

**YWCA NORTHEAST INDIANA, INC.**

**FINANCIAL STATEMENTS**

**Years Ended December 31, 2021 and 2020**

## TABLE OF CONTENTS

	<b>PAGE NO.</b>
INDEPENDENT AUDITORS' REPORT .....	1
FINANCIAL STATEMENTS	
Statements of Financial Position .....	4
Statements of Activities .....	5
Statements of Functional Expenses.....	6
Statements of Cash Flows .....	8
Notes to Financial Statements.....	10
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....	28
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....	30
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 <u>GOVERNMENT AUDITING STANDARDS</u> .....	31
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE .....	33
SCHEDULE OF FINDINGS AND QUESTIONED COSTS.....	36
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS .....	38



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
YWCA Northeast Indiana, Inc.  
Fort Wayne, Indiana

### Opinion

We have audited the accompanying financial statements of YWCA Northeast Indiana, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of YWCA Northeast Indiana, Inc. as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of YWCA Northeast Indiana, Inc. 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.

### Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal controls 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 Northeast Indiana, 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' Responsibility for the Audit of the Financial Statements**

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

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

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

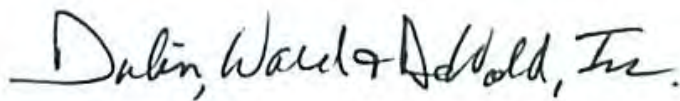
## **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to

the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with 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 July 25, 2022 on our consideration of the YWCA Northeast Indiana, 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 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 YWCA Northeast Indiana, Inc.'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 YWCA Northeast Indiana, Inc.'s internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dalton, Ward & Adbold, Inc." The signature is written in a cursive, flowing style.

Fort Wayne, Indiana  
July 25, 2022

**YWCA NORTHEAST INDIANA, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
December 31, 2021 and 2020

	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 39,132	\$ 660,936
Claims receivable- net of allowance for doubtful accounts of \$4,200 (2021) and \$-0- (2020)	811,160	510,831
Contributions receivable - net	425,792	454,074
Contributions receivable - capital campaign	1,824,838	500
Prepaid expenses	28,833	38,768
Investments	4,013,472	3,794,345
Land and building held for sale	1,825,000	1,825,000
Beneficial interest	106,591	91,573
Land, buildings and equipment - net of accumulated depreciation	<u>3,980,326</u>	<u>3,545,773</u>
<b>Total Assets</b>	<u><u>\$ 13,055,144</u></u>	<u><u>\$ 10,921,800</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable	\$ 80,409	\$ 106,710
Accrued expenses	162,367	152,861
Refundable advance	-	394,000
Note payable	<u>3,153,876</u>	<u>3,153,876</u>
<b>Total Liabilities</b>	3,396,652	3,807,447
Net Assets:		
Without donor restrictions	5,364,966	5,170,607
With donor restrictions	<u>4,293,526</u>	<u>1,943,746</u>
<b>Total Net Assets</b>	<u><u>9,658,492</u></u>	<u><u>7,114,353</u></u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 13,055,144</u></u>	<u><u>\$ 10,921,800</u></u>

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

**YWCA NORTHEAST INDIANA, INC.**  
**STATEMENTS OF ACTIVITIES**  
Years Ended December 31, 2021 and 2020

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>2021 Total</b>
<b>CHANGES IN NET ASSETS</b>			
<b>Support, Revenues and Gains:</b>			
Contributions and grants	\$ 114,030	\$ 3,114,134	\$ 3,228,164
Trust and estate distributions	66,143	-	66,143
United Way	-	100,000	100,000
Grants	15,050	-	15,050
Government grants - federal	1,421,416	-	1,421,416
Government grants - other	585,821	-	585,821
Special events:			
Proceeds	10,135	-	10,135
Less direct benefits to donors	(11,551)	-	(11,551)
Government contracts	800,608	-	800,608
Program service fees	123,292	-	123,292
Medicaid	287,368	-	287,368
Investment income - net fees	40,038	20,721	60,759
Gain on investments	107,314	92,410	199,724
Miscellaneous	13,567	-	13,567
<b>Net Assets Released From Restrictions</b>	<b>977,485</b>	<b>(977,485)</b>	<b>-</b>
<b>Total Support, Revenues and Gains</b>	<b>4,550,716</b>	<b>2,349,780</b>	<b>6,900,496</b>
<b>Expenses and Losses:</b>			
Recovery services	1,379,984	-	1,379,984
Opportunity services	1,095,881	-	1,095,881
Success services	805,929	-	805,929
Racial Justice	23,314	-	23,314
REACT	-	-	-
Management and general	470,432	-	470,432
Fundraising	565,203	-	565,203
Regional YWCA affiliation dues	15,614	-	15,614
Impairment loss	-	-	-
<b>Total Expenses and Losses</b>	<b>4,356,357</b>	<b>-</b>	<b>4,356,357</b>
<b>CHANGE IN NET ASSETS</b>	<b>194,359</b>	<b>2,349,780</b>	<b>2,544,139</b>
<b>NET ASSETS - beginning of year</b>	<b>5,170,607</b>	<b>1,943,746</b>	<b>7,114,353</b>
<b>NET ASSETS - end of year</b>	<b>\$ 5,364,966</b>	<b>\$ 4,293,526</b>	<b>\$ 9,658,492</b>

