

**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

FINANCIAL STATEMENTS

**DECEMBER 31, 2022
WITH COMPARATIVE TOTALS FOR 2021**

**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
YWCA of Binghamton and
Broome County, NY, Inc.
80 Hawley Street
Binghamton, NY 13901

Opinion

We have audited the financial statements of the YWCA of Binghamton and Broome County, NY, Inc., which comprise the statement of financial position as of December 31, 2022, 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 of Binghamton and Broome County, NY, Inc. as of December 31, 2022, and the changes in 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of YWCA of Binghamton and Broome County, NY, 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.

Emphasis of Matter/Other Matter

As discussed in Note 2 to the financial statements, YWCA of Binghamton and Broome County, NY, Inc. adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)* and (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* during the year ended December 31, 2022. Our opinion is not modified with respect to this matter.

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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 maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of YWCA of Binghamton and Broome County, NY, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about YWCA of Binghamton and Broome County, NY, 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 HHAP Operating Budget to Actual Report on page 27 and the 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 on page 28 are 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.

Report on Summarized Comparative Information

We have previously audited the YWCA of Binghamton and Broome County, NY, Inc.'s December 31, 2021 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated June 30, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 1, 2023 on our consideration of YWCA of Binghamton and Broome County, NY, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering YWCA of Binghamton and Broome County, NY, Inc.'s internal control over financial reporting and compliance."

Vieira & Associates CPAs, P.C.

Endicott, New York
August 1, 2023

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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

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
YWCA of Binghamton and
Broome County, NY, Inc.
80 Hawley Street
Binghamton, NY 13901

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of YWCA of Binghamton and Broome County, NY, Inc., which comprise the statement of financial position as of December 31, 2022, 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 August 1, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered YWCA of Binghamton and Broome County, NY, Inc.'s internal control over financial reporting (internal control) as a basis for designing 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 of Binghamton and Broome County, NY, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness YWCA of Binghamton and Broome County, NY, 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether YWCA of Binghamton and Broome County, NY, 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vieira & Associates CPAs, P.C.

Endicott, New York
August 1, 2023

YWCA OF BINGHAMTON & BROOME COUNTY, NY, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2022 AND 2021

ASSETS

	<u>2022</u>	<u>2021</u>
Current assets		
Cash and cash equivalents	\$ 726,079	\$ 974,082
Accounts, contributions, and grants receivable, net of allowance for doubtful accounts of \$10,000 in 2022 and 2021	126,460	103,908
Government receivables	211,568	146,999
Investments	884,160	1,040,632
Deposit on property purchase	-	25,000
Prepaid expenses	<u>15,323</u>	<u>6,098</u>
Total current assets	1,963,590	2,296,719
Other assets		
Construction in process	966,513	-
Property and equipment	10,358,453	10,327,583
Less: accumulated depreciation	<u>(5,659,290)</u>	<u>(5,385,678)</u>
Net property and equipment	5,665,676	4,941,905
Mortgage acquisition costs	47,089	-
Right-of-use assets - operating leases	<u>11,678</u>	<u>-</u>
Total assets	<u>\$ 7,688,033</u>	<u>\$ 7,238,624</u>

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	\$ 44,398	\$ 108,008
Deferred revenue	97,538	-
Lease liabilities - operating leases- current portion	1,863	-
Accrued payroll and other expenses	95,067	64,754
Total current liabilities	<u>238,866</u>	<u>172,762</u>
Long term liabilities		
Lease liabilities - operating leases - long term	9,815	-
Notes payable - long term	450,000	-
Total long term liabilities	<u>459,815</u>	<u>-</u>
Total liabilities	<u>698,681</u>	<u>172,762</u>
Net assets		
Without donor restrictions	5,823,934	5,929,863
Without donor restrictions - board designated	1,000,000	1,000,000
With donor restrictions	165,418	135,999
Total net assets	<u>6,989,352</u>	<u>7,065,862</u>
Total liabilities and net assets	<u>\$ 7,688,033</u>	<u>\$ 7,238,624</u>

See accompanying notes and independent auditors' report

YWCA OF BINGHAMTON AND BROOME COUNTY, NY, INC.

STATEMENT OF ACTIVITIES

**FOR THE YEAR ENDED DECEMBER 31, 2022
WITH COMPARATIVE TOTALS FOR 2021**

	<u>Without</u>	<u>With</u>		
	<u>Donor Restrictions</u>	<u>Donor Restrictions</u>	<u>Total</u>	
			2022	2021
Revenue				
Contributions and government grants	\$ 2,349,629	\$ 165,418	\$ 2,515,047	\$ 1,794,879
In-kind contributions	14,540	-	14,540	7,121
Program revenue	111,537	-	111,537	149,516
Government contract revenue	670,950	-	670,950	452,248
Residence program and related services	269,221	-	269,221	238,288
Event revenue	43,100	-	43,100	13,440
Investment return, net	(132,243)	-	(132,243)	51,377
Other revenue	36,015	-	36,015	18,269
Total revenue	<u>3,362,749</u>	<u>165,418</u>	<u>3,528,167</u>	<u>2,725,138</u>
Net Assets Released from Restriction				
Satisfied by payments/time expirations	<u>135,999</u>	<u>(135,999)</u>	<u>-</u>	<u>-</u>
Functional expenses				
Program services	3,430,839	-	3,430,839	2,810,145
Management and general	100,055	-	100,055	93,909
Fundraising	73,783	-	73,783	47,169
Total functional expenses	<u>3,604,677</u>	<u>-</u>	<u>3,604,677</u>	<u>2,951,223</u>
Change in net assets	(105,929)	29,419	(76,510)	(226,085)
Net assets - beginning of the year	<u>6,929,863</u>	<u>135,999</u>	<u>7,065,862</u>	<u>7,291,947</u>
Net assets - end of the year	<u>\$ 6,823,934</u>	<u>\$ 165,418</u>	<u>\$ 6,989,352</u>	<u>\$ 7,065,862</u>

