

**Young Women's Christian  
Association Greater  
Pittsburgh and Subsidiaries**

Consolidated Financial Statements  
and Supplementary Information

Years Ended June 30, 2019 and 2018  
with Independent Auditor's Reports

**MaherDuessel**

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# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

YEARS ENDED JUNE 30, 2019 AND 2018

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# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

YEARS ENDED JUNE 30, 2019 AND 2018

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## Independent Auditor's Report

**Board of Directors  
Young Women's  
Christian Association  
Greater Pittsburgh  
and Subsidiaries**

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

We have audited the accompanying consolidated financial statements (financial statements) of the Young Women's Christian Association Greater Pittsburgh and Subsidiaries (YWCA), which comprise the consolidated balance sheets as of June 30, 2019 and 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the years 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.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 the YWCA as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As described in Note 2 to the financial statements, the YWCA adopted ASU 2016-14, *“Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities.”* Our opinion is not modified with respect to this matter.

### **Other Matters**

#### *Other Information*

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2020 on our consideration of the YWCA's internal control over financial reporting

and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the YWCA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the YWCA's internal control over financial reporting and compliance.

*Maher Duessel*

Pittsburgh, Pennsylvania  
January 31, 2020

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS

JUNE 30, 2019 AND 2018

	2019	2018
<b>Assets</b>		
Cash and cash equivalents	\$ 12,801,887	\$ 9,691,121
Accounts and grants receivable	706,698	633,758
Investments	32,463,517	32,793,044
Property and equipment, net	4,323,439	4,991,308
Trusts held by others	6,250,443	6,205,721
Other assets	38,461	40,734
	<b>\$ 56,584,445</b>	<b>\$ 54,355,686</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable and other liabilities	\$ 8,751,875	\$ 5,797,972
Note payable	650,000	650,000
	<b>9,401,875</b>	<b>6,447,972</b>
<b>Net Assets:</b>		
Without donor restrictions:		
Young Women's Christian Association Greater Pittsburgh and YW Homes	9,581,778	9,559,740
With donor restrictions	37,600,792	38,347,974
	<b>47,182,570</b>	<b>47,907,714</b>
	<b>\$ 56,584,445</b>	<b>\$ 54,355,686</b>

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

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION  
GREATER PITTSBURGH AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues, Public Support, and Investment Earnings:</b>			
Revenues and public support:			
Government and other contracts	\$ 68,994,817	\$ -	\$ 68,994,817
Contributions	-	1,113,582	1,113,582
Program fees	361,367	-	361,367
Rent and miscellaneous income	252,655	-	252,655
Total revenues and public support	69,608,839	1,113,582	70,722,421
Investment earnings (loss), net:			
Income (loss) from trusts held by others	271,436	44,722	316,158
Income (loss) from other investments	27,531	-	27,531
Net endowment income (loss)	1,195,982	(683,619)	512,363
Total investment earnings (loss), net	1,494,949	(638,897)	856,052
Total net assets released from restrictions	1,221,867	(1,221,867)	-
Total revenues, public support, and investment earnings	72,325,655	(747,182)	71,578,473
<b>Expenses:</b>			
Program services	70,964,699	-	70,964,699
Management and general	1,070,368	-	1,070,368
Fundraising	268,550	-	268,550
Total expenses	72,303,617	-	72,303,617
<b>Change in Net Assets</b>	22,038	(747,182)	(725,144)
<b>Net Assets:</b>			
Beginning of year	9,559,740	38,347,974	47,907,714
End of year	\$ 9,581,778	\$ 37,600,792	\$ 47,182,570

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

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION  
GREATER PITTSBURGH AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues, Public Support, and Investment Earnings:</b>			
Revenues and public support:			
Government and other contracts	\$ 68,921,828	\$ -	\$ 68,921,828
Contributions	27,566	1,120,630	1,148,196
Program fees	289,769	-	289,769
Rent and miscellaneous income	249,150	-	249,150
<b>Total revenues and public support</b>	<b>69,488,313</b>	<b>1,120,630</b>	<b>70,608,943</b>
Investment earnings (loss), net:			
Income (loss) from trusts held by others	257,591	206,772	464,363
Income from other investments	143,725	-	143,725
Net endowment income (loss)	1,110,891	1,339,233	2,450,124
<b>Total investment earnings (loss), net</b>	<b>1,512,207</b>	<b>1,546,005</b>	<b>3,058,212</b>
<b>Total net assets released from restrictions</b>	<b>1,444,586</b>	<b>(1,444,586)</b>	<b>-</b>
<b>Total revenues, public support, and investment earnings</b>	<b>72,445,106</b>	<b>1,222,049</b>	<b>73,667,155</b>
<b>Expenses:</b>			
Program services	71,169,873	-	71,169,873
Management and general	448,820	-	448,820
Fundraising	466,233	-	466,233
<b>Total expenses</b>	<b>72,084,926</b>	<b>-</b>	<b>72,084,926</b>
<b>Change in Net Assets</b>	<b>360,180</b>	<b>1,222,049</b>	<b>1,582,229</b>
<b>Net Assets:</b>			
Beginning of year	9,199,560	37,125,925	46,325,485
End of year	\$ 9,559,740	\$ 38,347,974	\$ 47,907,714

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

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION  
GREATER PITTSBURGH AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

JUNE 30, 2019

	Child Care	Health and Wellness	Women's Resource Center	Teen Services	Housing	Center for Race & Gender Equity	YW Homes	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
<b>Direct expenses:</b>												
Salaries	\$ 3,570,178	\$ 7,881	\$ 121,425	\$ 222,325	\$ 114,673	\$ 107,228	\$ 5,381	\$ 4,149,091	\$ 570,598	\$ 130,840	\$ 701,438	\$ 4,850,529
Employee health and retirement benefits	757,872	1,717	16,900	22,516	36,200	9,362	730	845,297	118,186	12,294	130,480	975,777
Payroll taxes	292,590	657	10,461	18,849	9,439	8,906	387	341,289	46,400	10,682	57,082	398,371
<b>Total direct expenses</b>	<b>4,620,640</b>	<b>10,255</b>	<b>148,786</b>	<b>263,690</b>	<b>160,312</b>	<b>125,496</b>	<b>6,498</b>	<b>5,335,677</b>	<b>735,184</b>	<b>153,816</b>	<b>889,000</b>	<b>6,224,677</b>
Professional fees	1,647,302	-	10,851	60,933	9,605	2,179	18,368	1,749,238	442,885	20,577	463,462	2,212,700
Supplies	169,514	168	5,710	60,641	29,331	2,269	248	267,881	31,213	3,583	34,796	302,677
Telephone	93,517	1,032	5,688	3,407	5,192	2,083	-	110,919	112,169	2,059	114,228	225,147
Postage and shipping	33,828	-	575	165	413	124	49	35,154	2,843	1,160	4,003	39,157
Occupancy	512,775	100	31,382	18,063	17,230	4,806	48,277	632,633	67,324	7,182	74,506	707,139
Rental and maintenance equipment	49,803	-	1,211	12,556	791	201	14,846	79,408	42,859	1,542	44,401	123,809
Printing and publications	4,169	-	5,136	249	-	300	-	9,854	9,402	3,838	13,240	23,094
Travel	39,572	-	542	4,246	5,857	111	103	50,431	16,379	-	16,379	66,810
Conferences and meetings	34,214	-	18	9,489	-	391	-	44,112	14,745	38,887	53,632	97,744
Membership in other organizations	878	-	-	79	-	-	-	957	2,775	-	2,775	3,732
Support to national organizations	-	-	-	-	-	-	-	-	40,000	-	40,000	40,000
Specific assistance	60,932,230	-	46,925	-	508,931	-	-	61,488,086	-	-	-	61,488,086
Taxes	-	-	-	-	-	-	-	-	21,421	-	21,421	21,421
Interest	191	-	-	64	-	-	-	255	736	-	736	991
Reduction in building value due to appraisal	-	-	-	-	-	-	-	-	259,852	-	259,852	259,852
Loss on disposal of fixed assets	-	-	-	-	-	-	-	-	96,360	-	96,360	96,360
Miscellaneous	4,076	-	38	6	-	-	90	4,210	36,073	1,730	37,803	42,013
Depreciation	28,624	-	-	1,547	-	-	19,043	49,214	278,679	315	278,994	328,208
Management and general - allocation	943,608	2,357	30,337	63,512	33,079	20,589	13,188	1,106,670	(1,140,531)	33,861	(1,106,670)	-
<b>Total expenses</b>	<b>\$ 69,114,941</b>	<b>\$ 13,912</b>	<b>\$ 287,199</b>	<b>\$ 498,647</b>	<b>\$ 770,741</b>	<b>\$ 158,549</b>	<b>\$ 120,710</b>	<b>\$ 70,964,699</b>	<b>\$ 1,070,368</b>	<b>\$ 268,550</b>	<b>\$ 1,338,918</b>	<b>\$ 72,303,617</b>

