

**YWCA OF PALM BEACH COUNTY, INC.**  
**REPORT ON AUDITS OF FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

# YWCA OF PALM BEACH COUNTY, INC.

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## Independent Auditors' Report

To the Board of Directors  
YWCA of Palm Beach County, Inc.  
West Palm Beach, Florida

### Opinion

We have audited the accompanying financial statements of YWCA of Palm Beach County, Inc. (a nonprofit organization) (the "Association"), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of YWCA of Palm Beach County, Inc. as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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

### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about YWCA of Palm Beach County, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of YWCA of Palm Beach County, Inc.'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 YWCA of Palm Beach County, Inc.'s ability to continue as a going concern for a reasonable period of time.

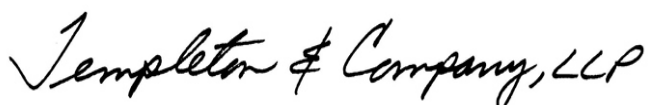
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Supplementary Information**

Our audit of the 2023 financial statements was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2023 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2023, on our consideration of YWCA of Palm Beach County, Inc.'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 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 YWCA of Palm Beach County, Inc.'s internal control over financial reporting and on compliance.



West Palm Beach, Florida  
December 28, 2023

**YWCA OF PALM BEACH COUNTY, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2023 and 2022**

|  | 2023         | 2022         |
|--|--------------|--------------|
| <b>ASSETS</b>  |              |              |
| Assets:  |              |              |
| Cash and cash equivalents                                  | \$ 314,427   | \$ 722,178   |
| Investments  | 705,712      | 1,007,592    |
| Beneficial interest in assets held by Community Foundation | 50,000       | 50,000       |
| Receivables:   |              |              |
| Grants   | 368,045      | 506,096      |
| Other  | 100          | 101          |
| Prepaid expenses   | 46,811       | 42,717       |
| Deposits   | 7,582        | 7,083        |
| Right-of-use assets - operating leases                     | 191,612      | -            |
| Property and equipment, net                                | 1,261,753    | 1,117,695    |
| Total assets   | \$ 2,946,042 | \$ 3,453,462 |
| <b>LIABILITIES AND NET ASSETS</b>                          |              |              |
| Liabilities:   |              |              |
| Accounts payable   | \$ 73,030    | \$ 110,197   |
| Accrued expenses   | 71,844       | 164,014      |
| Deferred grant revenue                                     | 86,726       | -            |
| Lease liabilities - operating leases                       | 193,388      | -            |
| Total liabilities  | 424,988      | 274,211      |
| Net assets:  |              |              |
| Net assets without donor restrictions                      | 1,997,339    | 2,009,561    |
| Net assets with donor restrictions                         | 523,715      | 1,169,690    |
| Total net assets   | 2,521,054    | 3,179,251    |
| Total liabilities and net assets                           | \$ 2,946,042 | \$ 3,453,462 |

See accompanying notes to financial statements.

**YWCA OF PALM BEACH COUNTY, INC.**  
**STATEMENTS OF ACTIVITIES**  
**For the Years Ended June 30, 2023 and 2022**

|   | June 30, 2023                 |                            |                     | June 30, 2022                 |                            |                     |
|---|-------------------------------|----------------------------|---------------------|-------------------------------|----------------------------|---------------------|
|   | Without Donor<br>Restrictions | With Donor<br>Restrictions | Totals              | Without Donor<br>Restrictions | With Donor<br>Restrictions | Totals              |
| Support and revenue:                    |                               |                            |                     |                               |                            |                     |
| Grants                                  | \$ 2,801,817                  | \$ -                       | \$ 2,801,817        | \$ 1,867,036                  | \$ -                       | \$ 1,867,036        |
| Contributions                           | 384,935                       | -                          | 384,935             | 374,929                       | 945,000                    | 1,319,929           |
| Contract services:                      |                               |                            |                     |                               |                            |                     |
| Early Learning Coalition/Family Central | 44,101                        | -                          | 44,101              | 62,950                        | -                          | 62,950              |
| Special events                          | 37,596                        | -                          | 37,596              | 17,441                        | -                          | 17,441              |
| Program services fees                   | 4,842                         | -                          | 4,842               | 1,459                         | -                          | 1,459               |
| In-kind contributions                   | -                             | -                          | -                   | 8,993                         | -                          | 8,993               |
| Other                                   | 1,845                         | -                          | 1,845               | 18,965                        | -                          | 18,965              |
| Net investment return (loss)            | <u>52,508</u>                 | <u>-</u>                   | <u>52,508</u>       | <u>(35,326)</u>               | <u>-</u>                   | <u>(35,326)</u>     |
| Total support and revenue               | 3,327,644                     | -                          | 3,327,644           | 2,316,447                     | 945,000                    | 3,261,447           |
| Net assets released from restrictions   | <u>645,975</u>                | <u>(645,975)</u>           | <u>-</u>            | <u>593,172</u>                | <u>(593,172)</u>           | <u>-</u>            |
|   | <u>3,973,619</u>              | <u>(645,975)</u>           | <u>3,327,644</u>    | <u>2,909,619</u>              | <u>351,828</u>             | <u>3,261,447</u>    |
| Expenses:                               |                               |                            |                     |                               |                            |                     |
| Program services:                       |                               |                            |                     |                               |                            |                     |
| Harmony House                           | 2,277,951                     | -                          | 2,277,951           | 1,874,511                     | -                          | 1,874,511           |
| Child Development                       | 983,677                       | -                          | 983,677             | 760,433                       | -                          | 760,433             |
| Youth Program                           | 43,352                        | -                          | 43,352              | 15,003                        | -                          | 15,003              |
| Racial Justice                          | 33,761                        | -                          | 33,761              | 24,030                        | -                          | 24,030              |
| Women's Health Institute                | <u>34,934</u>                 | <u>-</u>                   | <u>34,934</u>       | <u>37,885</u>                 | <u>-</u>                   | <u>37,885</u>       |
| Total program expenses                  | 3,373,675                     | -                          | 3,373,675           | 2,711,862                     | -                          | 2,711,862           |
| Supporting services:                    |                               |                            |                     |                               |                            |                     |
| Management and general                  | 513,945                       | -                          | 513,945             | 427,420                       | -                          | 427,420             |
| Fundraising                             | <u>98,221</u>                 | <u>-</u>                   | <u>98,221</u>       | <u>35,756</u>                 | <u>-</u>                   | <u>35,756</u>       |
| Total expenses                          | <u>3,985,841</u>              | <u>-</u>                   | <u>3,985,841</u>    | <u>3,175,038</u>              | <u>-</u>                   | <u>3,175,038</u>    |
| Change in net assets                    | (12,222)                      | (645,975)                  | (658,197)           | (265,419)                     | 351,828                    | 86,409              |
| Net assets, beginning of year           | <u>2,009,561</u>              | <u>1,169,690</u>           | <u>3,179,251</u>    | <u>2,274,980</u>              | <u>817,862</u>             | <u>3,092,842</u>    |
| Net assets, end of year                 | <u>\$ 1,997,339</u>           | <u>\$ 523,715</u>          | <u>\$ 2,521,054</u> | <u>\$ 2,009,561</u>           | <u>\$ 1,169,690</u>        | <u>\$ 3,179,251</u> |