See accompanying notes and independent auditors' report

YWCA OF BINGHAMTON AND BROOME COUNTY, NY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

**FOR THE YEAR ENDED DECEMBER 31, 2022
WITH COMPARATIVE TOTALS FOR 2021**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	
				<u>2022</u>	<u>2021</u>
Personnel Expenses:					
Salaries and wages	\$ 1,917,315	\$ 47,982	\$ 22,833	\$ 1,988,130	\$ 1,515,377
Payroll taxes	143,609	3,315	1,864	148,788	112,261
Retirement plan contributions	52,203	3,581	1,962	57,746	25,141
Employee benefits	60,204	1,153	-	61,357	43,339
Total personnel expenses	<u>2,173,331</u>	<u>56,031</u>	<u>26,659</u>	<u>2,256,021</u>	<u>1,696,118</u>
Advertising	1,745	-	32	1,777	1,491
Bad debt expense	20,881	-	-	20,881	13,034
Bank charges	5,500	2,991	-	8,491	3,143
Dues and subscriptions	26,865	2,523	1,858	31,246	28,248
Depreciation	266,592	7,020	-	273,612	268,445
Equipment rental and repairs	24,917	-	-	24,917	26,861
Event expenses	-	-	30,658	30,658	3,320
Interest	16,890	-	-	16,890	1
Occupancy costs	234,566	11,062	-	245,628	254,337
Postage and delivery	982	716	570	2,268	1,391
Printing and reproduction	1,148	12	4,564	5,724	3,489
Professional fees	128,343	4,825	458	133,626	122,231
Supplies	466,044	8,374	7,588	482,006	484,821
Telephone	4,045	-	-	4,045	4,457
Travel and conferences	43,161	1,286	1,396	45,843	27,052
All other functional expenses	<u>15,829</u>	<u>5,215</u>	<u>-</u>	<u>21,044</u>	<u>12,784</u>
Total functional expenses	<u>\$ 3,430,839</u>	<u>\$ 100,055</u>	<u>\$ 73,783</u>	<u>\$ 3,604,677</u>	<u>\$ 2,951,223</u>

See accompanying notes and independent auditors' report

YWCA OF BINGHAMTON AND BROOME COUNTY, NY, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Change in net assets	\$ (76,510)	\$ (226,085)
Adjustment to reconcile net assets to cash provided (used) by operating activities		
Depreciation	273,612	268,445
Net realized and unrealized (gains) losses on investments	155,297	(32,952)
Increase in accounts, contributions, grants, government and other receivables	(87,121)	(27,474)
Decrease in deposit on property purchase	25,000	-
(Increase) decrease in prepaid expenses	(9,225)	617
Increase in construction in process	(966,513)	-
Increase in right-of-use assets - operating leases	(11,678)	-
Increase (decrease) in accounts payable and accrued expenses	(33,297)	60,106
Increase in deferred revenue	97,538	-
Increase in lease liabilities - operating leases	11,678	-
Total adjustments	<u>(544,709)</u>	<u>268,742</u>
Net cash provided (used) by operating activities	<u>(621,219)</u>	<u>42,657</u>
Cash flows from investing activities		
Purchases of investments	(22,958)	(1,018,182)
Proceeds from sales of investments	24,133	10,501
Mortgage acquisition costs	(47,089)	-
Purchases of property and equipment	(30,870)	(145,392)
Net cash used by investing activities	<u>(76,784)</u>	<u>(1,153,073)</u>
Cash flows from financing activities		
Borrowings on notes payable	<u>450,000</u>	<u>-</u>
Net cash provided by financing activities	<u>450,000</u>	<u>-</u>
Net decrease in cash and cash equivalents	(248,003)	(1,110,416)
Cash and cash equivalents - beginning	<u>974,082</u>	<u>2,084,498</u>
Cash and cash equivalents - ending	<u>\$ 726,079</u>	<u>\$ 974,082</u>
Supplemental information		
Interest expense paid	\$ 16,890	\$ 1

See accompanying notes and independent auditors' report

**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

NOTES TO FINANCIAL STATEMENTS

NOTE 1: ORGANIZATION AND PURPOSE

YWCA of Binghamton and Broome County, NY, Inc. (the Organization) is a New York State not-for-profit corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The mission of the Organization is dedicated to eliminating racism, empowering women and promoting peace, justice, freedom and dignity for all. The Organization focuses on providing services to the Binghamton/Broome County area of New York State. Priority issues identified by the strategic plan are childcare, housing, and health.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the Organization have been prepared on the accrual basis in conformity with U.S. generally accepted accounting principles (GAAP) and with the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*.