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

<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>2020 Total</b>
\$ 303,390	\$ 820,723	\$ 1,124,113
76,098	-	76,098
4,645	64,250	68,895
21,865	-	21,865
742,278	-	742,278
220,639	-	220,639
-	-	-
-	-	-
920,471	-	920,471
151,219	-	151,219
-	-	-
33,403	18,829	52,232
153,145	98,969	252,114
122,602	-	122,602
<u>622,380</u>	<u>(622,380)</u>	<u>-</u>
3,372,135	380,391	3,752,526
1,091,472	-	1,091,472
1,058,885	-	1,058,885
676,377	-	676,377
15,456	-	15,456
105,690	-	105,690
593,891	-	593,891
229,600	-	229,600
14,583	-	14,583
<u>1,299,090</u>	<u>-</u>	<u>1,299,090</u>
<u>5,085,044</u>	<u>-</u>	<u>5,085,044</u>
(1,712,909)	380,391	(1,332,518)
<u>6,883,516</u>	<u>1,563,355</u>	<u>8,446,871</u>
<u>\$ 5,170,607</u>	<u>\$ 1,943,746</u>	<u>\$ 7,114,353</u>



**YWCA NORTHEAST INDIANA, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended December 31, 2021

	<b>Program Services</b>			
	<b>Recovery Services</b>	<b>Opportunity Services</b>	<b>Success Services</b>	<b>Racial Justice</b>
Salaries	\$ 825,724	\$ 618,088	\$ 555,459	\$ 17,695
Employee health and retirement benefits	100,365	49,108	67,380	2,704
Payroll taxes	<u>68,492</u>	<u>50,053</u>	<u>44,684</u>	<u>1,387</u>
<b>Total Salaries and Related Expenses</b>	994,581	717,249	667,523	21,786
Occupancy	177,056	89,743	24,582	411
Client welfare	49,019	191,338	53,074	-
Professional fees	76,690	18,204	13,644	430
Equipment expense	30,485	33,150	15,916	392
Interest expense	-	-	-	-
Staff training and meeting	8,221	4,796	5,636	84
Communications	7,147	3,196	11,133	5
Travel expense	4,683	8,540	5,874	1
Membership dues	5,596	1,460	1,841	105
Supplies and program expense	4,789	3,073	677	9
Special events	-	-	-	-
Marketing	-	-	-	-
Other	1,046	588	474	38
Bad debt expense	<u>4,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenses Before Depreciation</b>	1,363,513	1,071,337	800,374	23,261
Depreciation	<u>16,471</u>	<u>24,544</u>	<u>5,555</u>	<u>53</u>
<b>Functional Expenses per Statement of Activities</b>	1,379,984	1,095,881	805,929	23,314
Expenses included in support, revenues and gains:				
Cost of direct benefit to donors	-	-	-	-
Regional YWCA affiliation dues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Functional Expenses</b>	<u><u>\$ 1,379,984</u></u>	<u><u>\$ 1,095,881</u></u>	<u><u>\$ 805,929</u></u>	<u><u>\$ 23,314</u></u>

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

### Supporting Services

<b>Management &amp; General</b>	<b>Fundraising</b>	<b>2021</b>
\$ 293,236	\$ 198,157	\$ 2,508,359
31,939	18,980	270,476
<u>22,796</u>	<u>15,617</u>	<u>203,029</u>
347,971	232,754	2,981,864
13,040	145,713	450,545
42	7	293,480
57,734	73,746	240,448
8,553	14,885	103,381
-	80,103	80,103
4,138	2,250	25,125
2,759	741	24,981
51	4	19,153
2,320	1,370	12,692
1,042	463	10,053
-	9,902	9,902
6,493	-	6,493
1,714	2,463	6,323
<u>-</u>	<u>-</u>	<u>4,200</u>
445,857	564,401	4,268,743
<u>24,575</u>	<u>802</u>	<u>72,000</u>
470,432	565,203	4,340,743
-	11,551	11,551
<u>15,614</u>	<u>-</u>	<u>15,614</u>
<u>\$ 486,046</u>	<u>\$ 576,754</u>	<u>\$ 4,367,908</u>

**YWCA NORTHEAST INDIANA, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended December 31, 2020

	<b>Program Services</b>			
	<b>Recovery Services</b>	<b>Opportunity Services</b>	<b>Success Services</b>	<b>Racial Justice</b>
Salaries	\$ 614,219	\$ 592,281	\$ 479,998	\$ 11,977
Employee health and retirement benefits	68,345	68,799	51,090	1,683
Payroll taxes	51,234	49,269	38,292	918
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Salaries and Related Expenses</b>	733,798	710,349	569,380	14,578
Occupancy	170,865	85,179	24,798	179
Client welfare	46,998	92,132	42,634	-
Professional fees	41,328	6,881	2,149	53
Equipment expense	17,468	22,340	9,269	164
Staff training and meeting	7,569	10,015	6,276	302
Communications	5,741	2,938	8,085	60
Travel expense	5,382	2,902	7,560	-
Membership dues	782	685	844	5
Supplies and program expense	3,884	3,118	1,305	18
Special events	-	-	-	-
Marketing	-	-	-	-
Other	960	900	1,119	10
Bad debt expense	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Expenses Before Depreciation</b>	1,034,775	937,439	673,419	15,369
Depreciation	56,697	121,446	2,958	87
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Functional Expenses per Statement of Activities</b>	1,091,472	1,058,885	676,377	15,456
Regional YWCA affiliation dues	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Functional Expenses</b>	<u>\$ 1,091,472</u>	<u>\$ 1,058,885</u>	<u>\$ 676,377</u>	<u>\$ 15,456</u>

