

YWCA CLARK COUNTY

Audited Financial Statements
and Reports Required by
Government Auditing Standards
and the Uniform Guidance

For the Year Ended June 30, 2023



McDONALD JACOBS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
YWCA Clark County

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of YWCA Clark County (a nonprofit organization), 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.

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

Basis for Opinion

We conducted our 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of YWCA Clark County 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 opinions.

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 Clark County's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 Clark County'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 Clark County's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited YWCA Clark County's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 18, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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 schedule of expenditures of federal awards 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 January 17, 2024 on our consideration of the YWCA Clark County'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 Clark County'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 Clark County's internal control over financial reporting and compliance.

McDonald Jacobson, P.C.

Portland, Oregon
January 17, 2024

YWCA CLARK COUNTY
STATEMENT OF FINANCIAL POSITION
June 30, 2023
(With comparative totals for 2022)

	2023	2022
ASSETS		
Cash and cash equivalents	\$ 418,105	\$ 598,059
Contracts and pledges receivable	1,264,487	1,438,716
Prepaid expenses and other assets	122,631	89,846
Investments	3,438,221	3,263,247
Right-of-use asset	42,105	-
Property and equipment, net	1,439,259	1,530,933
 TOTAL ASSETS	 \$ 6,724,808	 \$ 6,920,801
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 170,976	\$ 132,596
Accrued personnel expenses	134,557	142,605
Contract advances	-	77,280
Operating lease liability	42,105	-
Note payable	45,527	70,321
Total liabilities	393,165	422,802
Net assets:		
Net assets without donor restrictions:		
Undesignated	2,624,078	2,751,973
Net property and equipment	1,439,259	1,530,933
Total net assets without donor restrictions	4,063,337	4,282,906
Net assets with donor restrictions:		
Net assets with expiring donor restrictions	562,265	549,192
Net assets with perpetual donor restrictions	1,706,041	1,665,901
Total net assets with donor restrictions	2,268,306	2,215,093
Total net assets	6,331,643	6,497,999
 TOTAL LIABILITIES AND NET ASSETS	 \$ 6,724,808	 \$ 6,920,801

See notes to financial statements.

YWCA CLARK COUNTY
STATEMENT OF ACTIVITIES
For the year ended June 30, 2023
(With comparative totals for 2022)

	2023			
	Without Donor Restrictions	With Donor Restrictions	Total	2022 Total
Operating revenue and support:				
Government revenue	\$ 3,266,967	\$ -	\$ 3,266,967	\$ 2,623,775
Government pandemic relief	-	-	-	1,531,367
Contributions and grants	426,119	1,141,746	1,567,865	866,926
Special event revenue, net of direct benefit costs of \$138,023 in 2023	68,257	-	68,257	-
Donated facilities, materials and services	131,588	-	131,588	113,934
Program service revenue	167,805	-	167,805	74,349
Other operating income	13,712	-	13,712	8,308
Net assets released from restrictions:				
Satisfaction of purpose restrictions	1,244,650	(1,244,650)	-	-
Total operating revenue and support	5,319,098	(102,904)	5,216,194	5,218,659
Expenses:				
Program services	3,843,073	-	3,843,073	3,192,356
Management and general	1,354,875	-	1,354,875	1,126,819
Fundraising	492,688	-	492,688	433,805
Total expenses	5,690,636	-	5,690,636	4,752,980
Income (loss) from operations	(371,538)	(102,904)	(474,442)	465,679
Investment activities:				
Investment income (loss), net	78,009	230,077	308,086	(443,228)
Appropriation for expenditure	73,960	(73,960)	-	-
Total non-operating activities	151,969	156,117	308,086	(443,228)
Change in net assets	(219,569)	53,213	(166,356)	22,451
Net assets:				
Beginning of year	4,282,906	2,215,093	6,497,999	6,475,548
End of year	\$ 4,063,337	\$ 2,268,306	\$ 6,331,643	\$ 6,497,999

See notes to financial statements.

YWCA CLARK COUNTY
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended June 30, 2023
(With comparative totals for 2022)

	Program Services				
	SafeChoice	Sexual Assault	Y's Care	Independent Living Skills	Care Connect
Personnel	\$ 1,258,397	\$ 498,694	\$ 193,468	\$ 255,851	\$ 198,705
Professional fees	206,761	4,706	2,383	2,211	3,236
Supplies	38,787	10,601	17,819	11,231	15,734
Communications	13,758	6,515	726	2,283	2,097
Printing	7,055	3,271	439	692	632
Travel and conferences	9,312	5,339	375	6,602	746
Occupancy and equipment	147,987	302	872	517	283
Membership and association dues	3,200	800	-	2,755	-
Specific assistance	524,329	13,322	764	162,180	19,846
Advertising and employment listings	8,253	45,108	-	1,452	1,327
Miscellaneous	8,795	1,475	1,913	564	449
Depreciation	42,025	1,916	3,200	2,199	301
	2,268,659	592,049	221,959	448,537	243,356
Less special events direct benefit costs netted with revenue	-	-	-	-	-
 Total expenses	 \$ 2,268,659	 \$ 592,049	 \$ 221,959	 \$ 448,537	 \$ 243,356

See notes to financial statements.