See accompanying notes to financial statements.

**YWCA OF PALM BEACH COUNTY, INC.**  
**STATEMENTS OF CASH FLOWS**  
**For the Years Ended June 30, 2023 and 2022**

|  | 2023         | 2022       |
|--|--------------|------------|
| Cash flows from operating activities:  |              |            |
| Change in net assets   | \$ (658,197) | \$ 86,409  |
| Adjustments to reconcile change in net assets<br>to net cash provided by (used in) operating activities: |              |            |
| Depreciation   | 111,135      | 118,750    |
| Bad debt expense   | -            | 41,059     |
| Realized and unrealized (gain) loss on investments   | (19,324)     | 41,858     |
| Changes in operating assets and liabilities:   |              |            |
| Grants receivable  | 138,051      | 108,336    |
| Other receivables  | 1            | 1,399      |
| Prepaid expenses   | (4,094)      | (13,552)   |
| Deposits   | (499)        | (1,260)    |
| Right-of-use assets - operating leases   | 1,776        | -          |
| Accounts payable   | (37,167)     | 51,747     |
| Accrued expenses   | (92,170)     | 32,482     |
| Deferred revenue   | 86,726       | -          |
| Net cash (used in) provided by operating activities  | (473,762)    | 467,228    |
| Cash flows from investing activities:  |              |            |
| Proceeds from sales of investments, net  | 321,204      | 96,556     |
| Purchases of property and equipment  | (255,193)    | (16,094)   |
| Net cash provided by investing activities  | 66,011       | 80,462     |
| Net increase (decrease) in cash and cash equivalents   | (407,751)    | 547,690    |
| Cash and cash equivalents, beginning of year   | 722,178      | 174,488    |
| Cash and cash equivalents, end of year   | \$ 314,427   | \$ 722,178 |

See accompanying notes to financial statements.

**YWCA OF PALM BEACH COUNTY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended June 30, 2023**

|                                      | Program Services |                   |               |                |                          | Supporting Services    |                        |             |                           | Total Expenses |
|--------------------------------------|------------------|-------------------|---------------|----------------|--------------------------|------------------------|------------------------|-------------|---------------------------|----------------|
|                                      | Harmony House    | Child Development | Youth Program | Racial Justice | Women's Health Institute | Total Program Services | Management and General | Fundraising | Total Supporting Services |                |
| Salaries and related costs           | \$ 1,216,093     | \$ 615,636        | \$ 37,867     | \$ 30,427      | \$ 31,463                | \$ 1,931,486           | \$ 310,709             | \$ 44,283   | \$ 354,992                | \$ 2,286,478   |
| Rent                                 | 54,663           | 9,935             | -             | -              | -                        | 64,598                 | 17,615                 | 7,632       | 25,247                    | 89,845         |
| Utilities                            | 47,214           | 14,343            | -             | -              | -                        | 61,557                 | 4,573                  | -           | 4,573                     | 66,130         |
| Food                                 | 15,249           | 41,533            | 1,623         | 205            | -                        | 58,610                 | 358                    | 5,076       | 5,434                     | 64,044         |
| Consulting and professional services | 73,777           | 47,791            | 1,433         | 1,514          | 1,528                    | 126,043                | 38,943                 | 1,567       | 40,510                    | 166,553        |
| Repairs and maintenance              | 102,218          | 63,913            | -             | 34             | 244                      | 166,409                | 13,599                 | -           | 13,599                    | 180,008        |
| Insurance                            | 58,495           | 30,508            | -             | -              | -                        | 89,003                 | 20,296                 | -           | 20,296                    | 109,299        |
| Supplies                             | 43,641           | 48,475            | 1,416         | 270            | -                        | 93,802                 | 14,895                 | 209         | 15,104                    | 108,906        |
| Telephone/Advertising                | 29,477           | 18,023            | -             | 960            | 904                      | 49,364                 | 16,916                 | 2,499       | 19,415                    | 68,779         |
| Equipment and rental repairs         | 9,399            | 4,005             | -             | -              | -                        | 13,404                 | 3,720                  | -           | 3,720                     | 17,124         |
| Printing                             | 5                | -                 | -             | -              | -                        | 5                      | 116                    | -           | 116                       | 121            |
| Office supplies and expense          | 543              | 111               | -             | -              | -                        | 654                    | 4,206                  | 1,490       | 5,696                     | 6,350          |
| Travel and transportation            | 7,745            | 9,628             | 694           | 53             | -                        | 18,120                 | 3,472                  | -           | 3,472                     | 21,592         |
| Payment to affiliated organization   | 9,178            | 5,824             | -             | -              | -                        | 15,002                 | 2,647                  | -           | 2,647                     | 17,649         |
| Meeting and training                 | 1,310            | 31,016            | 225           | 40             | -                        | 32,591                 | 33,485                 | 26          | 33,511                    | 66,102         |
| Miscellaneous                        | 16,966           | 1,138             | 94            | -              | 231                      | 18,429                 | 11,056                 | 35,439      | 46,495                    | 64,924         |
| Dues and subscriptions               | 3,692            | -                 | -             | -              | -                        | 3,692                  | 2,933                  | -           | 2,933                     | 6,625          |
| Assistance to individuals            | 496,750          | 15,213            | -             | -              | -                        | 511,963                | 2,007                  | -           | 2,007                     | 513,970        |
| Licenses and taxes                   | 3,483            | 1,860             | -             | -              | -                        | 5,343                  | 5,412                  | -           | 5,412                     | 10,755         |
| Vehicle expense                      | 7,099            | -                 | -             | -              | -                        | 7,099                  | -                      | -           | -                         | 7,099          |
| Postage and shipping                 | 1,201            | 336               | -             | -              | -                        | 1,537                  | 816                    | -           | 816                       | 2,353          |
| Subtotal                             | 2,198,198        | 959,288           | 43,352        | 33,503         | 34,370                   | 3,268,711              | 507,774                | 98,221      | 605,995                   | 3,874,706      |
| Depreciation                         | 79,753           | 24,389            | -             | 258            | 564                      | 104,964                | 6,171                  | -           | 6,171                     | 111,135        |
| Total expenses                       | \$ 2,277,951     | \$ 983,677        | \$ 43,352     | \$ 33,761      | \$ 34,934                | \$ 3,373,675           | \$ 513,945             | \$ 98,221   | \$ 612,166                | \$ 3,985,841   |