Based on the existence or absence of donor-imposed restrictions, the Organization classifies resources into two categories: without donor restrictions and with donor restrictions.

Net assets without donor restrictions - Net assets that are free of donor-imposed restrictions. All revenues, gains, and losses that are not restricted by donors are included in this classification. All expenses are reported as decreases in net assets without donor restrictions.

Board-Designated - Net assets that are not subject to donor-imposed stipulations. The Board of Directors may make designations or appropriations that result in self-imposed limits on the use of resources without donor restrictions, known as board-designated net assets. As of December 31, 2022, the Organization had \$1,000,000 of board-designated net assets for the purpose of ensuring the long-term financial stability of the Organization and for the Organization to continuously carry out its mission.

Net assets with donor restrictions - Net assets that are subject to donor-imposed restrictions that will be met either by actions of the Organization or the passage of time. Generally, the donor-imposed restrictions of these assets permit the Organization to use all or part of the income earned on related investments only for certain general or specific purposes. Expirations of donor restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time has elapsed) are reported as net assets released from restrictions in the Statement of Activities. Contributions, including unconditional promises to give, are recognized as revenue in the period received. Contributions which impose restrictions that are met in the same fiscal year they are received are reported as increases in net assets without donor restrictions. Operating results (change in net assets without donor restrictions from operating activity) in the Statement of Activities reflect all transactions that change net assets without donor restrictions.

See independent auditors' report

**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

NOTES TO FINANCIAL STATEMENTS

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

The Organization records revenue in several financial statement categories. The major categories are contributions and government grants, program revenue, government contract revenue, residence program, and event revenue. Performance obligations are identified based on the nature of the services provided. All the Organization's performance obligations relate to contracts with a duration of less than one year.

Therefore, the Organization is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially satisfied at the end of the reporting period.

Revenue recognition for contributions - The Organization receives contributions to support operating activities and capital projects. These contributions and grants can be from individuals, foundations, corporations, trusts, or government agencies. The Organization records contributions receivable, net of allowances for estimated uncollectable amounts, when there is sufficient evidence in the form of verifiable documentation that an unconditional promise was received. The Organization's government grants that are non-exchange transactions are recorded once all conditions are met.

Government contributions are recorded in government receivables. All other contributions are recorded in contributions receivable. The allowance for doubtful accounts is determined by the age of the balance, historical collection rates, and specific identification of uncollectible accounts. Uncollectible contributions receivable are charged directly to the allowance for doubtful accounts. Conditional promises to give are recognized only when the conditions on which they depend are substantially met.

Revenue recognition from exchange transactions - The Organization has multiple revenue streams that are accounted for as exchange transactions including program fees, residence program and related services, and government contract revenue.

Because the Organization's performance obligations relate to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in *FASB ASC 606- 10-50-14(a), Revenue from Contracts with Customers*, and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

Program and service fees - These fees consist of amounts that families and individuals pay to participate in the Organization's programs. The Organization offers a variety of programs and services including childcare, health, emergency and permanent supportive housing. See Note 5 for more detail on programs and services offered. Fee-based childcare is usually paid monthly in advance. Cancellation provisions vary by program. Refunds may be available for services not provided. Financial assistance is available to program participants.

See independent auditors' report

**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

NOTES TO FINANCIAL STATEMENTS

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program and service fees (continued) - Supportive housing is identified by the needs of the community to provide stable housing for homeless individuals and families. The Organization's temporary and permanent housing fees are paid based on the terms of the contracts. There are partnerships with government agencies for housing and related services.

Event revenue - The Organization coordinates special events as a source for generating funds. Funds received for a special event may have a contribution component and an exchange transaction component. Because the Organization's performance obligations related to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in FAS ASC-606-10-50-14(a), *Revenue from Contracts with Customers*, and therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

Government contract revenue - The Organization has contracts with city, state, and federal agencies to provide a variety of program services to the public based on contract requirements, including eligibility, procurement, reimbursement, curriculum, staffing and other requirements. These program services range from childcare, housing and health and welfare related programs. Contracts from government agencies are recorded as revenue is earned, which is generally when the related expenditures are incurred over the period the service is provided.

Cash and cash equivalents - For the purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Contributions of nonfinancial assets/in-kind contributions - The total contributed materials for the year ended December 31, 2022, were approximately \$14,540. These contributions primarily relate to the emergency housing and the young wonders programs. Contributed materials are reported as contributions in the accompanying statement of activities at their estimated fair values at date of receipt. Contributed services are reported in the accompanying statement of activities at the fair value of the services received. These donations are recorded as both revenue (In-kind revenue) and expense, therefore; having no effect on the increase (decrease) in net assets presented on the accompanying statement of activities. The contribution of services is recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills that would typically need to be purchased if not provided by donation. In addition, the Organization receives services from many volunteers who give significant amounts of their time to the Organization's programs, fund-raising campaigns, and management. No amounts have been reflected for these types of donated services, as they do not meet the criteria outlined above.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

See independent auditors' report

**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

NOTES TO FINANCIAL STATEMENTS

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment – The Organization capitalizes all property and equipment with a cost, or estimated fair market value if donated, of \$1,000 or greater. Donations of property and equipment are also recorded as revenue at their estimated fair value. Such donations are reported as revenue without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restriction regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted revenue. Absent of donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method. Maintenance and repairs are recorded as expenses; improvements are capitalized. See additional detail at Note 3.