YWCA CLARK COUNTY
STATEMENT OF FUNCTIONAL EXPENSES, Continued
For the year ended June 30, 2023
(With comparative totals for 2022)

	<u>Program Services</u>				2023 Total Expenses	2022 Total Expenses
	Volunteer Development	Total Program Services	Management	Fundraising		
Personnel	\$ 65,707	\$ 2,470,822	\$ 776,373	\$ 296,404	\$ 3,543,599	\$ 3,291,022
Professional fees	1,091	220,388	212,607	166,174	599,169	325,300
Supplies	124	94,296	13,873	97,014	205,183	97,603
Communications	723	26,102	10,904	2,492	39,498	44,203
Printing	67	12,156	5,476	17,988	35,620	26,306
Travel and conferences	-	22,374	12,894	4,598	39,866	17,761
Occupancy and equipment	375	150,336	106,117	26,547	283,000	257,849
Membership and association dues	-	6,755	26,351	508	33,614	27,875
Specific assistance	-	720,441	-	3,822	724,263	406,888
Advertising and employment listings	-	56,140	3,245	3,006	62,391	14,036
Miscellaneous	224	13,420	80,217	8,661	102,298	98,777
Depreciation	202	49,843	106,818	3,497	160,158	145,360
	<u>68,513</u>	<u>3,843,073</u>	<u>1,354,875</u>	<u>630,711</u>	<u>5,828,659</u>	<u>4,752,980</u>
Less special events direct benefit costs netted with revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>(138,023)</u>	<u>(138,023)</u>	<u>-</u>
Total expenses	<u>\$ 68,513</u>	<u>\$ 3,843,073</u>	<u>\$ 1,354,875</u>	<u>\$ 492,688</u>	<u>\$ 5,690,636</u>	<u>\$ 4,752,980</u>

See notes to financial statements.

YWCA CLARK COUNTY
STATEMENT OF CASH FLOWS
For the year ended June 30, 2023
(With comparative totals for 2022)

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Change in net assets	\$ (166,356)	\$ 22,451
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	160,158	145,360
Amortization of right-of-use asset	5,214	-
Change in value of investments	(232,059)	497,815
(Increase) decrease in:		
Contracts and pledges receivable	174,229	(569,245)
Prepaid expenses and other assets	(32,785)	(22,030)
Increase (decrease) in:		
Accounts payable	38,380	38,152
Accrued personnel expenses	(8,048)	49,485
Refundable advance	-	(581,629)
Contract advances	(77,280)	45,935
Operating lease liability	(5,214)	-
Net cash flows from operating activities	<u>(143,761)</u>	<u>(373,706)</u>
 Cash flows from investing activities:		
Purchase of property and equipment	(68,484)	(118,722)
Proceeds from the sale of investments	140,940	67,462
Purchase of investments	<u>(83,855)</u>	<u>(64,304)</u>
Net cash flows from investing activities	<u>(11,399)</u>	<u>(115,564)</u>
 Cash flows from financing activities:		
Principal payments on long-term debt	<u>(24,794)</u>	<u>(22,884)</u>
Net cash flows from financing activities	<u>(24,794)</u>	<u>(22,884)</u>
 Net change in cash and cash equivalents	(179,954)	(512,154)
 Cash and cash equivalents - beginning of year	<u>598,059</u>	<u>1,110,213</u>
 Cash and cash equivalents - end of year	<u>\$ 418,105</u>	<u>\$ 598,059</u>
 Supplemental cash flow information:		
Cash paid during the year for interest	\$ 1,456	\$ 2,465
Cash paid during the year for operating lease	6,034	-
Non-cash operating and financing activities:		
Right-of-use asset in exchange for lease liability	47,319	-

See notes to financial statements.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

1. DESCRIPTION OF ORGANIZATION

YWCA Clark County (YWCA or the Organization) is a non-profit corporation affiliated with the national YWCA organization, YWCA USA. YWCA Clark County's mission is to eliminate racism, empower women, and promote peace, justice, freedom and dignity for all.

YWCA Clark County is governed by a volunteer board of directors. Daily operations are managed by a full-time executive director who reports directly to the board. The service area is generally defined as Southwest Washington and is primarily funded through government contracts and private contributions.

YWCA Clark County currently offers services under the following programs:

SafeChoice

The SafeChoice Domestic Violence Program served 966 unduplicated survivors of domestic violence and responded to 8,961 calls to our 24-hour crisis line in this fiscal year. Our emergency shelter provided up to 5,428 bed nights for 59 adults and 87 children. We held 43 support groups for survivors and served 260 participants through our legal clinic.