See accompanying notes to financial statements.



**YWCA OF PALM BEACH COUNTY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended June 30, 2022**

|                                    | Program Services |                   |               |                |                          | Supporting Services    |                        |             |                           | Total Expenses |
|------------------------------------|------------------|-------------------|---------------|----------------|--------------------------|------------------------|------------------------|-------------|---------------------------|----------------|
|                                    | Harmony House    | Child Development | Youth Program | Racial Justice | Women's Health Institute | Total Program Services | Management and General | Fundraising | Total Supporting Services |                |
| Salaries and related costs         | \$ 1,106,208     | \$ 468,883        | \$ 14,405     | \$ 13,299      | \$ 33,397                | \$ 1,636,192           | \$ 212,750             | \$ 24,130   | \$ 236,880                | \$ 1,873,072   |
| Rent                               | 53,071           | 10,161            | -             | -              | -                        | 63,232                 | 15,378                 | 7,409       | 22,787                    | 86,019         |
| Utilities                          | 33,362           | 14,199            | -             | -              | -                        | 47,561                 | 5,294                  | -           | 5,294                     | 52,855         |
| Food                               | 11,977           | 35,099            | -             | 4,986          | -                        | 52,062                 | 190                    | -           | 190                       | 52,252         |
| Consulting and                     |                  |                   |               |                |                          |                        |                        |             |                           |                |
| professional services              | 95,444           | 54,972            | 558           | 798            | 1,529                    | 153,301                | 48,201                 | 887         | 49,088                    | 202,389        |
| Repairs and maintenance            | 96,711           | 35,183            | -             | -              | -                        | 131,894                | 13,779                 | -           | 13,779                    | 145,673        |
| Insurance                          | 35,990           | 26,557            | -             | -              | -                        | 62,547                 | 13,765                 | 252         | 14,017                    | 76,564         |
| Supplies                           | 41,804           | 15,714            | 40            | 1,668          | 631                      | 59,857                 | 7,109                  | 1,924       | 9,033                     | 68,890         |
| Telephone/Advertising              | 22,668           | 18,890            | -             | 582            | 605                      | 42,745                 | 12,499                 | 959         | 13,458                    | 56,203         |
| Printing                           | -                | -                 | -             | -              | -                        | -                      | 221                    | -           | 221                       | 221            |
| Office supplies and expense        | 426              | 112               | -             | 324            | -                        | 862                    | 1,774                  | -           | 1,774                     | 2,636          |
| Travel and transportation          | 12,422           | 10                | -             | -              | -                        | 12,432                 | 158                    | -           | 158                       | 12,590         |
| Payment to affiliated organization | 10,698           | 6,789             | -             | -              | -                        | 17,487                 | 3,086                  | -           | 3,086                     | 20,573         |
| Meeting and training               | 11,713           | 2,068             | -             | -              | -                        | 13,781                 | 26,265                 | 195         | 26,460                    | 40,241         |
| Miscellaneous                      | 2,415            | 347               | -             | 1,715          | 89                       | 4,566                  | 6,405                  | -           | 6,405                     | 10,971         |
| Dues and subscriptions             | 5,434            | 1,393             | -             | -              | -                        | 6,827                  | 11,085                 | -           | 11,085                    | 17,912         |
| Assistance to individuals          | 237,748          | 51,013            | -             | 50             | 70                       | 288,881                | 297                    | -           | 297                       | 289,178        |
| Licenses and taxes                 | 2,322            | 973               | -             | -              | -                        | 3,295                  | 4                      | -           | 4                         | 3,299          |
| Postage and shipping               | 1,183            | 172               | -             | -              | -                        | 1,355                  | 936                    | -           | 936                       | 2,291          |
| Special events                     | -                | -                 | -             | 350            | 1,000                    | 1,350                  | 50                     | -           | 50                        | 1,400          |
| Bad debt expense                   | -                | -                 | -             | -              | -                        | -                      | 41,059                 | -           | 41,059                    | 41,059         |
| Subtotal                           | 1,781,596        | 742,535           | 15,003        | 23,772         | 37,321                   | 2,600,227              | 420,305                | 35,756      | 456,061                   | 3,056,288      |
| Depreciation                       | 92,915           | 17,898            | -             | 258            | 564                      | 111,635                | 7,115                  | -           | 7,115                     | 118,750        |
| Total expenses                     | \$ 1,874,511     | \$ 760,433        | \$ 15,003     | \$ 24,030      | \$ 37,885                | \$ 2,711,862           | \$ 427,420             | \$ 35,756   | \$ 463,176                | \$ 3,175,038   |

See accompanying notes to financial statements.

