

**YWCA OF GLENDALE  
FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020**



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**YWCA OF GLENDALE  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
YWCA of Glendale  
Glendale, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of YWCA of Glendale (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of YWCA of Glendale as of June 30, 2020, 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.

**Other Matters**

The summarized comparative information has been derived from YWCA of Glendale's 2019 financial statements and in our report dated November 27, 2019, we expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, 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 November 2, 2020 on our consideration of YWCA of Glendale's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 YWCA of Glendale's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering YWCA of Glendale's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Los Angeles, California  
November 2, 2020

**YWCA OF GLENDALE**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2020**  
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2019)

	2020	2019
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 596,391	\$ 130,726
Grants Receivable	215,190	399,395
Prepaid Expenses	34,267	29,372
Investments	177,621	312,838
Property and Equipment, Net	1,015,048	787,122
Total Assets	\$ 2,038,517	\$ 1,659,453
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 54,948	\$ 57,388
Accrued Vacation	46,066	42,514
PPP Loan	310,810	-
Note Payable	434,072	238,433
Mortgage Payable	235,515	257,977
Line of Credit	-	38,000
Total Liabilities	1,081,411	634,312
<b>NET ASSETS</b>		
Without Donor Restrictions	811,306	875,924
With Donor Restrictions	145,800	149,217
Total Net Assets	957,106	1,025,141
Total Liabilities and Net Assets	\$ 2,038,517	\$ 1,659,453

See accompanying Notes to Financial Statements.

**YWCA OF GLENDALE**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2020**  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	Without Donor Restrictions	With Donor Restrictions	2020	2019
<b>REVENUES AND OTHER SUPPORT</b>				
Government Grants	\$ 1,799,583	\$ -	\$ 1,799,583	\$ 1,456,063
Contributions and Foundation Grants	106,221	330,601	436,822	462,708
Rental Income	229,864	-	229,864	244,626
Donated Services and Materials	61,738	-	61,738	79,480
Special Events (Net of Expenses of \$2,075)	26,877	-	26,877	32,002
Program Fees	19,995	-	19,995	36,394
Interest and Dividends	126	-	126	13,897
Gain on Investments	14,783	-	14,783	1,551
Restriction Satisfied by Program Expenditures	334,018	(334,018)	-	-
Total Revenues and Other Support	<u>2,593,205</u>	<u>(3,417)</u>	<u>2,589,788</u>	<u>2,326,721</u>
<b>EXPENSES</b>				
Program Services	1,997,927	-	1,997,927	1,638,758
Management and General	535,576	-	535,576	604,001
Fundraising	124,320	-	124,320	154,383
Total Expenses	<u>2,657,823</u>	<u>-</u>	<u>2,657,823</u>	<u>2,397,142</u>
<b>CHANGE IN NET ASSETS</b>	(64,618)	(3,417)	(68,035)	(70,421)
Net Assets - Beginning of Year	<u>875,924</u>	<u>149,217</u>	<u>1,025,141</u>	<u>1,095,562</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 811,306</u>	<u>\$ 145,800</u>	<u>\$ 957,106</u>	<u>\$ 1,025,141</u>

See accompanying Notes to Financial Statements.

