

**WAYPOINT SERVICES FOR
WOMEN, CHILDREN AND FAMILIES
Cedar Rapids, Iowa**

Financial Statements

June 30, 2022 and 2021



FORGE

FINANCIAL & MANAGEMENT CONSULTING

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Cedar Rapids, Iowa

Contents	Page(s)
Independent Auditors' Report	1-3
Financial Statements:	
Statements of Financial Position	4-5
Statements of Activities	6
Statements of Changes in Net Assets	7
Statement of Functional Expenses, Year Ended June 30, 2022	8
Statement of Functional Expenses, Year Ended June 30, 2021	9
Statements of Cash Flows	10
Notes to Financial Statements	11-23
Supplementary Information:	
Schedules of Operating Grant Revenue	24-25
Schedule of Expenditures of Federal Awards	26-27
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 <i>Government Auditing Standards</i>	28-29
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance required by the Uniform Guidance	30-32
Schedule of Findings and Questioned Costs	33



FORGE

FINANCIAL & MANAGEMENT CONSULTING

Independent Auditors' Report

To the Board of Directors of
Waypoint Services for Women, Children and Families
Cedar Rapids, Iowa

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of Waypoint Services for Women, Children & Families (a non-profit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Waypoint Services for Women, Children & Families as of June 30, 2022 and 2021, and the changes in its net assets, functional expenses and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Waypoint Services for Women, Children & Families and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Waypoint Services for Women, Children & Families' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization’s ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2023, on our consideration of Waypoint Services for Women, Children & Families' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 Waypoint Services for Women, Children & Families' 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 Waypoint Services for Women, Children & Families' internal control over financial reporting and compliance.

Forge Financial & Management Consulting

West Des Moines, Iowa
January 31, 2023

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Statements of Financial Position
June 30, 2022 and 2021

Assets	2022	2021
Current assets:		
Cash and cash equivalents	\$ 1,160,886	552,232
Short-term investments	484	663
Accounts receivable	45,721	100,316
Unconditional promises to give:		
Grants receivable	572,757	320,325
Contributions receivable, short-term:		
United Way allocations	340,650	324,000
Capital Campaign	187,291	959,012
Other	15,175	54,680
Prepaid expenses and other current assets	48,519	57,419
Total current assets	2,371,483	2,368,647
Investments and other assets:		
Investments, long-term	2,800,481	3,319,844
Cash value of life insurance	90,789	87,412
Long-term contributions receivable, net	143,859	284,572
Beneficial interest in assets held by a community foundation	23,232	24,941
Total investments and other assets	3,058,361	3,716,769
Property and equipment:		
Land	324,144	324,144
Buildings	2,452,346	2,452,346
Building improvements	9,122,000	9,234,923
Furniture and equipment	896,910	1,064,280
	12,795,400	13,075,693
Less accumulated depreciation	4,987,379	4,972,056
Net property and equipment	7,808,021	8,103,637
	\$ 13,237,865	14,189,053

See accompanying notes to financial statements.

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Statements of Financial Position
June 30, 2022 and 2021

Liabilities and Net Assets		
	2022	2021
Current liabilities:		
Accounts payable	\$ 171,998	160,256
Accrued expenses	419,101	365,169
Deferred revenue	225	10,455
Lines of credit	-	1,014,809
Total liabilities	591,324	1,550,689
 Net assets:		
Without donor restrictions	9,787,557	9,637,024
With donor restrictions	2,858,984	3,001,340
Total net assets	12,646,541	12,638,364
	\$ 13,237,865	14,189,053

See accompanying notes to financial statements.