Income taxes - The Organization qualifies as a tax-exempt, not-for-profit Corporation under section 501(c)(3) of the Internal Revenue Code. The Organization files an annual informational return to the Internal Revenue Service (Form 990) and to New York State Department of Law (Office of the Attorney General) (Form CHAR500). No provision for federal or state income taxes has been recorded. The Organization has not been informed of any tax examinations by either the Internal Revenue Service or New York State.

The Organization has adopted the provisions of the Financial Standards Board (FASB) Accounting Standards Codification (ASC) No. 740, *Income Taxes*, as amended. Management has determined there were no liabilities for unrecognized tax benefits as a result of this implementation. Furthermore, management has estimated that there are no material unrecognized tax benefits for either the U.S. federal or New York State jurisdictions for which it would be subject to income tax as of December 31, 2022 and as such has not recognized any interest or penalties that have been related to these benefits, if applicable. The tax years 2019, 2020 and 2021 are still open for both federal and state purposes.

Bad debts – The Organization writes off its accounts receivable when they are deemed uncollectible. The Organization provides an allowance for doubtful accounts equal to the estimated uncollectible portion of its accounts receivable. This estimate is based on its historical collection experience and a review of the status of accounts receivable. Bad debt expense totaled \$20,881 for the year ended December 31, 2022.

Advertising – Advertising expense is recognized in the period in which costs are incurred. Advertising expense totaled \$1,777 for the year ended December 31, 2022.

Accrued compensated absences – Management considers the amount of unused compensated absences at any given point in time to be insignificant and therefore no accrual for unused compensated absences has been included on the accompanying financial statements.

See independent auditors' report

**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

NOTES TO FINANCIAL STATEMENTS

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

The Organization reports investments under provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) No. 958-320, *Investments - Debt and Equity Securities* and classifies its investments as available-for-sale. Investments in marketable equity, fixed income, and certain other securities are valued at their fair value in the accompanying Statements of Financial Position. Net appreciation or decline in the fair value of the investments, which consists of realized and unrealized gains and/or losses, is included in the Investment Return, net balance in the accompanying Statements of Activities. See additional detail at Note 12.

Subsequent Events - The Organization has evaluated events and transactions that occurred between January 1, 2023 and August 1, 2023, which is the date the financial statements were available to be issued, for matters that would require disclosure and or recognition in these financial statements.

Functional Allocation of Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and by function and natural classification in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that are attributable to one or more programs or supporting functions are allocated based on operating expenses, square footage, and other criteria.

New Accounting Pronouncements/Changes in Accounting Principles

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. The underlying principle of ASU 2016-02 is that lessees should recognize the assets and liabilities arising from leases in the Statement of Financial Position. The guidance requires a lessee to recognize a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. The recognition, measurement and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed from previous generally accepted accounting principles. There continues to be a differentiation between finance leases and operating leases. However, the principal difference from previous guidance is that the lease assets and lease liabilities arising from operating leases should be recognized in the Statement of Financial Position. The guidance is currently effective for the Organization for the year ending December 31, 2022. Lessees and lessors are required to recognize and measure leases at the commencement date of the lease or the beginning of the earliest period presented using a modified retrospective approach.

During the year ended December 31, 2022, the Organization adopted FASB ASU No. 2016-02, *Leases (Topic 842)*, and the additional ASUs issued to clarify and update the guidance in ASU 2016-02 (collectively, "ASC Topic 842"). The Organization elected the package of practical expedients offered by the new standard including to (1) not reassess whether any expired or existing contracts are considered or contain leases; (2) not reassess the lease classification for any expired or existing leases; and (3) not reassess the initial direct costs for any existing leases.

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**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

NOTES TO FINANCIAL STATEMENTS

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**New Accounting Pronouncements/Changes in Accounting Principles
(Continued)**

During the year ended December 31, 2022, the Organization also adopted the amendments in ASU No. 2021-09, *Leases (Topic 842): Discount Rates for Lessees That Are Not Public Business Entities*, which permits a risk-free rate election by class of underlying asset.

Leases - Operating and finance lease assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. Operating and finance lease assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Organization uses a risk-free discount rate at the lease commencement for all new leases and at January 1, 2021 (the "Adoption date") in determining the present value of lease payments. The Organization's lease terms may include options to extend. Operating lease expense for lease payments are recognized on a straight-line basis over the lease term. Finance lease expense includes two components: straight line amortization expense over the life of the underlying equipment and interest expense on the outstanding liability. As of December 31, 2022, the Organization did not have any finance leases. See Note 16 for further detail on operating leases.

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*, which increases transparency around contributed nonfinancial assets (also known as "gifts-in-kind") received by not-for-profit organizations including transparency on how those assets are used and how they are valued. The ASU requires not-for-profit organizations to present contributed nonfinancial assets as a separate line item in the Statement of Activities, apart from contributions of cash or other financial assets. The standard also increases the disclosure requirements around contributed nonfinancial assets, including disaggregating by category the types of contributed nonfinancial assets a nonprofit entity has received. The amendments of this ASU will not change the recognition and measurement requirements in Subtopic 958-605 for those assets. The amendments for this ASU are to be applied retrospectively and are effective for calendar years ending December 31, 2022.