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

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION  
GREATER PITTSBURGH AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

JUNE 30, 2018

	Child Care	Health and Wellness	Women's Resource Center	Teen Services	Housing	Center for Race & Gender Equity	YW Homes	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
<b>Direct expenses:</b>												
Salaries	\$ 3,570,982	\$ 5,530	\$ 260,617	\$ 197,948	\$ 147,043	\$ 98,783	\$ 10,405	\$ 4,291,308	\$ 937,259	\$ 83,664	\$ 1,020,923	\$ 5,312,231
Employee health and retirement benefits	952,054	971	48,431	20,066	43,798	15,188	804	1,081,312	190,261	12,943	203,204	1,284,516
Payroll taxes	324,544	536	23,773	19,954	12,891	8,749	756	391,203	83,049	8,119	91,168	482,371
<b>Total direct expenses</b>	<b>4,847,580</b>	<b>7,037</b>	<b>332,821</b>	<b>237,968</b>	<b>203,732</b>	<b>122,720</b>	<b>11,965</b>	<b>5,763,823</b>	<b>1,210,569</b>	<b>104,726</b>	<b>1,315,295</b>	<b>7,079,118</b>
Professional fees	1,532,448	-	73,367	76,674	5,262	-	5,000	1,692,751	219,027	88,580	307,607	2,000,358
Supplies	135,534	609	11,030	58,390	51,876	6,298	1,191	264,928	53,350	16,591	69,941	334,869
Telephone	106,355	899	8,706	3,402	5,583	2,157	-	127,102	114,156	2,757	116,913	244,015
Postage and shipping	40,192	-	1,094	242	145	113	3	41,789	3,660	1,019	4,679	46,468
Occupancy	567,318	107	32,096	19,009	10,821	5,128	50,025	684,504	92,167	7,781	99,948	784,452
Rental and maintenance equipment	101,418	-	2,036	10,375	644	-	13,283	127,756	73,099	495	73,594	201,350
Printing and publications	6,182	-	25,718	300	-	986	-	33,186	11,767	45,977	57,744	90,930
Travel	44,199	-	2,889	4,943	8,370	571	-	60,972	7,236	337	7,573	68,545
Conferences and meetings	21,160	-	4,335	14,232	-	1,285	-	41,012	9,233	121,916	131,149	172,161
Membership in other organizations	2,129	-	-	95	-	150	-	2,374	3,883	-	3,883	6,257
Support to national organizations	-	-	-	-	-	-	-	-	39,750	-	39,750	39,750
Specific assistance	60,044,547	-	40,713	-	558,696	-	-	60,643,956	-	-	-	60,643,956
Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Interest	37	-	-	-	-	-	-	37	1,657	-	1,657	1,694
Reduction in building value due to appraisal	-	-	-	-	-	-	-	-	-	-	-	-
Loss on disposal of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	12,497	-	54	27	-	9	98	12,685	17,897	1,599	19,496	32,181
Depreciation	42,009	-	3,616	1,547	-	-	18,194	65,366	273,142	314	273,456	338,822
Management and general - allocation	1,319,055	1,721	96,490	86,261	57,615	28,742	17,748	1,607,632	(1,681,773)	74,141	(1,607,632)	-
<b>Total expenses</b>	<b>\$ 68,822,660</b>	<b>\$ 10,373</b>	<b>\$ 634,965</b>	<b>\$ 513,465</b>	<b>\$ 902,744</b>	<b>\$ 168,159</b>	<b>\$ 117,507</b>	<b>\$ 71,169,873</b>	<b>\$ 448,820</b>	<b>\$ 466,233</b>	<b>\$ 915,053</b>	<b>\$ 72,084,926</b>

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

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION  
GREATER PITTSBURGH AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF CASH FLOWS

JUNE 30, 2019 AND 2018

	2019	2018
<b>Cash Flows From Operating Activities:</b>		
Change in net assets	\$ (725,144)	\$ 1,582,229
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	328,208	338,822
Net depreciation (appreciation) in fair value of investments and trusts held by others	71,545	(11,270,501)
Reduction in building value	259,852	-
Loss (gain) on disposal of fixed assets	96,360	-
Change in:		
Accounts and grants receivable	(72,940)	371,993
Accounts payable and other liabilities	2,953,903	(72,876)
Other assets	2,273	(14,125)
Total adjustments	3,379,349	(10,646,687)
Net cash provided by (used in) operating activities	2,654,205	(9,064,458)
<b>Cash Flows From Investing Activities:</b>		
Purchase of property and equipment	(16,552)	(37,496)
Proceeds from sale of investments	13,552,929	25,422,761
Purchase of investments	(13,079,816)	(17,421,437)
Net cash provided by (used in) investing activities	456,561	7,963,828
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	3,110,766	(1,100,630)
<b>Cash and Cash Equivalents:</b>		
Beginning of year	9,691,121	10,791,751
End of year	\$ 12,801,887	\$ 9,691,121

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

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2019 AND 2018

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### 1. Organization

The Young Women's Christian Association Greater Pittsburgh (YWCA) is a non-profit corporation whose focus is to provide support, counseling, and guidance to women of all ages, from adolescence through retirement. The YWCA has programs to support and empower women so they can make a difference and "realize all the possibilities" that life has to offer them. The YWCA has one imperative: to eliminate racism.

The YWCA is the sole member of YW Homes, Inc. (YW Homes). YW Homes was established to oversee and ensure that the provision of decent housing is affordable to low and moderate income individuals and their families residing in Pennsylvania, including the City of Pittsburgh or Allegheny County.

These consolidated financial statements (financial statements) include the financial position and results of activities of the YWCA and YW Homes. All significant intercompany accounts and transactions are eliminated in consolidation.