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

### Supporting Services

REACT	Management & General	Fundraising	2020
\$ 78,193	\$ 329,824	\$ 142,688	\$ 2,249,180
13,522	29,694	13,783	246,916
6,525	26,038	11,697	183,973
98,240	385,556	168,168	2,680,069
2,802	64,714	5,075	353,612
-	132	6	181,902
922	42,203	38,620	132,156
750	7,751	3,161	60,903
652	8,877	3,067	36,758
1,063	4,164	528	22,579
-	464	283	16,591
27	1,773	393	4,509
1,090	4,602	410	14,427
50	-	8,631	8,681
-	2,571	138	2,709
94	18,013	506	21,602
-	28,827	-	28,827
105,690	569,647	228,986	3,565,325
-	24,244	614	206,046
105,690	593,891	229,600	3,771,371
-	14,583	-	14,583
<u>\$ 105,690</u>	<u>\$ 608,474</u>	<u>\$ 229,600</u>	<u>\$ 3,785,954</u>

**YWCA NORTHEAST INDIANA, INC.**  
**STATEMENTS OF CASH FLOWS**  
Years Ended December 31, 2021 and 2020

	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 2,544,139	\$ (1,332,518)
Adjustments to reconcile change in net assets to cash flows from operating activities:		
Depreciation	72,000	206,046
Increase (decrease) in present value discount	189,153	-
Reinvested investment income - net of fees	(56,060)	(51,574)
Reinvested beneficial interest income - net of fees	(1,158)	(658)
Net (gain) loss on investments and beneficial interest	(199,724)	(252,114)
Impairment loss	-	1,299,090
Forgiveness of PPP loan	(394,000)	-
Expenses paid via note payable	-	4,390
Closing costs paid by outside source	4,744	-
Provision for bad debts	4,200	28,827
Cash contributions restricted for investment in land, building and equipment	(551,750)	-
Contributions receivable restricted for investment in land, building and equipment	(2,013,991)	-
Change in assets and liabilities:		
(Increase) decrease in:		
Claims receivable	(304,529)	(221,413)
Contributions receivable	28,282	(194,186)
Prepaid expenses	9,935	2,556
Increase (decrease) in:		
Accounts payable	(24,257)	16,725
Accrued expenses	9,506	(31,516)
	<b>(683,510)</b>	<b>(526,345)</b>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	22,797	153,853
Proceeds from beneficial interest	-	4,071
Purchase of land, building and equipment	(623,553)	(47,476)
Proceeds from sale of land, building and equipment	110,212	-
	<b>(490,544)</b>	<b>110,448</b>

(continued)

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

**YWCA NORTHEAST INDIANA, INC.**  
**STATEMENTS OF CASH FLOWS**  
Years Ended December 31, 2021 and 2020

	<b>2021</b>	<b>2020</b>
(continued)		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Refundable advance	\$ -	\$ 394,000
Collection of contributions receivable - capital campaign	500	30,500
Cash contributions restricted for investment in land, building and equipment	<u>551,750</u>	<u>-</u>
<b>Cash Flows From Financing Activities</b>	<u>552,250</u>	<u>424,500</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
	(621,804)	8,603
<b>CASH AND CASH EQUIVALENTS - beginning of year</b>		
	<u>660,936</u>	<u>652,333</u>
<b>CASH AND CASH EQUIVALENTS - end of year</b>		
	<u>\$ 39,132</u>	<u>\$ 660,936</u>

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

**YWCA NORTHEAST INDIANA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2021 and 2020

**1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

YWCA Northeast Indiana, Inc. (the YWCA) is a women's membership movement with Christian roots that draws together members from diverse backgrounds who are dedicated to eliminating racism, empowering women, and promoting peace, justice, freedom, and dignity for all. The YWCA strives to empower individuals, support families, and unite communities to improve the quality of life.

**Income Taxes**

The YWCA is a nonprofit voluntary health and welfare organization, exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a) of the Internal Revenue Code.

**Net Asset Classifications**

Net assets without donor restrictions are available for use at the discretion of the YWCA's management and the board of directors. From time to time the board designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed time and/or purpose restrictions. The YWCA reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue with donor restrictions until the assets are placed in service.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the YWCA to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a board approved spending policy. Investment earnings on these perpetual funds available for distribution are recorded in net assets without donor restrictions.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

(continued)

## 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(continued)

### **Estimates**

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

### **Receivables**

Claims receivable are due from government and other significant funding sources. The YWCA provides an allowance for uncollectible accounts which is based upon historical collection experience and management's estimates of the losses that will be incurred in the collection of all receivables.

The YWCA recognizes contributions receivable as public support in the year that a firm pledge is made, and if necessary, provides an allowance for uncollectible contributions receivable equal to the estimated collection losses that will be incurred in collection of all pledges. The estimated losses are based on historical collection experience coupled with a review of the current status of the existing receivables.

### **Revenue and Revenue Recognition**

The YWCA recognizes contributions and grants as public support when cash, other assets or an unconditional promise is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been met. Contributed property and equipment are recorded at fair value at the date of donation.

A portion of the YWCA's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the YWCA has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

The YWCA records special event revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

(continued)



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

The YWCA recognizes revenue from fees received on behalf of individuals residing at the Center and in Hope & Harriett houses on a per night basis. Government contracts, program service fees and Medicaid are recognized as revenue when the services are provided. All goods and services are transferred at a point in time.

Miscellaneous revenue is recognized as revenue when received.

**Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair value in the statement of financial position. These investments are initially recorded at cost if they were purchased or at their fair market value on the date of the gift if they were received as a donation. Unrealized gains and losses are included in the statement of activities change in net assets.