During the year, the Organization adopted ASU 2020-07. There was no change in net assets as a result of the adoption of this ASU. See Note 2 for more detail regarding contributions of nonfinancial assets.

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**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

NOTES TO FINANCIAL STATEMENTS

NOTE 3: PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2022 consisted of the following:

	<u>2021</u>	Additions	Deletions	<u>2022</u>
Land	\$ 23,000	\$ -	\$ -	\$ 23,000
Building and Improvements	9,892,868	-	-	9,892,868
Automobiles	23,370	-	-	23,370
Equipment, Software, Furniture and Fixtures	<u>388,345</u>	<u>30,870</u>	-	<u>419,215</u>
Subtotal	10,327,583	30,870	-	10,358,453
Less: Accumulated Depreciation	<u>(5,385,678)</u>	<u>(273,612)</u>	-	<u>(5,659,290)</u>
Construction in Progress	-	<u>966,513</u>	-	<u>966,513</u>
Total	<u>\$ 4,941,905</u>	<u>\$ 723,771</u>	<u>\$ -</u>	<u>\$ 5,665,676</u>

Total depreciation expense for the year ended December 31, 2022 was \$273,612.

NOTE 4: RETIREMENT PLAN

The Organization participates in the YWCA USA retirement plan. Full-time employees with two years of service and part-time employees with at least two years of 1,000 hours are eligible to participate. The Board votes annually how much to contribute, between 3% and 10%. The Organization made contributions of \$57,746 to the plan in 2022. Once a full-time employee has provided two years of service, the plan becomes obligatory.

NOTE 5: PROGRAM SERVICES

Programs

Child Care – Young Wonder’s Early Childhood Center is a New York State licensed childcare center serving children between the ages of newborn and 5 years.

Care Compass – The Organization assists the Care Compass Network with its goals of reducing use of hospital’s emergency room visits by Medicaid patients.

Residence Services – The YWCA Emergency Housing Program assists homeless women, families with children, and transgenders with temporary housing. The YWCA is the only shelter in Broome County that provides services for women as young as 16 and transgenders. Women entering the shelter are experiencing a myriad of problems and issues such as mental health, substance abuse issues, domestic violence, etc. Women are referred to the program via all community social service agencies. The Emergency Housing Program provides a safe, secure environment as well as all basic needs such as food and clothing. The staff also provides emotional support, advocacy, and referrals to other community resources. Length of stay varies from one night up to three months depending on the needs of the household. In 2021, the Organization expanded their Emergency Housing Program by adding 9 new beds.

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**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

NOTES TO FINANCIAL STATEMENTS

NOTE 5: PROGRAM SERVICES (CONTINUED)

Residence Services (Continued) – The Adult Permanent Supportive Housing Program offers long-term housing for women, men, and transgenders ages 18 and up. The program offers a full-time Social Worker, Vocational/Educational Counselor, an Outreach Worker, and Resident Assistants. The program focuses on teaching individuals and families social skills, daily living skills, and the opportunity to complete or continue their education as well as job training opportunities. Tenants sign a one-year lease at the time of program entry, but there are no time limits put on program completion.

The Organization opened the Intensive Independent Living Program (IILP) during the summer of 2004. This program provides a continuum of services for young women, men, and transgenders in the community looking for permanent housing. The program focuses on the special needs of young women ages 19 to 26. The program has a full-time Case Manager and part-time Social Worker, who will work closely with program participants providing counseling, and case management. Tenants sign a one-year lease at the time of program entry, but there are no time limits put on program completion.

Health – ENCOREplus is an outreach and education program developed by the YWCA of the USA. The program educates women on the importance of early detection of breast and cervical cancer and provides access to no cost mammograms and services provided through a network of community health care providers. The program targets women over the age of 40, those with no insurance and under-served populations including minorities, recent immigrants, the rural poor and the elderly.

YWCA Annual Events – Special Events are promoted annually to observe Women’s History Month in March, National YWCA Week and the National YWCA Day of Commitment to Eliminate Racism.

The National Women’s Vote Project is a fall campaign in which the YWCA participates to register voters and inform them of issues and the platforms represented by candidates for office.

ENCOREplus has one large fundraiser annually called All Paws for a Cause. The funds from this event help cover the cost of transportation to and from cancer screenings.

NOTE 6: COMPARATIVE FINANCIAL INFORMATION

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the organization’s financial statements for the year ended December 31, 2021, from which the summarized information was derived.

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**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

NOTES TO FINANCIAL STATEMENTS

NOTE 7: LINE OF CREDIT

The Organization has a \$150,000 line of credit with a local financial institution. The line bears interest at 10.5%, is secured by the assets of the Organization, and has an open maturity date. At December 31, 2022 the line of credit had an outstanding balance of \$0.

NOTE 8: CONCENTRATION OF CREDIT RISK

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At December 31, 2022, the Organization's uninsured cash balance totaled \$424,012.