### 2. Summary of Significant Accounting Policies

#### Basis of Accounting

The financial statements of the YWCA have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this method of accounting, revenues are recognized when earned and expenses and losses are recognized when incurred.

#### Net Asset Classes

The YWCA's resources are classified for accounting and reporting purposes into two classes of net assets (with donor restrictions and without donor restrictions) established according to their nature and purpose.

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2019 AND 2018

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The assets, liabilities, and net assets of the YWCA are reported in net asset classes as follows:

Without Donor Restrictions - Used to accumulate all resources from operations without donor restrictions. This class represents the part of net assets of a not-for-profit organization that do not have donor restrictions.

With Donor Restrictions - Represents a portion of the net assets of the YWCA resulting from contributions and other inflows of assets whose use by the YWCA is limited by donor-imposed stipulations that can be fulfilled and removed by actions of the YWCA pursuant to those stipulations. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. When donor restrictions are met, 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. Endowment investments are donor restricted to be held in perpetuity. In the years ended June 30, 2019 and 2018, investment earnings available for distribution were released for use in the operations of the YWCA.

### Cash and Cash Equivalents

The YWCA considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The majority of cash and cash equivalents represents money market funds maintained in one financial institution located in Western Pennsylvania. Account balances at June 30, 2019 and 2018 exceeded the Federal Deposit Insurance Corporation limit. The YWCA believes it has placed these temporary cash investments with a high credit quality financial institution and does not believe it is exposed to any significant credit risk on its cash and cash equivalents.

### Accounts Receivable

Accounts receivable consist of amounts due under contracts and grants. Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with those individual agencies having outstanding balances and current relationships with them, it believes that realized losses on balances outstanding at year-end will be immaterial. Accordingly, no allowance is deemed necessary.

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2019 AND 2018

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### Pledges Receivable

Promises to give are recognized at their fair value as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

There were no conditional promises to give at June 30, 2019 and 2018.

### Fair Value Measurements

Generally accepted accounting principles in the United States of America establish a framework for measuring fair value. This framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value and requires enhanced disclosures about assets and liabilities carried at fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and lowest priority to unobservable inputs (Level 3 measurement).

The three levels of the fair value hierarchy under accounting principles generally accepted in the United States of America are:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date.

Level 2 - Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Where observable inputs are available, directly or indirectly, for substantially the full term of the asset or liability, the instrument is categorized in Level 2.

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2019 AND 2018

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Level 3 - Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

### Investment and Investment Risk

Investments are carried at fair value. Those investments received as gifts or donations are recorded at their fair value on the date received.

Gain or loss on sale of investments is calculated on the specific identification method based on the original cost of the investment.

The YWCA has investments in stocks, mutual funds, and other alternative investment securities. Investment securities are exposed to various risks, such as interest rate, and market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the consolidated balance sheets.

The YWCA has \$2,634,133 or 9% as of June 30, 2019 and \$2,674,053 or 8% as of June 30, 2018 invested in alternative investments. Alternative investments are less liquid than the YWCA's other investments. Included in investments are certain types of financial instruments, including, among others, futures and forward contracts, options and securities sold not yet purchased, intended to hedge against changes in the market value of investments. These financial instruments or funds, which involve varying degrees of risk, may result in loss due to changes in the market. However, the risk to the YWCA is limited to the amount of the YWCA's investment in each instrument.

### Property and Equipment

Buildings and equipment acquired are recorded at cost. The YWCA's policy is to capitalize equipment greater than \$500, computers, monitors, printers, scanners, and related items costing greater than \$500, building and leasehold improvements costing greater than \$1,500, and software greater than \$3,000. Depreciation is computed over the following estimated useful lives of the assets using the straight-line method:

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# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

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Buildings	40-45 years
Vehicles and equipment	3-10 years

Maintenance and repairs which are not considered to extend the useful lives of assets are charged to operations as incurred. Expenses for additions and improvements are capitalized. Upon sale or retirement, the cost of assets and related allowances are removed from the accounts and any resulting gains or losses are included in income (expense) for the year.

In accordance with accounting principles generally accepted in the United States of America, the YWCA's management reviews property and equipment for impairment based on the presence of operating losses or other indicators. For the year ended June 30, 2018, it was determined that there were no indicators present to require a review for impairment. For the year ended June 30, 2019, the YWCA determined their Homewood facility needed appraised. As such, an appraisal was done which resulted in the reduction in value of \$259,852 as shown on the statement of functional expenses.

### Trusts Held by Others

The YWCA is a beneficiary of several income trusts held by third parties. The YWCA has an irrevocable right to receive its portion designated by the trust agreements, of the income from the trusts' assets, which are held in perpetuity. The YWCA has valued its portion of the trusts based on its pro-rata share of the fair value of the assets held in each trust. The use of the income received from the trusts has not been restricted by the donors. Unrealized gains and losses are classified as increases or decreases in net assets with donor restrictions. The fair value of the charitable trusts is based on direct market-based prices and estimated as the present value of expected future cash inflows.

### Inventories

Inventories, which consist primarily of items and supplies, are valued at the lower of cost or net realizable value using the first-in, first-out method. Inventories are included in other assets in the accompanying consolidated balance sheets.

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

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### Compensated Absences

Employees of the YWCA are entitled to paid vacation depending on job classification, length of service, and other factors. Expenses for financial purposes are recognized for vacation when earned. The programs are charged for vacation expense when paid to the employee.

### Use of Estimates

The preparation of the 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 and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Allocation of Expenses

General and administrative expenses and the cost of various services applicable to more than one program are allocated to the individual programs based upon such factors as salary expense and space utilized. The allocation percentages are revised as considered necessary by management to result in a reasonable and equitable allocation of costs to the programs receiving the benefit.

Directly identifiable expenses are charged to programs and supporting services. Expenses that relate to more than one function are pooled into one cost center (management and general) and allocated to programs and supporting services based upon an organization-wide indirect cost rate. The indirect cost rate is based on the ratio of total maximum indirect costs as a percentage of the total direct program costs after deducting the specific assistance provided, capital expenses, interest expenses, significant contracts and sub-awards, leases and any management and general expenses. Specific assistance expense primarily represents expenditures paid to day care providers for eligible Child Care Information Services (CCIS) and Temporary Aid to Needy Families (TANF) subsidized child care, Southwest Regional Keys (SWRK) grants, housing assistance, and Liz Prine assistance grants.

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

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### Endowments

The YWCA follows the accounting pronouncement that provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The pronouncement requires certain disclosures applicable to all nonprofit organizations that have endowments, even if the organization is not yet subject to a version of the UPMIFA (see Note 8).

The YWCA has received contributions that are restricted by donors. The original amounts of the contributions are maintained in net assets with donor restrictions.

The Board of Directors (Board) of the YWCA has adopted an investment policy. Under this policy, the YWCA may annually transfer up to 4% of the three-year average net asset value of endowment funds to investment earnings without donor restrictions. In addition, the investment policy has established performance and investment mix goals for the restricted investments.

Net endowment income as stated in the consolidated statements of activities reflects investment income and realized and unrealized gains and losses on endowment investments. Net endowment income without donor restrictions represents revenues and gains to the extent of the 4% allowed under the Board-approved policy, as described above.