**Cash and Cash Equivalents**

For the purposes of the statement of cash flows, the YWCA considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

**Land, Buildings and Equipment**

Land, buildings and equipment are stated at cost or at fair value where a recent appraisal is available or, if donated, at fair value at date of the gift. Items with a cost or value of \$500 or more and a useful life of one year or more are capitalized. The YWCA follows the policy of providing depreciation on the straight-line method for financial reporting purposes over the estimated useful lives of the related assets.

**Functional Expense Allocations**

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses and program service expenses presents the natural classification detail of expenses by function. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. All allowable direct costs are charged directly to programs. The expenses that are allocated include the following:

<b>Expense</b>	<b>Method of Allocation</b>
Salaries and related expenses	Time and effort
Occupancy	Square footage
Other expenses	Percentage of budget

(continued)

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

**Subsequent Events**

Management has evaluated subsequent events through July 25, 2022, the date at which the financial statements were available for issue.

**Reclassification**

Certain reclassifications have been made to conform prior years' statements to the current presentation. These reclassifications had no effect on previously reported operating results.

**2. CONTRIBUTIONS RECEIVABLE**

Contributions receivable as of December 31 consist of the following:

	<b>2021</b>	<b>2020</b>
Contributions receivable	\$ 2,439,783	\$ 454,574
Less allowance for doubtful accounts	-	-
Less unamortized present value discount (3.25%)	<u>(189,153)</u>	<u>-</u>
Net contributions receivable	<u>\$ 2,250,630</u>	<u>\$ 454,574</u>
Contributions receivable	\$ 425,792	\$ 454,074
Contributions receivable – capital campaign	<u>1,824,838</u>	<u>-</u>
	<u>\$ 2,250,630</u>	<u>\$ 454,574</u>
Amounts due in:		
Less than one year	\$ 787,008	\$ 259,574
One to five years	1,352,775	195,000
More than five years	<u>300,000</u>	<u>-</u>
	<u>\$ 2,439,783</u>	<u>\$ 454,574</u>

The YWCA has received notification of intentions to give in the amount of \$17,500 from the United Way of Allen county. The expected funding is to be used for programs in 2022 and has not been recorded as an asset of the YWCA as of December 31, 2021.

### 3. LAND, BUILDINGS AND EQUIPMENT

Land, buildings and equipment at December 31 consist of the following:

	<b>2021</b>	<b>2020</b>
Land	\$ 920,250	\$ 1,037,250
Buildings and building improvements	2,726,766	2,120,546
Equipment	<u>1,012,987</u>	<u>995,653</u>
	4,660,003	4,153,449
Accumulated depreciation	<u>679,677</u>	<u>607,676</u>
	<u>\$ 3,980,326</u>	<u>\$ 3,545,773</u>

### 4. INVESTMENTS

Investments at December 31 are summarized as follows:

	<b>2021</b>	<b>2020</b>
Fixed income	\$ 2,124,471	\$ 693,591
Equities	1,841,180	1,070,375
Other	-	9,550
Real estate funds	<u>11,045</u>	<u>10,545</u>
	3,976,696	1,784,061
Cash and cash equivalents	<u>36,776</u>	<u>2,010,284</u>
	<u>\$ 4,013,472</u>	<u>\$ 3,794,345</u>

### 5. BENEFICIAL INTEREST

The beneficial interest totaling \$106,591 at December 31, 2021 and \$91,573 at December 31, 2020 consists of funds held by the Community Foundations of Greater Fort Wayne, DeKalb County, Huntington County, Noble County, Wells County and Whitley County (Foundations) which are the result of an agreement whereby the YWCA has transferred assets to the Foundations and has specified itself as the beneficiary of the assets. The YWCA may draw up to a certain percent of the value of the assets each year but may only obtain a return of the full value of the assets upon consent of the Foundations.

(continued)

## 5. **BENEFICIAL INTEREST** (continued)

Additionally, the Community Foundation of Greater Fort Wayne holds investment assets, with a value of \$52,466 at December 31, 2021 and \$43,097 at December 31, 2020, for the benefit of the YWCA for which the Foundation has retained variance power. These assets are not recorded as assets of the YWCA.

## 6. **FAIR VALUE MEASUREMENT**

Assets and liabilities recorded at fair value in the statement of financial position are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Level inputs are defined as follows:

*Level 1.* Unadjusted quoted prices in active markets for identical assets and liabilities.

*Level 2.* Observable inputs other than those included in Level 1, such as quoted market prices for similar assets or liabilities in active markets or quoted market prices for identical assets or liabilities in inactive markets.

*Level 3.* Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value.

*Investments.* Value determined by reference to quoted market prices and other relevant information generated by market transactions.

*Beneficial interest.* Value based upon the YWCA's proportionate share of the Community Foundations of Greater Fort Wayne, DeKalb County, Huntington County, Noble County, Wells County and Whitley County's pooled investment portfolios.

