

**YWCA OF NORTHWEST OHIO**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**WITH**  
**INDEPENDENT AUDITOR'S REPORT**  
**AND SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2022 AND 2021**



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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
YWCA of Northwest Ohio  
Toledo, Ohio

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of YWCA of Northwest Ohio (the Association), which comprise the consolidated statements of financial position as of June 30, 2022, the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Association as of June 30, 2022, and the results of its operations 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 YWCA of Northwest Ohio 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.

#### Other Matter

The consolidated financial statements of YWCA of Northwest Ohio as of June 30, 2021 were audited by Gilmore Jasion Mahler, LTD whose partners and professional staff joined CliftonLarsonAllen LLP as of January 1, 2023, and has subsequently ceased operations. Gilmore Jasion Mahler, LTD's report dated January 24, 2022 expressed an unmodified opinion on those consolidated statements.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for one year after the date the consolidated 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 consolidated 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 consolidated 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 the Association'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 the Association'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.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplemental schedules on pages 29-33 are presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The accompanying schedule of expenditures of federal awards on page 34 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 consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated 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 February 27, 2023 on our consideration of the Association'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 the Association'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 the Association's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Toledo, Ohio  
February 27, 2023

**YWCA OF NORTHWEST OHIO**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,697,818	\$ 2,092,620
Housing cash reserves	335,232	335,232
Investments	2,742,974	3,076,607
Grants receivable	1,630,726	1,204,295
Accounts receivable, net	36,981	14,695
Funds held by third party restricted for capital campaign	1,122,182	0
United way promise to give	161,381	180,898
Prepaid expenses and other assets	34,085	23,301
Total current assets	7,761,379	6,927,648
Property and equipment, net	6,385,302	6,111,290
Beneficial interest in perpetual trusts	3,457,135	4,112,994
Total assets	\$ 17,603,816	\$ 17,151,932
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable	\$ 249,938	\$ 171,734
Note payable - current portion	43,951	39,904
Accrued payroll, compensated absences, and payroll taxes	442,926	445,589
Other accrued expenses	55,595	51,787
Total current liabilities	792,410	709,014
Refundable advances	160,175	251,894
Note payable - long term portion	81,771	127,396
Total liabilities	1,034,356	1,088,304
<b>Net assets</b>		
Without donor restrictions		
Undesignated	3,075,920	3,279,897
Board designated		
For capital improvements	696,883	644,681
For YWCA of Lima operations	597,100	791,706
For capital campaign	1,000,000	1,000,000
Net investment in property and equipment	1,123,047	1,116,535
Net investment in YWCA Housing, LLC	1,936,815	2,405,285
Total net assets without donor restrictions	8,429,765	9,238,104
With donor restrictions		
Purpose and time restricted	4,682,560	2,712,530
Perpetual in nature	3,457,135	4,112,994
Total net assets with donor restrictions	8,139,695	6,825,524
Total net assets	16,569,460	16,063,628
Total liabilities and net assets	\$ 17,603,816	\$ 17,151,932

The accompanying notes are an integral part of these financial statements.

**YWCA OF NORTHWEST OHIO**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES**  
For the Years Ended June 30, 2022 and 2021

	<b>2022</b>		
	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
<b>Public support</b>			
Government grants	\$ 4,377,341	\$ 0	\$ 4,377,341
Nongovernmental grants	231,876		231,876
Foundation and trusts contributions	87,347		87,347
Contributions	193,711	2,069,932	2,263,643
Distribution from perpetual trusts	277,285		277,285
United Way		161,381	161,381
<b>Total public support</b>	<b>5,167,560</b>	<b>2,231,313</b>	<b>7,398,873</b>
<b>Program service fees and other revenue</b>			
Program service fees	342,329		342,329
Performance incentives	0		0
Special events	96,016		96,016
Rental income	10,800		10,800
Net investment loss	(483,420)		(483,420)
Change in beneficial interest in perpetual trusts		(655,859)	(655,859)
Other	(3,991)		(3,991)
<b>Total program service fees and other revenue</b>	<b>(38,266)</b>	<b>(655,859)</b>	<b>(694,125)</b>
<b>Net assets released from restrictions</b>	<b>183,148</b>	<b>(183,148)</b>	<b>0</b>
<b>Total support and revenue</b>	<b>5,312,442</b>	<b>1,392,306</b>	<b>6,704,748</b>
<b>Functional expenses</b>			
Program services	5,509,341		5,509,341
Management and general	219,429		219,429
Fundraising	50,079		50,079
<b>Total functional expenses</b>	<b>5,778,849</b>	<b>0</b>	<b>5,778,849</b>
<b>Total operating income (loss)</b>	<b>(466,407)</b>	<b>1,392,306</b>	<b>925,899</b>
<b>Other changes in net assets</b>			
Paycheck Protection Program loan forgiveness	0		0
TREIC - net activity		(78,135)	(78,135)
Net rental activity	(341,932)		(341,932)
<b>Total other changes in net assets</b>	<b>(341,932)</b>	<b>(78,135)</b>	<b>(420,067)</b>
<b>Change in net assets</b>	<b>(808,339)</b>	<b>1,314,171</b>	<b>505,832</b>
<b>Net assets at beginning of year</b>	<b>9,238,104</b>	<b>6,825,524</b>	<b>16,063,628</b>
<b>Net assets at end of year</b>	<b>\$ 8,429,765</b>	<b>\$ 8,139,695</b>	<b>\$ 16,569,460</b>

<b>2021</b>		
<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
\$ 3,267,672	\$ 0	\$ 3,267,672
80,278		80,278
308,723		308,723
2,146,425	275,000	2,421,425
247,522		247,522
	180,898	180,898
<u>6,050,620</u>	<u>455,898</u>	<u>6,506,518</u>
313,796		313,796
61,000		61,000
134,723		134,723
10,800		10,800
559,988		559,988
	765,082	765,082
2,634		2,634
<u>1,082,941</u>	<u>765,082</u>	<u>1,848,023</u>
123,661	(123,661)	0
7,257,222	1,097,319	8,354,541
4,519,605		4,519,605
247,148		247,148
40,259		40,259
<u>4,807,012</u>	<u>0</u>	<u>4,807,012</u>
2,450,210	1,097,319	3,547,529
307,907		307,907
	117,294	117,294
(273,497)		(273,497)
<u>34,410</u>	<u>117,294</u>	<u>151,704</u>
2,484,620	1,214,613	3,699,233
6,753,484	5,610,911	12,364,395
<u>\$ 9,238,104</u>	<u>\$ 6,825,524</u>	<u>\$ 16,063,628</u>

The accompanying notes are an integral part of these financial statements.



**YWCA OF NORTHWEST OHIO**  
**CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES**  
For the Year Ended June 30, 2022 with Comparative 2021 Total

	Program Services						Support Services		2022 Totals	2021 Totals	
	Social Justice	Health and Fitness and Encore Plus	Childcare Resource and Referral	Youth Development	Domestic Violence Shelter	Rape Crisis Center	Total Program Services	Management and General			Fundraising
Salaries	\$ 44,902	\$ 137,263	\$ 1,391,490	\$ 439,766	\$ 493,902	\$ 138,495	\$ 2,645,818	\$ 152,729	\$ 18,493	\$ 2,817,040	\$ 2,698,937
Supplies	300	21,119	679,406	100,230	36,914	24,110	862,079	449	2	862,530	426,629
Assistance to individuals	35,415	43,452	71,809	63,156	185,888	37,343	437,063	70	33	437,166	201,428
Occupancy	15,254	19,132	154,084	63,186	85,305	21,714	358,675	32,362	16,007	407,044	345,112
Professional services	9,994	7,315	187,971	43,913	63,036	50,329	362,558	4,211	1,949	368,718	368,362
Payroll taxes	3,925	10,781	112,910	36,665	42,787	11,878	218,946	12,636	1,871	233,453	155,189
Fringe benefits	6,490	12,972	107,238	37,044	30,433	7,857	202,034	9,494	838	212,366	214,942
Depreciation	0	4,736	62,620	27,651	25,644	6,059	126,710	2,380	1,097	130,187	135,318
Advertising	75	672	23,980	56,846	30,444	13,056	125,073	33	15	125,121	140,119
Telephone	715	2,433	20,731	7,237	9,923	5,547	46,586	61	28	46,675	48,060
Conferences	94	150	12,108	27,545	3,826	743	44,466		1,450	45,916	12,532
Travel	108	1,545	26,806	4,446	622	524	34,051	80	36	34,167	16,148
Regional YWCA	426	1,512	15,520	5,732	5,402	1,519	30,111	1,478		31,589	30,206
Miscellaneous	114	393	11,048	1,664	1,574	378	15,171		8,260	23,431	14,030
Interest							0	3,446		3,446	0
<b>Total Expenses</b>	<b>\$ 117,812</b>	<b>\$ 263,475</b>	<b>\$ 2,877,721</b>	<b>\$ 915,081</b>	<b>\$ 1,015,700</b>	<b>\$ 319,552</b>	<b>\$ 5,509,341</b>	<b>\$ 219,429</b>	<b>\$ 50,079</b>	<b>\$ 5,778,849</b>	<b>\$ 4,807,012</b>

The accompanying notes are an integral part of these financial statements.

