts payable	(5,826)	14,499
Accrued expenses	6,888	3,876
Operating lease assets and liabilities	<u>(533)</u>	<u>480</u>
 NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	 <u>(57,922)</u>	 <u>120,236</u>
 NET CHANGE IN CASH AND CASH EQUIVALENTS	 (57,922)	 113,222
 CASH AND CASH EQUIVALENTS, BEGINNING	 <u>375,956</u>	 <u>262,734</u>
 CASH AND CASH EQUIVALENTS, ENDING	 <u><u>\$ 318,034</u></u>	 <u><u>\$ 375,956</u></u>

**MINNESOTA ELDER JUSTICE CENTER**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended December 31, 2024  
(With Comparative Totals for 2023)

	Program Services	Management and General	Fundraising	Total 2024	Total 2023
Salaries	\$ 651,502	\$ 76,267	\$ 26,957	\$ 754,726	\$ 706,538
Employee benefits	21,614	2,530	894	25,038	25,475
Retirement plan	38,672	4,527	1,600	44,799	42,070
Payroll taxes	49,394	5,782	2,044	57,220	52,911
Board expenses	2,078	-	-	2,078	2,361
Conference	55,874	-	-	55,874	51,197
Depreciation	3,480	407	144	4,031	2,717
Events	-	-	3,190	3,190	3,404
Insurance	4,251	498	175	4,924	4,755
Membership/dues	4,873	-	-	4,873	5,139
Mileage and travel	17,997	2,107	745	20,849	17,966
Miscellaneous	475	56	19	550	2,716
Program supplies & activities	11,055	-	-	11,055	15,453
Professional fees	113,498	13,286	4,697	131,481	170,457
Rent	15,158	3,032	2,021	20,211	30,467
Printing	6,145	719	255	7,119	4,867
Staff development	11,476	-	-	11,476	10,376
Supplies	7,333	858	304	8,495	4,229
Telephone	11,810	1,383	488	13,681	13,631
Total Expenses	<u>\$ 1,026,685</u>	<u>\$ 111,452</u>	<u>\$ 43,533</u>	<u>\$ 1,181,670</u>	<u>\$ 1,166,729</u>

**MINNESOTA ELDER JUSTICE CENTER**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Organization:**

Minnesota Elder Justice Center (the Organization) is a non-profit corporation that serves elders and vulnerable adults in Minnesota. The group was organized in 2013 and has articulated its mission as mobilizing communities to prevent and alleviate abuse, neglect, and financial exploitation of elders and vulnerable adults. The Organization officially organized as a Minnesota non-profit corporation during February 2014.

**Vision:**

The Organization seeks to raise awareness, increase professional education, serve victims, and influence public policy in the greater Minneapolis and St. Paul areas for senior citizens and vulnerable adults. The Organization has joined two highly-regarded Minnesota initiatives to concentrate and quicken their work to prevent and alleviate the abuse, disregard and financial manipulation of elders and vulnerable adults – the Vulnerable Adult Justice Project (V.A.J.P.) and MN S.A.F.E. Elders Initiative.

**Basis of Presentation:**

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.



**MINNESOTA ELDER JUSTICE CENTER**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**  
**(continued)**

**Cash and Cash Equivalents:**

For the purpose of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. From time to time, the Organization's balances in its bank accounts exceed Federal Deposit Insurance Corporation limits. The Organization periodically evaluates the risk of exceeding insurance levels and may transfer funds as it deems appropriate. The Organization has not experienced any losses with regards to balances in excess of insured limits or as the result of other concentrations of credit risk.

**Grants and Contributions Receivable:**

Uncollectible pledges are recorded on the allowance method based on historical experience and management's evaluation of outstanding accounts and grants receivable. At December 31, 2024, management considered all outstanding amounts to be fully collectible. Accordingly, there was no allowance for uncollectible pledges considered necessary.

**Property and Equipment:**

Property and equipment purchased by the Organization in excess of \$1,000 are valued at cost or, in the case of donated equipment, at estimated fair market value on the date of the gift. Depreciation is charged as an expense against operations using the straight-line method over the estimated useful life of the asset, generally three to five years. Depreciation expense for the year ended December 31, 2024 was \$4,031.

**Leases:**

The Organization accounts for leases in accordance with FASB ASC 842. The Organization is a lessee in a noncancellable operating lease for office space. Leases for other equipment are evaluated using the criteria outlined in FASB ASC 842 to determine whether they will be classified as operating or finance leases. The Organization determines if an arrangement is a lease, or contains a lease, at inception of a contract and when terms of an existing contract are changed. The Organization determines if an arrangement conveys the right to use an identified asset and whether the Organization obtains substantially all of the economic benefits from and has the ability to direct the use of the asset. The Organization recognizes a lease liability and ROU asset at the commencement date of the lease.