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Statements of Activities
For the Years Ended June 30, 2022 and 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains and other support from operating activities:						
Direct contributions	\$ 655,790	61,465	717,255	1,101,460	62,550	1,164,010
Indirect contributions:						
Allocation from United Way of East Central Iowa	18,487	312,430	330,917	55,945	324,000	379,945
Grants and reimbursements	4,172,481	405,122	4,577,603	2,844,971	34,000	2,878,971
Endowment income recognized under spending policy	-	80,000	80,000	-	54,187	54,187
Program service fees	2,718,163	-	2,718,163	1,786,928	-	1,786,928
Special event revenue, net of cost of direct benefits to donors of \$45,041 in 2022 and \$12,778 in 2021	38,618	-	38,618	23,775	-	23,775
Miscellaneous	(603)	-	(603)	1,251	-	1,251
Net assets released from restrictions:						
Satisfaction of purpose restrictions	136,428	(136,428)	-	2,800,785	(2,800,785)	-
Expiration of time restrictions	370,764	(370,764)	-	427,867	(427,867)	-
Total operating support and revenue	8,110,128	351,825	8,461,953	9,042,982	(2,753,915)	6,289,067
Operating expenses:						
Program services:						
Child care	3,099,418	-	3,099,418	2,504,198	-	2,504,198
Critical services	3,391,947	-	3,391,947	3,004,466	-	3,004,466
Total program services	6,491,365	-	6,491,365	5,508,664	-	5,508,664
Supporting activities:						
Management and general	1,038,877	-	1,038,877	1,112,013	-	1,112,013
Fundraising	318,316	-	318,316	296,672	-	296,672
Total supporting activities	1,357,193	-	1,357,193	1,408,685	-	1,408,685
Total operating expenses	7,848,558	-	7,848,558	6,917,349	-	6,917,349
Change in net assets from operating activities	261,570	351,825	613,395	2,125,633	(2,753,915)	(628,282)
Non-operating activities:						
Investment income, net of fees of \$13,127 in 2022 and \$11,377 in 2021	(145,599)	178,036	32,437	1,050	29,017	30,067
Net unrealized and realized gains (losses) on investments	122,086	(592,217)	(470,131)	109,815	633,056	742,871
PPP loan forgiveness	-	-	-	1,505,575	-	1,505,575
Casualty gain	-	-	-	16,399	-	16,399
Loss on disposal of assets	(87,524)	-	(87,524)	-	-	-
Less: Endowment income recognized under spending policy	-	(80,000)	(80,000)	-	(54,187)	(54,187)
Net investment income	(111,037)	(494,181)	(605,218)	1,632,839	607,886	2,240,725
Change in net assets from non-operating activities	(111,037)	(494,181)	(605,218)	1,632,839	607,886	2,240,725
Change in net assets	\$ 150,533	(142,356)	8,177	3,758,472	(2,146,029)	1,612,443

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Statements of Changes in Net Assets
For the Years Ended June 30, 2022 and 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Balance, June 30, 2020	\$ 5,878,552	5,147,369	11,025,921
Change in net assets	<u>3,758,472</u>	<u>(2,146,029)</u>	<u>1,612,443</u>
Balance, June 30, 2021	9,637,024	3,001,340	12,638,364
Change in net assets	<u>150,533</u>	<u>(142,356)</u>	<u>8,177</u>
Balance, June 30, 2022	\$ <u><u>9,787,557</u></u>	<u><u>2,858,984</u></u>	<u><u>12,646,541</u></u>

See accompanying notes to financial statements.

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Statement of Functional Expenses
For the Year Ended June 30, 2022