**YWCA OF NORTHWEST OHIO**  
**CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES**  
For the Year Ended June 30, 2021

	Program Services						Support Services		2021 Totals	
	Social Justice	Health and Fitness and Encore Plus	Childcare Resource and Referral	Youth Development	Domestic Violence Shelter	Rape Crisis Center	Total Program Services	Management and General		Fundraising
Salaries	\$ 22,904	\$ 113,338	\$ 1,225,617	\$ 440,919	\$ 556,963	\$ 151,108	\$ 2,510,849	\$ 180,606	\$ 7,482	\$ 2,698,937
Supplies	29,099	7,451	275,929	23,137	67,085	12,307	415,008	371	11,250	426,629
Professional services	6,000	4,977	223,967	33,935	32,729	65,739	367,346	681	335	368,362
Occupancy	70	3,864	136,475	59,969	66,377	26,012	292,767	35,029	17,316	345,112
Fringe benefits	3,276	11,241	95,886	45,745	34,498	12,788	203,434	10,621	887	214,942
Assistance to individuals		9,834	7,465	4,486	174,301	4,730	200,816	409	203	201,428
Payroll taxes	1,901	5,910	69,157	23,653	32,725	7,145	140,491	13,927	771	155,189
Advertising	100	5	34,095	27	70,031	35,861	140,119			140,119
Depreciation		3,028	59,066	28,639	29,027	9,783	129,543	3,866	1,909	135,318
Telephone		1,616	22,457	7,677	8,848	7,277	47,875	124	61	48,060
Regional YWCA		1,119	13,777	5,373	6,149	2,365	28,783	1,423		30,206
Travel		647	11,636	2,546	284	899	16,012	91	45	16,148
Miscellaneous	205	337	8,919	1,814	1,995	760	14,030			14,030
Conferences	100	108	3,022	7,019	429	1,854	12,532			12,532
Interest							0			0
<b>Total Expenses</b>	<b>\$ 63,655</b>	<b>\$ 163,475</b>	<b>\$ 2,187,468</b>	<b>\$ 684,939</b>	<b>\$ 1,081,441</b>	<b>\$ 338,628</b>	<b>\$ 4,519,605</b>	<b>\$ 247,148</b>	<b>\$ 40,259</b>	<b>\$ 4,807,012</b>

The accompanying notes are an integral part of these financial statements.

**YWCA OF NORTHWEST OHIO**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
For the Years Ended June 30, 2022 and 2021

	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 505,832	\$ 3,699,233
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized/Realized gain/loss on investments	483,420	(559,988)
Change in beneficial interest in perpetual trusts	655,859	(765,082)
Depreciation and amortization	446,296	452,157
Paycheck Protection Program loan forgiveness	0	(307,907)
Change in operating assets and liabilities that (Increase) decrease in:		
Grants receivable	(426,431)	(463,321)
Accounts receivable, net of allowance	(22,286)	9,796
Funds held by third party restricted for capital campaign	(1,122,182)	0
Promise to give	19,517	(57,237)
Prepaid expenses and other assets	(10,784)	599
Increase (decrease) in:		
Accounts payable	78,204	(87,978)
Other accrued expenses	1,145	9,401
Refundable advances	(91,719)	(26,556)
<b>Net cash provided by operating activities</b>	<b>516,871</b>	<b>1,903,117</b>
<b>Cash flows from investing activities</b>		
Payments for acquisition of property and equipment	(720,308)	(70,799)
Purchase of investments	(323,123)	(1,066,983)
Proceeds from sale of investments	173,336	0
<b>Net cash used in investing activities</b>	<b>(870,095)</b>	<b>(1,137,782)</b>
<b>Cash flows from financing activities</b>		
Payments on notes payable	(41,578)	0
<b>Net cash used in financing activities</b>	<b>(41,578)</b>	<b>0</b>
<b>Net change in cash, cash equivalents, and restricted cash</b>	<b>(394,802)</b>	<b>765,335</b>
<b>Cash, cash equivalents, and restricted cash-beginning of year</b>	<b>2,427,852</b>	<b>1,662,517</b>
<b>Cash, cash equivalents, and restricted cash-end of year</b>	<b>\$ 2,033,050</b>	<b>\$ 2,427,852</b>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid during the year for:		
Interest	\$ 3,446	\$ 0
Paycheck Protection Program loan forgiveness	\$ 0	\$ 307,907

The accompanying notes are an integral part of these financial statements.

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 1–Nature of business**

The YWCA of Northwest Ohio (the Association) is a vital, multi-faceted social service agency in Northwest Ohio. For over 150 years, the Association has been supporting the community on a number of issues affecting girls and women. Incorporated in 1891, the Association provides permanent supportive housing to women and children, pregnancy prevention education to all 6-12 grade students in Toledo Public Schools; the Association has a 24/7 emergency domestic violence shelter, and a 24/7 sexual assault program. The Association provides training and technical support to parents and childcare providers, and racial justice education and programming for staff and in the community. The Association also provides a Breast Health Awareness program, connecting uninsured and underinsured women who are at risk for breast cancer to mammography services and an Infant Mortality Program helping to reduce the incidents of infant mortality in the community. The Association is affiliated with the National Young Women’s Christian Association.

The Association has two wholly-owned subsidiaries organized in 2007. YWCA Housing, Inc. is a for-profit corporation and YWCA Housing, LLC (the LLC), established to develop, construct, rehabilitate, own, lease, manage, sell and operate two buildings in Toledo, Ohio to be used for permanent supportive housing for low and moderate-income families and individuals. The Association is the sole shareholder of YWCA Housing, Inc. which owns a .01% membership interest and serves as the managing member of the LLC. The accounts of the YWCA Housing, Inc. and the LLC are included in the accompanying consolidated financial statements.

**Note 2–Summary of significant accounting and reporting policies**

**Basis of accounting**

The financial statements of the Association have been prepared on the accrual basis of accounting. The accrual basis of accounting provides for the recognition of revenues when earned and the recognition of expenses when incurred.

**Basis of consolidation**

The accompanying consolidated financial statements include the accounts of YWCA Housing, Inc., the LLC, and the Association, as described above. All significant intercompany transactions and balances have been eliminated in consolidation.

**Adoption of new accounting pronouncements**

In September 2020, the FASB issued Accounting Standards Update (ASU) 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* (ASU 2020-07), which requires a not-for-profit entity to present contributed nonfinancial assets in the statement of activities as a line item that is separate from contributions of cash or other financial assets. ASU 2020-07 also requires additional qualitative and quantitative disclosures about contributed nonfinancial assets received, disaggregated by category.

The Association adopted the requirements of ASU 2020-07 for the year ended June 30, 2022, applied retrospectively to all periods presented. The adoption of the standard had no impact on the change in net assets for the years ended June 30, 2022 or 2021 as there were no contributed nonfinancial assets.