Sexual Assault (SA)

This fiscal year, the Sexual Assault Program served 514 individuals through 24-hour advocacy, individual therapy, and support groups and responded to 1,403 calls to our 24-hour crisis line. We served an additional 541 individuals through presentations, trainings, events, and community education.

The Prevention program has been intertwined with SA Program and SafeChoice programs. The Prevention program provides services to middle and high schools as well as at the Boys and Girls Club. They also work with community partners West Van for Youth, Central Van for Youth, Latino Leadership NW, NAACP and SWEC in supporting their participants. The advocates provided multi-session workshops to 267 participants and served 100 participants through outreach and education events.

Y's Care

The Y's Care Children's Program provided 2,028 service days (one service day equals care and education for one child each day) of licensed care and quality early childhood education for 26 transitional and community children (ages 2½ to 5) this fiscal year. Y's Care provided additional enrichment through seasonal field trips to the TreeSong Nature Reserve and through specialized therapy with a licensed sensory-processing disorder specialist. Every child enrolled in Y's Care last year made measurable, developmental progress in academic and social domains.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

1. DESCRIPTION OF ORGANIZATION, Continued

Independent Living Skills Program (ILS)

During the YWCA's 2023 fiscal year, the ILS Program served 100 youth ages 15 to 21 who are currently in foster care and preparing for independent adulthood. ILS empowers foster youth to reach their housing, education, and employment goals so they can gain independence. Advocates also provided financial assistance to 21 new youths to obtain housing, 10 new youths received employment assistance, and 5 new youths to pursued goals to further their education.

Care Connect

Care Connect assists, connects and supports participants for the purposes of providing health and social services to individuals who are in isolation and quarantining from COVID-19. Care Connect has been able to offer information regarding their rights, health resources and long-term assistance for their needs. Advocates received 288 referrals and helped 134 participants as well as provide financial assistance to 61 households who received rental, mortgage or utility assistance.

Volunteer Development

This program recruits, trains, and supports qualified volunteers engaged in meaningful, ongoing service opportunities. In 2023, 132 volunteers contributed 2,340 hours of continuous support to our programs and departments through our Volunteer Development Program.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net Assets With Donor Restrictions* - Net assets subject to donor- (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with maturities of three months or less at the time of purchase to be cash equivalents.

Contracts and Pledges Receivable

Contracts and pledges receivable are reported at the amount management expects to collect on balances outstanding at year-end. Based on an assessment of the credit history with those having outstanding balances and current relationships with them, management has concluded that realization losses on balances outstanding at year-end will be immaterial.

Investments

Investments are carried at fair value. Investment income earned on endowment investments is reported as an increase in net assets with donor restrictions until appropriated for expenditure. Investment income earned on other donor restricted investments is reported as an increase in net assets without donor restrictions unless restricted by the donor in which case it is classified according to the nature of the restriction.

Leases

The Organization determines if an arrangement is or contains a lease at inception. Under FASB ASC 842, *Leases*, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise the option.

The Organization does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Property and Equipment

Additions to property and equipment of \$5,000 or more are capitalized. Property and equipment are carried at cost, or at fair value when acquired by gift.

Depreciation

Depreciation and amortization are provided on a straight-line method over the estimated useful lives of the assets which range from 5 to 40 years.

Revenue Recognition

Revenues from various sources are recognized as follows:

Government Revenue: Government contracts are conditioned upon certain performance requirements and/or incurring allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as contract advances in the statement of financial position. The Organization has been awarded cost-reimbursable grants of approximately \$1,843,000 extending through March 2025 that have not been recognized at June 30, 2023 because qualifying expenditures have not yet been incurred.

Government Pandemic Relief:

Paycheck Protection Program (PPP) Loan: The Paycheck Protection Program (PPP) loan guaranteed by the Small Business Administration (SBA) is accounted for as a conditional advance and accrues interest at 1%. The advance may be forgiven partially or in its entirety if certain conditions are met, including incurrence of allowable qualifying expenses (mostly personnel and occupancy costs) and acceptance and approval of the forgiveness application by the lender. Upon satisfaction of the conditions, the advance will be recognized as revenue. The Organization received a PPP loan of \$581,629 during the year end June 30, 2022. The total amount was forgiven and recognized as government pandemic relief during the year ended June 30, 2022.

Employee Retention Credit: The Employee Retention Credit (ERC), a credit against certain payroll taxes allowed to an eligible employer for qualifying wages, was established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and further amended by the Consolidated Appropriations Act (CAA) and the American Rescue Plan (ARP). The Organization recognizes revenue when the claim is filed, based on incurring qualified expenses, in the form of eligible wages. Approximately \$950,000 was recognized for the year ended June 30, 2022 and was reflected government pandemic relief in the statement of activities. As of June 30, 2023, approximately \$655,400 is outstanding and included in contracts and pledges receivable.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Revenue Recognition, Continued

Contributions and Grants: Contributions and grants, which include unconditional promises to give (pledges), are recognized as revenues in the period the Organization is notified of the commitment. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Bequests are recorded as revenue at the time the Organization has an established right to the bequest and the proceeds are measurable.