	Program Services			Supporting Activities			Total Expenses
	Child Care	Critical Services	Total	Management and General	Fundraising	Total	
Salaries and related expenses	\$ 2,385,249	1,770,641	4,155,890	672,581	215,343	887,924	5,043,814
Professional fees	-	-	-	104,506	-	104,506	104,506
Information technology	35,113	37,444	72,557	29,920	24,501	54,421	126,978
Consulting contract fees	37,300	11,229	48,529	17,072	14,230	31,302	79,831
Food and supplies	306,161	14,129	320,290	11,335	4,815	16,150	336,440
Telephone	21,448	28,505	49,953	23,313	2,029	25,342	75,295
Postage and shipping	50	282	332	1,488	5,144	6,632	6,964
Occupancy	89,590	36,028	125,618	50,938	1,542	52,480	178,098
Insurance	25,991	13,234	39,225	24,619	533	25,152	64,377
Printing	729	1,762	2,491	556	7,598	8,154	10,645
Transportation	2,175	15,867	18,042	10,578	347	10,925	28,967
Repairs and maintenance	6,938	7,174	14,112	7,121	-	7,121	21,233
Rental expenses	-	9,700	9,700	1,537	-	1,537	11,237
Program fees	22,525	-	22,525	-	-	-	22,525
Conferences, conventions and meetings	1,107	407	1,514	1,245	262	1,507	3,021
Publicity and publications	1,630	1,722	3,352	1,023	1,481	2,504	5,856
Membership dues	69	2,727	2,796	924	50	974	3,770
Licensing fees	5,803	3,196	8,999	1,613	-	1,613	10,612
Client housing assistance	-	246,421	246,421	-	-	-	246,421
Client housing assistance - ESG	-	1,054,674	1,054,674	-	-	-	1,054,674
Interest	-	-	-	13,751	-	13,751	13,751
Miscellaneous	11,572	149	11,721	38,915	3,700	42,615	54,336
Total expenses before depreciation	2,953,450	3,255,291	6,208,741	1,013,035	281,575	1,294,610	7,503,351
Depreciation	145,968	136,656	282,624	25,842	36,741	62,583	345,207
Total expenses	\$ 3,099,418	3,391,947	6,491,365	1,038,877	318,316	1,357,193	7,848,558

See accompanying notes to financial statements.

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Statement of Functional Expenses
For the Year Ended June 30, 2021

	Program Services		Supporting Activities		Total Expenses
	Child Care	Critical Services	Management and General	Fundraising	
Salaries and related expenses	\$ 1,860,989	1,528,648	655,596	203,550	4,248,783
Professional fees	-	-	157,170	-	157,170
Information technology	33,953	42,980	35,544	22,632	135,109
Consulting contract fees	36,817	7,741	8,390	13,651	66,599
Food and supplies	242,199	108,895	12,927	4,127	368,148
Telephone	13,870	15,040	45,445	1,775	76,130
Postage and shipping	33	296	1,169	3,751	5,249
Occupancy	78,451	36,053	31,348	1,126	146,978
Insurance	21,968	11,186	19,869	451	53,474
Printing	70	3,422	662	5,573	9,727
Transportation	5,927	11,456	6,858	197	24,438
Repairs and maintenance	2,998	7,080	13,565	-	23,643
Rental expenses	63,693	14,609	2,732	-	81,034
Program fees	7,576	-	-	-	7,576
Conferences, conventions and meetings	719	168	1,411	-	2,298
Publicity and publications	3,105	4,318	1,009	5,185	13,617
Membership dues	288	4,218	1,512	475	6,493
Licensing fees	5,390	1,763	1,045	58	8,256
Client housing assistance	-	308,628	-	-	308,628
Client housing assistance - ESG	-	786,026	-	-	786,026
Interest	-	-	26,334	-	26,334
Miscellaneous	6,971	365	50,153	3,990	61,479
Total expenses before depreciation	2,385,017	2,892,892	1,072,739	266,541	6,617,189
Depreciation	119,181	111,574	39,274	30,131	300,160
Total expenses	\$ 2,504,198	3,004,466	1,112,013	296,672	6,917,349

See accompanying notes to financial statements.