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 2—Summary of significant accounting and reporting policies—continued**

**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 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.

**Cash and cash equivalents**

The Association considers financial instruments with original maturities of 90 days or less to be cash equivalents. The Association maintains deposits in federally insured financial institutions. At times, these deposits exceed federally insured limits; however, management monitors the soundness of these financial institutions and believes the risk of loss is negligible.

**Investment valuation and income recognition**

Investments are stated at fair value and realized and unrealized gains and losses are reported in the statement of activities. Investments are valued on the last day of the Association's year-end.

**Grant receivable**

Grants are restricted by the grantors for particular operating purposes. These funds are deemed to be earned and reported as revenues when the Association has incurred expenses in compliance with the specific restrictions. Such amounts earned but not yet received are reported as grants receivable.

**Accounts receivable**

Accounts receivable consists of tenant accounts receivable which is made up of rent due from tenants. All accounts receivable are considered fully collectible at June 30, 2022 and 2021. Accordingly, no allowance for uncollectible accounts is deemed necessary by management.

**Property and equipment**

Land, buildings and improvements, and furniture and fixtures are recorded at cost. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expenses as incurred. The Association uses a capitalization policy of \$500 for assets with a useful life beyond one year. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation.

Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives. The estimated service life of the assets for depreciation purposes may be different than their actual economic useful lives.

The Association reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the rental property, including the low-income housing tax credits and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of such property. Management believes there were no impairment losses in 2022 and 2021.

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 2—Summary of significant accounting and reporting policies—continued**

**Compensated absences**

Vacation benefits are accrued as a liability for an employee's right to receive compensation that has been accumulated and vested at the end of the fiscal year.

Sick leave benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation is attributable to services already rendered, and it is probable that the Association will compensate the employees for the benefits through paid time off or some other means.

**Paycheck Protection Program**

In March 2020, passage of the Coronavirus Aid, Relief, and Economic Security (CARES) Act established the Paycheck Protection Program (PPP), administered by the Small Business Administration (SBA) to provide loans to qualifying entities. The Association has elected to account for the PPP loan in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Subtopic 958-605 Not-for-Profit Entities- Revenue Recognition (ASC 958-605), conditional contributions are recorded as a liability until the conditions have been met. The Association has elected to recognize that conditions have not been met on the PPP loan until the loan is formally forgiven, at which point the funds will be recognized as revenue from loan forgiveness. In August 2021, The Association refinanced the balance that was not forgiven. See Note 10.

**Classification of net assets**

Net assets without donor restrictions consist of all the resources and obligations related to the daily operations of the Association. Net assets with donor restrictions contain donor-imposed restrictions that permit the Association to use or expand the assets as specified. The restrictions are satisfied either by the passage of time or by actions of the Association. The Association reports all donor-restricted contributions whose restrictions are met in the same reporting period as support without donor restrictions. Net assets with donor restrictions that are perpetual in nature result from donor-imposed restrictions that limit the use of net assets in perpetuity. See Note 11.

**Revenue recognition**

The Association's public support, program service fees and other revenue consist of the following main revenue streams.

*Grant and contributions revenue*

The Association recognizes grants from governmental agencies as contributions in accordance with ASC 958, *Not-for-Profit Entities (Topic 958)*. It requires the Association to determine if a contribution is conditional on the basis of whether an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. The grants require the Association to provide services of approximately equal value to the amounts received under the grants. The Association recognizes funds received as contributions from grants when eligible costs are incurred at a point in time. The grantors may, at their discretion, request reimbursement for unallowed expenses as a result of noncompliance by the Association with the terms of a grant.

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 2—Summary of significant accounting and reporting policies—continued**

**Revenue recognition—continued**

*Program service fees*

The Association is paid in exchange for various services that they provide related to childcare, fingerprinting, and trainings that fall under their mission statement. Program service fees are recognized over time as the service is provided. The Association reports program service revenue at the amount the Association expects to be entitled in exchange for these services in accordance with FASB ASC *Topic 606, Revenue from Contracts with Customers (ASC 606)*. ASC 606 requires organizations to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which they expect to be entitled in exchange for those goods or services. ASC 606 prescribes the following five-step model for recognizing revenue, the application of which may require significant judgment: 1) Identify the contract(s); 2) Identify the performance obligations in the contract; 3) Determine the transaction price; 4) Allocate the transaction price to the performance obligations in the contract; and 5) Recognize revenue when (or as) the entity satisfies a performance obligation.

*Contributed services*

A portion of the Association's functions are performed by unpaid individual volunteers. For the years ended June 30, 2022 and 2021, the value of this contributed time is not reflected in the accompanying financial statements since the volunteer's time does not meet the criteria for recognition.

**Amortization**

Organizational costs are amortized over the term of the mortgage loan using the straight-line method. Tax credit fees and organization costs will be amortized over the five-year life using the straight-line method.

**Advertising**

The Association expenses advertising costs as they are incurred. Advertising expenses for the years ended June 30, 2022 and 2021 amounted to \$125,121 and \$140,119, respectively.

**Income taxes**

The Association is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accounting principles generally accepted in the United States of America require management of the Association to determine whether a tax position of the Association is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Management of the Association is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. However, management's conclusions may be subject to review and adjustment at a later date based on factors including, but not limited to, new tax laws, regulations, and administrative interpretations (including relevant court decisions). The Association's federal tax returns for the prior three fiscal years remain subject to examination by the Internal Revenue Service.

YWCA Housing, Inc. is a corporation organized under the laws of the State of Ohio. As of June 30, 2022 and 2021, this entity had no significant activity. No provision or benefit for income taxes has been included in these financial statements for the LLC since taxable income (loss) passes through to, and is reportable by, the partners individually.

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 2—Summary of significant accounting and reporting policies—continued**

**New accounting pronouncements**

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)* (ASU 2016-02). ASU 2016-02 will require that a lessee recognize assets and liabilities on the balance sheet for all leases with a lease term of more than twelve months, with the result being the recognition of a right of use asset and a lease liability. Recognition and presentation of expenses will depend on the classification of the lease as either finance or operating. ASU 2016-02 will also require quantitative and qualitative disclosures to supplement the amounts recorded in the financial statements to afford a better understanding of the Association's leasing activities. ASU 2016-02, as amended by ASU 2019-10 and ASU 2020-05, is effective for fiscal years beginning after December 15, 2021 with early adoption permitted and is to be applied retrospectively. The Association is currently evaluating the effect that ASU 2016-02 will have on its consolidated financial statements and related disclosures.

**Reclassification**

Certain amounts in the prior year's financial statements have been reclassified for comparative purposes to conform to the presentation in the current year's financial statements. These reclassifications had no effect on previously reported results of operations or net assets.

**Subsequent events**

The Association has evaluated subsequent events through February 27, 2023, which is the date these financial statements were issued and has determined that there are no subsequent events that require recognition or disclosure.

**Note 3—Cash, cash equivalents, and cash restricted as to use**

Cash restricted as to use consists of the following amounts held by the LLC at June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Cash – Operating reserve	\$ 145,166	\$ 145,166
Cash – Replacement reserve	190,066	190,066
Total cash restricted as to use	<u>\$ 335,232</u>	<u>\$ 335,232</u>

Cash reserves include the operating and replacement reserve accounts for YWCA Housing, which is required as stated in the LLC agreement. Use of the reserves is restricted as defined in the operating agreement, and therefore they have been excluded from cash in the accompanying statements of financial position and for the statement of cash flow purposes.

The following table provides a reconciliation of cash and cash restricted reported within the statement of financial position that sums to the total of the amount shown in the statement of cash flows at June 30:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 1,697,818	\$ 2,092,620
Cash restricted as to use	335,232	335,232
Total cash, cash equivalents, and cash restricted to use shown in the statement of cash flows	<u>\$ 2,033,050</u>	<u>\$ 2,427,852</u>



**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 4—Toledo Racial Equity and Inclusion Council**

During June 2021, the Association in conjunction with other local businesses and the City of Toledo formed Toledo Racial Equity and Inclusion Council (TREIC) to facilitate and develop a community strategy to address the root causes of poverty, dismantle systemic barriers caused by structural racism, and build wealth within communities of color in the Toledo area. TREIC has not been established as a separate legal entity at this time so the Association volunteered to collect funds and make payments on TREIC's behalf until a separate legal entity can be established. The Association recognized \$450,000 and \$210,000 of revenue and \$528,135 and \$92,706 of expenses at June 30, 2022 and 2021, respectively, on behalf of TREIC which is shown net in the other changes in net assets portion of the statement of activities in conjunction with the Association's exempt purpose with balances remaining presented as net assets with donor restriction, see note 11.