Amounts earned in excess of the Board-approved amount are reflected as with donor restrictions, since they could be transferred in any year in which that year's earnings are less than the maximum amount transferable. Consistent with UPMIFA and with endowment law applicable in Pennsylvania, the maximum amount that can be drawn down is 7% of the three-year average fair value of the assets.

The endowment fund consists of the donor-restricted investments and the reinvested earnings, in excess of the 4%, on those investments, which is all considered to be with donor restrictions.

### Revenue Recognition

Revenue on government contracts that are exchange transactions is recognized when earned, based on the terms of the contracts. Unconditional promises to give are recorded

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# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

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when received support with donor restrictions or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Revenues received for services that have not been provided are considered deferred revenues.

Donor-restricted support is reported as an increase in net assets with donor restrictions. 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 statements of activities as net assets released as a result of satisfaction of restrictions.

### Income Taxes

The YWCA and YW Homes are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the YWCA and YW Homes both qualify for the charitable contribution deduction under Internal Revenue Code section 170 (b)(1)(A) and have been classified as organizations other than a private foundation under section 170(b)(1)(A)(vi). YWCA files a Form 990 and a Form 990T for its unrelated business income annually. YW Homes files a Form 990 annually.

The YWCA utilizes a two-step approach to recognizing and measuring uncertain tax positions accounted for in accordance with the asset and liability method. The first step is to evaluate the tax position for recognition by determining whether evidence indicates that it is more likely than not that a position will be sustained if examined by a taxing authority. The second step is to measure the tax benefit as the largest amount that is 50% likely of being realized upon settlement with a taxing authority. No amounts have been recorded in the accompanying financial statements as a result of uncertain tax positions.

### Adopted Accounting Standard

ASU 2016-14, *“Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities,”* which aims to improve how a nonprofit organization classifies its net assets and provides information in its financial statements and notes about its financial performance, cash flow, and liquidity. The implementation of this standard was applied retrospectively to the comparative amounts presented for the year ended June 30, 2018.

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Beginning net assets for 2019 and 2018 that were previously reported as unrestricted have been reflected as net assets without donor restrictions. Beginning net assets for 2019 and 2018 that were previously reported as temporarily restricted and permanently restricted have been reflected as net assets with donor restrictions.

### Pending Accounting Standards

The Financial Accounting Standards Board (FASB) has issued standards that will become effective in future years as outlined below. Management has not yet determined the impact of these standards on the financial statements.

ASU 2014-09, *"Revenue from Contracts with Customers,"* is effective for the financial statements for the year beginning after December 15, 2018 (as amended by ASU 2015-14). This standard provides guidance for revenue recognition related to contracts with the transfer of promised goods or services to customers and related disclosures.

ASU 2016-02, *"Leases (Topic 842),"* is effective for the financial statements for the year beginning after December 15, 2020. This standard will require lessees to recognize assets and liabilities on the statement of financial position for the rights and obligations created by all leases with terms of more than twelve months. Disclosures also will be required by lessees to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

ASU 2016-18, *"Statement of Cash Flows (Topic 230): Restricted Cash,"* is effective for the financial statements for the year beginning after December 15, 2018. This standard requires that the statement of cash flows explain the change during the period in the total cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents.

ASU 2018-08, *"Not-For-Profit Entities (Topic 985): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made,"* is effective for the financial statements for the year beginning after December 15, 2018. This standard provides guidance for Characterizing grants and similar contracts with government agencies and others as reciprocal transactions (exchanges) or nonreciprocal transactions (contributions) and distinguishing between conditional and unconditional contributions.

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

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### Subsequent Events

Subsequent events have been evaluated through the Independent Auditor's Report date, which is the date the financial statements were available to be issued.

### 3. Accounts and Grants Receivable

Accounts and grants receivable consisted of the following at June 30:

	2019	2018
Accounts and grants receivable:		
Pennsylvania Department of Human Services	\$ 481,740	\$ 282,942
Bridge housing	100,488	182,257
Other	124,470	168,559
Net accounts and grants receivable	\$ 706,698	\$ 633,758

### 4. Investments

Investments consisted of the following at June 30:

	2019		2018	
	Cost	Fair Value	Cost	Fair Value
Endowment funds:				
Alternative investments	\$ 709,885	\$ 2,634,133	\$ 2,925,427	\$ 2,674,053
Mutual funds	28,982,085	29,537,397	26,330,835	28,906,791
	29,691,970	32,171,530	29,256,262	31,580,844
Other funds:				
Mutual funds	287,702	291,987	680,316	1,212,200
Total investments	\$ 29,979,672	\$ 32,463,517	\$ 29,936,578	\$ 32,793,044

The above investments are being held by custodians and managed by professional money managers. Fees included in investment earnings amounted to approximately \$144,000 and \$116,000 in 2019 and 2018, respectively.

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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Net investment earnings, including trusts held by others and other investments, are as follows:

	2019	2018
Realized income (loss):		
Interest and dividends on endowment	\$ 904,639	\$ 157,541
Interest and dividends on funds without donor restrictions	24,233	-
Income (loss) from trust held by others	271,436	257,591
Income (loss) on sales on investments - endowment	2,885,923	14,080,448
Total realized income	4,086,231	14,495,580
Unrealized gains (losses):		
Endowment and other investments	(3,130,536)	(11,527,727)
Trust held by others	44,722	206,772
Total unrealized gains (losses)	(3,085,814)	(11,320,955)
Investment fees	(144,365)	(116,413)
Investment earnings (loss), including trusts held by others	\$ 856,052	\$ 3,058,212

In June 2018, the YWCA began a relationship with a new investment advisor, which resulted in the YWCA moving to an Outsourced Investment Manager for Institutional Investors Model (OCIO). As a result of this new relationship, investment decisions will be made by the OCIO based on market conditions. The YWCA Investment Committee will monitor the OCIO and be involved in investment decision making.

A summary of the net endowment income (loss), excluding the trust and other investment activity, is as follows:

	2019	2018
Interest and dividends	\$ 904,639	\$ 157,541
Investment fees	(144,365)	(116,413)
Realized income (losses)	2,885,923	14,080,448
Unrealized gains (losses)	(3,133,834)	(11,671,452)
Net endowment income (loss)	\$ 512,363	\$ 2,450,124

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

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The net endowment income (loss) is reported on the consolidated statements of activities, as follows:

	2019	2018
Allocation to investment earnings without donor restrictions	\$ 1,195,982	\$ 1,110,891
Excess (deficiency) of net assets available of endowment income over allocation to operations	(683,619)	1,339,233
Net endowment income (loss)	\$ 512,363	\$ 2,450,124

The following table presents the fair value hierarchy table for assets measured at fair value as of June 30, 2019:

	Fair Value Measurements at Reporting Date Using			
	6/30/2019	Level 1	Level 2	Level 3
Mutual funds:				
Fixed income	\$ 7,460,640	\$ 7,460,640	\$ -	\$ -
Equities - domestic	8,559,957	8,559,957	-	-
Equities - international	5,715,668	5,715,668	-	-
Real estate	827,926	827,926	-	-
Absolute return	3,856,504	3,856,504	-	-
Commodities	975,579	975,579	-	-
Total assets in fair value hierarchy	27,396,274	\$ 27,396,274	\$ -	\$ -
Trusts held by others	6,250,443	\$ 94,140	\$ -	\$ 6,156,303
Cash being held for reinvestment at year-end	2,433,110			
Investments measured at net asset value*	2,634,133			
Investments at fair value	\$ 38,713,960			

\* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of financial position.