# YWCA OF PALM BEACH COUNTY, INC.

## NOTES TO FINANCIAL STATEMENTS

### Note 1 – Association and Nature of Operations

YWCA of Palm Beach County, Inc. (the Association) is a not-for-profit corporation organized under the laws of the State of Florida in March 1971, exclusively for charitable, benevolent, education and religious purposes, and to create women's growth, leadership and power in order to attain a common vision for peace, justice, freedom and dignity for all people. The YWCA of Palm Beach County, Inc. is a member of the YWCA USA, Inc., a world-wide not-for-profit association.

The Association's operations include supportive housing and counseling for abused women and children, childcare for economically disadvantaged children and various health, education and recreational programs. The Association receives grants and contributions from government agencies, individuals, foundations and other charitable associations.

### Note 2 – Summary of Significant Accounting Policies

#### Basis of presentation

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

#### Net assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

*Net assets without donor restrictions* - Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting from the nature of the Association, the environment in which it operates, the purpose specified in the corporate documents and its application for tax-exempt status, and any limits resulting from contractual arrangements with creditors or others that are entered into in the course of operations.

*Net assets with donor restrictions* - Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the Association must continue to use the resources in accordance with the donor's instructions. The Association's unspent contributions are included in this class if the donor limited their use, as are its donor-imposed endowment funds.

When a donor's restriction is satisfied either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

#### Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the Association's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The Association's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

**YWCA OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**Note 2 – Summary of Significant Accounting Policies, Continued**

Classification of transactions

All revenues and net gains are reported as increases in net assets without donor restrictions in the statements of activities unless the donor specified the use of the related resources for a particular purpose or in a future period. All expenses and net losses, other than losses on endowment investments, are reported as decreases in net assets without donor restrictions. Net gains on endowment investments increase net assets with donor restrictions, and net losses on endowment investments reduce that net asset class.

Cash and cash equivalents

The Association considers all liquid investments having initial maturities of three months or less to be cash equivalents. The Association maintains cash balances at financial institutions which occasionally exceed federally insured amounts. The Association also maintains cash in a brokerage account that is not covered by FDIC insurance.

Grants and program service fees

The Association receives various grants from federal, state and local agencies to carry out various programs and services. These grants are on a cost reimbursement basis or fee for service, including recoverable overhead as specified in the various grant agreements. Revenue from grants is deemed earned and recognized in the statement of activities when expenditures are made for the purpose specified for allowed costs. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as such, audit adjustments could be required. Grant funds, if received in advance but which have not been expended for the purpose specified, are reported as deferred revenue until expended in the accompanying statement of financial position.

Program service fees are recognized as revenue in the period in which the related services are provided. Fees collected prior to the commencement of the program are recognized as deferred revenue.

Special events revenue is recognized as revenue at the time of the event. Tickets sold prior to the event are reported as deferred revenue.

Grants and program receivables and allowance for doubtful accounts

The Association records program services and membership receivables when services are provided. Management periodically reviews the grants and program services receivable balances and provides an allowance for accounts which may be uncollectible. At June 30, 2023 and 2022, the Association had an allowance for doubtful accounts of \$1,148. Bad debt expense totaled \$0 and \$41,059 for the years ended June 30, 2023 and 2022, respectively.

Investments

The Association measures its investments at fair value in the statements of financial position, and changes in fair value are reported as part of net investment return in the statements of activities. Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of investments are based on average cost and are recorded in the statements of activities in the period in which the investments are sold. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

The Association's investments are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with such investments and the uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in the near-term would affect investment balances and the amounts reported in the financial statements.

**YWCA OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**Note 2 – Summary of Significant Accounting Policies, Continued**

Deferred grant revenue

Deferred grant revenue represents amounts received for programs or activities to be conducted primarily in the next fiscal year, such as funds received related to certain refundable grants. These amounts will be recognized as revenue as the conditions are met in accordance with the underlying terms of the grants. Deferred grant revenue in the amount of \$86,726 is reported on the statement of financial position as of June 30, 2023.

Contributions

Contributions received, including unconditional promises, are recognized as support in the period received. Conditional contributions and pledges are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods, or restricted by the donor for specific purposes, are reported as support with donor restrictions. However, if a time-related restriction is fulfilled in its entirety, in the time period in which the contribution is received, the Association reports the support as without donor restrictions.

When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Association reports non-cash contributions as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Contributions of long-lived assets with explicit restrictions that specify how the assets are to be used and contributions of cash or other assets that must be used to acquire long-lived assets are reported as contributions with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Association reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discount rates applied to those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the present value discount is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met.

Contributed services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Association. Many individuals volunteer their time and perform a variety of tasks that assist the Association with specific assistance programs, campaign solicitations, and various committee assignments, but such services are not recorded because there is no objective basis available to measure the value of such services.

Income taxes

The Association is a tax-exempt, not-for-profit corporation under Internal Revenue Code (IRC) Section 501(c)(3). Accordingly, no provision for federal income taxes has been made in the accompanying financial statements. The Association files tax returns in the U.S. federal jurisdiction and is no longer subject to U.S. federal tax examinations for years before 2020.

**YWCA OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**Note 2 – Summary of Significant Accounting Policies, Continued**

Income taxes, continued

The Association has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Association has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Functional allocation of expenses

The costs of providing the various program services the Association offers are summarized on a functional basis in the accompanying statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Association.