(continued)

**6. FAIR VALUE MEASUREMENT (continued)**

Fair value of assets and liabilities measured on a recurring basis at December 31, 2021 are as follows:

	<b>Level 1</b>	<b>Level 3</b>
Investments:		
Fixed income:		
Government obligations	\$ 19,945	\$ -
Corporate obligations	40,326	-
Domestic mutual funds	51,457	-
International mutual funds	31,005	-
Exchange - traded funds	641,738	-
Mutual funds - fixed income	1,340,000	-
Equities:		
Consumer discretionary	22,110	-
Consumer staples	11,688	-
Financials	19,569	-
Health care	21,622	-
Industrials	18,219	-
Information technology	76,970	-
Materials	4,655	-
International equities	34,356	-
Domestic mutual funds	108,376	-
International mutual funds	68,656	-
Exchange - traded funds	744,476	-
Mutual funds - equity	710,483	-
Real estate funds	11,045	-
Beneficial interest	<u>-</u>	<u>106,591</u>
	<u>\$ 3,976,696</u>	<u>\$ 106,591</u>

(continued)

**6. FAIR VALUE MEASUREMENT (continued)**

Fair value of assets and liabilities measured on a recurring basis at December 31, 2020 are as follows:

	<b>Level 1</b>	<b>Level 3</b>
Investments:		
Fixed income:		
Government obligations	\$ 19,544	\$ -
Corporate obligations	48,986	-
Domestic mutual funds	56,566	-
International mutual funds	30,527	-
Exchange - traded funds	192,567	-
Mutual funds - fixed income	345,401	-
Equities:		
Consumer discretionary	17,264	-
Consumer staples	10,216	-
Financials	44,720	-
Health care	16,053	-
Industrials	13,664	-
Information technology	52,683	-
Materials	3,041	-
Telecommunications services	2,443	-
International equities	27,457	-
Domestic mutual funds	112,619	-
International mutual funds	51,663	-
Exchange - traded funds	245,581	-
Mutual funds - equity	472,971	-
Other	9,550	-
Real estate funds	10,545	-
Beneficial interest	<u>-</u>	<u>91,573</u>
	<u>\$ 1,784,061</u>	<u>\$ 91,573</u>

(continued)

## 6. FAIR VALUE MEASUREMENT (continued)

Following is a reconciliation of activity for assets and liabilities measured at fair value based on significant unobservable inputs for the year ending December 31:

	<b>Beneficial Interest</b>	
	<b>2021</b>	<b>2020</b>
Balance – beginning of year	\$ 91,573	\$ 86,761
Contributions	-	-
Total gains and losses included in earnings:		
Interest and dividends	3,027	1,779
Unrealized gain/(loss)	11,073	8,478
Realized gain/(loss)	2,787	(253)
Investment fees	<u>(1,869)</u>	<u>(1,121)</u>
	15,018	8,883
Disbursements	<u>-</u>	<u>(4,071)</u>
Balance – end of year	<u>\$ 106,591</u>	<u>\$ 91,573</u>

## 7. LINE OF CREDIT

The YWCA has a \$400,000 revolving line of credit with 1st Source Bank to be drawn upon as needed, bearing interest at 3.25% at December 31, 2021. The authorization is secured by real estate. No amount was outstanding as of December 31, 2021 and 2020.

## 8. NOTE PAYABLE

The YWCA entered into a term loan with an available draw of \$3,200,000 payable to 1st Source Bank for the purchase of real estate, payable in one installment of principal plus interest at 3.25% in March 2021. The note is secured by real estate. The balance on this note totaled \$3,153,876 at December 31, 2020.

The above note was refinanced in 2021 for a term loan with an available draw of \$4,200,000, interest only payments commencing July 15, 2021, due quarterly, with final payment due April 15, 2022. The note bears interest at prime with a 3% floor (3.25% at December 31, 2021) and is secured by real estate. The balance on this note totaled \$3,153,876 at December 31, 2021.

(continued)

**8. NOTE PAYABLE (continued)**

This note was amended in April 2022 to change the repayment terms to interest only payments commencing April 2022, due quarterly through December 31, 2023. At that time the terms are as follows:

<b>Payment date</b>	<b>Payment</b>
December 31, 2023	Reduce loan balance to \$2,000,000
December 31, 2024	\$250,000
December 31, 2025	\$250,000
December 31, 2026	\$200,000
December 31, 2027	\$200,000
December 31, 2028	\$200,000
January 15, 2029	Final payment due

**9. REFUNDABLE ADVANCE**

The YWCA received \$394,000 in 2020 from the Small Business Administration (SBA) as a part of the Paycheck Protection Program (PPP) through the Coronavirus Aid, Relief, and Economic Securities (CARES) Act. The loan was uncollateralized and fully guaranteed by the federal government. The loan was subsequently forgiven on November 20, 2021. The YWCA initially recorded the loan as a refundable advance and subsequently recognized grant revenue in accordance with the guidance for conditional contributions; that is, once the measurable performance or barrier and right of return of the loan no longer existed. The YWCA recognized \$394,000 as government grant revenue for the year ended December 31, 2021.

**10. RETIREMENT PLAN**

The YWCA participates in a multi-employer defined benefit retirement plan (YWCA Retirement Fund, Inc.) administered by YWCA USA that covers all employees with at least two years of service who have worked 1,000 hours during any two years of employment. The YWCA contributes 5.0% of salary for the benefit of each participant, and the national retirement fund contributes an additional 2%. Participants are 100% vested immediately upon participation in the plan. No amount were charged to operations for 2021 and 2020.

The YWCA sponsors a tax deferred annuity retirement plan under Section 403(b) of the Internal Revenue Code. The plan covers all employees over the age of 21. The employees are eligible following one year of continuous service with a minimum of 1,000 hours per year. The YWCA contributes 2% of an employee's earnings regardless of whether the employee contributes to the plan. Contributions to the plan charged to operations were \$73,585 in 2021 and \$76,927 in 2020.