**YWCA OF GLENDALE**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2020**  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	Program Services	Supporting Services		2020	2019
		Management and General	Fundraising		
Salaries	\$ 1,173,692	\$ 280,539	\$ 49,898	\$ 1,504,129	\$ 1,268,101
Employee Benefits	92,988	20,616	2,568	116,172	100,434
Payroll Taxes	105,552	24,194	3,351	133,097	116,032
Total Salary Related Expenses	<u>1,372,232</u>	<u>325,349</u>	<u>55,817</u>	<u>1,753,398</u>	<u>1,484,567</u>
Professional Services	48,353	104,753	44,718	197,824	218,685
Program Expense	197,925	-	-	197,925	173,387
Occupancy	112,073	15,875	1,883	129,831	119,908
Office Expense	60,100	21,331	8,557	89,988	64,468
In-Kind Expenses	52,846	-	8,892	61,738	79,480
Insurance	11,797	23,595	907	36,299	46,504
Travel and Meetings	27,753	2,306	440	30,499	33,638
Marketing and Events	10,002	10,753	1,815	22,570	45,576
Office Equipment	12,259	5,198	181	17,638	24,613
Interest Expense	9,746	5,444	61	15,251	14,854
Expenses Before Depreciation	<u>1,915,086</u>	<u>514,604</u>	<u>123,271</u>	<u>2,552,961</u>	<u>2,305,680</u>
Depreciation	<u>82,841</u>	<u>20,972</u>	<u>1,049</u>	<u>104,862</u>	<u>91,462</u>
Total Expenses 2020	<u>\$ 1,997,927</u>	<u>\$ 535,576</u>	<u>\$ 124,320</u>	<u>\$ 2,657,823</u>	
Total Expenses 2019	<u>\$ 1,638,758</u>	<u>\$ 604,001</u>	<u>\$ 154,383</u>		<u>\$ 2,397,142</u>

See accompanying Notes to Financial Statements.

**YWCA OF GLENDALE**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2020**  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (68,035)	\$ (70,421)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	104,862	91,462
Amortization of Note Payable	(28,620)	(10,367)
Gain on Investments	(14,783)	(1,551)
(Increase) Decrease in Assets:		
Grants Receivable	184,205	(32,828)
Prepaid Expenses	(4,895)	(21,601)
Increase (Decrease) in Liabilities:		
Accounts Payable	(2,440)	(784)
Accrued Liabilities	3,552	(41,909)
Unearned Revenue	-	(7,354)
Net Cash Provided (Used) by Operating Activities	173,846	(95,353)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property and Equipment	(332,788)	(417,113)
Purchase of Investments	-	(13,897)
Sale of Investments	150,000	3,427
Net Cash Used by Investing Activities	(182,788)	(427,583)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings on Note Payable	224,259	248,800
Principal Payments on Mortgage Payable	(22,462)	(21,394)
Proceeds from Borrowings on Line of Credit	-	150,000
Payments to Line of Credit	(38,000)	(112,000)
Proceeds from PPP Loan	310,810	-
Net Cash Provided by Financing Activities	474,607	265,406
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	465,665	(257,530)
Cash and Cash Equivalents - Beginning of Year	130,726	388,256
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 596,391	\$ 130,726
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Cash Paid During the Year:		
Interest	\$ 15,251	\$ 14,854

See accompanying Notes to Financial Statements.



**YWCA OF GLENDALE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 1 ORGANIZATION**

YWCA of Glendale (a nonprofit organization) is dedicated to eliminating racism, empowering women, and promoting peace, justice, freedom, and dignity for all. YWCA of Glendale's purpose is to ensure the health, safety, and economic empowerment of women, children, and families and to strengthen communities to prevent and break the cycle of domestic violence. YWCA of Glendale provides resources and support to survivors of domestic violence and their children and through our education and prevention efforts we empower women, girls, and families to build healthy relationships, achieve self-sufficiency, and live free from violence.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements of YWCA of Glendale have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. These standards require that the Foundation report information regarding its financial position and activities according to three classes of net assets: net assets without donor restrictions, net assets with donor restrictions, and net assets perpetual in nature.

**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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restriction when the assets are placed in service. 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.

We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as Net Assets Released from Restrictions.

**YWCA OF GLENDALE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Grants Receivable**

YWCA of Glendale closely monitors outstanding grants receivable and charges off to expense any balances that are determined to be uncollectible. At June 30, 2020, YWCA of Glendale considered all remaining grants receivable to be fully collectible. Accordingly, there was no allowance for doubtful accounts. All amounts are collectible within one year and no discount considerations are required.