Special Event Revenue: The Organization records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place. Sponsorships are recorded as revenue at the time of the commitment unless commensurate value is included as part of the agreements. The portion of the sponsorship revenue that relates to commensurate value of the sponsor received in return is recognized when the related events are held and performance obligations are met.

Donated Facilities, Materials and Services: Donations of facilities, materials and services are recorded as support at their estimated fair value at the date of donation. Such donations are reported as support without donor restrictions unless the donor has restricted the donation to a specific purpose.

The Organization recognizes donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Program Service Revenue: Program service fees and rental income are recognized when services are provided. There was no associated accounts receivable (contract asset) or deferred revenue (contract liability) at June 30, 2023, 2022, and 2021.

Unemployment Insurance

The Organization is self-insured for unemployment and makes periodic payments to a trust company in an amount equal to estimated future claims. Deposits to the trust are recorded as an asset and claims filed but not yet paid are recorded as a liability.

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Certain costs have been allocated among the programs and supporting services benefited according to the following methodology:

- Time and effort – personnel expenses
- Number of employees – Reception services and professional services
- Number of volunteers – Volunteer development
- Direct expenses – Administrative expenses, insurance, audit fees

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Advertising

Advertising costs are expensed as incurred. Total advertising expense for the year ended June 30, 2023 approximated \$42,000 and \$14,000 (including donated advertising of \$100) for the year ended June 30, 2022.

Income Taxes

The Organization is a nonprofit corporation exempt from income tax under section 501(c)(3) of the Internal Revenue Code and applicable state law. No provision for income taxes is made in the accompanying financial statements, as the Organization has no activities subject to unrelated business income tax. The Organization is not a private foundation.

The Organization follows the provisions of FASB ASC Topic 740 *Accounting for Uncertainty in Income Taxes*. Management has evaluated the Organization's tax positions and concluded that there are no uncertain tax positions that require adjustment to the financial statements to comply with provisions of this Topic.

Use of Estimates

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Standard

Effective July 1, 2022, the Organization adopted Accounting Standards Update (ASU) No. 2016-02, *Leases*, which requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. The Organization elected not to restate the comparative period (2022). It also elected not to reassess at adoption (i) expired or existing contracts to determine whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial direct costs for existing leases. The adoption did not result in a significant effect on amounts reported in the statement of activities for the year ended June 30, 2023.

Summarized Financial Information for 2022

The accompanying financial information for the year ended June 30, 2022 is presented for comparative purposes only and is not intended to represent a complete financial statement presentation.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Subsequent Events

The Organization has evaluated all subsequent events through January 17, 2024, the date the financial statements were available to be issued.

3. AVAILABLE RESOURCES AND LIQUIDITY

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its primary operations to be general expenditures. It excludes financial assets with donor or other restrictions limiting their use.

Financial assets available for general expenditure consist of the following at June 30, 2023 and 2022:

	2023	2022
Cash and cash equivalents	\$ 418,105	\$ 598,059
Contracts and pledges receivable	1,264,487	1,438,716
Investments	3,438,221	3,263,247
	5,120,813	5,300,022
Less amounts unavailable for general expenditure:		
Net assets with donor restrictions	2,270,373	2,215,093
Financial assets available for general expenditure	\$ 2,850,440	\$ 3,084,929

4. CONTRACTS AND PLEDGES RECEIVABLE

Contracts and pledges receivable are unsecured and consist of the following at June 30, 2023 and 2022:

	2023	2022
Government contracts	\$ 467,966	\$ 346,229
Pledges and grants	100,400	135,368
Employee retention credit	655,391	949,738
Other	40,730	7,381
Total contracts and pledges receivable	\$ 1,264,487	\$ 1,438,716

All pledges and grants receivable are expected to be collected within one year.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

4. CONTRACTS AND PLEDGES RECEIVABLE, Continued

As of June 30, 2023, a conditional multi-year pledge receivable approximating \$2.1 million, contingent on available funds, has not been recognized in the accompanying financial statements. The pledge will be recognized as revenue upon satisfaction of the condition as follows:

For the year ending June 30, 2024	\$	849,019
2025		663,173
2026		436,864
2027		151,894
		\$ 2,100,950

5. INVESTMENTS

Investments are stated at fair value and are summarized as follows at June 30, 2023 and 2022:

	2023	2022
Funds held at Community Foundation	\$ 74,232	\$ 74,768
Cash and cash equivalents	157,887	129,892
U.S. and foreign equities	2,390,062	2,168,195
Bonds	656,749	716,564
Real estate investment trusts	139,291	173,828
Total investments	\$ 3,418,221	\$ 3,263,247