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The following table presents the fair value hierarchy table for assets measured at fair value as of June 30, 2018:

	Fair Value Measurements at Reporting Date Using			
	6/30/2018	Level 1	Level 2	Level 3
Mutual funds:				
Fixed income	\$ 9,041,338	\$ 9,041,338	\$ -	\$ -
Equities - domestic	9,029,720	9,029,720	-	-
Equities - international	6,926,648	6,926,648	-	-
Real estate	1,389,285	1,389,285	-	-
Absolute return	3,732,000	3,732,000	-	-
Commodities	-	-	-	-
Total assets in fair value hierarchy	30,118,991	\$ 30,118,991	\$ -	\$ -
Trusts held by others	6,205,721	\$ 92,264	\$ -	\$ 6,113,457
Investments measured at net asset value*	2,674,053			
Investments at fair value	\$ 38,998,765			

Trusts held by others are invested in diversified portfolios of marketable equity and fixed income securities, as well as limited marketability investments, including private equities and absolute return investments. A substantial portion of the underlying assets of these trusts is measured at fair value using Level 1 and Level 2 inputs. The YWCA's ownership in such investments is represented by an undivided interest in investment portfolios managed by the trustee, not in the underlying assets themselves. The undivided interests in these portfolios are not themselves publicly traded nor can they be valued based on observable direct or indirect inputs. Accordingly, they are reported as Level 3 measurements.

Alternative investments are invested in diversified portfolios of primarily limited marketability investments, including commodities, private equity, and hedge funds. For these items, the YWCA's valuation is determined as net asset value (or NAV) or its equivalent as a practical expedient as computed by each comprehensive investment fund based on the underlying assets held.

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The following table represents the reconciliation for assets measured at fair value on a recurring basis using Level 3 inputs for the fiscal years ended June 30:

	Trust Held by Others
Beginning balance, July 1, 2017	\$ 5,998,949
Net appreciation (depreciation)	206,772
Purchases	-
Sales	-
Ending balance, June 30, 2018	6,205,721
Net appreciation (depreciation)	44,722
Purchases	-
Sales	-
Ending balance, June 30, 2019	\$ 6,250,443

The following table represents Level 3 investments that are not valued at NAV, the valuation techniques used to measure the fair value of those investments, the significant observable inputs, and the values for those inputs as of June 30, 2019 and 2018.

Description	Fair Value as of 6/30/19	Principal Valuation Technique	Unobservable Inputs	Significant Input Values
Trusts Held by Others	\$ 6,250,443	Market Value of Underlying Trust Investments	Percentage Share	Percentage of Trust Investment

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Description	Fair Value as of 6/30/18	Principal Valuation Technique	Unobservable Inputs	Significant Input Values
Trusts Held by Others	\$ 6,205,721	Market Value of Underlying Trust Investments	Percentage Share	Percentage of Trust Investment

Outstanding commitments are as follows:

Investment	Commitment	Contributions from 7/1/18- 6/30/19	Commitments Outstanding
Portfolio Advisors Private Equity	\$ 1,000,000	\$ 146,000	\$ 206,546
Aberdeen Energy and Resource Partners	\$ 1,000,000	\$ 230,000	\$ 270,000
Hamilton Lane Offshore Fund	\$ 1,000,000	\$ 93,000	\$ 274,500
Oaktree Real Estate Debt Fund	\$ 2,000,000	\$ 120,000	\$ 1,220,000

During 2010, the YWCA Investment Committee approved a \$1,000,000 capital contribution commitment to Portfolio Advisors private equity fund. The YWCA made capital contributions to this private equity fund totaling \$146,000 and \$0 during 2019 and 2018, respectively. The commitment to the private equity fund is closed-end with a term of approximately 10 years. As of June 30, 2019, \$206,546 was still outstanding on this commitment.

During 2016, the YWCA Investment Committee approved two capital contribution commitments (Aberdeen and Hamilton) and in 2018 they approved a third capital contribution (Oaktree). The first two capital contributions are to private equity funds and the year ending June 30, 2016 was the first year of capital draws. They have a closed-end term of approximately 10 years. The third capital contribution is to a private equity fund and the year ending June 30, 2018 was the first year of capital draws. It has a closed-end term of approximately 10 years.

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### 5. Property and Equipment

Property and equipment consisted of the following at June 30:

	2019	2018
Land	\$ 454,474	\$ 714,326
Buildings and leasehold improvements	12,830,728	12,821,473
Furniture and equipment	88,454	1,736,483
Vehicles	59,498	59,498
	<u>13,433,154</u>	<u>15,331,780</u>
Less: accumulated depreciation	<u>(9,109,715)</u>	<u>(10,340,472)</u>
	<u>\$ 4,323,439</u>	<u>\$ 4,991,308</u>

For the year ended June 30, 2019, the YWCA determined their facility needed appraised. As such, an appraisal was done which resulted in the reduction in value of \$259,852, as shown on the statement of functional expenses. Decrease in furniture and equipment due to assets were disposed of or given to other non-profit entities.

### 6. Line of Credit

The YWCA has an unsecured, revolving line of credit with a commercial bank that provides for borrowings up to \$3,000,000 at a rate of 2.24% at June 30, 2018. There was \$0 outstanding under this line of credit as of June 30, 2019 and 2018.

### 7. Note Payable

During 2004, YW Homes entered into a loan agreement with the Allegheny County Economic Development Department. The funding of up to \$650,000 was to assist YW Homes in the purchase and rehabilitation of 10 single-family rental properties located on 10 separate sites in various municipalities of Allegheny County.

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# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

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The loan for \$650,000 is evidenced by a mortgage note and collateralized by an open-end mortgage and security agreement. The note bears no interest. The annual principal payments, due in July of each year, are to be 25% of the cash flows from the properties, after deductions to provide for replacement reserves. No payments are due if insufficient cash flow exists. Payment in full is required by May 1, 2029. Management believes that no payments were required under the agreement during 2019 and 2018. The net book values of the properties, which are rented under short-term lease agreements, were approximately \$296,000 and \$315,000 at June 30, 2019 and 2018, respectively.

### 8. Endowment Fund

The YWCA's endowment fund consists primarily of donor-restricted funds. Net assets associated with the endowment fund are classified based on the existence or absence of donor-imposed restrictions as required by accounting principles generally accepted in the United States of America.

The composition of net assets by type of endowment fund at June 30, 2019 and 2018 are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
June 30, 2019:			
Endowment funds	<u>\$ 965,328</u>	<u>\$ 31,206,202</u>	<u>\$ 32,171,530</u>
June 30, 2018:			
Endowment funds	<u>\$ -</u>	<u>\$ 31,889,819</u>	<u>\$ 31,889,819</u>

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

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Changes in endowment net assets for the years ended June 30, 2019 and 2018 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance at July 1, 2017	\$ 12,549	\$ 30,550,586	\$ 30,563,135
Investment income, net	-	97,644	97,644
Net appreciation (depreciation)	-	2,408,631	2,408,631
Capital commitments	-	-	-
Appropriation of endowment funds:			
Investment policy	-	(1,167,042)	(1,167,042)
Other	(12,549)	-	(12,549)
	-	31,889,819	31,889,819
Balance at June 30, 2018	-	31,889,819	31,889,819
Investment income, net	-	760,274	760,274
Net appreciation (depreciation)	-	(244,613)	(244,613)
Capital commitments	965,328	-	965,328
Appropriation of endowment funds:			
Investment policy	-	(1,199,278)	(1,199,278)
Other	-	-	-
	-	-	-
Balance at June 30, 2019	\$ 965,328	\$ 31,206,202	\$ 32,171,530

The Board of the YWCA has adopted the total return policy of Pennsylvania Act 141 which requires a spending policy of between 2% and 7% of the three-year average value of the funds. Under this policy, the YWCA's Board has approved, for June 30, 2019 and 2018, an annual transfer up to 4% of the three-year average net asset value of endowment funds to investment earnings without donor restrictions.