**Cash and Cash Equivalents**

Cash and cash equivalents include all funds in banks and highly liquid investments in other financial institutions, with initial maturity of three months or less.

**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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with YWCA of Glendale's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

**Concentration of Credit Risk**

YWCA of Glendale maintains its cash and cash equivalents in bank deposit and other investment accounts which may, at times, exceed federally insured limits. YWCA of Glendale has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents. At June 30, 2020, cash in bank exceeded the FDIC limit.

The primary receivable balance outstanding at June 30, 2020 consists of government contract receivables due from state, and federal granting agencies. Concentration of credit risks with respect to trade receivables are limited, as the majority of YWCA of Glendale's receivables consist of earned fees from contract programs granted by governmental agencies.

**Donated Services and Materials**

Consistent with accounting principles generally accepted in the United States of America, YWCA of Glendale recognizes as support only those donated services which create or enhance nonfinancial assets or which require specialized skills which YWCA of Glendale would otherwise have paid for. Donated materials and rent are recognized as contributions at their fair values at the date of donation.

A substantial number of volunteers have contributed significant amounts of time to YWCA of Glendale's program services. The services contributed are not reflected in the accompanying financial statements as an expense or as income from contributions, as such services do not meet the criteria for recognition under accounting principles generally accepted in the United States of America.

**YWCA OF GLENDALE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Contributions**

In accordance with accounting principles generally accepted in the United States of America, contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor limitations on the use of the support. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

YWCA of Glendale recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. A portion of YWCA of Glendale revenue is derived from cost reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when YWCA of Glendale has incurred expenditures in compliance with specific contract or grant provisions. YWCA of Glendale received cost reimbursable grants of \$589,632 that have not been recognized at June 30, 2020 because qualifying expenditures have not yet been incurred, with no advance payments received or recognized in the statement of financial position as deferred revenue.

**Functional Allocation of Expenses**

The costs of providing the program and the supporting services have been summarized on a functional basis in the statement of activities, and in the statement of functional expenses. Accordingly, certain costs, such as occupancy, have been allocated between programs and supporting services by square footage of usage. Salaries and benefits have been allocated based upon time and effort.

**Investments**

Investments in marketable equity securities and mutual funds with readily determinable fair values are stated at fair value. Realized and unrealized gains and losses, and interest and dividends on investments are reflected in the statement of activities as increases in net assets without donor restrictions unless restricted by donor or by law.

**Income Taxes**

YWCA of Glendale is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 2370(1)(d) of the California Revenue and Taxation Code; therefore, no provision has been made for income taxes.

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. YWCA of Glendale recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management of YWCA of Glendale does not believe the financial statements include any uncertain tax positions.

**YWCA OF GLENDALE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures 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.

**Property and Equipment**

Property and equipment are recorded at historical cost and are being depreciated using the straight-line method over the estimated useful life of the assets. The following lives have been assigned:

Furniture and Fixtures	Up to 10 Years
General Office Equipment	5 Years
Computer Hardware and Peripherals	3 to 5 Years
Computer Software	3 Years
Vehicles	5 Years
Leased Assets	Life of Lease
Leasehold Improvements	Remaining Lease Term

Expenditures for maintenance, repairs, and renewals of minor items are charged to expense as incurred. Major renewals and improvements are capitalized. Property and equipment are capitalized if the cost of an asset is greater than or equal to \$500 and the useful life is greater than one year. Other equipment and improvements are capitalized if the cost of an asset is greater than or equal to \$1,000 with a life expectancy of five years or more. Upon disposition, the cost and related accumulated depreciation are removed from the accounts and the resulting gain or loss is reflected in operations for the period.

**Change in Accounting Principle**

In 2019, the Organization adopted Financial Accounting Standards Board's Accounting Standard (ASU) 2018-08, *Accounting Guidance for Contributions Received and Made*. This ASU was issued to clarify accounting guidance for contributions received and contributions made. The amendments to this ASU assists entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, *Not-for-Profit Entities*, or as an exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional.