NOTE 9: COMMITMENTS

During the year ended December 31, 2022, the Organization continued their plans for building the new Young Wonders facility and apartment buildings for the expansion of their housing programs. The Organization acquired 4 properties and started the beginning phases of the project. This project will yield 60 units of affordable housing and move the Young Wonders childcare program to a new building.

The estimated project cost is approximately \$30,000,000. The Organization has applied for and received some local, state, and federal funding for the project.

NOTE 10: LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure within one year of December 31, 2022 are as follows:

Total assets	\$	7,688,033
Less:		
Prepaid expenses		(15,323)
Receivables restricted for specific time/activities		(40,374)
Construction in process		(966,513)
Right-of-use assets - operating leases		(11,678)
Property and equipment, net		<u>(4,699,163)</u>
Financial assets available within one year	\$	<u>1,954,982</u>

The Organization manages its financial assets to be available as its operating expenditures, liabilities and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in short-term investments. To supplement working capital, the Organization has a line of credit agreement of up to \$150,000 with borrowings of \$0 as of December 31, 2022. See Note 7 for further description of this line.

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**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

NOTES TO FINANCIAL STATEMENTS

NOTE 11: ACCOUNTS, CONTRIBUTIONS, GRANTS AND GOVERNMENT RECEIVABLES

Receivables consist of the following at December 31, 2022:

Child Care Receivables - DSS	\$ 31,109
Grants Receivable	231,725
Program Services Receivable	1,611
Pledges Receivable – United Way	40,374
Housing Receivables – DSS	<u>43,209</u>
 Subtotal	 348,028
Less: Allowance for Doubtful Accounts	<u>(10,000)</u>
 Total	 <u>\$ 338,028</u>

NOTE 12: INVESTMENTS

Investments are presented in the financial statements in the aggregate at fair market value. The cost/basis caption utilized in the schedule which follows designates either the value of the investment at cost if acquired directly by the Organization, or the value of the investment at market as of the date of receipt by gift.

Investments are listed net of their respective valuation accounts at December 31, 2022 as follows:

	<u>Cost/Basis</u>	<u>Fair Market Value</u>	<u>Unrealized Gain (Loss)</u>
Equity mutual funds	\$ 459,273	\$ 388,966	\$ (70,307)
Bond mutual funds	375,233	317,323	(57,910)
Real asset mutual funds	74,932	72,912	(2,020)
Government bond mutual funds	<u>104,726</u>	<u>104,959</u>	<u>233</u>
	<u>\$ 1,014,164</u>	<u>\$ 884,160</u>	<u>\$(130,004)</u>

Investment return consists of the following at December 31, 2022:

Interest	\$ 97
Dividends	22,958
Realized losses on sale of investments	(10,704)
Unrealized losses on investments (before fees)	<u>(134,538)</u>
 Subtotal	 (122,187)
 Investment expenses	 <u>(10,056)</u>
 Total Investment Return, net	 <u>\$ (132,243)</u>

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**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

NOTES TO FINANCIAL STATEMENTS

NOTE 13: FAIR VALUE MEASUREMENTS

Financial Instruments - The following methods and assumptions were used by the Foundation in estimating its fair value disclosures for financial instruments:

The Organization’s financial instruments consist principally of cash and cash equivalents, and marketable securities. The fair value of a financial instrument is the amount that would be received in an asset sale or paid to transfer a liability in an orderly transaction between unaffiliated market participants. All financial assets and liabilities, measured at fair value, are classified based on a hierarchy defined by Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) No. 820, *Fair Value Measurements and Disclosures*.

The hierarchy ranks financial assets and liabilities based on whether the inputs are observable in the market and the degree that the inputs are observable. The categorization of financial instruments within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement. The hierarchy is prioritized into three levels (with Level 3 being the lowest) defined as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities that the entity has the ability to access.

Level 2: Observable inputs other than prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated with observable market data.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies, and similar techniques that use significant unobservable inputs. The Organization has no Level 3 financial instruments.

The following table presents the Organization’s fair value hierarchy for the financial assets measured at fair value on a recurring basis during the year ended December 31, 2022:

	Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Observable Inputs (Level 2)
Equity mutual funds	\$ 388,966	\$ 388,966	\$ -
Bond mutual funds	317,323	317,323	-
Real asset mutual funds	72,912	72,912	-
Governmental bond funds	104,959	-	104,959

Corporate and governmental bonds and notes are reported at fair value on a recurring basis determined by reference to quoted market prices and other relevant information generated by market transactions.

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**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

NOTES TO FINANCIAL STATEMENTS

NOTE 14: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2022 are available for the following purposes or periods:

Amounts restricted by time or purpose	
Private grants	\$ 40,374
Government grants	<u>125,044</u>
Subtotal	165,418
Amounts with perpetual donor restrictions	
Investment held in perpetuity	<u>-</u>
Total	\$ <u>165,418</u>

NOTE 15: NET ASSETS RELEASED FROM RESTRICTIONS

During 2022, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes, the passage of time, or by occurrence of other events satisfying restrictions specified by donors as follows:

Passage of time:	
Pledges received	\$ 95,625
Private grant revenue recognition	<u>40,374</u>
Total	\$ <u>135,999</u>

NOTE 16: OPERATING LEASES

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

For the year ended December 31, 2022, total operating lease costs were \$0. The operating lease agreement was signed at the end of October 2022; however, the leased asset was not delivered to the Organization until mid-December 2022 due to supply issues. The Organization's first lease payment was not due until February 2023. The Organization was required to recognize the right to use the asset as of the year ended December 31, 2022 by recognizing the present value of future minimum lease payments.