To satisfy its long-term rate-of-return objectives, the YWCA relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The YWCA targets a diversified asset allocation of 50%-70% equity investments (including international equities) and 10%-30% alternative investments with the balance in fixed income investments.

The YWCA's governing body has interpreted the current state statute as requiring preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds unless there are explicit donor stipulations to the contrary. Based on this

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

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interpretation, the YWCA classifies as net assets with donor restrictions that are held in perpetuity to be the original value of the gift, the original value of any subsequent gifts to the permanent endowment and accumulations made in accordance with the direction of the donor gift instrument. The remaining portion of the donor-restricted endowment funds is classified as time restricted net assets held with donor restriction as described in Note 9 below.

### 9. Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following programs as of June 30:

	2019	2018
Endowment for future use	\$ 29,519,469	\$ 30,203,086
Other programs	144,147	252,434
	\$ 29,663,616	\$ 30,455,520

Endowment fund amounts above represent the accumulated appreciation in the fair value of investments above the annual allocation to investment earnings without donor restrictions.

Net assets with donor restrictions to be held in perpetuity are as follows at June 30:

	2019	2018
Endowment fund	\$ 1,686,733	\$ 1,686,733
Trusts held by others	6,250,443	6,205,721
	\$ 7,937,176	\$ 7,892,454

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### 10. Employee Benefit Plans

The YWCA participates in a defined contribution money purchase retirement plan that is administered by the YWCA Retirement Fund (a separate corporation and a national YWCA plan). Eligible employees include employees employed for two years or more. The plan provides for contributions based on a percentage of employees' gross wages. Pension contributions charged to expense amounted to approximately \$147,000 and \$162,000 in 2019 and 2018, respectively.

The YWCA also offers a contributory 403(b) annuity plan covering substantially all employees. Participants may contribute a portion of their compensation to the plan, up to the maximum amount allowed under the Internal Revenue Code. The YWCA does not contribute to the Plan.

### 11. Lease

The YWCA is leasing a portion of its first floor to an institution of higher education. The initial term of this lease commenced July 1, 2014 and expires on December 31, 2019. The following minimum rental income payments are required under such subleases for annual periods beyond June 30, 2019:

	<u>Amount</u>
2020	<u>\$ 47,400</u>

### 12. Commitments and Contingencies

#### Grant and Contract Revenue

The YWCA receives a significant portion of its grant and contract revenue from federal and state agencies. These grants and contracts are, at times, subject to a special audit by the federal or state agency. Such audits could result in claims against the YWCA for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any

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# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

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liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

The YWCA's contract for CCIS funding and SWRK ended June 30, 2019. The YWCA has made expense reductions and is continuing to evaluate programming to continue to provide high quality services for fiscal year 2020 and beyond.

### 13. Liquidity and Availability

The YWCA maintains financial assets, consisting of cash and short-term investments, on hand to meet its normal operating expenses based on its annual budget. Operating expenses are compared to budgeted expenses on a monthly basis, and financial assets on hand are adjusted as necessary. As part of its liquidity management, YWCA invests cash in excess of daily requirements in various short-term investments.

The YWCA maintains a line of credit to assist in meeting cash needs if they experience a lag between the receipt of contributions and grants and the payment of costs.

The following reflects the YWCA's financial assets (cash and cash equivalents, accounts and grants receivable and general investments (excludes endowment funds)) as of June 30, 2019 and 2018 expected to be available within one year to meet the cash needs for general expenditures:

	<u>2019</u>	<u>2018</u>
Financial assets, at year-end	\$ 13,800,572	\$ 11,228,104
Less: those unavailable for general expenditures within one year, due to:		
Restricted by donor with time or purpose restrictions	<u>(144,147)</u>	<u>(252,434)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 13,656,425</u>	<u>\$ 10,975,670</u>

## **SUPPLEMENTARY INFORMATION**

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION  
GREATER PITTSBURGH AND SUBSIDIARIES**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

JUNE 30, 2019

Federal Grantor/Program Title	Federal CFDA Number	Grantor Number or Pass-Through Grant Number	Federal Amount Expended	Amounts Provided to Subrecipients
<b>U.S. Department of Health and Human Services:</b>				
Passed Through Pennsylvania Department of Human Services: Social Services Block Grant, Title XX	93.667	DC18039949	\$ 2,003,740	\$ -
CCDF cluster:				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	DC18039949 410053384	30,360,502	535,788
Child Care and Development Block Grant	93.575	#BCIU 5-4100070188-18/19	1,551,737	-
Child Care and Development Block Grant	93.575	DC18039949 410053384	20,686,899	995,953
Total Child Care and Development Block Grant	93.575		22,238,636	995,953
Total CCDF cluster			52,599,138	1,531,741
Temporary Assistance for Needy Families - TANF Cluster	93.558	DC18039949	12,118,257	-
Passed through Allegheny County: Substance Abuse and Mental Health Services - Projects - Parent Café	93.243	207400	3,036	-
Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Marketplaces (State Grants for Protection and Advocacy Services)	93.332	n/a	37,079	-
Total U.S. Department of Health and Human Services			66,761,250	1,531,741
<b>U.S. Department of Housing and Urban Development:</b>				
Passed through Allegheny County: Continuum of Care Program	14.267	192571/208380/203918 215676/194198/207657	534,821	-
Total U.S. Department of Housing and Urban Development			534,821	-
<b>U.S. Department of Agriculture:</b>				
Passed Through Pennsylvania Department of Human Services: State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - SNAP Cluster	10.561	DC18039949	60,393	-
Passed Through Pennsylvania Department of Education: Child and Adult Care Food Program	10.558	300024460	60,828	-
Total U.S. Department of Agriculture			121,221	-
<b>Internal Revenue Service:</b>				
Passed through United Way of Allegheny County Volunteer Income Tax: Assistance Grant Program	21.009	n/a	24,000	-
Total Expenditures of Federal Awards			\$ 67,441,292	\$ 1,531,741

See accompanying notes to schedule of expenditures of federal awards.

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2019

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### 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal grant activity of the Young Women's Christian Association Greater Pittsburgh and Subsidiaries and is presented on the accrual basis of accounting. 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 basic consolidated financial statements.

Several programs are funded jointly by federal and state funds. Costs incurred in such programs are applied against federal grant funds to the extent of the grant award provisions and against state funds for the balance. Federal and state awards are reported in the consolidated financial statements under the caption government contracts.