Investments are held for the following purposes at June 30, 2023 and 2022:

	2023	2022
Investments held in endowment	\$ 1,958,880	\$ 1,843,264
Other donor restricted investments	864,111	812,617
Investments without donor restrictions	595,230	607,366
Total investments	\$ 3,418,221	\$ 3,263,247

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

5. INVESTMENTS, Continued

Investments held at Community Foundation of Southwest Washington (Community Foundation) are pooled with other assets managed by Community Foundation and are invested in debt, equity, and other securities, which are reflected at fair value. Under the terms of the agreement, variance power has been granted to Community Foundation; however, the Organization is the beneficiary of the fund and the transfer is reciprocal in nature. Accordingly, Community Foundation recognizes the fund as a liability on its statement of financial position. Also under the terms of the agreement, Community Foundation shall distribute not less than annually, a percentage of the fair value of the fund as determined by the board of directors of Community Foundation. However, in no event will the percentage be less than a reasonable rate of return. Community Foundation may make additional distributions from the fund to the Organization upon a majority vote of all of the directors of the Organization, if, in the sole judgment of the board of Community Foundation, the requested distribution is consistent with the objectives and purposes of the Organization. The beneficial interest in assets and are included in endowment net assets (Note 10).

6. PROPERTY AND EQUIPMENT

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

	2023	2022
Land	\$ 300,000	\$ 300,000
Buildings and improvements	2,776,731	2,776,731
Furniture and equipment	473,620	712,294
Total property and equipment	3,550,351	3,789,025
Less accumulated depreciation	2,111,092	2,258,092
Net property and equipment	\$ 1,439,259	\$ 1,530,933

7. OPERATING LEASES

The Organization evaluated current contracts to determine which met the criteria of a lease. Right-of-use (ROU) assets represent the Organization’s right to use underlying assets for the lease term, and lease liabilities represent the Organization’s obligation to make lease payments arising from these leases. ROU assets and lease liabilities, all of which arise from operating leases, are calculated based on the present value of future lease payments over the lease terms.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

7. OPERATING LEASES, Continued

The Organization's operating lease consists of a lease for a copier with a remaining lease term of five years.

The Organization had a lease for equipment expiring during the year of adoption which was treated as a short-term lease.

The statement of financial position reflects a ROU asset and operating lease liability of \$42,105 as of June 30, 2023. The weighted-average discount rate applied to calculate the lease liability as of June 30, 2023 is 3.68%.

The maturities of the operating lease liability as of June 30, 2023 are as follows:

Year ending June 30, 2024	\$	10,344
2025		10,344
2026		10,344
2027		10,344
2028		4,310
		45,686
Less discount/interest		(3,581)
Present value of lease liabilities	\$	42,105

For the year ended June 30, 2023, total operating lease cost of approximately \$6,000 and total short-term lease cost of approximately \$8,000 are included in printing in the statement of functional expenses.

Rent expense under FASB ASC Topic 840, *Leases*, (pre-adoption of the new standards) for operating leases totaled \$14,600 for the year ended June 30, 2022. The aggregate minimum lease payments under those operating leases as of June 30, 2022, were \$11,000.

The Organization holds a land lease with the Vancouver Housing Authority through June 30, 2025. Under the terms of the agreement, the Organization is restricted to using the land for the SafeChoice program. The lease agreement payment terms are \$1 per year. The estimated fair value of the rent of the property is recorded as an in-kind contribution of approximately \$108,100 for each of the years ended June 30, 2023 and 2022. See Note II. Based on the terms of the agreement, this lease is not subject to ASU 842, *Leases*.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

8. NOTE PAYABLE

The unforgiven portion of the Organization's Paycheck Protection Program (PPP) loan of \$93,205 was converted to an unsecured note payable in June 2021. The loan accrues interest at 1%, with monthly payments of \$2,066 through April 2025.

Future payments, based on the loan terms, are as follows:

For the year ending June 30, 2024	\$ 24,455
2025	<u>21,072</u>
	<u>\$ 45,527</u>

9. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with expiring restrictions, including endowment earnings, consist of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Scholarships	\$ 77,093	\$ 77,628
SafeChoice/ Shelter Programs	<u>487,239</u>	<u>471,564</u>
Total net assets with expiring restrictions	<u>\$ 564,332</u>	<u>\$ 549,192</u>

Net assets with perpetual restrictions held in endowment (see Note 10) consist of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Scholarship Funds	\$ 47,318	\$ 47,318
SafeChoice Shelter	658,723	618,583
Y's Care Program	<u>1,000,000</u>	<u>1,000,000</u>
Total net assets with perpetual restrictions	<u>\$ 1,706,041</u>	<u>\$ 1,665,901</u>

Investment earnings on the SafeChoice Shelter fund are added to the perpetual endowment per direction of the donor. Appropriations for expenditures from this fund are in accordance with the spending policies described in Note 10.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

10. ENDOWMENT

YWCA Clark County's endowment consists solely of donor-restricted endowment funds. As required by U.S. generally accepted accounting principles (GAAP), net assets associated with endowment funds, including funds designated by the board of directors to function as an endowment, are classified and reported based on the existence or absence of donor-imposed restrictions or board designations.