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Statements of Cash Flows
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Change in net assets	\$ 8,177	1,612,443
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	345,207	300,160
Realized and unrealized gain (loss) on investments	519,363	(717,971)
Loss on disposal of fixed assets	87,524	-
PPP forgiveness	-	(747,400)
Change in beneficial interest in assets held by a community foundation	1,709	(5,460)
Increase in cash value of life insurance	(3,377)	(3,102)
Decrease in receivables	737,452	633,701
(Increase) decrease in prepaid expenses and other current assets	8,900	(35,909)
Decrease in short-term investments	179	414,889
Increase (decrease) in accounts payable	11,742	(374,749)
Increase in accrued expenses	53,932	72,592
Decrease in deferred revenue	(10,230)	(11,196)
Net cash provided by operating activities	<u>1,760,578</u>	<u>1,137,998</u>
Cash flows from investing activities:		
Purchases of property and equipment	(137,115)	(2,981,708)
Net cash used by investing activities	<u>(137,115)</u>	<u>(2,981,708)</u>
Cash flows from financing activities:		
Payments on long-term debt	(1,014,809)	(1,948,053)
Borrowings on long-term debt	-	2,962,862
Net cash provided (used) by financing activities	<u>(1,014,809)</u>	<u>1,014,809</u>
Net increase (decrease) in cash and cash equivalents	608,654	(828,901)
Cash and cash equivalents, beginning of year	<u>552,232</u>	<u>1,381,133</u>
Cash and cash equivalents, end of year	\$ <u>1,160,886</u>	<u>552,232</u>
Supplemental disclosure of cash flow information		
Cash paid for:		
Interest	\$ <u>13,751</u>	<u>9,629</u>

See accompanying notes to financial statements.

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES

Notes to Financial Statements

June 30, 2022 and 2021

Note 1 - Summary of Significant Accounting Policies

Waypoint Services for Women, Children and Families is incorporated in the state of Iowa to strengthen and empower individuals and families in their life's journey by providing advocacy, crisis intervention, supportive services, shelter, quality childcare, and community leadership. The Organization's fiscal year ends on June 30. Significant accounting policies followed by the Organization are presented below.

Use of Estimates in Preparing Financial Statements - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Basis of Presentation - The financial statements of the Organization have been prepared to report regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization management and the board of directors.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Description of Programs

Child Care - The Organization provides quality, licensed childcare programs for over 400 children aged six weeks to 12 years. The Organization serves children of all socio-economic levels and offers financial assistance scholarships to families who could not otherwise afford childcare services. The programs' curriculums help children develop their physical, emotional, social, intellectual, and creative abilities in nurturing learning environments.

The two Waypoint Early Learning Centers and Preschools include KidsPoint Downtown and KidsPoint C Street. Each center provides full-time care for children aged six weeks to five years and offers a preschool program. The KidsPoint School Age Kids Program provides before and after school care for children in kindergarten through fifth grade at eleven different sites. The KidsPoint Summer Adventure Day Camp provides full-time care during the summer for children who have completed kindergarten through fifth grade.

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES

Notes to Financial Statements

June 30, 2022 and 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

Critical Services - The Waypoint Housing and Homeless Services offers shelter and support to individuals and families in crisis due to homelessness, poverty, and issues surrounding these challenges. The Waypoint Madge Phillips Center Shelter provides shelter, basic needs, and case management to help homeless women and their children set goals and utilize community resources to gain self-sufficiency. The Waypoint Coordinated Entry Program supports homeless individuals throughout the state by connecting them to local shelters to reduce the amount of time they are homeless and also creates shelter diversion.

The Waypoint Rapid Re-Housing and Homeless Prevention Programs support households who are homeless or nearly homeless with case management, landlord advocacy, and limited financial support to obtain affordable housing.

The Waypoint Domestic Violence Services Program provides crisis intervention and support services to help victims, survivors, and their families deal with the trauma of domestic violence. Services include a 24-hour Resource and Support Line, one-on-one peer counseling, legal and criminal justice advocacy, weekly support groups, emergency safety planning, multi-cultural outreach, and community prevention education.

Survivors Program: Waypoint's Survivors' Program provides support to individuals who have lost a family member or friend through homicide or vehicular homicide. The program also supports victims of violent felony crimes, such as kidnapping, robbery, and attempted murder. Services include emergency crisis intervention, legal and criminal justice system navigation, advocacy, support groups and information and referrals based on needs.