**Subsequent Events**

Management has evaluated subsequent events through November 2, 2020, the date the financial statements were available to be issued.

**YWCA OF GLENDALE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Risks and Uncertainties**

The World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic in March 2020. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the Organization, COVID19 may impact various parts of its 2021 operations and financial results, including grants. Management believes the Organization is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.

**NOTE 3 LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and Cash Equivalents	\$ 450,591
Grants Receivable	215,190
Operating Investments	<u>177,621</u>
Total	<u><u>\$ 843,402</u></u>

As part of YWCA of Glendale's liquidity management plan, cash in excess of daily requirements is invested in short-term investments and money market funds.

**NOTE 4 GRANTS RECEIVABLE**

Grants receivable consist of the following:

Government Grants	\$ 193,245
Foundation Grants	6,945
Total Grants Receivable	<u><u>\$ 200,190</u></u>

**YWCA OF GLENDALE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 5 INVESTMENTS AND FAIR VALUE MEASUREMENTS**

Investments at June 30, 2020 consist of the following:

Common Investment Pool	<u>\$ 177,621</u>
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Accounting principles generally accepted in the United States of America define fair value, establishes a framework for measuring fair value, and expands disclosure about fair value measurements. This standard provides a consistent definition of fair value which focuses on an exit price between market participants in an orderly transaction, prioritizes the use of market based information over entity specific information and establishes a three-level hierarchy for fair value measurements based on the transparency of information used in the valuation of an asset or liability as of the measurement date.

Fair values determined by Level 1 inputs utilize quoted prices in active markets for identical assets. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset and include situations where there is little, if any market activity for the asset.

The fair values of assets measured on a recurring basis at June 30, 2020 are as follows:

	Fair Value	Level 1	Level 2	Level 3
Common Investment Pool	<u>\$ 177,621</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 177,621</u>

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

**NOTE 6 PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

Buildings	\$ 2,846,565
Computer and Equipment	197,198
Furniture and Fixtures	53,795
Land	78,549
Auto and Trucks	25,000
Subtotal	3,201,107
Less: Accumulated Depreciation	(2,186,059)
Property and Equipment, Net	<u>\$ 1,015,048</u>

**YWCA OF GLENDALE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 7 CAPITAL IMPROVEMENT LIABILITY**

During the fiscal year ended June 30, 2020, YWCA of Glendale received a second grant from the City of Glendale in the amount of \$224,413 aside from the \$248,800 grant awarded during fiscal year ended June 30, 2019 for the replacement of the ADA ramp and fire sprinkler system of its building. Under the terms of the grants, YWCA of Glendale is to own, operate, and use the facility for public service activities for a period not less than 120 months. The grants are secured by a deed of trust for the full amounts with the power to sell in favor of the City of Glendale. The City of Glendale's interest is amortized on a straight-line basis at a rate of 0.83% per month for the 120 months commencing at the completion of the construction of the improvements. When YWCA of Glendale has fully complied with the 120-month provision, the City of Glendale's interest shall be zero and it will return the deed of trust. If YWCA of Glendale ceases to own or operate the facility for public service activities as intended, the City of Glendale's remaining interest must be paid in full. YWCA of Glendale has recorded both grants as a notes payable, which are reduced by the amortization of the City of Glendale's interest at the rate stated above. The amortizations are recorded as revenue each year. Amortization recorded for the year ended June 30, 2020 was \$28,620.

**NOTE 8 MORTGAGE PAYABLE**

YWCA of Glendale entered into a mortgage payable with Citizens Business Bank. The loan matures in October 2028 and is secured by real property. The loan is payable in monthly installments of \$2,892, with interest payable at 4.85% per annum. The agreement contains certain covenants which were in compliance during the year ended June 30, 2020. The balance owed at June 30, 2020 was \$235,515. For the year ended June 30, 2020, interest expense was \$15,251.