Fundraising costs are expensed as incurred, even though they may result in contributions received for future years. The Association generally does not conduct its fundraising activities in conjunction with other activities. In the few cases in which it does, such as when the annual report or donor acknowledgements contain requests for contributions, joint costs have been allocated between fundraising and general and administrative expenses in accordance with standards for accounting for costs of activities that include fundraising. Additionally, advertising costs are expensed as incurred.

Property and equipment

Property and equipment are stated at cost or, if donated, at fair value at the date of donation. Depreciation is computed on a straight-line basis over the estimated useful lives of the depreciable assets:

|                                    |               |
|------------------------------------|---------------|
| Furniture, fixtures, and equipment | 5-15 years    |
| Building and improvements          | 7-27 years    |
| Vehicles                           | 5-7 years     |
| Land improvements                  | 7-27 years    |
| Leasehold improvements             | Term of lease |

It is the Association's policy to capitalize property and equipment over \$500 with a useful life greater than one year.

Concentrations of credit risk

Financial instruments which potentially subject the Association to concentrations of credit risk consist of cash and receivables. The Association's cash balances on deposit with banks are guaranteed up to certain limits by the Federal Deposit Insurance Corporation (FDIC). The Association is exposed to risk for the amount of funds held in any one account in excess of the insurance limit. The Association has not experienced any losses in such accounts.

**YWCA OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**Note 2 – Summary of Significant Accounting Policies, Continued**

Beneficial interest in assets held by community foundation

In June 2017, the Association transferred assets totaling \$25,000 to the Community Foundation for Palm Beach and Martin Counties (the “Foundation”) which is holding them as an endowed component fund for the benefit of the Association. The contribution was matched through the Forever Nonprofit Endowment Challenge with another \$25,000 from the Foundation bringing the Association’s fund total to \$50,000 (the Fund). The Association has granted the Foundation variance power which gives the Foundation’s Board of Trustees the power to use the Fund for other purposes in certain circumstances. The Fund is subject to the Foundation’s investment and operating policies.

Adopted accounting standards

The Association adopted ASC 842 as of July 1, 2022 using the modified retrospective transition approach with the election to apply the guidance as of the adoption date instead of at the beginning of the earliest comparative period presented. The adoption of this guidance resulted in an increase in the Association’s assets and liabilities due to the recognition of right-of-use (ROU) assets and corresponding lease liabilities for leases that are classified as operating leases.

Upon adoption, the Association elected the package of transitional practical expedients, which allowed it to not reassess its prior conclusions about lease identification, classification, and initial direct costs. In addition, the Association elected the short-term lease practical expedient, which allows the Association to not record an ROU asset and lease liability for any lease with a term of twelve months or less, and also elected the single component practical expedient for all asset classes, which allows the Association to include both lease and non-lease components associated with a lease a single lease component when determining the value of the ROU asset and lease liability.

The adoption of this guidance resulted in the Association recording ROU assets – operating leases and corresponding lease liabilities – operating leases of approximately \$280,000, in the Association’s statement of financial position at July 1, 2022. See Note 7 – Leases, for additional information regarding the Association’s accounting policy for leases and disclosures required by ASC 842.

**Note 3 – Liquidity and Availability**

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of June 30, 2023 and 2022 are:

|  | 2023       | 2022         |
|--|------------|--------------|
| Financial assets:  |            |              |
| Cash and cash equivalents                                      | \$ 314,427 | \$ 772,178   |
| Investments  | 705,712    | 1,007,592    |
| Receivables, net   | 368,145    | 506,197      |
| Total financial assets   | 1,388,284  | 2,235,967    |
| Less financial assets held to meet donor-imposed restrictions: |            |              |
| Purpose-restricted net assets (Note 8)                         | (473,715)  | (1,119,690)  |
| Amount available for general expenditures within one year      | \$ 914,569 | \$ 1,116,277 |

The above table reflects donor-restricted funds as unavailable because it is the Association's intention to invest those resources for the long-term support of the Association’s programs. However, in the case of need, the Board of Directors could appropriate resources from the donor-restricted funds available for general use.

As part of the Association’s liquidity management plan, the Association invests cash in excess of daily requirements in short-term investments. The Association maintains a revolving line of credit of \$250,000 to cover short-term cash needs (Note 13).

**YWCA OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**Note 4 – Investments**

A summary of investments, by investment type, at June 30, 2023 and 2022 follows:

|  | <u>2023</u>       | <u>2022</u>         |
|--|-------------------|---------------------|
| Money market funds                         | \$ 231,231        | \$ 610,878          |
| Certificates of deposit                    | 150,196           | -                   |
| Closed end funds and exchange traded funds | 127,334           | 120,184             |
| Common stocks                              | 143,618           | 138,576             |
| Mutual funds                               | 33,225            | 120,723             |
| Community Foundation endowment             | <u>20,108</u>     | <u>17,231</u>       |
| Total investments                          | <u>\$ 705,712</u> | <u>\$ 1,007,592</u> |

For the years ended June 30, 2023 and 2022, net investment return (loss) consists of the following:

|   | <u>2023</u>      | <u>2022</u>        |
|---|------------------|--------------------|
| Dividend and interest income                | \$ 33,185        | \$ 6,532           |
| Realized and unrealized gains (losses), net | <u>19,323</u>    | <u>(41,858)</u>    |
| Total net investment return (loss)          | <u>\$ 52,508</u> | <u>\$ (35,326)</u> |

**Note 5 – Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. U.S. GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). The Association groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

These levels are:

- Level 1 Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
- Level 2 Observable inputs other than level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices from non-active markets, or other inputs that are observable or can be corroborated by observable market data.
- Level 3 Unobservable inputs that cannot be corroborated by observable market data.

The Association's investments are reported at fair value. Fair value is determined by the following methods:

*Money market funds* – valued using net asset value (NAV) \$1 (Level 1 inputs).