### 2. Summary of Significant Accounting Policies

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

### 3. Indirect Cost Rate

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

**Young Women's Christian  
Association Greater  
Pittsburgh and Subsidiaries**

Information Required under Grant Contracts

Year Ended June 30, 2019

## Independent Accountants' Report on Applying Agreed-Upon Procedures

**Board of Directors  
Young Women's Christian Association  
Greater Pittsburgh and Subsidiaries**

We have performed the procedures enumerated below, which were agreed to by the Allegheny County Department of Human Services (DHS), the Commonwealth of Pennsylvania Department of

Human Services (DHS), and the Young Women's Christian Association Greater Pittsburgh and Subsidiaries (YWCA) as of June 30, 2019. The YWCA is responsible for the financial schedules and exhibits required in this agreement. The sufficiency of these procedures is solely the responsibility of the Allegheny County DHS and the Commonwealth of Pennsylvania DHS. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

- a) We have verified by comparison the amounts and classifications that the supplemental financial schedules listed below, which summarize amounts reported to the Commonwealth of Pennsylvania DHS for fiscal year ended June 30, 2019, have been accurately compiled and reflect the audited books and records of the YWCA. We have also verified by comparison to the example schedules that these schedules are presented, at a minimum, at the level of detail and in the format required by the Allegheny County DHS and the Commonwealth of Pennsylvania DHS Single Audit Supplement pertaining to this period.

### Allegheny County Awards

Schedule of Administrative Costs – Allegheny County DHS Program

Schedule of Functional Expenditures, Revenues, and Contract Amounts Relating to Grants from Allegheny County DHS Program – All Programs Summary

Schedule of Funding Sources Relating to Grants from Allegheny County DHS Program

- b) We have inquired, of management, regarding adjustments to reported revenues or expenditures, which were not reflected on the reports, submitted to the Allegheny County DHS and the Commonwealth of Pennsylvania DHS for the period in question.

Board of Directors  
Young Women's Christian Association  
Greater Pittsburgh and Subsidiaries  
Independent Accountant's Report on Applying  
Agreed-Upon Procedures

- c) The processes detailed in paragraphs (a) and (b) above disclosed no adjustments or findings which have not been reflected on the supplemental financial schedules.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the financial schedules and exhibits required in this agreement. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors and management of the YWCA, the Allegheny County DHS, and the Commonwealth of Pennsylvania DHS, and is not intended to be and should not be, used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.

*Maher Duessel*

Pittsburgh, Pennsylvania  
January 31, 2020

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION  
GREATER PITTSBURGH AND SUBSIDIARIES**

SCHEDULE OF ADMINISTRATIVE COSTS -  
ALLEGHENY COUNTY DHS PROGRAM

YEAR ENDED JUNE 30, 2019

<b>Personnel Services:</b>		
Wages and salaries	\$	14,545
Employee benefits		<u>4,073</u>
Total personnel services		<u>18,618</u>
<b>Operating Expenses:</b>		
Occupancy		1,164
Communications		2,909
Administrative supplies		582
Administrative staff travel		291
Other operating expenses		<u>5,526</u>
Total operating expenses		<u>10,472</u>
Net Eligible Administrative Costs	\$	<u><u>29,090</u></u>

	Fee For Service	Program Funded	Total Allocation	% of Allocation
<b>Distribution of Costs:</b>				
Homeless Program	\$ -	\$ 5,688	\$ 5,688	20%
Chrysalis Shelter Plus Care	1,039	3,417	4,456	15%
Chrysalis Shelter Plus Care	2,853	1,222	4,075	14%
Bridge Housing	13	2,594	2,607	9%
Bridge Housing	1,508	1,087	2,595	9%
Women in Supported Housing	320	2,099	2,419	8%
Women in Supported Housing	<u>1,709</u>	<u>5,541</u>	<u>7,250</u>	<u>25%</u>
<b>Total Administrative Costs</b>	<u>\$ 7,442</u>	<u>\$ 21,648</u>	<u>\$ 29,090</u>	<u>100%</u>

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION  
GREATER PITTSBURGH AND SUBSIDIARIES**

**SCHEDULE OF FUNCTIONAL EXPENDITURES, REVENUES, AND CONTRACT AMOUNTS  
RELATING TO GRANTS FROM ALLEGHENY COUNTY DHS PROGRAM - ALL PROGRAMS SUMMARY**

YEAR ENDED JUNE 30, 2019

	Contract #220672 Homeless Program	Contract #216585 Chrysalis Shelter Plus Care (CPAC)	Contract #208380 Chrysalis Shelter Plus Care (CPAC)	Contract #215105 Rapid Re-Housing (RAPH)	Contract #207657 Rapid Re-Housing (RAPH)	Contract #229107 Women in Supported Housing (WISH)	Contract #215676 Women in Supported Housing (WISH)	Contract #220672 Continuum of Care (COC)	Contract #220672 Parent Café	Total
<b>Expenditures:</b>										
Personnel expenses	\$ 28,400	\$ 24,036	\$ 19,361	\$ 16,842	\$ 7,736	\$ 13,644	\$ 36,840	\$ -	\$ -	\$ 146,859
Administrative costs	5,688	4,456	4,075	2,607	2,595	2,419	7,250	-	-	29,090
Operating expenses	13,305	4,171	8,469	2,542	4,967	2,209	12,065	34,000	3,036	81,728
Real property leasing	43,162	110,561	56,772	70,911	17,958	53,548	154,509	-	-	507,421
<b>Total expenditures</b>	<b>90,555</b>	<b>143,224</b>	<b>88,677</b>	<b>92,902</b>	<b>33,256</b>	<b>71,820</b>	<b>210,664</b>	<b>34,000</b>	<b>3,036</b>	<b>768,134</b>
<b>Revenue and Income:</b>										
Program service fees	-	840	1,270	-	-	-	-	-	-	2,110
Contributions	-	-	-	-	-	-	-	-	-	-
<b>Net Expenditures</b>	<b>90,555</b>	<b>142,384</b>	<b>87,407</b>	<b>92,902</b>	<b>33,256</b>	<b>71,820</b>	<b>210,664</b>	<b>34,000</b>	<b>3,036</b>	<b>766,024</b>
Retained Revenue	-	-	-	-	-	-	-	-	-	-
<b>Total Reimbursable Expenditures</b>	<b>90,555</b>	<b>142,384</b>	<b>87,407</b>	<b>92,902</b>	<b>33,256</b>	<b>71,820</b>	<b>210,664</b>	<b>34,000</b>	<b>3,036</b>	<b>766,024</b>
Final Contract Award	84,754	115,445	67,939	79,716	31,102	62,488	178,131	34,000	3,036	656,611
Surplus (Deficit) of Contract Amount Over Total Reimbursable Expenditures	<u>\$ (5,801)</u>	<u>\$ (26,939)</u>	<u>\$ (19,468)</u>	<u>\$ (13,186)</u>	<u>\$ (2,154)</u>	<u>\$ (9,332)</u>	<u>\$ (32,533)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (109,413)</u>

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION  
GREATER PITTSBURGH AND SUBSIDIARIES**