Interpretation of Relevant Law

The board of directors of the Organization has interpreted Washington's Uniform Prudent Management of Institutional Funds Act (UPMIFA or the Act) 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 Organization classifies as net assets with perpetual restrictions (a) the original value of gifts donated to the perpetual endowment (b) the original value of subsequent gifts to the perpetual endowment and (c) accumulations to the perpetual 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 net assets with perpetual restrictions is classified net assets with expiring restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by the Act.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) Organization and the donor-restricted endowment fund purposes
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and investment appreciation
- (6) Other resources of the Organization
- (7) The investment policies of the Organization

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

10. ENDOWMENT, Continued

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization 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 Organization 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

The Organization 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 Organization believes that investment and spending policy is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity, as well as to provide additional real growth through new gifts and investment return. The Organization has adopted an annual distribution schedule of five-percent (5%) of the average fair net market value of the fund assets. The net fair market value is calculated by averaging the market value of the fund as of the end of January over the three years beginning with the most recent January period.

Changes in endowment net assets for the years ended June 30, 2023 and 2022 are as follows:

	With Expiring Donor Restrictions	With Perpetual Donor Restrictions	Total
Balance, June 30, 2021	\$ 386,191	\$ 1,778,040	\$ 2,164,231
Investment income, net of fees	54,659	51,056	105,715
Change in investment value	(209,365)	(143,828)	(353,193)
Appropriated for expenditure	(54,122)	(19,367)	(73,489)
Balance, June 30, 2022	177,363	1,665,901	1,843,264
Investment income, net of fees	13,064	11,866	24,930
Change in investment value	116,372	48,274	164,646
Appropriated for expenditure	(53,960)	(20,000)	(73,960)
Balance June 30, 2023	<u>\$ 252,839</u>	<u>\$ 1,706,041</u>	<u>\$ 1,958,880</u>

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

11. DONATED FACILITIES, MATERIALS, AND SERVICES

The Organization received the following contributions of nonfinancial assets for the years ended June 30, 2023 and 2022:

	2023	2022
Facilities (SafeChoice program)	\$ 108,088	\$ 108,088
Services (Management)	500	-
Services (Development)	23,000	5,728
Advertising (Development)	-	118
Total donated facilities, materials, and services	\$ 131,588	\$ 113,934

The Organization received the use of donated facilities for its SafeChoice program (see Note 7). Donated space is recorded at fair market value, as provided by the lessor.

The Organization received donated services and advertising in support of its development programs, which is recorded at fair market values provided by the service provider.

The Organization receives contributed services from a large number of unpaid volunteers who assist in a range of fund-raising and program activities. During the years ended June 30, 2023 and 2022, the Organization received volunteer services with an estimated value of \$81,600* and \$52,000*, respectively (*unaudited). These contributions have not been recognized in the accompanying financial statements since they do not meet the criteria for donated services described in Note 2.

12. RETIREMENT PLAN

The Organization participates in the YWCA Retirement Fund, Inc. (the Plan). This is a multiple-employer cash balance defined benefit pension plan. Each participant has a cash balance account, which is a hypothetical account to which monthly contribution and interest credits are made. Contributions of a specific percentage of gross compensation are made by participating employers on behalf of eligible plan participants. Besides contributions and credits, other components of a participant's account consist of Fund matching contributions and Optional Employee After Tax contributions, only if the employee qualifies and chooses them.

YWCA CLARK COUNTY
 NOTES TO FINANCIAL STATEMENTS, CONTINUED
 June 30, 2023

12. RETIREMENT PLAN, Continued

The optional after-tax contribution rate is currently limited to ten percent of gross compensation. The Fund is governed by a written plan document (copies available upon request), constitution, and by-laws. The Fund is subject to the provisions of the Employee Retirement Income Security Act (ERISA) of 1974, as amended, and is qualified under Section 401 (a) of the Internal Revenue Code.

Accordingly, this Fund includes numerous YWCA Associations. The Agency's annual contribution under the Fund is equal to 3% of the annual compensation. Eligible employees may make additional after-tax contributions up to 10% of their annual compensation. The Agency has received notification from the Fund Administrator the Fund has achieved "funding target attainment percentage" (fully funded) for each of the preceding two calendar years.

A summary of plan assets and liabilities is as follows:

Valuation date	January 1, 2022	January 1, 2021
Net plan assets	\$ 391,274,273	\$ 380,053,807
Plan liabilities	279,208,131	273,611,236
Funding target attainment percent	140.1%	138.9%

The Organization contributed approximately \$39,500 and \$38,800 to the Plan for the years ended June 30, 2023 and 2022, respectively.