**Note 5—Fair value measurements**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC Topic, *Fair Value Measurement*, are described as follows:

Level 1. Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Association has the ability to access.

Level 2. Inputs to the valuation methodology include:

- a. Quoted prices for similar assets or liabilities in active markets;
- b. Quoted prices for identical or similar assets or liabilities in inactive markets;
- c. Inputs other than quoted prices that are observable for the asset or liability;
- d. Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3. Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 5—Fair value measurements—continued**

The Association's level 3 net assets consisted of net assets with donor restrictions in the form of an interest in a perpetual trust with a fair value of \$3,457,135 and \$4,112,994 at June 30, 2022 and 2021, respectively. See note 7.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2022 and 2021.

*Money Market Funds* – valued using amortized cost which approximates fair value.

*Mutual Funds* – valued at quoted market prices, which represent the net asset value (NAV) of shares held by the Association at year-end. The NAV is based on the fair value of the underlying investments held by the fund, less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

*Common Stock* – valued at the closing price reported on the active market on which the individual securities are traded.

*State of Israel Bond* – valued at the closing price reported in the active market in which the individual security is being traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies and assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 5—Fair value measurements—continued**

The following tables set forth, by level, within the fair value hierarchy, the Association’s assets carried at fair value:

<u>Description</u>	<u>Total June 30, 2022</u>	<u>Fair Value Measurements at June 30, 2022 Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets Level (1)</u>	<u>Significant Other Observable Inputs Level (2)</u>	<u>Significant Unobservable Inputs Level (3)</u>
Money market funds	\$ 112	\$ 112	\$ 0	\$ 0
Mutual funds				
Blend funds	1,225,939	1,225,939		
Value funds	734,402	734,402		
Growth funds	720,076	720,076		
Bond funds	61,445	61,445		
Common stock	0	0		
State of Israel bond	1,000	1,000		
Total investments	<u>\$ 2,742,974</u>	<u>\$ 2,742,974</u>	<u>\$ 0</u>	<u>\$ 0</u>
Perpetual trusts	<u>\$ 3,457,135</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,457,135</u>

<u>Description</u>	<u>Total June 30, 2021</u>	<u>Fair Value Measurements at June 30, 2021 Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets Level (1)</u>	<u>Significant Other Observable Inputs Level (2)</u>	<u>Significant Unobservable Inputs Level (3)</u>
Money market funds	\$ 109	\$ 109	\$ 0	\$ 0
Mutual funds				
Blend funds	1,344,588	1,344,588		
Value funds	788,661	788,661		
Growth funds	856,072	856,072		
Bond funds	59,291	59,291		
Common stock	26,886	26,886		
State of Israel bond	1,000	1,000		
Total investments	<u>\$ 3,076,607</u>	<u>\$ 3,076,607</u>	<u>\$ 0</u>	<u>\$ 0</u>
Perpetual trusts	<u>\$ 4,112,994</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,112,994</u>

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 6—Investment income**

Income from investments for the years ended June 30, 2022 and 2021 consisted of the following:

	<u>2022</u>	<u>2021</u>
Investment interest and dividends	\$ 171,704	\$ 60,627
Unrealized and realized loss on investments	(1,282,773)	1,288,463
Administrative fees	( 28,210)	(24,020)
Net investment income (loss)	<u>\$ (1,139,279)</u>	<u>\$ 1,325,070</u>

**Note 7—Beneficial interest in perpetual trusts and endowments**

**Beneficial interest in perpetual trusts held by third parties**

The Association is named as the beneficiary of several trusts. All trusts are held by third parties that manage the assets and distribute the earnings to parties as defined in the trust. Under a perpetual term agreement, the Association receives the income (a portion as defined by the trust) earned by the assets but never gains use of the trust corpus. The income received from these trusts does not have any donor-imposed restrictions and, accordingly, has been reported on the statement of activities as distributions from trust without donor restrictions.

The beneficial interest has been recognized at the present value of the perpetual stream of income from the assets. Assuming a perfect market for investments, the fair market value will equal the present value of a perpetual stream of income from the assets. Therefore, the trusts have been recognized at their fair value.

The Charitable Trust Funds Act became an Ohio law in September of 1999. This law states that beneficiaries of charitable trusts can elect to receive all trust interest and dividends or an elected percentage, not to exceed five percent, of the total trust value. The Association has elected to receive five percent of the trusts' net assets on three of its beneficiary trusts. Income distributed from the beneficial interest in perpetual trusts for the years ended June 30, 2022 and 2021 was \$277,285 and \$247,522, respectively.

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 7–Beneficial interest in perpetual trusts and endowments–continued**

**Donor restricted endowment**

One of the trusts held by the Association is a donor-restricted endowment that consists of contributions totaling \$246,763 as of June 30, 2022 and 2021. There have been no additional donor-restricted contributions to the trust. Under this endowment trust agreement, the Association receives the income earned by the assets as unrestricted income.

*Interpretation of Relevant Law*

The Uniform Prudent Management Institutional Funds Act (UPMIFA) was signed into law on January 6, 2009 and became effective June 1, 2009 in the State of Ohio. The Association has interpreted the new law as requiring the preservation of their value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Association classify as perpetual in nature donor-restricted net assets, (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified restricted perpetual in nature is classified as restricted for a time until those amounts are appropriated for expenditure by the Association in a manner consistent with the standard of prudence prescribed in the State of Ohio’s interpretation of the State Prudent Management of Institutional Funds Acts (SPMIFA).

In accordance with SPMIFA, the Association 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 Association 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 Association
7. The investment policies of the Association

*Return Objective and Risk Parameters*

The Association has adopted investment and spending policies for its investments which include its endowment assets. The policy attempts to grow the principal value of the endowment over an extended time frame while seeking to minimize risk through a disciplined diversification strategy. Preservation of capital over the long-term is of primary consideration therefore, principal risk must be minimized. Principal risk is defined as market or systematic risk which is determined by assessing the price volatility of the portfolio. Volatility will be measured through betas against broad market indices, coefficients of variation, standard deviations, and/or other such volatility measures accepted within the investment industry. Additionally, principal risk will be minimized through the establishment of a diversified portfolio among managers, styles and investment sectors. The Association expects its endowment funds, over time, to provide an average rate of return of approximately 8 percent annually. Actual returns in any given year may vary from this amount.

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 7–Beneficial interest in perpetual trusts and endowments–continued**

**Donor restricted endowment**

*Strategies Employed for Achieving Objectives*

To satisfy its long-term rate-of-return objectives, the Association relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Association targets a diversified asset allocation that seeks balance between fixed-income, equity, and alternate class investments to achieve its long-term return objectives within prudent risk constraints and with an additional focus on the preservation of principal.

*Spending Policy and how the Investment Objectives Relate to Spending Policy*

The Association has a policy of appropriating for distribution each quarter the earnings of the fund which approximates 2% of the fund’s fair value. In establishing this policy, the Association considered the long-term expected return on its endowment. Accordingly, over the long term, the Association expects the current spending policy to allow its endowment to grow at an average of 8% annually. This is consistent with the Association’s objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through investment return.

**Note 8–Capital campaign**

In 2021, the Association launched a capital campaign with a goal to raise \$12 million to fund renovations to the Jefferson Building in order to expand their programming. Capital campaign donations and pledges are restricted for this purpose. As of June 30, 2022 and 2021, the total contributions held by third party were \$1,122,182 and \$275,000, respectively. As of June 30, 2022 and 2021 total amount on net assets with donor restrictions for the capital campaign were \$2,332,682 and \$275,000, respectively. In addition, \$1,000,000 was designated by the board for the capital campaign project. See note 11.