*Certificates of deposit* – valued using cost plus accrued interest (Level 1 inputs).

*Closed-end and exchange traded funds* – valued using daily closing prices as reported on the active market on which the individual exchange traded funds are traded (Level 1 inputs).

*Mutual funds* – valued at the daily closing price as reported by the mutual fund. Mutual funds held by the Association are open ended mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The index funds held by the Association are deemed to be actively traded (Level 1 inputs).

**YWCA OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**Note 5 – Fair Value Measurements, Continued**

*Common stocks* – valued using quoted market prices on national exchanges (Level 1 inputs).

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest input that is significant to the fair value measurement in its entirety. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The Association's investments are classified as Level 1 assets, measured on a recurring basis for all periods presented.

**Note 6 – Property and Equipment**

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

|                                       | 2023         | 2022         |
|---------------------------------------|--------------|--------------|
| Furniture, fixtures, and equipment    | \$ 1,351,526 | \$ 1,192,409 |
| Building and improvements             | 1,452,417    | 1,356,342    |
| Vehicles                              | 188,262      | 188,262      |
| Land improvements                     | 241,647      | 246,161      |
| Leasehold improvements                | 62,884       | 62,884       |
|                                       | 3,296,736    | 3,046,058    |
| Less: accumulated depreciation        | 2,137,983    | 2,033,099    |
| Operating property and equipment, net | 1,158,753    | 1,012,959    |
| Land                                  | 103,000      | 103,000      |
| Construction in progress              | -            | 1,736        |
| Property and equipment, net           | \$ 1,261,753 | \$ 1,117,695 |

Depreciation totaled \$111,135 and \$118,750 for the years ended June 30, 2023 and 2022, respectively.

The Association, as a condition of certain grants, has no authority over the disposition of certain assets and must receive permission from the grantor prior to selling or disposing of any assets paid for with certain federal, state and local funding.

Construction in progress consists of building improvements at June 30, 2022.

**Note 7 – Leases**

The Association leases office space and office equipment under noncancelable lease agreements expiring through 2028. Operating lease expense is recorded within rental expenses in the accompanying statements of functional expenses. The Association's operating leases do not contain any variable lease components. Generally, the Association cannot readily determine the interest rate implicit in the lease and thus applies the risk-free U.S. Treasury rate as the discount rate to initially measure its lease liability.

The following table presents the Association's operating lease ROU assets and lease liabilities as of June 30, 2023:

|  |                   |
|--|-------------------|
| ROU assets – operating leases                    | <u>\$ 191,612</u> |
| Current portion of operating lease liabilities   | \$ 99,688         |
| Lease liabilities – operating leases, noncurrent | 93,700            |
| Total lease liabilities                          | \$ 193,388        |



**YWCA OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**Note 7 – Leases, Continued**

The following table represents the components of lease expense for the year ended June 30, 2023:

|                         |                  |
|-------------------------|------------------|
| Operating lease expense | \$ <u>94,648</u> |
|-------------------------|------------------|

The following presents supplemental disclosure associated with the Association's cash flow information related to operating leases for the year ended June 30, 2023:

|  |            |
|--|------------|
| Operating activities:                                      |            |
| Cash paid included in the measurement of lease liabilities | \$ 92,872  |
| Non-cash activities:                                       |            |
| ROU assets obtained in exchange for new lease liabilities  | \$ 280,527 |

The following table presents the weighted average remaining lease term and discount rate of the Association's leases at June 30, 2023:

|   |                     |
|---|---------------------|
|   | Operating<br>Leases |
| Weighted average remaining lease term (years) | 2.47                |
| Weighted average discount rate                | 3.14%               |

The following table presents the weighted average lease term (in years) and discount rate of the Association's operating leases as of June 30, 2023:

|   |                      |  |
|---|----------------------|--|
|   | Year Ending June 30, |  |
| 2024                                    | \$ 104,113           |  |
| 2025                                    | 59,428               |  |
| 2026                                    | 13,276               |  |
| 2027                                    | 12,898               |  |
| 2028                                    | 11,824               |  |
| Total minimum lease payments            | 201,539              |  |
| Less: imputed interest                  | (8,151)              |  |
| Present value of minimum lease payments | \$ <u>193,388</u>    |  |

**Note 8 – Net Assets with Donor Restrictions and Endowment**

Net assets with donor restrictions as of June 30, 2023 and 2022 are available for the following time and purpose restrictions:

|  | 2023       | 2022         |
|--|------------|--------------|
| Purpose restricted:                          |            |              |
| Y-Girls and Youth Programs                   | \$ 188,280 | \$ 227,084   |
| Child Development Centers                    | 338        | 52,471       |
| Harmony House and Rapid Re-housing           | -          | 67,592       |
| Women's Health Institute                     | 94,922     | 128,266      |
| Racial Justice                               | 61,611     | 94,172       |
| Administration                               | 128,564    | 550,105      |
| Total purpose-restricted net assets          | 473,715    | 1,119,690    |
| Time restricted:                             |            |              |
| Perpetual endowment                          | 50,000     | 50,000       |
| Total time and purpose-restricted net assets | \$ 523,715 | \$ 1,169,690 |

**YWCA OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**Note 8 – Net Assets with Donor Restrictions and Endowment, Continued**

Net assets with donor restrictions include fund assets to be held indefinitely. The support, revenue, and expenses associated with the Harmony House and Rapid Re-housing restrictions are included with the Harmony House program in the statements of activities for the years ended June 30, 2023 and 2022. The Association's endowment was established in June 2017 and consists of a fund held by the Community Foundation for Palm Beach and Martin Counties, Inc., a not-for-profit Florida corporation and community foundation. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The income from the endowment's net assets can be used to support the Association's general activities.

**Note 9 – Net Assets Released from Restrictions**

Net assets are released from donor restrictions by incurring expenses, satisfying the restricted purposes or, by the occurrence of events as specified by donors.