## 11. IN-KIND CONTRIBUTIONS

The YWCA recognized contributions of certain goods and services received at the fair value of those goods and services as follows:

	<b>2021</b>	<b>2020</b>
Management and general:		
Occupancy	\$ <u>          -</u>	\$ <u>    50,514</u>

## 12. NET ASSETS

Net assets with donor restrictions are restricted as follows:

	<b>2021</b>	<b>2020</b>
Subject to time requirements:		
Contributions receivable	\$ 185,788	\$ 323,984
Capital campaign receivables	1,824,838	-
Unappropriated endowment earnings	<u>970,576</u>	<u>879,645</u>
Total subject to time requirements	2,962,202	1,203,629
Subject to purpose requirements:		
Opportunity services	100,000	120,000
Recovery services	118,120	110,040
Success services	32,377	-
Capital campaign	<u>551,750</u>	<u>-</u>
Total subject to purpose requirements	802,247	230,040
Endowment subject to the YWCA's spending policy and appropriations:		
Investment in perpetuity	<u>510,077</u>	<u>510,077</u>
Total net assets with donor restrictions	\$ <u>4,293,526</u>	\$ <u>1,943,746</u>
Net assets without donor restrictions are as follows:		
Undesignated	\$ 2,797,276	\$ 2,737,382
Board designated – operating reserve	<u>2,567,690</u>	<u>2,433,225</u>
	\$ <u>5,364,966</u>	\$ <u>5,170,607</u>

(continued)

**12. NET ASSETS (continued)**

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors. Net assets released from net assets with donor restrictions are as follows:

Time requirements	\$ 168,195	\$ 10,000
Program services	787,090	562,449
Staff development	-	14,167
Capital improvements	-	12,500
Endowment	<u>22,200</u>	<u>23,264</u>
Net assets released from restrictions	<u>\$ 977,485</u>	<u>\$ 622,380</u>

**13. RELATED PARTIES**

The YWCA purchased legal and architecture services totaling \$142,113 in 2021 and \$-0- in 2020 from companies owned by members of its Board of Directors.

**14. ENDOWMENT**

The YWCA has currently invested its donor-restricted endowment funds in an investment account with a mixture of equities, fixed income and cash and cash equivalents. The endowments have been established to promote the mission of the agency. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**Interpretation of Relevant Law**

The Board of Directors of YWCA Northeast Indiana, Inc. has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the YWCA classifies as permanent endowment (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 as a permanent endowment is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the YWCA

(continued)

**14. ENDOWMENT (continued)**

in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the YWCA 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 YWCA 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 YWCA
- (7) The investment policies of the YWCA

**Endowment Net Asset Composition by Type of Fund as of December 31:**

	<b>Donor Restricted Endowment</b>	
	<b>2021</b>	<b>2020</b>
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ 510,077	\$ 510,077
Accumulated investment earnings subject to time restrictions	<u>970,576</u>	<u>879,645</u>
	<u>\$ 1,480,653</u>	<u>\$ 1,389,722</u>

**Changes in Endowment Fund Net Assets for the Year Ended December 31, 2021**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment fund net assets - beginning of year	\$ -	\$ 1,389,722	\$ 1,389,722
Contributions	-	-	-
Investment return:			
Investment income	-	31,719	31,719
Net appreciation (depreciation) - realized and unrealized	-	92,410	92,410

(continued)

**14. ENDOWMENT (continued)**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Fees	\$ -	\$ (10,998)	\$ (10,998)
Total investment return	-	113,131	113,131
Appropriation of endowment fund assets for expenditure	<u>-</u>	<u>(22,200)</u>	<u>(22,200)</u>
Endowment net assets - end of year	<u>\$ -</u>	<u>\$ 1,480,653</u>	<u>\$ 1,480,653</u>

**Changes in Endowment Fund Net Assets for the Year Ended December 31, 2020**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment fund net assets - beginning of year	\$ -	\$ 1,295,188	\$ 1,295,188
Contributions	-	-	-
Investment return:			
Investment income	-	28,274	28,274
Net appreciation (depreciation) - realized and unrealized	-	98,969	98,969
Fees	<u>-</u>	<u>(9,445)</u>	<u>(9,445)</u>
Total investment return	-	117,798	117,798
Appropriation of endowment fund assets for expenditure	<u>-</u>	<u>(23,264)</u>	<u>(23,264)</u>
Endowment net assets - end of year	<u>\$ -</u>	<u>\$ 1,389,722</u>	<u>\$ 1,389,722</u>

**Return Objectives and Risk Parameters**

The YWCA has adopted investment and spending policies for endowment assets that attempt to preserve the principal in terms of its purchasing power so the fund will be able to serve the YWCA's needs over the long term; produce sufficient income to meet the needs of the YWCA; and provide long-term growth in assets as may be fairly balanced by the need for reasonable income and investment risk. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to achieve satisfactory investment returns while gaining the risk control of diversification.

(continued)

**14. ENDOWMENT (continued)**

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, the YWCA 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 YWCA targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

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

The YWCA has a policy of appropriating for distribution up to 5% of the market value of the investment at September 30 of each of the three preceding calendar years, averaged, after deductions of portfolio transaction costs, management fees and adjustments for contributions and withdrawals. In establishing this policy, the YWCA considered the long-term expected return on its endowment.

**15. ADVERTISING COSTS**

Advertising costs are charged to operations when incurred. The cost of advertising charged to operations was \$121 in 2021 and \$-0- in 2020.

**16. CREDIT RISKS, CONCENTRATIONS AND CONTINGENCIES**

The YWCA receives a significant amount of its public support from the federal government. A significant reduction in the level of this support, if this were to occur, may have an effect on the operations of the YWCA.

The YWCA has investments in stocks, bonds and mutual funds and, therefore, is subject to concentration of credit risk. Investments are made by investment managers engaged by the YWCA. Although the fair value of investments is subject to fluctuation on a year-to-year basis, management believes the investment policy is prudent for the long-term welfare of the YWCA and its beneficiaries.