**Note 9–Property and equipment**

Property and equipment consist of the following at June 30:

	<u>2022</u>	<u>2021</u>
Land and improvements	\$ 691,802	\$ 691,802
Buildings and improvements	12,584,217	12,584,217
Furniture and fixtures	775,023	640,696
Vehicles	119,507	119,507
Construction in progress	583,609	0
Total property and equipment	<u>14,754,158</u>	<u>14,036,222</u>
Less accumulated depreciation	<u>(8,368,856)</u>	<u>(7,924,932)</u>
Net property and equipment	<u>\$ 6,385,302</u>	<u>\$ 6,111,290</u>

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 10—Lines of credit and note payable**

The Association has a \$250,000 unsecured revolving line of credit with a bank, with interest on amounts borrowed at .5% below the prime rate (effective rate of 4.25% and 2.75% at June 30, 2022 and 2021). The line of credit expires in February 2023. Total borrowings amounted to \$0 as of June 30, 2022 and 2021.

The Association has an available line of credit with Edward Jones in an amount of up to 50% of the total investment value held through Edward Jones. The available balance at June 30, 2022 and 2021 was \$1,246,769 and \$1,371,640 with interest on amounts borrowed at 4.25% and 3.25%, respectively. Total borrowings amounted to \$0 as of June 30, 2022 and 2021.

During May 2020, the Association received an unsecured loan from the SBA under the Paycheck Protection Program (PPP) in the amount of \$620,100 at a fixed rate of interest of 1%. The Association was able to apply for forgiveness under the assumption that the proceeds were used to pay for specific expenses as described in the note and as permitted by the CARES act. The Association used the PPP loan for qualifying expenses and partial forgiveness was received in June 2021. The Association recognized \$0 and \$307,907 of forgiveness income for qualified expenses during the year ended June 30, 2022 and 2021, respectively. In June 2021, the portion of the loan not forgiven, \$167,300, was refinanced with the bank holding the loan to extend the maturity until May 2025 at an interest rate of 1%. The current portion of the remaining liability at June 30, 2022 and 2021, was \$43,951 and \$39,904, respectively, and the long-term portion was \$81,771 and \$127,396, respectively, on the consolidated statement of financial position.

Maturities of notes payable are as follows:

<b>Year ending June 30,</b>	<b>Amount</b>
2023	\$ 43,951
2024	44,393
2025	37,378
Total	<u>\$ 125,722</u>

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 11—Net assets**

*Net assets without donor restrictions* consist of all the resources and obligations related to the daily operations of the Association. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors

YWCA Housing Project is bound by a restrictive covenant. The covenant states that 100% of the project property must be maintained as low-income housing for a compliance period of 30 years.

The covenant and certain loan and grant agreements require the following rent and income restrictions as a percentage of the area median gross income (AMGI):

Income Restrictions

26 units occupied at or below 60% of the AMGI

26 units occupied at or below 50% of the AMGI

13 units occupied at or below 35% of the AMGI

Rent Restrictions

26 units affordable at or below 60% of the AMGI

32 units affordable at or below 50% of the AMGI

7 units affordable at or below 35% of the AMGI

*Net assets with donor restrictions for time or purpose* contain donor-imposed restrictions that permit the Association to use or expend the assets as specified. The restrictions are satisfied either by the passage of time or by actions of the Association. Donor-restricted public support and revenue whose restrictions are met in the same reporting period are reported as unrestricted revenue.

The net assets with donor restrictions for time or purpose at June 30 are:

	<u>2022</u>	<u>2021</u>
United Way promise to give	\$ 161,381	\$ 180,898
Capital campaign	2,332,682	275,000
TREIC	39,159	117,294
Other specific program uses	10,548	548
YWCA Housing Project	2,138,790	2,138,790
Total	<u>\$ 4,682,560</u>	<u>\$ 2,712,530</u>



**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 11–Net assets-continued**

The United Way of Greater Toledo’s campaign funds are classified as a contribution and the pledge is recorded as net assets with donor restrictions when the Association receives notice of its allocation and designations from United Way. Such revenue is released from restriction and is included in net assets without donor restrictions revenue in the year to which the contribution is allocated by United Way.

*Net assets with donor restrictions perpetual in nature* contain funding sources or donor-imposed restrictions that stipulate that resources be maintained in perpetuity for a specific purpose.

The net assets with donor restrictions perpetual in nature at June 30 are:

	<b>2022</b>	<b>2021</b>
Beneficial interest		
in perpetual trusts	\$ 3,210,372	\$ 3,866,231
Donor restricted endowment	246,763	246,763
Total	\$ 3,457,135	\$ 4,112,994

The earnings, gains, and losses on net assets with donor restrictions are classified as without donor restriction unless specifically restricted by the donor or by applicable state law.

**Note 12–Multiemployer cash balance defined benefit retirement plan**

The Young Women’s Christian Association Retirement Fund, Inc. (the Fund) is a multiple-employer cash balance defined benefit pension plan. Each participant has a cash balance, which is a hypothetical account to which contribution and interest credits are made monthly. The Association contributes on each qualified employee’s behalf amounts that are set by the Board of the Fund, which was 5% of employee wages in 2022 and 2021. Besides contributions and interest credits, other components of a participant's account consist of Fund matching contributions of 2%, in 2022 and 2021, and optional employee after-tax contributions, only if the employee qualifies and chooses to make them. The optional after-tax contribution rate is currently limited to ten percent of gross compensation. The Association’s expense under the plan for the years ended June 30, 2022 and 2021 amounted to \$91,993 and \$94,910, respectively. While contributions are based on fixed hourly rates, federal laws (the Employee Retirement Income Security Act of 1974 as amended by the Multiemployer Pension Plan Amendments Act of 1980) impose certain contingent liabilities on contributors to multiemployer plans such as this.

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 12—Multiemployer cash balance defined benefit retirement plan—continued**

The risks of participating in multiemployer pension plans are different from single-employer plans. Assets contributed to a multiemployer plan by one employer may be used to provide benefits to employees of other participating employers. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining part cash balance participating employers.

In the event of withdrawal from the plan and under certain other conditions, a contributor to a multiemployer plan may be liable to the plan in accordance with formulas established by law. The position of the Association relative to other contributors to the multiemployer plan has not been determined with respect to plan assets and accumulated benefits.

The Association’s participation in the multiemployer plan for the years ended June 30, 2022 and 2021 is outlined in the table below. The “EIN/PN” column provides the Employee Identification Number (EIN) and the three-digit plan number (PN). The most recent Pension Protection Act zone status available for 2022 and 2021 is for the plan years as indicated below. The zone status is based on information that the Association received from the plan and is certified by the plan’s actuary. Among other factors, plans in the red zone are generally less than 65 percent funded, plans in the yellow zone are between 65 percent and 80 percent funded, and plans in the green zone are at least 80 percent funded. The “FIP/RP Status Pending/Implemented” column indicates whether a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented. In addition to regular plan contributions, the Association may be subject to a surcharge if the plan is in the red zone. The “Surcharge Imposed” column indicates whether a surcharge has been imposed on contributions to the plan. The last column lists the expiration date of the collective bargaining agreement to which the plan is subject.

Pension Plan	EIN/PN	Pension Protection Act Zone Status		FIP/RP Status Pending/ Implemented	Contributions by the Association		Surcharge Imposed	Expiration Date of Collective Bargaining Agreement
		2022	2021		2022	2021		
YWCA Retirement Fund	13-1624231	Green	Green	No	\$91,993	\$94,910	No	N/A

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 13—Lease commitments and rent expense**

The Association leases office space and equipment under noncancelable operating leases. Monthly payments for these leases range from \$50 to \$3,507 per month. The lease terms expire at various times between November 2022 and January 2026.

The following is a schedule of future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of June 30, 2022:

Year ending June 30	Amount
2023	\$ 115,450
2024	67,740
2025	44,600
2026	1,259
Total	<u>\$ 229,049</u>

Total rent expense under operating leases was \$103,898 and \$102,761 for the years ended June 30, 2022 and 2021, respectively.