Net assets were released during the years ended June 30, 2023 and 2022 as follows:

|                                  | 2023       | 2022       |
|----------------------------------|------------|------------|
| Time and purpose:                |            |            |
| Child Development Centers        | \$ 52,133  | \$ 71,308  |
| Harmony House & Rapid Re-housing | 67,592     | 176,704    |
| Racial Justice                   | 32,561     | 19,125     |
| Women's Health Institute         | 33,344     | 37,321     |
| Administration                   | 421,541    | 273,107    |
| Y-Girls & Youth Programs         | 38,804     | 15,607     |
| Total                            | \$ 645,975 | \$ 593,172 |

**Note 10 – Concentrations**

The Association receives a substantial amount of its support from government and other grants, hence, these grants require documentation to be maintained and fulfillment of certain conditions. Failure to fulfill the conditions set forth in the grant documents could result in the loss of funds from these grantors. A significant reduction in the level of this support, if this were to occur, may have a significant effect on the Association's services and activities. For the years ended June 30, 2023 and 2022, total grant revenue represented approximately 84% and 58%, respectively, of total support and revenue.

Program expenditures made by the Association are subject to additional audit and approval by grantor agencies. As a result of such audits, the grantor may require that amounts be returned. In certain instances, the grantor may increase its grant of funds to the Association to offset amounts which would otherwise be refundable based on audits.

**Note 11 – Payments to Affiliated Association**

The Association is an affiliate of The YWCA USA, Inc. (the National Association). Affiliates are required to remit a percentage of specified revenues and support to the National Association. For the years ended June 30, 2023 and 2022, \$17,650 and \$20,573 was paid to the National Association, respectively.

**YWCA OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS, CONTINUED**

**Note 12 – Retirement Plan**

The Association provides retirement benefits for eligible employees as a participating employer-sponsor of the YWCA Retirement Fund, Inc. (the Retirement Fund). The Retirement Fund was established as a complete, separate, and independent entity and is an employer-sponsored cash balance defined benefit plan qualified under Section 401(a) of the IRC. As of June 30, 2023 and 2022, the Association's Board of Directors elected to contribute \$53,184 and \$44,142, respectively, to the Retirement Fund. In addition, the Retirement Fund provided an additional contribution equal to 2% of the eligible employee's compensation.

The actuarial present value of the benefit obligation and fair value of the plan assets are not available separately for each employer that participates in the Plan.

**Note 13 – Line of Credit**

The Association has a \$250,000 revolving line of credit with a financial institution which bears interest at the Wall Street Prime rate plus 0.82% (9.07% at June 30, 2023) and expires on April 20, 2024. The line of credit is secured by all tangible personal property of the Association. As of June 30, 2023 and 2022, the Association had no outstanding borrowings on the line of credit.

**Note 14 – Employee Retention Tax Credit**

The Employee Retention Tax Credit (ERC) was enacted as part of the CARES Act. The ERC is a refundable tax credit designed to reward entities for retaining employees throughout the COVID-19 pandemic. In December 2022, the Association applied for an ERC totaling \$232,283. As of the report date, the Association has not received the funds related to ERC and cannot reasonably estimate when the ERC funds will be received. The Association will record and recognize the ERC upon receipt.

**Note 15 – Subsequent Events**

Management evaluated activity of the Association subsequent to June 30, 2023 through December 28, 2023, the date the financial statements were available to be issued, for events that require recognition in the financial statements or disclosure in the footnotes thereto.

## **SUPPLEMENTARY INFORMATION**

**YWCA OF PALM BEACH COUNTY, INC.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
For the Year Ended June 30, 2023**

| <b>Federal Grantor/Pass-Through Grantor<br/>Program Title</b>      | <b>CFDA/CSFA<br/>Number</b> | <b>Grantor's<br/>Number</b>                    | <b>Expenditures</b>        |
|--|-----------------------------|--|----------------------------|
| <b>U.S. Department of Housing and Urban Development:</b>           |                             |  |                            |
| Emergency Shelter Grants Program                                   | 14.267                      | FL0539L4D052006                                | \$ 111,418                 |
| Emergency Shelter Grants Program                                   | 14.267                      | FL0539L4D052107                                | 310,330                    |
|  |                             |  | <u>421,748</u>             |
| Pass-through Palm Beach County Community Services Department       |                             |  |                            |
| Emergency Solutions Grant Program                                  | 14.231                      | S-5625-2021/2022                               | 27,439                     |
| Emergency Solutions Grant Program                                  | 14.231                      | S-5625-2022/2023                               | 32,234                     |
|  |                             |  | <u>59,673</u>              |
| Total U.S. Department of Housing and Urban Development             |                             |  | <u>481,421</u>             |
| <b>U.S. Department of Health and Human Services:</b>               |                             |  |                            |
| Pass-through Lutheran Services of Florida:                         |                             |  |                            |
| Head Start Program   | 93.600                      | LSF-DA-HS-YWCA FY21-22                         | 341,636                    |
| Head Start Program   | 93.600                      | LSF-DA-HS-YWCA FY22-23                         | 129,603                    |
| Head Start American Rescue Plan Act                                | 93.600                      | N/A  | 156,950                    |
| Head Start CRRSA   | 93.600                      | N/A  | 62,000                     |
| Head Start COVID   | 93.600                      | N/A  | 80,433                     |
|  |                             |  | <u>770,622</u>             |
| Pass-through State of Florida Department of Children and Families: |                             |  |                            |
| Temporary Assistance for Needy Families                            | 93.558                      | LN238  | 206,878                    |
| Family Violence Prevention and Services                            | 93.671                      | LN238  | 208,395                    |
|  |                             |  | <u>415,273</u>             |
| Total U.S. Department of Health and Human Services                 |                             |  | <u>1,185,895</u>           |
| <b>U.S. Department of Agriculture:</b>                             |                             |  |                            |
| Pass-through State of Florida Department of Health:                |                             |  |                            |
| Child and Adult Care Food Program                                  | 10.558                      | S-5625-2021/2022                               | 9,076                      |
| Child and Adult Care Food Program                                  | 10.558                      | S-5625-2022/2023                               | 42,702                     |
|  |                             |  | <u>51,778</u>              |
| Total U.S. Department of Agriculture                               |                             |  | <u>51,778</u>              |
| <b>U.S. Department of Justice:</b>                                 |                             |  |                            |
| Pass-through State of Florida Office of the Attorney General:      |                             |  |                            |
| Crime Victim Assistance  | 16.575                      | VOCA-2021 -<br>Young Women's Christian A-00657 | 146,950                    |
| Crime Victim Assistance  | 16.575                      | VOCA-2022 -<br>Young Women's Christian A-00906 | 315,577                    |
|  |                             |  | <u>462,527</u>             |
| Total U.S. Department of Justice                                   |                             |  | <u>462,527</u>             |
| <b>Total Expenditures of Federal Awards</b>                        |                             |  | <b><u>\$ 2,181,621</u></b> |
| <b>State Financial Assistance:</b>                                 |                             |  |                            |
| State of Florida Department of Children and Families               |                             |  |                            |
| Pass-through Florida Coalition Against Domestic Violence           |                             |  |                            |
| Domestic Violence Trust Fund                                       | N/A                         | LN238  | \$ 155,405                 |
| General Revenue  | N/A                         | LN238  | 92,806                     |
| General Revenue  | N/A                         | LN238-CPI                                      | 75,000                     |
| Settlement Fund 2  | N/A                         | LN238  | 85,483                     |
| Settlement Fund 1  | N/A                         | N/A  | 27,686                     |
|  |                             |  | <u>436,380</u>             |
| <b>Total State Financial Assistance</b>                            |                             |  | <b><u>\$ 436,380</u></b>   |