**MINNESOTA ELDER JUSTICE CENTER**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**  
**(continued)**

**Lease Liabilities:**

A lease liability is measured on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or rate and are measured using the index or rate at the commencement date. Lease payments, including variable payments made based on an index rate, are remeasured when any of the following occur: (1) the lease is modified (and the modification is not accounted for as a separate contract), (2) certain contingencies related to variable lease payments are resolved, or (3) there is a reassessment of any of the following: the lease term, purchase options, or amounts that are probable of being owed under a residual value guarantee. The discount rate is the rate implicit in the lease if it is readily determinable. The implicit rates of the Organization's leases are not readily determinable; accordingly, the Organization has made the election to use a risk-free rate in lieu of its incremental borrowing rate using a period comparable with that of the individual lease term based on the information available at the commencement date for each lease.

**ROU Assets:**

A ROU asset is measured at the commencement date at the amount of the initially measured liability plus any lease payments made to the lessor before or after commencement date, minus any lease incentives received, plus any initial direct costs. Unless impaired, the ROU asset is subsequently measured throughout the lease term at the amount of the lease liability (that is the present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received. Lease cost for lease payments is recognized on a straight-line basis over the term of the lease. Finance lease ROU assets are amortized on a straight-line basis over the shorter of the lease term or the remaining useful life of the asset.

**Income Taxes:**

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar section of Minnesota state income tax laws.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) for any uncertain position that more likely than not would not be sustained upon examination by the applicable tax authorities. The Organization is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in progress.

**MINNESOTA ELDER JUSTICE CENTER**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**  
**(continued)**

**Revenue Recognition:**

The Organization recognizes revenue from conferences and training when the services are provided.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization received cost-reimbursable grants of approximately \$1,076,000 that have not been recognized at December 31, 2024 because qualifying expenditures have not yet been incurred.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

**Functional Allocation of Expenses:**

Expenses are charged to each program based on direct expenditures incurred. Any program expenditures not directly chargeable are allocated to a program based on units of service and support costs are allocated to a program based on total program costs.

**MINNESOTA ELDER JUSTICE CENTER**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**  
**(continued)**

**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.

**Comparative Financial Information:**

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements from the year ended December 31, 2023, from which the summarized information was derived.

**Subsequent Events:**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 9, 2025, the date the financial statements were available to be issued.

**NOTE 2. AVAILABILITY AND LIQUIDITY**

The following represents Minnesota Elder Justice Center's financial assets at December 31, 2024:

	<u>Amount</u>
Financial assets at year end:	
Cash and cash equivalents	\$ 318,034
Grants and contributions receivable	<u>101,094</u>
 Total financial assets	 <u><u>\$ 419,128</u></u>

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses.

**MINNESOTA ELDER JUSTICE CENTER**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 3. BORROWING ARRANGEMENTS**

The Organization maintains credit card arrangements of which they can borrow up to a combined \$20,000. Advances on these credit cards accrue interest at a variable rate of 24.49%. These accounts are unsecured and are paid in full each month. Outstanding balances on these accounts totaled \$940 at December 31, 2024, and are included in accounts payable.

**NOTE 4. LEASE**

The Organization had a noncancellable operating lease for office space commencing on April 1, 2024 and was set to expire through June 30, 2026. The lease included a three year renewal option. The lease was terminated in December 2024.

For the year ended December 31, 2024, operating rent expense totaled \$20,211.

Supplemental cash flow information for the year ended December 31, 2024:

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flows from operating leases	\$ 20,744
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Subsequent to year-end, the Organization entered into a noncancellable operating lease for office space, commencing no sooner than March 1, 2025 as soon as the space is available and expiring ninety-one months after the commencement date.

**NOTE 5. FUNDING SOURCE AND RISK CONCENTRATIONS**

For the year ended December 31, 2024 the Organization received 53% of its total revenue and support from one grantor. At December 31, 2024, 47% of the Organization's grants and contributions receivable was due from this grantor.

**NOTE 6. RETIREMENT PLAN**

The Organization has a 403(b) defined contribution plan (the Plan) covering eligible employees, as defined by the Plan. At the Organization's discretion, the Plan allows for matching contributions of an amount up to 6% of each participant's salary per plan year. The total contributions by the Organization for the year ended December 31, 2024 were \$44,799.

**NOTE 7. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions were \$45,833 at December 31, 2024. These amounts are available for general operations and restricted to the passage of time.

Net assets with donor restrictions of \$46,833 were released from restriction for general operation purposes during the year ended December 31, 2024.