During 2016, the YWCA entered into an affordable housing program agreement with the Federal Home Loan Bank of Indianapolis (FHLBI) to partially fund the construction and renovation of a building housing the crisis shelter and program and administrative offices. For 15 years, if the building is disposed of or used for a purpose other than what was set forth in the agreement, the funds received, including interest, are required to be returned to FHLBI. On August 26, 2020 the YWCA was informed of approval by the FHLBI that the terms of the agreement could be transferred to the Hefner Center as long as the same conditions are met.

## 17. RENTAL EXPENSE UNDER OPERATING LEASES

The YWCA leases office space and equipment under operating leases expiring at various times through 2024. Total rental expense was \$127,882 for the year ended December 31, 2021 and \$140,406 for the year ended December 31, 2020. The YWCA was released from one of the leases four months prior to the expiration of the lease.

Minimum future rental payments under noncancelable operating leases having initial or remaining terms in excess of one year as of December 31, 2021 for each of the next five years and in the aggregate are:

2022	\$	22,489
2023		1,131
2024		754
2025		-
2026 and thereafter		<u>-</u>
	\$	<u>24,374</u>

Additionally, the YWCA rents office equipment on a month-to-month basis. Total rental expense under cancelable operating leases was \$455 for 2021 and \$420 for 2020.

## 18. COMMITMENTS

The YWCA entered into commitments for the renovation of the Hefner Center. Total cost of these commitments is \$817,857. As of December 31, 2021 the YWCA paid a total of \$476,875 with the remaining balance of \$340,982 to be paid in 2022.

## 19. UNCERTAINTIES

On March 11, 2020, the COVID-19 virus had been declared a global pandemic. The extent of the impact of the COVID-19 outbreak on the financial performance of the YWCA will depend on future developments, including the duration and severity of the outbreak and its impact on the overall economy. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.

## 20. IMPAIRMENT LOSS AND LAND AND BUILDING HELD FOR SALE

During 2020 the YWCA put their property on Decatur Road up for sale. This transaction resulted in moving the fair market value of the property of \$1,825,000 to land and building held for sale and recording an impairment loss of \$1,299,090. Fair market value was determined by the realtor based on sales of similar properties in the area. The YWCA entered into a commitment for the sale of the property subsequent to December 31, 2021.

## 21. STATEMENT OF CASH FLOWS SUPPLEMENTAL DISCLOSURES

Noncash investing and financing activity includes the payment of closing costs made through a third party totaling \$6,788 during 2021 and the purchase of land, building and equipment of \$3,200,000 via a note payable of \$3,149,486 and an in-kind contribution of \$50,514 in 2020.

## 22. AVAILABILITY AND LIQUIDITY

The following represents YWCA Northeast Indiana, Inc.'s financial assets at December 31:

Financial assets at year-end:	2021	2020
Cash and cash equivalents	\$ 39,132	\$ 660,936
Claims receivable	811,160	510,831
Contributions receivable	425,792	454,074
Contributions receivable – capital campaign	1,824,838	500
Investments	4,013,472	3,794,345
Beneficial interest	<u>106,591</u>	<u>91,573</u>
Total financial assets	7,220,985	5,512,259
Less amounts not available to be used within one year:		
Permanent endowment	510,077	510,077
Unappropriated endowment	970,576	879,645
Contributions receivable greater than one year – operating	-	195,000
Contributions receivable – capital campaign	1,824,838	-
Board designated net assets	<u>2,567,690</u>	<u>2,433,225</u>
Total assets not to be used in one year	<u>5,873,181</u>	<u>4,017,947</u>
Financial assets available to meet general expenditures within one year	<u>\$ 1,347,804</u>	<u>\$ 1,494,312</u>

(continued)

**22. AVAILABILITY AND LIQUIDITY (continued)**

The YWCA maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due. To help manage unanticipated liquidity needs the YWCA has a line of credit of \$400,000 which it can draw upon. Additionally, the YWCA has board designated net assets without donor restrictions that, while the YWCA does not intend to spend these for purposes other than those identified, the amounts could be made available for current operations, if necessary.

**23. GOVERNMENT GRANTS – OTHER**

Grants received from other government sources are as follows:

	<b>2021</b>	<b>2020</b>
Indiana Criminal Justice Institute:		
Domestic Violence Prevention and Treatment	\$ 181,877	\$ 220,639
Indiana Coalition Against Domestic Violence:		
ICADV FISCAL project	9,944	-
Small Business Administration:		
Payroll Protection Program	<u>394,000</u>	<u>-</u>
Total Government Grants – Other	<u>\$ 585,821</u>	<u>\$ 220,639</u>



**YWCA NORTHEAST INDIANA, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended December 31, 2021

Federal Agency/ Pass-Through Agency/ Program Title	Assistance Listing Number	Agency or Pass-Through Number	Sub - Recipients	Revenue Recognized	Expenditures
U.S. Department of Health and Human Services: Passed through the Lutheran Foundation: Community Development Block Grant-State Programs	14.228	A192-21-CV-CV1-310	\$ -	\$ 139,782	\$ 139,782
Passed through City of Fort Wayne, Indiana: Emergency Solutions Grant Program	14.231	ESES-DV-020-0035	-	165,163	165,163
Passed through Indiana Housing and Community Development Authority: Emergency Solutions Grant Program	14.231	ES-019-045& ES-021-053	-	269,613	269,613
		Subtotal 14.231	-	434,776	434,776
Passed through Indiana Coalition Against Domestic Violence: Continuum of Care Program	14.267	DV-020-0216-5	-	70,079	70,079
U.S. Department of Justice: Passed through Indiana Criminal Justice Institute: Crime Victims Assistance	16.575	VOCA-2020-0051& VOCA-SP-2021-00018	-	540,997	540,997
Crime Victims Assistance - COVID	16.575	VOCA-COVID-2020-00024	-	48,618	48,618
		Subtotal 16.575	-	589,615	589,615
Violence Against Women Formula Grants	16.588	STOP-2021-00021	-	3,941	3,941

(continued)

See independent auditors' report.