None of the expenditures presented in this schedule were provided to subrecipients, were for loan or loan guarantee programs or non-cash assistance.

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

## YWCA OF PALM BEACH COUNTY, INC.

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

#### **Note 1 – Basis of Presentation**

The purpose of the accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) is to present, in summary form, total federal award and state financial assistance expenditures of YWCA of Palm Beach County, Inc. (the Association) for the year ended June 30, 2023. The Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Association, it is not intended to, and does not, present the financial position, changes in net assets or cash flows of the Association. Therefore, certain amounts presented in this Schedule may differ from amounts presented in the basic financial statements.

#### **Note 2 – Summary of Significant Accounting Policies**

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

The Association has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

#### **Note 3 – Contingency**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies. Any disallowed claims, including amounts already received, might constitute a liability of the Association for the return of those funds. In the opinion of management, all grant expenditures were in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

#### **Note 4 – Loan and Loan Guarantee Programs**

There were no balances of loan or loan guarantee programs as of June 30, 2023.



## **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***

To the Board of Directors  
YWCA of Palm Beach County, Inc.  
West Palm Beach, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of YWCA of Palm Beach County, Inc. (a nonprofit organization) (the "Association"), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 28, 2023.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Association's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association'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 may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Association'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 determination of financial statement amounts. 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 Association'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 Association's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Templeton & Company, LLP*

West Palm Beach, Florida  
December 28, 2023





## **Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance as Required by the Uniform Guidance**

To the Board of Directors  
YWCA of Palm Beach County, Inc.  
West Palm Beach, Florida

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

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

We have audited YWCA of Palm Beach County, Inc's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of YWCA of Palm Beach County, Inc's major federal programs for the year ended June 30, 2023. YWCA of Palm Beach County, Inc's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

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

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

We are required to be independent of YWCA of Palm Beach County, Inc. 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 Palm Beach County, Inc'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 Palm Beach County, Inc'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 Palm Beach County, Inc'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 Palm Beach County, Inc'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 Palm Beach County, Inc'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 Palm Beach County, Inc'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 Palm Beach County, Inc'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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

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.

*Templeton & Company, LLP*

West Palm Beach, Florida  
December 28, 2023

**YWCA OF PALM BEACH COUNTY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2023**

**Part I – Summary of Audit Results:**

|  |            |
|--|------------|
| Financial statement section:   |            |
| Type of auditors' report issued  | Unmodified |
| Internal control over financial reporting:   |            |
| Material weakness(es) identified?  | No         |
| Reportable condition(s) identified not considered to be material weaknesses?                           | No         |
| Noncompliance material to financial statements noted?  | No         |
| Federal programs section:  |            |
| Dollar threshold used to distinguish Type A and Type B Program   | \$750,000  |
| Auditee qualified as low-risk auditee?   | Yes        |
| Type of auditor's report on compliance for major programs  | Unmodified |
| Internal control over compliance for major programs:   |            |
| Material weaknesses identified?  | No         |
| Reportable condition(s) identified not considered to be material weaknesses?                           | No         |
| Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? | No         |

Identification of major programs:

| CFDA Number(s) | Name of Federal Program or Cluster |
|----------------|------------------------------------|
| 93.600         | Head Start                         |

**Part II – Financial Statement Findings and Questioned Costs**

This section identifies reportable conditions, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

We noted no material weaknesses or instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

**Part III – Federal Program Findings and Questioned Costs**

This section identifies reportable conditions, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal programs, as required to be reported by the Uniform Guidance as well as the status of prior year findings and questioned costs.

Current Year's Findings and Questioned Costs

No reportable conditions, material weaknesses, or instances of noncompliance, including questioned costs, related to the audit of major federal programs, as required to be reported by the Uniform Guidance were reported for the year ended June 30, 2023.

Prior Year Findings and Questioned Costs

No reportable conditions, material weaknesses, or instances of noncompliance, including questioned costs, related to the audit of major federal programs, as required to be reported by the Uniform Guidance, were reported for the year ended June 30, 2022.