Support and Revenue - All contributions are considered to be without donor restrictions unless specifically restricted by the donor or law. Amounts received which are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Unconditional promises to give are recorded as receivables and as support when received. Grants receivable and contributions receivable are considered unconditional promises to give. Conditional contributions are not recorded until all conditions have been satisfied, at which time they are recognized as support. Amounts due in more than one year are recorded at net realizable discounted cash flow using an appropriate discount rate commensurate with the risks involved, 4.0% in 2022 and 2021. Amortization of the discount is recorded as additional revenue.

Recognition of revenue received during the current period in exchange for various program services or registrations for events that will occur in the next fiscal period are deferred until that time.

Contributions of donated goods are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Notes to Financial Statements
June 30, 2022 and 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

Contributed property and equipment are recorded at estimated fair value at the date of gift. If donors stipulate how long the assets must be used, the contributions are recorded as support with donor restrictions. In the absence of such stipulations, contributions of property and equipment are recorded as support without donor restrictions.

Revenue Recognition - Revenue from childcare services is recognized as each performance obligation is met by providing the services each operating day. One unit of service is one operating day.

Advertising Expense - Advertising costs are charged to expense when incurred.

Cash Equivalents - The Organization considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents, except when donor-imposed restrictions limit their use to long-term purposes.

Accounts Receivable - Accounts receivable are uncollateralized customer obligations which generally are due upon receipt. Payments of accounts receivable are applied to the earliest unpaid invoices. At the end of each year, management determines the need for an allowance for doubtful accounts based on historical collections, current credit conditions, and knowledge of the customer base. At June 30, 2022 and 2021, management has determined there is no need for an allowance for doubtful accounts.

Investments - Investments include a short term money market account and long-term marketable equity and debt securities and cash or cash equivalents held for long-term purposes according to donor-imposed restrictions or as designated by the Organization's Board of Directors. Investments in marketable equity and debt securities are carried at fair value with unrealized and realized gains and losses on investments reported as an increase or decrease in net assets without donor restrictions or net assets with donor restrictions.

Gains and investment income that are limited to specific uses by donor-imposed restrictions are reported in net assets without donor restrictions when the restrictions are met in the same reporting period as the gains and income are recognized.

Beneficial Interest in Assets Held by a Community Foundation - Beneficial interest in assets held by a community foundation represents assets transferred to The Greater Cedar Rapids Community Foundation (Foundation) under a reciprocal agreement; therefore, the value of the assets held by the Foundation are recognized at fair value. Control over the investment or reinvestment of this fund is exercised exclusively by the Foundation. Distributions from the fund are not subject to variance power and are based on the Foundation's current distribution rate. Earnings and losses, net of fees charged, are reported in the statement of activities as investment income.

Property and Equipment - Records of property and equipment additions were not maintained prior to December 31, 1976. Property and equipment acquired prior to that date are carried on the statement of financial position at an estimated value as of December 31, 1976, as determined by an appraisal prepared by management. The use of estimated values is not in accordance with accounting principles generally accepted in the United States of America; however, management has determined that the effects on the financial statements as of June 30, 2022 and 2021 are not material. Property and equipment acquired after December 31, 1976, are recorded at cost if purchased, or fair market value if received as a donation. The Organization's policy is to capitalize additions in excess of \$1,000 with an estimated useful life of at least three years.

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Notes to Financial Statements
June 30, 2022 and 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis as follows:

<u>Type</u>	<u>Estimated Useful Lives</u>
Buildings	45 years
Building improvements	5-45 years
Furniture and equipment	3-10 years

Impairment of Long-Lived Assets - The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

Functional Expenses - The Organization allocates their expenses on a functional basis among their various programs and supporting activities. Expenses that can be identified with a specific program or supporting activity are allocated directly according to their natural expenditure classification. Other expenses (primarily salaries and benefits) that are common to several functions are allocated based on time estimates made by management.

Income Taxes - Waypoint Services for Women, Children and Families is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar section of the Iowa income tax law, which provides income tax exemption for corporations organized and operated exclusively for religious, charitable, or educational purposes. The Organization is not classified as a private foundation. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Date of Management Review - Management has evaluated subsequent events through January 31, 2023, the date which the financial statements were available to be issued.