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**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

NOTES TO FINANCIAL STATEMENTS

NOTE 16: OPERATING LEASES (CONTINUED)

As stated in Note 2, the Organization made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The discount rate applied to calculate lease liabilities as of December 31, 2022, was 4.09%. The remaining lease term for the Organization's operating leases was approximately 5 years.

Future maturities of lease liabilities are presented in the following table, for the fiscal years ending December 31:

2023	\$ 1,863
2024	2,476
2025	2,476
2026	2,476
2027	2,476
Thereafter	<u>824</u>
Subtotal	12,997
Less present value discount:	<u>(1,319)</u>
Total lease liabilities	<u>11,678</u>

NOTE 17: HHAP REPORT RECONCILIATION

The supplemental schedule "HHAP Operating Budget to Actual Report" for the year ended December 31, 2022 is supplementary information required by the Homeless Housing and Assistance Corporation. This schedule omits certain items of revenue and expense which are included in the total revenues and functional expenses of the Organization. The detail required to reconcile this schedule to the Statement of Activities is as follows:

REVENUE

Total revenue per HHAP report	\$ 3,629,752
Less: net loss on investments	<u>(132,243)</u>
Total revenue per statement of activities	<u>\$ 3,497,509</u>

EXPENSES

Total expenses per HHAP report	\$ 3,300,407
Plus: Depreciation expense	<u>273,612</u>
Total expenses per statement of functional expenses	<u>\$ 3,574,019</u>

See independent auditors' report

**YWCA OF BINGHAMTON AND
BROOME COUNTY, NY, INC.**

NOTES TO FINANCIAL STATEMENTS

NOTE 18: LONG-TERM DEBT

Long-term debt as of December 31, 2022 consists of the following:

Mortgage payable to Supportive Housing Solutions LLC for acquisition and construction of new property, at an interest rate of 6% and matures either when construction is complete or 36 months, whichever is earliest.

	\$450,000
Less: current portion	<u>-</u>
Total long-term debt	<u><u>\$ 450,000</u></u>

The following are maturities of long-term debt for each of the next five years:

2023	\$ -
2024	-
2025	450,000
2026	-
2027	-
	<u><u>\$ 450,000</u></u>

See independent auditors' report

SUPPLEMENTARY INFORMATION

YWCA OF BINGHAMTON AND BROOME COUNTY, NY, INC.

HHAP OPERATING BUDGET TO ACTUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

HOMELESS HOUSING AND ASSISTANCE CORPORATION BUDGET TO ACTUAL REPORT

Sponsor Name: YWCA of Binghamton and Broome County
 Project ID: 2000-003
 HHAC Contract #: HC00571
 Fiscal Year: December 31, 2022
 Site Address: 80 Hawley Street Binghamton, NY 13901

EXPENSES	Budgeted	Actual	Difference	Projected Budget
Water & Sewer Tax	\$ 25,995	\$ 47,920	\$ 21,925	\$ 12,587
Fire/Liability/Other Insurance	34,623	44,501	9,878	23,235
Utilities	30,223	54,732	24,509	57,142
Repairs and Maintenance	45,723	59,074	13,351	10,774
Legal and Accounting	22,195	29,452	7,257	27,111
Miscellaneous - Security	55,000	57,068	2,068	11,053
Replacement Reserve	-	-	-	5,000
Operating Reserve	-	-	-	5,000
Maintenance Payroll	75,000	78,706	3,706	44,841
Support Services Payroll	1,745,592	2,119,971	374,379	610,791
Food	36,500	43,795	7,295	12,905
Program Admin Costs	71,884	166,082	94,198	35,395
Other Program Costs	385,283	582,216	196,933	81,914
Debt Service	-	16,890	16,890	-
Total expenses	<u>2,528,018</u>	<u>3,300,407</u>	<u>772,389</u>	<u>937,748</u>
REVENUES	Budgeted	Actual	Difference	Projected Budget
Total HHAP Unit Rents	\$ 501,700	\$ 579,418	\$ 77,718	\$ 361,357
Program Income:				585,336
Housing Grants	1,255,955	2,191,626	935,671	
Childcare Program Revenue	427,520	464,789	37,269	-
Fundraising/Special Events	55,000	12,441	(42,559)	-
United Way Funding	87,000	83,349	(3,651)	-
Private Grants/Contributions	232,200	297,003	64,803	-
Other Miscellaneous	-	1,126	1,126	-
Total revenues	<u>2,559,375</u>	<u>3,629,752</u>	<u>1,070,377</u>	<u>946,693</u>
Net income (loss)	<u>\$ 31,357</u>	<u>\$ 329,345</u>	<u>\$ 297,988</u>	<u>\$ 8,945</u>