**Note 14—Related party transactions**

The Association used certain low-income housing tax credits to develop, rehabilitate, construct, own, lease and operate 43 new construction and 22 rehabilitated housing units to be used as permanent supportive housing for low and moderate-income families, which is run by the LLC. The building was completed and placed into rental operations during 2010. The Association entered into an amended agreement to lease a portion of its building and land to the LLC. As part of the amended lease agreements, annual rent of approximately \$26,000 and increasing by 3% annually, is payable to the Association from available cash flow, as defined, for a term of ninety-nine years from the commencement date of the lease. In addition, the Association earned a developer fee totaling \$1,100,000 related to the development of this project. The Association used \$645,000 of the development fee as a portion of the Association’s capital contribution to the LLC and the remaining \$455,000 was payable to the Association. As of June 30, 2022 and 2021, \$67,878 was still outstanding to be collected.

In connection with the YWCA Housing Project, the Association received grants from the City of Toledo Department of Neighborhoods: Home Investment Partnership Program, the Housing Development Assistance Program (HDAP) and the Federal Home Loan Bank of Cincinnati (FHLB) totaling \$2,138,790. The Association passed these grants to the LLC, \$1,400,000 for the Association’s capital contribution to the LLC and \$738,790 as a note payable due from the LLC. The balance of this note payable was \$738,790 at June 30, 2022 and 2021. The note payable accrues deferred interest at 4.53% and the principal and deferred interest is due on October 30, 2038. In addition to the two capital contributions discussed above, the Association made additional capital contributions of \$5,000, resulting in a total investment by the Association in the LLC of \$2,050,000.

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 15–YWCA Housing, LLC net assets and limited partner capital contribution note receivable**

As discussed in Note 1, the YWCA Housing, LLC has one Managing Member, YWCA Housing, Inc., which has a 0.01% interest; and one Limited Partner, Ohio Equity Fund for Housing Limited Partnership XVIII, which has a 99.99% interest.

The components of net assets at June 30, of the LLC, are as follows:

	<b>2022</b>	<b>2021</b>
Limited partner capital contribution	\$ 7,583,147	\$ 7,583,147
Accumulated rental losses	(5,630,532)	(5,162,062)
Syndication costs	(15,800)	(15,800)
Net assets – the LLC	\$ 1,936,815	\$ 2,405,285

**Note 16–Contingencies and risks**

The Association received substantial financial assistance from various governmental agencies, primarily the Department of Health and Human Services, in the form of grants. Grants are awarded on an annual basis, and there is no assurance as to their future continuance or the amounts to be awarded. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed amounts resulting from such audits could become a liability of the Association. However, in the opinion of management, disallowed amounts, if any, will not have a material adverse effect on the financial position of the Association at June 30, 2022 and 2021.

The Association invests in various investment securities. Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

In the normal course of operations, the Association may be subject to various tax issues. While the outcome of any such matters cannot presently be determined, management believes that their ultimate resolution will not have a material adverse effect on the accompanying financial statements.

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen as of the date of the consolidated financial statements. The extent of the impact of COVID-19 on the Association’s operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, the impact on the Association’s grantors, customers, employees, and vendors, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the Association’s financial condition or results of operations is uncertain.

**YWCA OF NORTHWEST OHIO**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**June 30, 2022 and 2021**

**Note 17–Liquidity and availability of financial assets**

YWCA’s financial assets available within one year of the statement of financial position date for general expenditures are as follows at June 30:

	<b>2022</b>	<b>2021</b>
Cash and cash equivalents	\$ 1,697,818	\$ 2,092,620
Grants receivable	1,630,726	1,204,295
Accounts receivable, net	36,981	14,695
United way promise to give	161,381	180,898
Funds held by third party restricted for capital campaign	1,122,182	0
Investments	2,742,974	3,076,607
Total financial assets	7,392,062	6,569,115
Less assets with restrictions:		
Purpose and time-restricted	(1,161,889)	(392,842)
Board designated	(2,397,211)	(2,505,390)
Total assets with restrictions	(3,559,100)	(2,898,232)
Total assets available for general expenditures within one year	\$ 3,832,962	\$ 3,670,883

The following reflects YWCA’s financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual restrictions within one year of the statement of financial position date or asset classification. YWCA has certain board-designated assets that are designated for future capital expenditures or use in a specific region. These assets are limited to use, are not available for general expenditure within the next year. However, the board-designated amounts could be made available, if necessary. There are reserves established by YWCA Housing as discussed in Note 3 that are available and can be drawn upon in the event immediate cash flow needs arise for operating purposes which are excluded from the amounts above. To additionally manage liquidity, YWCA has multiple lines of credit (as described in Note 10) available.

**Note 18–Methods used for the allocation of expenses between program and management and general**

The financial statements report certain categories of expenses that are attributable to the program or management and general functions of YWCA. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Most expenses are charged directly to program services or on specific identification using cost centers. Salaries and related expenses are charged to the various categories of programs or management and general on the basis of the actual or estimated time devoted to these activities. Administrative expenses have been allocated to program services and management and general based on budgeted full-time equivalents on an annual basis. Occupancy expense has been allocated based on the square footage occupied in the building by each program.

**SUPPLEMENTARY INFORMATION**

**YWCA OF NORTHWEST OHIO**  
**CONSOLIDATING STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2022**

	<u>YWCA</u>	<u>HOUSING</u>	<u>CONSOLIDATED</u>	<u>ELIMINATIONS</u>	<u>TOTALS</u>
<b>Assets</b>					
Cash and cash equivalents	\$ 1,631,571	\$ 66,247	\$ 1,697,818	\$ 0	\$ 1,697,818
Housing cash reserves		335,232	335,232		335,232
Investments	2,742,974		2,742,974		2,742,974
Grants receivable	2,014,251		2,014,251	(383,525)	1,630,726
Accounts receivable, net		36,981	36,981		36,981
Related party receivables	1,311,683		1,311,683	(1,311,683)	0
Funds held by third party restricted for capital campaign	1,122,182		1,122,182		1,122,182
United way promise to give	161,381		161,381		161,381
Investment in housing project	2,050,000		2,050,000	(2,050,000)	0
Prepaid expenses and other assets	28,506	5,579	34,085		34,085
Property and equipment, net of accumulated	1,706,656	5,275,249	6,981,905	(596,603)	6,385,302
Beneficial interest in perpetual trusts	3,457,135		3,457,135		3,457,135
	<u>\$ 16,226,339</u>	<u>\$ 5,719,288</u>	<u>\$ 21,945,627</u>	<u>\$ (4,341,811)</u>	<u>\$ 17,603,816</u>
<b>Liabilities</b>					
Accounts payable	\$ 139,839	\$ 110,099	\$ 249,938	\$ 0	\$ 249,938
Note payable - current portion	43,951		43,951		43,951
Accrued payroll, compensated absences, and payroll taxes	439,521	3,405	442,926		442,926
Other accrued expenses	3,391	1,008,622	1,012,013	(956,418)	55,595
Refundable advances	160,175		160,175		160,175
Note payable		738,790	738,790	(738,790)	0
Note payable - long term portion	81,771		81,771		81,771
Total liabilities	<u>868,648</u>	<u>1,860,916</u>	<u>2,729,564</u>	<u>(1,695,208)</u>	<u>1,034,356</u>
<b>Net assets</b>					
Without donor restrictions					
Undesignated	3,800,966		3,800,966	(725,046)	3,075,920
Board designated					
For capital improvements	696,883		696,883		696,883
For YWCA of Lima operations	597,100		597,100		597,100
For capital campaign	1,000,000		1,000,000		1,000,000
Net investment in property and equipment	1,123,047		1,123,047		1,123,047
Net investment in YWCA Housing, LLC		3,858,372	3,858,372	(1,921,557)	1,936,815
Total net assets without donor restrictions	<u>7,217,996</u>	<u>3,858,372</u>	<u>11,076,368</u>	<u>(2,646,603)</u>	<u>8,429,765</u>
With donor restrictions					
Purpose and time restricted	4,682,560		4,682,560		4,682,560
Perpetual in nature	3,457,135		3,457,135		3,457,135
Total net assets	<u>15,357,691</u>	<u>3,858,372</u>	<u>19,216,063</u>	<u>(2,646,603)</u>	<u>16,569,460</u>
Total liabilities and net assets	<u>\$ 16,226,339</u>	<u>\$ 5,719,288</u>	<u>\$ 21,945,627</u>	<u>\$ (4,341,811)</u>	<u>\$ 17,603,816</u>