Future minimum payments on the mortgage payable at June 30, 2020 are as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2021	\$ 23,549
2022	24,723
2023	25,956
2024	27,250
2025	28,608
Thereafter	105,429
Total	<u>\$ 235,515</u>

**YWCA OF GLENDALE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 9 PPP LOAN**

YWCA of Glendale received a loan in the amount of \$310,810 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan). The original loan agreement was written prior to the PPP Flexibility Act of 2020 (June 5) and was due over twenty-four months deferred for six months. Subsequent to this, the law changed the loan deferral terms retroactively. The PPP Flexibility Act and subsequent regulations supersede the loan agreement. The PPP Loan bears interest at a fixed rate of 1.0% per annum, has a term of two years, and is unsecured and guaranteed by the U.S. Small Business Administration. Payment of principal and interest is deferred until the date on which the amount of forgiveness is remitted to the lender or, if the Company fails to apply for forgiveness within 10 months after the covered period, then payment of principal and interest shall begin on that date. These amounts may be forgiven subject to compliance and approval based on the timing and use of these funds in accordance with the program.

**NOTE 10 CONTINGENCY**

YWCA of Glendale's grants and contracts are subject to inspection and audit by the appropriate governmental funding agency. The purpose is to determine whether program funds were used in accordance with the governmental funding agency's respective guidelines and regulations. The potential exists for disallowance of previously funded program costs or approval of income due to funding shifts. Liabilities, if any, which may result from any other governmental audits cannot be reasonably estimated and, accordingly, YWCA of Glendale has no provisions for the possible disallowance of any other program costs on its financial statements.

**NOTE 11 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes:

Program Services	<u>\$ 145,800</u>
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**NOTE 12 RETIREMENT PLAN**

YWCA of Glendale provides retirement benefits for eligible employees as a participating employer sponsor of the YWCA Retirement Fund, Inc. (the Fund), a multiemployer cash balance defined benefit plan. To participate in this plan, the employee must work for the YWCA of Glendale for 2 years and complete 1000 hours of work for both years. YWCA of Glendale will contribute an amount equal to 3% of the employee's gross monthly salary (excluding overtime) and the Fund will contribute an additional 1.2%. Upon reaching eligibility, employees will automatically be enrolled in this benefit.

Contributions to the Fund, which are included in employee benefits on the statement of functional expenses, amounted to \$13,931 for the year ended June 30, 2020. The actuarial present value of the benefit obligation and fair value plan assets are not available separately for each employee that participates in the plan.





**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors  
YWCA of Glendale  
Glendale, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of YWCA of Glendale (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 2, 2020.

**Internal Control Over Financial Reporting**

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

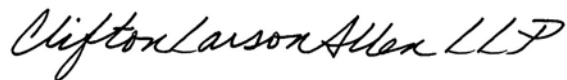
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control 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 Glendale’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



**CliftonLarsonAllen LLP**

Los Angeles, California  
November 2, 2020



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

Board of Directors  
YWCA of Glendale  
Glendale, California

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

We have audited YWCA of Glendale's (a nonprofit organization) 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 Glendale's major federal programs for the fiscal year ended June 30, 2020. YWCA of Glendale's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of YWCA of Glendale's major federal programs based on our audit of the types of compliance requirements referred to above. 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).

Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about YWCA of Glendale's compliance with these requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of YWCA of Glendale's compliance.

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

In our opinion, YWCA of Glendale complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

### **Report on Internal Control Over Compliance**

Management of YWCA of Glendale is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit of compliance, we considered YWCA of Glendale's internal control over compliance with requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness YWCA of Glendale's 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 the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This 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.

**Schedule of Expenditure of Federal Awards**

We have audited the financial statements of the YWCA of Glendale as of and for the year ended June 30, 2020, and have issued our report thereon dated November 2, 2020, 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.