See accompanying notes and independent auditors' report

YWCA OF BINGHAMTON AND BROOME COUNTY, NY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>
U.S. DEPARTMENT OF THE TREASURY:			
Pass Through Federal Programs:			
City of Binghamton:			
COVID-19 Funding - Coronavirus State and Local Fiscal Recovery Funds	21.027		\$ 500,000
Total U.S. Department of the Treasury			<u>500,000</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Pass Through Federal Programs:			
New York State Office of Children and Family Services:			
CCDF Cluster			
Child Care and Development Block Grant	93.575		43,354
Sub-total CCDF Cluster			<u>43,354</u>
Total U.S. Department of Health and Human Services			<u>43,354</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:			
Direct Federal Programs:			
Continuum of Care Program	14.267		214,373
Sub-total Continuum of Care Program			<u>214,373</u>
Pass Through Federal Programs:			
City of Binghamton:			
Emergency Solutions Grants Program	14.231		229,913
Sub-total Emergency Solutions Grants Program			<u>229,913</u>
Total U.S. Department of Housing and Urban Development			<u>444,286</u>
U.S. DEPARTMENT OF HOMELAND SECURITY:			
Direct Federal Programs:			
Emergency Food and Shelter National Board Program	97.024		16,549
Total U.S. Department of Homeland Security			<u>16,549</u>
U.S. DEPARTMENT OF AGRICULTURE:			
Pass Through Federal Programs:			
New York State Department of Health:			
Child and Adult Care Food Program (CACFP)	10.558		43,119
Total U.S. Department of Agriculture			<u>43,119</u>
Total Expenditures of Federal Awards			<u>\$ 1,047,308</u>

See notes to schedule of expenditures of federal awards

NOTES TO SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS

NOTE 1: BASIS OF PRESENTATION:

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the Organization under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. Because the Schedule presents only a selected portion of the operations 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.

NOTE 2: SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES:

The basis of accounting for expenditures varies by the federal program consistent with the underlying regulations pertaining to each program. 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.

Federal awards that are included in the Schedule may be received directly from federal agencies, as well as federal awards passed through from other government agencies.

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. Certain of the Organization's federal award programs have been charged with indirect costs, based upon an established rate applied to overall expenditures. There is no other indirect cost allocation plan in effect.

Matching costs (the Organization's share of certain program costs) are included in the reported expenditures.

The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the Organization's financial reporting system.

NOTE 3: SUBRECIPIENTS:

No amounts were provided to subrecipients.

NOTE 4: OTHER DISCLOSURES:

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value and is covered by the Organization's casualty insurance policies.

There were no loans or loan guarantees outstanding at year-end.

**YWCA OF BINGHAMTON AND
BROOME COUNTY. NY, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Section I - Summary of Independent Auditors' Results

Financial Statements

Type of auditors' report issued on whether
The financial statements were prepared in
accordance with GAAP: unmodified

	<u>Yes</u>	<u>No</u>	
Internal Control over Financial Reporting			
Material weaknesses identified?	_____	____ <u>X</u>	
Significant deficiencies identified?	_____	____ <u>X</u>	none reported
 Noncompliance material to financial statements noted?	 _____	 ____ <u>X</u>	

Federal Awards

Internal control over major programs:

Material weaknesses identified?	_____	____ <u>X</u>	
Significant deficiencies identified?	_____	____ <u>X</u>	none reported

Type of auditors' report issued on compliance
for major programs: unmodified

Any audit findings disclosed that are required
to be reported in accordance with
2 CFR 200.516(a)?

_____	____ <u>X</u>
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Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds

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

Auditee qualified as low-risk auditee?	_____	____ <u>X</u>
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Section II - Financial Statement Findings: No matters were reported.

Section III - Federal Award Findings and Questioned Costs: No Matters were reported.

VIEIRA & ASSOCIATES CPAs, P.C.

John B. Burtis, CPA*
Scott M. Hotalen, CPA
*Also Licensed in Pennsylvania

Cheryl DiStefano, CPA
Patrick J. Price, CPA, CVA
Nicole R. Mayers, CPA

REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS IN ACCORDANCE WITH THE UNIFORM GUIDANCE

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
YWCA of Binghamton and
Broome County, NY, Inc.
80 Hawley Street
Binghamton, NY 13901

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited YWCA of Binghamton and Broome County, NY, Inc.'s compliance with the types of compliance requirements described in the **OMB Compliance Supplement** that could have a direct and material effect on each of YWCA of Binghamton and Broome County, NY, Inc.'s major federal programs for the year ended December 31, 2022. YWCA of Binghamton and Broome County, NY, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, YWCA of Binghamton and Broome County, NY, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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.

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We are required to be independent of YWCA of Binghamton and Broome County, NY, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of YWCA of Binghamton and Broome County, NY, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to YWCA of Binghamton and Broome County, NY, Inc.'s federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on YWCA of Binghamton and Broome County, NY, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about YWCA of Binghamton and Broome County, NY, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding YWCA of Binghamton and Broome County, NY, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of YWCA of Binghamton and Broome County, NY, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of YWCA of Binghamton and Broome County, NY, 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.

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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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of YWCA of Binghamton and Broome County, NY, Inc. as of and for the year ended December 31, 2022, and have issued our report thereon dated August 1, 2023, which contained an unmodified opinion on those financial statements. 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 is presented for purposes of additional analysis as required by the Uniform Guidance 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.

Vieira & Associates CPAs, P.C.

August 1, 2023
Endicott, New York