**YWCA OF NORTHWEST OHIO**  
**CONSOLIDATING STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2021**

	<u>YWCA</u>	<u>HOUSING</u>	<u>CONSOLIDATED</u>	<u>ELIMINATIONS</u>	<u>TOTALS</u>
<b>Assets</b>					
Cash and cash equivalents	\$ 2,038,312	\$ 54,308	\$ 2,092,620	\$ 0	\$ 2,092,620
Housing cash reserves		335,232	335,232		335,232
Investments	3,076,607		3,076,607		3,076,607
Grants receivable	1,547,991		1,547,991	(343,696)	1,204,295
Accounts receivable, net		14,695	14,695		14,695
Related party receivables	1,258,363		1,258,363	(1,258,363)	0
Funds held by third party restricted for capital campaign	0				
United way promise to give	180,898		180,898		180,898
Investment in housing project	2,050,000		2,050,000	(2,050,000)	0
Prepaid expenses and other assets	26,111	(2,810)	23,301		23,301
Property and equipment, net	1,116,535	5,631,358	6,747,893	(636,603)	6,111,290
Beneficial interest in perpetual trusts	4,112,994		4,112,994		4,112,994
	<u>\$ 15,407,811</u>	<u>\$ 6,032,783</u>	<u>\$ 21,440,594</u>	<u>\$ (4,288,662)</u>	<u>\$ 17,151,932</u>
<b>Liabilities</b>					
Accounts payable	\$ 121,111	\$ 50,623	\$ 171,734	\$ 0	\$ 171,734
Note payable - current portion	39,904		39,904		39,904
Accrued payroll, compensated absences, and payroll taxes	442,452	3,137	445,589		445,589
Other accrued expenses	3,570	911,486	915,056	(863,269)	51,787
Refundable advances	251,894		251,894		251,894
Notes payable		738,790	738,790	(738,790)	0
Note payable - long term portion	127,396		127,396		127,396
Total liabilities	<u>986,327</u>	<u>1,704,036</u>	<u>2,690,363</u>	<u>(1,602,059)</u>	<u>1,088,304</u>
<b>Net assets</b>					
Without donor restrictions					
Undesignated	4,043,038		4,043,038	(763,141)	3,279,897
Board designated					
For capital improvements	644,681		644,681		644,681
For YWCA of Lima operations	791,706		791,706		791,706
For capital campaign	1,000,000		1,000,000		1,000,000
Net investment in property and equipment	1,116,535		1,116,535		1,116,535
Net investment in YWCA Housing, LLC		4,328,747	4,328,747	(1,923,462)	2,405,285
Total net assets without donor restrictions	<u>7,595,960</u>	<u>4,328,747</u>	<u>11,924,707</u>	<u>(2,686,603)</u>	<u>9,238,104</u>
With donor restrictions					
Purpose and time restricted	2,712,530		2,712,530		2,712,530
Perpetual in nature	4,112,994		4,112,994		4,112,994
Total net assets	<u>14,421,484</u>	<u>4,328,747</u>	<u>18,750,231</u>	<u>(2,686,603)</u>	<u>16,063,628</u>
Total liabilities and net assets	<u>\$ 15,407,811</u>	<u>\$ 6,032,783</u>	<u>\$ 21,440,594</u>	<u>\$ (4,288,662)</u>	<u>\$ 17,151,932</u>



**YWCA OF NORTHWEST OHIO**  
**CONSOLIDATING STATEMENTS OF ACTIVITIES**  
**For the Year Ended June 30, 2022**

	<u>YWCA</u>	<u>HOUSING</u>	<u>CONSOLIDATED</u>	<u>ELIMINATIONS</u>	<u>TOTALS</u>
<b>Public support</b>					
Government grants	\$ 4,377,341	\$ 0	\$ 4,377,341	\$ 0	\$ 4,377,341
Nongovernmental grants	231,876		231,876		231,876
Foundation and trusts contributions	87,347		87,347		87,347
Contributions	2,263,643		2,263,643		2,263,643
Distribution from perpetual trusts	277,285		277,285		277,285
United Way	161,381		161,381		161,381
<b>Total public support</b>	<u>7,398,873</u>	<u>0</u>	<u>7,398,873</u>	<u>0</u>	<u>7,398,873</u>
<b>Program service fees and other revenue</b>					
Program service fees	342,329		342,329		342,329
Performance incentives	0		0		0
Special events	96,016		96,016		96,016
Rental income	45,925		45,925	(35,125)	10,800
Net investment loss	(483,420)		(483,420)		(483,420)
Change in beneficial interest in perpetual trusts	(655,859)		(655,859)		(655,859)
Other	49,327		49,327	(53,318)	(3,991)
<b>Total program service fees and other revenue</b>	<u>(605,682)</u>	<u>0</u>	<u>(605,682)</u>	<u>(88,443)</u>	<u>(694,125)</u>
<b>Total support and revenue</b>	6,793,191	0	6,793,191	(88,443)	6,704,748
<b>Functional expenses</b>					
Program services	5,509,341		5,509,341		5,509,341
Management and general	219,429		219,429		219,429
Fundraising	50,079		50,079		50,079
<b>Total functional expenses</b>	<u>5,778,849</u>	<u>0</u>	<u>5,778,849</u>	<u>0</u>	<u>5,778,849</u>
<b>Total operating income</b>	1,014,342	0	1,014,342	(88,443)	925,899
<b>Other changes in net assets</b>					
Paycheck Protection Program loan forgiveness	0		0		0
TREIC - net activity	(78,135)		(78,135)		(78,135)
Net rental activity		(470,375)	(470,375)	128,443	(341,932)
<b>Total other changes in net assets</b>	<u>(78,135)</u>	<u>(470,375)</u>	<u>(548,510)</u>	<u>128,443</u>	<u>(420,067)</u>
<b>Change in net assets</b>	936,207	(470,375)	465,832	40,000	505,832
<b>Net assets at beginning of year</b>	<u>14,421,484</u>	<u>4,328,747</u>	<u>18,750,231</u>	<u>(2,686,603)</u>	<u>16,063,628</u>
<b>Net assets at end of year</b>	<u>\$ 15,357,691</u>	<u>\$ 3,858,372</u>	<u>\$ 19,216,063</u>	<u>\$ (2,646,603)</u>	<u>\$ 16,569,460</u>