13. CONTINGENCY

Amounts received or receivable from various contracting agencies are subject to audit and potential adjustment by the contracting agencies. Any disallowed claims, including amounts already collected, would become a liability of the Organization if so determined in the future. Management believes that no significant amounts received or receivable will be required to be returned in the future.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

14. CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances in one financial institution located in Vancouver. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The balances, at times, may exceed the federally insured limit. Balances in excess of insured limits total approximately \$228,700 and \$271,300 as of June 30, 2023 and 2022, respectively.

Approximately 85% of total contracts and pledges receivable at June 30, 2023 is receivable from three governmental entities (86% from two governmental entities at June 30, 2022). Revenue is concentrated with 66% of total revenue from two governmental entities and one foundation for the year ended June 30, 2023 (83% from two governmental entities for the year ended June 30, 2022).

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

15. FAIR VALUE MEASUREMENTS

Assets recorded at fair value in the statements 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 values requires significant management judgment or estimation.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

15. FAIR VALUE MEASUREMENTS, Continued

Fair values of assets measured on a recurring basis at June 30, 2023 and 2022 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
June 30, 2023				
Funds held at Community				
Foundation	\$ -	\$ -	\$ 74,232	\$ 74,232
U.S. and foreign equities	2,390,062	-	-	2,390,062
Corporate bonds	-	656,749	-	656,749
Real estate investment trusts	-	-	139,291	139,291
	<u>\$2,390,062</u>	<u>\$ 656,749</u>	<u>\$ 213,523</u>	<u>3,260,334</u>
Cash and cash equivalents				157,887
Total investments				<u>\$ 3,418,221</u>
June 30, 2022				
Funds held at Community				
Foundation	\$ -	\$ -	\$ 74,768	\$ 74,768
Money market funds		-	-	-
U.S. and foreign equities	2,168,195	-	-	2,168,195
Corporate bonds	-	716,564	-	716,564
Real estate investment trusts	-	-	173,828	173,828
	<u>\$ 2,168,195</u>	<u>\$ 716,564</u>	<u>\$248,596</u>	<u>3,133,355</u>
Cash and cash equivalents				129,892
Total investments				<u>\$ 3,263,247</u>

The fair value of equity securities and bonds is determined by reference to quoted market prices or other relevant market data as provided by the bank or broker.

Fair value for investments in corporate bonds are provided by custodians and are based on pricing models that incorporate available trade, bid and other market information.

The fair value of real estate investment trusts and alternative asset investments are based on conservative estimates of liquidation value provided by each entity.

Investments held at Community Foundation in pooled funds are valued at the net asset value per unit as provided by Community Foundation trustees. Net asset value is based on fair value of the underlying assets of the funds using quoted market prices when available determined using a market approach.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2023

15. FAIR VALUE MEASUREMENTS, Continued

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs) (funds held at Community Foundation and real estate investment trusts) include:

	<u>2023</u>	<u>2022</u>
Beginning balance	\$ 248,596	\$ 242,363
Realized and unrealized gains (losses), net	(11,113)	10,355
Distributions	<u>(23,960)</u>	<u>(4,122)</u>
Ending balance	<u>\$ 213,523</u>	<u>\$ 248,596</u>

REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*
AND THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S 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 Clark County

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 Clark County (a nonprofit organization), 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 January 17, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered YWCA Clark County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of YWCA Clark County's internal control. Accordingly, we do not express an opinion on the effectiveness of the YWCA Clark County'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 organization's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether YWCA Clark County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McDonald Jacobson, P.C.

Portland, Oregon
January 17, 2024

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

To the Board of Directors
YWCA Clark County

Report on Compliance for Each Major Federal Program

Opinion Major Federal Program

We have audited YWCA Clark County's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on YWCA Clark County's major federal program for the year ended June 30, 2023. YWCA Clark County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on 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 Clark County 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 the major federal program. Our audit does not provide a legal determination of YWCA Clark County'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 Clark County'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 Clark County'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 Clark County's compliance with the requirements of the 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 Clark County'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 Clark County'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 Clark County'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.

McDonald Jacobson, P.C.