Reclassifications - Certain prior year amounts in the financial statements have been reclassified to conform with current year presentation. The reclassifications had no effect on previously reported change in net assets.

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Notes to Financial Statements
June 30, 2022 and 2021

Note 2 - Availability and Liquidity

The following represents the Organization's financial assets at June 30, 2022 and 2021:

Financial assets at year-end:	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 1,160,886	552,232
Accounts receivable	45,721	100,316
Contributions receivable	686,975	1,622,264
Grants receivable	572,757	320,325
Cash value of life insurance	90,789	87,412
Beneficial interest in assets held by a community foundation	23,232	24,941
Investments	2,800,965	3,320,507
Total financial assets	<u>5,381,325</u>	<u>6,027,997</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	2,858,984	3,001,340
Long-term contributions receivable	143,859	284,572
Less net assets with donor restrictions available for operating in the next year (time restrictions)	<u>(717,552)</u>	<u>(358,000)</u>
	2,285,291	2,927,912
Financial assets available to meet general expenditures Over the next twelve months	<u>\$ 3,096,034</u>	<u>3,100,085</u>

The Organization has a policy to maintain adequate financial assets to meet its obligations as they come due. In addition to the items listed above, the Organization has access to a line of credit (see Note 5) to provide additional liquidity should the need arise.

Note 3 - Promises to Give

Unconditional promises to give are expected to be realized in the following periods:

	<u>2022</u>	<u>2021</u>
Gross unconditional promises to give in:		
Less than one year	\$ 1,115,873	1,658,017
More than one year	149,570	303,530
Gross unconditional promises to give	<u>1,265,443</u>	<u>1,961,547</u>
Less: Unamortized discount	<u>(5,711)</u>	<u>(18,958)</u>
Net unconditional promises to give	<u>\$ 1,259,732</u>	<u>1,942,589</u>

Note 4 - Fair Value Measurements

Fair value accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;
- Level 2 – Valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in less active markets, such as dealer or broker markets.

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Notes to Financial Statements
June 30, 2022 and 2021

Note 4 - Fair Value Measurements (Continued)

- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer or broker-traded transactions.

Following is a description of the valuation methodologies used for instruments measured at fair value and their classification in the valuation hierarchy. There have been no changes in the techniques and inputs used as of June 30, 2022 and 2021.

Money market funds - Valued at cost, which is equal to fair market value.

Marketable equity securities - Valued based on quoted prices in active markets.

Marketable debt securities - Valued based on quoted prices in active markets.

Real estate securities – Valued based on quoted prices in active markets.

Cash value of life insurance - Valued based on multiple observable inputs including age and life expectancy.

Beneficial interest in assets held by a community foundation - Valued at the estimated pro-rata share of the community foundation’s investment pool.

The following tables present investment assets and liabilities measured at fair value by classification within the fair value hierarchy as of June 30, 2022 and 2021. Assets and liabilities are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

	June 30, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market funds	\$ 164,068	164,068	-	-
Marketable equity securities	2,143,311	2,143,311	-	-
Marketable debt securities	493,586	493,586	-	-
Cash value of life insurance	90,789	-	90,789	-
Beneficial interest in assets held by a community foundation	23,232	-	-	23,232
Total assets, at fair value	\$ 2,914,986	2,800,965	90,789	23,232

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Notes to Financial Statements
June 30, 2022 and 2021

Note 4 - Fair Value Measurements (Continued)

	June 30, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market funds	\$ 170,787	170,787	-	-
Marketable equity securities	2,641,545	2,641,545	-	-
Marketable debt securities	508,175	508,175	-	-
Cash value of life insurance	87,412	-	87,412	-
Beneficial interest in assets held by a community foundation	24,941	-	-	24,941
Total assets, at fair value	\$ 3,432,860	3,320,507	87,412	24,941