**YWCA NORTHEAST INDIANA, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended December 31, 2021

Federal Agency/ Pass-Through Agency/ Program Title	Assistance Listing Number	Agency or Pass-Through Number	Sub - Recipients	Revenue Recognized	Expenditures
(continued)					
U.S. Department of Housing and Urban Development: Passed through Indiana Housing and Community Development Authority: Community Services Block Grant	93.569	CS-CV-021-105-D	\$ -	\$ 30,322	\$ 30,322
Passed through Indiana Criminal Justice Institute: Social Services Block Grant	93.667	SSBG-2021-00021	-	29,500	29,500
Passed through Indiana Criminal Justice Institute: Family Violence Prevention and Services	93.671	FVPSA-2020-00033 & FVPSA-2021-0012	-	117,878	117,878
Family Violence Prevention and Services-COVID	93.671	FVPSA-CARES-00031 & FVPSA-ARP-2021-00007	-	5,523	5,523
		Subtotal 93.671	-	123,401	123,401
			\$ -	\$ 1,421,416	\$ 1,421,416

See independent auditors' report.

**YWCA NORTHEAST INDIANA, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
December 31, 2021

**1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of YWCA Northeast Indiana, Inc. under programs of the federal government for the year ended December 31, 2021. The information in this 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 Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

**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.

**3. INDIRECT COST RATE**

The YWCA has elected not to use the 10% de minimis indirect cost rate 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 Directors  
YWCA Northeast Indiana, Inc.  
Fort Wayne, Indiana

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 Northeast Indiana, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2021, 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 July 25, 2022.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered YWCA Northeast Indiana, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of YWCA Northeast Indiana, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of YWCA Northeast Indiana, Inc.'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.

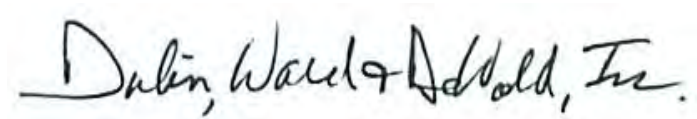
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether YWCA Northeast Indiana, Inc.'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 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 result 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.

A handwritten signature in black ink that reads "Dublin, Ward & Addold, Inc." The signature is written in a cursive style and is positioned above the typed name of the firm.

Fort Wayne, Indiana  
July 25, 2022



**Dulin, Ward & DeWald, Inc.**  
CPAs & ADVISORS

9921 Dupont Circle Drive West, Suite 300  
Fort Wayne, IN 46825  
260.423.2414  
800.232.8913  
Fax: 260.423.2419  
www.dwdcpa.com

Offices Located in Ft. Wayne and Marion, Indiana

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors  
YWCA Northeast Indiana, Inc.  
Fort Wayne, Indiana

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

**Opinion on each Major Federal Program**

We have audited YWCA Northeast Indiana, 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 Northeast Indiana, Inc.'s major federal programs for the year ended December 31, 2021. YWCA Northeast Indiana, 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 Northeast Indiana, 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 December 31, 2021.

**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; 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 Northeast Indiana, 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 Northeast Indiana, 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 Northeast Indiana, 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 Northeast Indiana, 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 generally accepted auditing standards, 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 Northeast Indiana, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, 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 Northeast Indiana, 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 Northeast Indiana, 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 Northeast Indiana, 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.

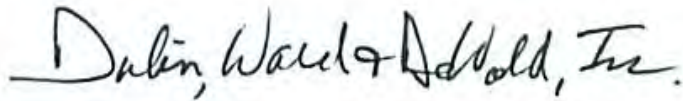
## Report on Internal Control over Compliance

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. 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.



Fort Wayne, Indiana  
July 25, 2022



**YWCA NORTHEAST INDIANA, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
 December 31, 2021

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

**Financial Statements**

Type of auditors' report issued: Unmodified

Internal Control over financial reporting:

Material weakness(es) identified? \_\_\_ Yes  X  No

Significant deficiency(ies) identified that  
are not considered to be material  
weakness(es)? \_\_\_ Yes  X  None  
Reported

Noncompliance material to financial statements  
noted? \_\_\_ Yes  X  No

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified? \_\_\_ Yes  X  No

Significant deficiency(ies) identified that  
are not considered to be material  
weakness(es)? \_\_\_ Yes  X  None  
Reported

Type of report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to  
be reported in accordance with 2 CFR section  
200.516(a)? \_\_\_ Yes  X  No

(continued)

**YWCA NORTHEAST INDIANA, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
December 31, 2021

(continued)

**Identification of Major Programs:**

<b>Assistance Listing Number</b>	<b>Name of Federal Program or Cluster</b>
16.575	Crime Victims Assistance

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk?  Yes  No

**Section II - Financial Statement Findings**

No material weaknesses or instances of noncompliance noted.

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

No material weaknesses or instances of noncompliance, including questioned costs noted.

**YWCA NORTHEAST INDIANA, INC.**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
Year Ended December 31, 2021

No prior year findings.