Portland, Oregon
January 17, 2024

YWCA OF CLARK COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the year ended June 30, 2023

Federal Grantor/Pass-through Grantor Program title	Contract Number	Federal A.L. Number	Federal Expenditures
U.S. Department of Agriculture			
<i>Pass through program from:</i>			
Washington State Office of Superintendent of Public Instruction			
Child and Adult Care Food Program	06-01-0470	10.558	\$ 3,617
Total U.S. Department of Agriculture			<u>3,617</u>
U.S. Department of Housing and Urban Development			
<i>Pass through program from:</i>			
City of Vancouver			
Community Development Block Grant	2019 CDBG PRJ100364	14.218	10,265
<i>Pass through program from:</i>			
Clark County			
Emergency Solutions	2020-ESG-CV13	14.231	47,041
Rapid Rehousing	2021-ESG-CV18	14.231	<u>169,109</u>
Total U.S. Department of Housing and Urban Development			<u>226,415</u>
U.S. Department of Justice			
<i>Pass through program from:</i>			
Washington State Department of Social and Health Services			
Emergency Shelter & Support Services	2112-21513	16.575	351,298
VOCA Enhancement/Expansion #3	2113-36526	16.575	<u>29,255</u>
			380,553
<i>Pass through program from:</i>			
Clark County			
Victims of Child Abuse & Neglect	2019-V2-GX-0034	16.575	37,500

Continued

See notes to schedule of expenditures of federal awards.

YWCA OF CLARK COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, CONTINUED
For the year ended June 30, 2023

Federal Grantor/Pass-through Grantor Program title	Contract Number	Federal A.L. Number	Federal Expenditures
U.S. Department of Justice, continued			
<i>Pass through program from:</i>			
Washington State Department of Commerce			
Core & Specialized SA Services	22-31310-162	16.575	49,260
VOCA Unmet Victims Service Needs #4	F19-31219-512	16.575	138,388
			<u>187,648</u>
<i>Pass through program from:</i>			
Washington State Department of Commerce			
STOP Violence Against Women Formula Grants	F19-31103-043	16.588	\$ 9,804
STOP Violence Against Women Formula Grants	F21-31103-041	16.588	8,031
			<u>17,835</u>
<i>Pass through program from:</i>			
National CASA			
Juvenile Mentoring Program	WA10614-18-0719-M2	16.726	1,720
Juvenile Mentoring Program	WA10614-20-0721-CM	16.726	14,201
Court Appointed Special Advocates (Sustainability)	WA10614-20-1020-Q	16.756	12,276
Total U.S. Department of Justice			<u>651,733</u>
Center for Disease Control			
<i>Pass through program from:</i>			
Washington State Department of Commerce			
Primary Prevention: RPE	F21-31320-612	93.136	64,524
Total Center for Disease Control			<u>64,524</u>
U.S. Department of Health and Human Services			
<i>Pass through program from:</i>			
Washington State Department of Children, Youth, and Families			
Child Care Stabilization Grant	None	93.575	2,330
<i>Pass through program from:</i>			
The Cowlitz Indian Tribe	None	93.575	29,073

Continued

See notes to schedule of expenditures of federal awards.

YWCA OF CLARK COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, CONTINUED
For the year ended June 30, 2023

Federal Grantor/Pass-through Grantor Program title	Contract Number	Federal A.L. Number	Federal Expenditures
U.S. Department of Health and Human Services, continued			
<i>Pass through program from:</i>			
Washington State Department of Social and Health Services			
Emergency Shelter & Support Services	2112-21513	93.671	\$ 58,618
Family Violence Prevention and Services	2112-31544	93.671	<u>19,940</u>
			<u>78,558</u>
<i>Pass through program from:</i>			
Washington State Department of Children, Youth, and Families			
John H. Chafee Foster Care Independence Program	2012-92645	93.674	<u>395,394</u>
Total U.S. Department of Health and Human Services			<u>505,355</u>
U.S. Department of Homeland Security			
<i>Pass through program from:</i>			
Clark County Department of Commerce Service			
Emergency Food and Shelter National Board Program	LRO#886800-002	97.024	<u>37,070</u>
Total U.S. Department of Homeland Security			<u>37,070</u>
Total expenditures of federal awards			<u>\$ 1,488,714</u>
			<i>Concluded</i>

See notes to schedule of expenditures of federal awards.

YWCA OF CLARK COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2023

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes all federal grant activity of YWCA Clark County under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations 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 YWCA Clark County, it is not intended to and does not present the financial position, changes in net assets or cash flows of YWCA Clark County.

2. EXPENDITURES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. YWCA Clark County has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Total expenditures of federal awards	\$ 1,488,714
Non-federal expenditures	<u>4,201,922</u>
Total expenditures per financial statements	<u><u>\$5,690,636</u></u>

YWCA OF CLARK COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2023

None reported.

YWCA OF CLARK COUNTY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 For the year ended June 30, 2023

Section 1 - Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting: Material weakness(es) identified?	None reported
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	None reported

Federal Awards:

Internal control over major federal programs: Material weakness(es) identified?	None reported
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	None reported

Identification of Major Programs:

Assistance Listing Number(s)	93.674
Name of Federal Program or Cluster	John H. Chafee Foster Care Program
Dollar threshold used to distinguish between Type A and Type B programs.	\$750,000
Auditee qualified as low-risk auditee?	Yes

YWCA OF CLARK COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
For the year ended June 30, 2023

Section 2 - Financial Statement Findings

None reported.

Section 3 - Federal Award Findings and Questioned Costs

None reported.