**YWCA OF NORTHWEST OHIO**  
**CONSOLIDATING STATEMENTS OF ACTIVITIES**  
**For the Year Ended June 30, 2021**

	<u>YWCA</u>	<u>HOUSING</u>	<u>CONSOLIDATED</u>	<u>ELIMINATIONS</u>	<u>TOTALS</u>
<b>Public support</b>					
Government grants	\$ 3,267,672	\$ 0	\$ 3,267,672	\$ 0	\$ 3,267,672
Nongovernmental grants	80,278		80,278		80,278
Foundation and trusts contributions	308,723		308,723		308,723
Contributions	2,421,425		2,421,425		2,421,425
Distribution from perpetual trusts	247,522		247,522		247,522
United Way	180,898		180,898		180,898
<b>Total public support</b>	<u>6,506,518</u>	<u>0</u>	<u>6,506,518</u>	<u>0</u>	<u>6,506,518</u>
<b>Program service fees and other revenue</b>					
Program service fees	313,796		313,796		313,796
Performance incentives	61,000		61,000		61,000
Special events	134,723		134,723		134,723
Rental income	44,902		44,902	(34,102)	10,800
Net investment loss	559,988		559,988		559,988
Change in beneficial interest in perpetual trusts	765,082		765,082		765,082
Other	55,070		55,070	(52,436)	2,634
<b>Total program service fees and other revenue</b>	<u>1,934,561</u>	<u>0</u>	<u>1,934,561</u>	<u>(86,538)</u>	<u>1,848,023</u>
<b>Total support and revenue</b>	8,441,079	0	8,441,079	(86,538)	8,354,541
<b>Functional expenses</b>					
Program services	4,519,605		4,519,605		4,519,605
Management and general	247,148		247,148		247,148
Fundraising	40,259		40,259		40,259
<b>Total functional expenses</b>	<u>4,807,012</u>	<u>0</u>	<u>4,807,012</u>	<u>0</u>	<u>4,807,012</u>
<b>Total operating income</b>	3,634,067	0	3,634,067	(86,538)	3,547,529
<b>Other changes in net assets</b>					
Paycheck Protection Program loan forgiveness	307,907		307,907		307,907
TREIC - net activity	117,294		117,294		117,294
Net rental activity		(400,035)	(400,035)	126,538	(273,497)
<b>Total other changes in net assets</b>	<u>425,201</u>	<u>(400,035)</u>	<u>25,166</u>	<u>126,538</u>	<u>151,704</u>
<b>Change in net assets</b>	4,059,268	(400,035)	3,659,233	40,000	3,699,233
<b>Net assets at beginning of year</b>	<u>10,362,216</u>	<u>4,728,782</u>	<u>15,090,998</u>	<u>(2,726,603)</u>	<u>12,364,395</u>
<b>Net assets at end of year</b>	<u>\$ 14,421,484</u>	<u>\$ 4,328,747</u>	<u>\$ 18,750,231</u>	<u>\$ (2,686,603)</u>	<u>\$ 16,063,628</u>

**YWCA OF NORTHWEST OHIO**  
**UNCONSOLIDATED SCHEDULES OF YWCA HOUSING GRANT REVENUE**  
**AND NET RENTAL ACTIVITY**  
**For the Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Net rental activity</b>		
<b>Income</b>		
Rental income	\$ 409,068	\$ 407,993
Other income	14,221	2,058
Total income	<u>423,289</u>	<u>410,051</u>
 <b>Operating expenses</b>		
Office wages, payroll taxes and benefits	154,352	111,841
Utilities	97,362	84,196
Repairs & maintenance	106,495	68,195
Management fee	39,108	44,638
Land rental expense	35,125	34,102
Bad debt	7,946	18,902
Office expenses	7,931	11,797
Property Tax	9,504	9,578
Janitorial	11,493	9,174
Professional fees	12,939	6,876
Telephone	1,782	1,500
Computer Support	200	12
Total operating expenses	<u>484,237</u>	<u>400,811</u>
Operating income (loss) before depreciation and interest expenses	<u>(60,948)</u>	<u>9,240</u>
Depreciation	356,109	356,839
Interest	53,318	52,436
Net loss	<u><u>\$ (470,375)</u></u>	<u><u>\$ (400,035)</u></u>

**YWCA OF NORTHWEST OHIO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2022**

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identification Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Health and Human Services</b>				
<b>Pass-Through Programs From:</b>				
<b>State of Ohio Department of Job and Family Services</b>				
The Child Care and Development Fund (CCDF) cluster				
Statewide Child Care Resources and Referral Services Grant #1	93.575	G-2223-17-0429	---	\$ 772,532
Statewide Child Care Resources and Referral Services Grant #7	93.575	G-2223-17-0432	---	518,734
Statewide Child Care Resources and Referral Services Grant #12	93.575	G-2223-17-0433	---	506,502
Stabilized funding	93.575		---	42,000
Subtotal for Ohio Department of Job and Family Services				<u>1,839,768</u>
<b>Lucas County Department of Job and Family Services</b>				
Reducing the Risk & Teen Outreach Program	93.558	48-21-TANF-02	---	229,308
Reducing the Risk & Teen Outreach Program	93.558	48-21-TANF-02	---	356,593
Subtotal for Lucas County Department of Job and Family Services				<u>585,901</u>
<b>Ohio Office of Criminal Justice Services</b>				
Family Violence and Prevention Services Act	93.671	2021-VP-001-4053	---	76,527
Subtotal for Ohio Office of Criminal Justice Services				<u>76,527</u>
<b>Covid-19 Family Violence and Prevention Services Act</b>	93.671	2021-AR-001-468AR	---	2,131
<b>Total Pass-Through From U.S. Department of Health and Human Services</b>				<u>\$ 2,504,327</u>
<b>U.S. Department of Justice</b>				
<b>Pass-Through Program From:</b>				
<b>Ohio Attorney General's Office</b>				
Crisis Intervention	16.575	2021-VOCA-134144979	---	\$ 159,825
Crisis Intervention	16.575	2022-VOCA-134719061	---	188,093
Subtotal for Ohio Attorney General's Office				<u>347,918</u>
<b>Lucas County Criminal Justice Coordinating Council</b>				
Violence Against Women	16.588	2020-WF-VA5-8843	---	37,365
Violence Against Women	16.588	2021-WF-VA5-8843	---	2,748
Subtotal for Lucas County Criminal Justice Coordinating Council				<u>40,113</u>
<b>Total Pass-Through From U.S. Department of Justice</b>				<u>388,031</u>
<b>U.S. Department of Treasury</b>				
<b>Pass-Through Program From</b>				
<b>Ohio Attorney General</b>				
COVID-19 Relief Grant Program	21.019	2020-CARES-47	---	7,315
COVID-19 Relief Grant Program	21.019	2020-CARES-155	---	47,850
Subtotal for Ohio Attorney General				<u>55,165</u>
<b>Total Pass-Through From U.S. Department of Treasury</b>				<u>55,165</u>
				<u>\$ 2,947,523</u>
			<b>Total Expenditures of Federal Awards</b>	<u>\$ 2,947,523</u>

**YWCA OF NORTHWEST OHIO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2022**

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes all federal award activity of YWCA of Northwest Ohio. The information in this Schedule is presented in accordance with the 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).

**Note 2 - Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the United States generally accepted accounting principles basis of accounting. 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.

**Note 3—Indirect Cost Rate**

YWCA of Northwest Ohio has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.



**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 Trustees  
YWCA of Northwest Ohio  
Toledo, Ohio

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 YWCA of Northwest Ohio (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidate financial statements, and have issued our report thereon dated February 27, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered YWCA of Northwest Ohio'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of YWCA of Northwest Ohio's internal control. Accordingly, we do not express an opinion on the effectiveness of YWCA of Northwest Ohio'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether YWCA of Northwest Ohio'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*.

**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**

Toledo, Ohio  
February 27, 2023



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH  
MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE, AND REPORT ON SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Board of Trustees  
YWCA of Northwest Ohio  
Toledo, Ohio

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

**Opinion on Each Major Federal Program**

We have audited YWCA of Northwest Ohio'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 YWCA of Northwest Ohio's major federal programs for the year ended June 30, 2022. YWCA of Northwest Ohio'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, YWCA of Northwest Ohio 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, 2022.

**Basis for Opinion of 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 YWCA of Northwest Ohio 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 YWCA of Northwest Ohio'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 YWCA of Northwest Ohio's federal programs.



### **Auditor's 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 YWCA of Northwest Ohio'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 YWCA of Northwest Ohio'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 YWCA of Northwest Ohio'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 YWCA of Northwest Ohio'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 YWCA of Northwest Ohio'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**

*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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Toledo, Ohio  
February 27, 2023

**YWCA OF NORTHWEST OHIO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2022**

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	No

**Identification of Major Programs**

<u>Assistance Listing Number</u>	<u>Name of Federal Program</u>
93.575	The Child Care and Development Fund (CCDF) cluster – Child Care and Development Block Grant
Dollar threshold used to distinguish between type A and type B programs	\$750,000
Did the auditee qualify as a low-risk auditee?	Yes

**Section II - Financial Statement Findings**

None

**Section III – Federal Award Findings and Questioned Costs**

None

**YWCA OF NORTHWEST OHIO**  
**SCHEDULE OF STATUS OF PRIOR YEAR (2021) AUDIT FINDINGS**  
**For the Year Ended June 30, 2022**

No findings were reported during the prior period.



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