**CliftonLarsonAllen LLP**

Los Angeles, California  
November 2, 2020

**YWCA OF GLENDALE  
SCHEDULES OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

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***Section I – Summary of Auditors’ Results***

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***Financial Statements***

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

***Federal Awards***

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes        x   no

***Identification of Major Federal Programs***

<b>CFDA Number(s)</b>	<b>Name of Federal Program or Cluster</b>
16.575	Crime Victim Assistance

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

Auditee qualified as low-risk auditee?   x   yes      \_\_\_\_\_ no

**YWCA OF GLENDALE  
SCHEDULES OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2020**

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***Section II – Financial Statement Findings***

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Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

**YWCA OF GLENDALE  
SCHEDULES OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2020**

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



**YWCA OF GLENDALE  
SCHEDULE OF EXPENDITURES OF FEDERAL AND NONFEDERAL AWARDS  
YEAR ENDED JUNE 30, 2020**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Contract Number	Governmental Expenditures		Program Expenditures from Governmental Revenue
			Federal	Nonfederal	
<b>FEDERAL AWARDS</b>					
<b>Department of Health and Human Services</b>					
Passed through County of Los Angeles					
Department of Public Social Service:					
Temporary Assistance for Needy Families Cluster	93.558	PH-003620	\$ 515,102	\$ -	\$ 515,102
Passed through County of Los Angeles					
Public Social Services Domestic Violence Unit:					
Community Services Block Grant	93.569	5DVD1366PP	81,725	-	81,725
<b>Department of Housing and Urban Development</b>					
Passed through the City of Glendale:					
CDBG/Entitlement Grants Cluster	14.218	G619233	224,413	-	224,413
Passed through the City of Glendale					
Domestic Violence Program:					
Emergency Solutions Grant Program	14.231	8000579	55,989	-	55,989
<b>Department of Justice</b>					
Passed through Calif. Emergency Mgt. Agency:					
Crime Victim Assistance	16.575	DV18158539	82,368	168,163	250,531
Crime Victim Assistance	16.575	DV19168539	210,746	203,936	414,682
Crime Victim Assistance	16.575	XC19021090	51,444	-	51,444
Crime Victim Assistance	16.575	XD18018539	184,108	-	184,108
Crime Victim Assistance	16.575	XD19028539	84,892	-	84,892
Crime Victim Assistance	16.575	COVID	12,691	-	12,691
			<u>626,249</u>	<u>372,099</u>	<u>998,348</u>
Passed through Calif. Emergency Mgt. Agency:					
Crime Victim Assistance	93.671	DV19168539	17,762	-	17,762
			<u>644,011</u>	<u>372,099</u>	<u>1,016,110</u>
Total Federal Awards			1,521,240	372,099	1,893,339
<b>NONFEDERAL AWARDS</b>					
County of Los Angeles:					
Domestic Violence Shelter-Based Program	N/A	PH-003582	-	74,138	74,138
Los Angeles Homeless Services Authority:					
Measure H Strategy	N/A	8000830	-	27,899	27,899
Total Nonfederal Awards			<u>-</u>	<u>102,037</u>	<u>102,037</u>
Total Federal and Nonfederal Awards			<u>\$ 1,521,240</u>	<u>\$ 474,136</u>	<u>\$ 1,995,376</u>

See accompanying Notes to Schedule of Expenditures of Federal and Nonfederal Awards.

**YWCA OF GLENDALE**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND NONFEDERAL AWARDS**  
**JUNE 30, 2020**

**NOTE 1 BASIS OF PRESENTATION**

The schedule of expenditures of federal awards includes contract activity of the Organization and is presented on the accrual basis of accounting, which is the same basis of accounting used in the preparation of the financial statements.

The information in this schedule is presented in accordance with the requirements of the Uniform Guidance and agrees with the amounts in the financial statements.

**NOTE 2 INDIRECT COST RATE**

The Organization has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