SCHEDULE OF FUNDING SOURCES RELATING TO GRANTS  
FROM ALLEGHENY COUNTY DHS PROGRAM

YEAR ENDED JUNE 30, 2019

Funding Sources			Amount
Federal Funds:			
Contract #216585			
Housing and Urban Development	CPAC	CFDA #14.267	\$ 115,445
Contract #208380			
Housing and Urban Development	CPAC	CFDA #14.267	67,939
Contract #215105			
Housing and Urban Development	RAPH	CFDA #14.267	79,716
Contract #207657			
Housing and Urban Development	RAPH	CFDA #14.267	31,102
Contract #229107			
Housing and Urban Development	WISH	CFDA #14.267	62,488
Contract #215676			
Housing and Urban Development	WISH	CFDA #14.267	<u>178,131</u>
Total CFDA #14.267			534,821
	Substance Abuse and Mental Health Services - Projects - Parent Café		.
Contract #220672			
Health and Human Services		CFDA #93.243	<u>3,036</u>
Total Federal Funds:			<u>537,857</u>
State Funds:			
Contract #220672			
Department of Human Services	Appr.#	106	<u>84,754</u>
Foundations:			
Contract #220672			
Department of Human Services			<u>34,000</u>
Allegheny County Contract Amount			<u><u>\$ 656,611</u></u>

## Independent Accountant's Report on Applying Agreed-Upon Procedures

**Board of Directors  
Young Women's Christian Association  
Greater Pittsburgh and Subsidiaries**

We have performed the procedures enumerated below, which were agreed to by the Commonwealth of Pennsylvania Department of Human Services (DHS) and the Young Women's

Christian Association Greater Pittsburgh and Subsidiaries (YWCA) as of June 30, 2019. YWCA's management is responsible for the reconciliation schedule required by the DHS Audit Guidelines for the year ended June 30, 2019. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures to be and associated findings are as follows:

- a) Agree the expenditure amounts listed on the reconciliation schedule under the "Federal Expenditures per the SEFA" column to the audited Schedule of Expenditures of Federal Awards (SEFA).
- b) Agree the receipt amounts listed on the reconciliation schedule under the "Federal Awards Received per the audit confirmation reply from Pennsylvania" column to the subrecipient federal amounts that were reflected in the audit confirmation reply from the Office of Budget, Comptroller Operations.
- c) Recalculate the amounts listed under the "Difference" column.
- d) Agree the amounts listed under the "Difference" column to the audited books and records of the Provider.
- e) Agree the "Detailed Explanation of the Differences" to the audited books and records of the Provider.
- f) Based on the procedures detailed in paragraphs (A) through (E) above, disclose any adjustments and/or findings which have not been reflected on the corresponding schedules (list each separately).

The processes detailed in paragraphs (a) through (f) above disclosed no adjustments of findings that have not been reflected on the supplemental financial schedule.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion or conclusion, respectively, on the specified elements, accounts, or items.

Board of Directors  
Young Women's Christian Association Greater  
Pittsburgh and Subsidiaries  
Independent Accountant's Report on Applying  
Agreed-Upon Procedures

Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of DHS and the management of the YMCA and is not intended and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report is not intended to be, and should not be, used by anyone other than this specified party.

*Mahe Duessel*

Pittsburgh, Pennsylvania  
January 31, 2020

## YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

### RECONCILIATION - FEDERAL AWARDS PASSED THROUGH THE PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES EXPENDITURES PER THE SEFA TO REVENUE RECEIVED PER THE PENNSYLVANIA AUDIT CONFIRMATION REPLY

YEAR ENDED JUNE 30, 2019

CFDA Name	CFDA Number	Federal Expenditures per the SEFA	Federal Awards Received per the Audit Confirmation Reply from Pennsylvania	Difference	Detailed Explanation of the Differences
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	\$ 60,393	\$ 60,393	\$ -	
Social Services Block Grant, Title XX	93.667	2,003,740	2,518,186	(514,446)	1
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	30,360,502	30,589,251	(228,749)	1
Child Care and Development Block Grant	93.575	22,238,636	22,197,763	40,873	1
Temporary Aid to Needy Families (TANF)	93.558	12,118,257	13,630,711	(1,512,454)	1

1. Difference is unused funds that were returned to the state via check 578294 on September 11, 2019

**Young Women's Christian  
Association Greater  
Pittsburgh and Subsidiaries**

Independent Auditor's Reports  
Required by the Uniform Guidance

Year Ended June 30, 2019

**Independent Auditor’s Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

**Board of Directors  
Young Women’s Christian Association  
Greater Pittsburgh and Subsidiaries**

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 consolidated financial statements (financial statements) of the Young Women’s Christian Association Greater Pittsburgh and Subsidiaries (YWCA), which comprise the consolidated balance sheet as of June 30, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 31, 2020.

### **Internal Control over Financial Reporting**

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

Board of Directors  
Young Women's Christian Association  
Greater Pittsburgh and Subsidiaries  
Independent Auditor's Report on Internal Control over  
Financial Reporting and on Compliance

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Mahe Duessel*

Pittsburgh, Pennsylvania  
January 31, 2020

## Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

**Board of Directors  
Young Women's Christian Association  
Greater Pittsburgh and Subsidiaries**

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

We have audited the Young Women's Christian Association Greater Pittsburgh and Subsidiaries' (YWCA) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the YWCA's major federal programs for the year ended June 30, 2019. The YWCA'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.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the YWCA'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 the YWCA's compliance with those 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 the YWCA's compliance.

Board of Directors  
Young Women's Christian Association  
Greater Pittsburgh and Subsidiaries  
Independent Auditor's Report on Compliance for Each Major Program  
and on Internal Control over Compliance

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

In our opinion, the YWCA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

**Report on Internal Control over Compliance**

Management of the YWCA is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the YWCA's internal control over compliance with the types of 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 of the YWCA'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 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 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.

Board of Directors  
Young Women's Christian Association  
Greater Pittsburgh and Subsidiaries  
Independent Auditor's Report on Compliance for Each Major Program  
and on Internal Control over Compliance

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.

*Maker Duessel*

Pittsburgh, Pennsylvania  
January 31, 2020

# YOUNG WOMEN'S CHRISTIAN ASSOCIATION GREATER PITTSBURGH AND SUBSIDIARIES

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2019

### I. Summary of Audit Results

1. Type of auditor's report issued: Unmodified, prepared in accordance with Generally Accepted Accounting Principles
2. Internal control over financial reporting:  
Material weakness(es) identified?  yes  no  
Significant deficiencies identified that are not considered to be material weakness(es)?  
 yes  none reported
3. Noncompliance material to financial statements noted?  yes  no
4. Internal control over major programs:  
Material weakness(es) identified?  yes  no  
Significant deficiencies identified that are not considered to be material weakness(es)?  
 yes  none reported
5. Type of auditor's report issued on compliance for major programs: Unmodified
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?  yes  no
7. Major Programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.667	Social Services Block Grant, Title XX
CCDF cluster: 93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.575	Child Care and Development Block Grant
TANF cluster: 93.558	Temporary Assistance for Needy Families
8. Dollar threshold used to distinguish between type A and type B programs: \$2,023,239

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION  
GREATER PITTSBURGH AND SUBSIDIARIES**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

YEAR ENDED JUNE 30, 2019

(Continued)

9. Auditee qualified as low-risk auditee?  yes  no

II. Findings related to the financial statements which are required to be reported in accordance with GAGAS.

**No matters were reported.**

III. Findings and questioned costs for federal awards.

**No matters were reported.**

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION  
GREATER PITTSBURGH AND SUBSIDIARIES**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2019

**NONE**