The following is a reconciliation of the beginning and ending balances of the asset measured at fair value on a recurring basis using significant unobservable (Level 3) inputs for the years ended June 30, 2022 and 2021:

	Beneficial Interest in Assets Held by a Community Foundation
Beginning balance, June 30, 2021	\$ 24,941
Unrealized gain (loss) related to instruments held at the reporting date	(1,709)
Balance, June 30, 2022	<u>23,232</u>
The amount of total investment gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to assets still held at June 30, 2022	\$ <u>(1,709)</u>
	Beneficial Interest in Assets Held by a Community Foundation
Beginning balance, June 30, 2020	\$ 19,481
Unrealized gain (loss) related to instruments held at the reporting date	5,460
Balance, June 30, 2021	<u>24,941</u>
The amount of total investment gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to assets still held at June 30, 2021	\$ <u>5,460</u>

Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Notes to Financial Statements
June 30, 2022 and 2021

Note 4 - Fair Value Measurements (Continued)

The following table represents the Organization's level 3 types, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs:

Type	Fair Value	Valuation Technique	Significant Unobservable inputs	Range
Beneficial interest in assets held by a community foundation	\$23,232	Estimated pro-rata share of the community foundation's investment pool	Investments are part of the community foundation's investment pool and inputs to investments are not known to investors	Unknown

Note 5 - Line of Credit

The Organization has an open line of credit agreement with a bank. The agreement authorizes maximum borrowings of \$600,000, secured by all inventory, equipment, and receivables of the Organization. Interest is payable monthly at 4.0%. The outstanding balance for the line of credit at June 30, 2022 and 2021 was \$-0- and \$47,840, respectively. The line of credit matures in January 2023.

The Organization has an open line of credit agreement with a bank. The agreement under its most current renewal authorizes maximum borrowings of \$774,000, secured by all inventory, equipment, and receivables of the Organization. Interest is payable monthly at 4.00%. The outstanding balance for the line of credit at June 30, 2022 and 2021 was \$-0- and \$66,969, respectively. The line of credit matures in January 2023.

The Organization has an open line of credit agreement with a bank. The agreement authorizes maximum borrowings of \$1,000,000, secured by all investments of the Organization. Interest was payable monthly at the Wall Street Journal published prime rate less 0.50% (note had rate of 2.75% at maturity). The outstanding balance for the line of credit at June 30, 2022 and 2021 was \$-0- and \$900,000, respectively. The note matured in December 2021.

Note 6 - Operating Lease Agreements and Rent Expense

The Organization leases office space and equipment under operating leases with expiration dates through September 2025. The leases require monthly payments ranging from \$405 to \$1,000 per month per location. Lease expense for the years ended June 30, 2022 and 2021 was \$46,608 and \$114,602, respectively.

Future minimum payments under these leases are as follows for the years ending June 30:

2023	\$	41,251
2024		38,987
2025		34,064
2026		2,152
Total	\$	116,454

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Notes to Financial Statements
June 30, 2022 and 2021

Note 7 - Endowments

The Organization's endowments consist of various funds established to support capital, programming, and the general operating needs of the Organization. Its endowments consist of donor-restricted and board-designated (quasi) endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. Consequently, the Organization classifies net assets with donor restrictions as:

- The original value of gifts donated to the permanent endowment, and
- The original value of subsequent gifts to the permanent endowment.

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

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

Return Objectives and Risk Parameters - The Organization has adopted investment and spending policies for endowment assets that attempt to preserve the real value, or purchasing power, of the endowment fund assets and the annual support provided by these assets for an infinite period. The endowment assets are invested in a manner that is based on a broad number of diversified asset classes to produce results with the expectation that the rate of return will be equal to or greater than a predetermined weighted average benchmark of several market indices.

Spending Policy - The Organization has a policy of appropriating from the general endowment, that is, the portion for which donor restrictions on investment earnings do not exist, for distribution each year no more than the average annual total return, net of fees, for the previous 12 quarters on the endowment to support the general operation of the Organization less an average annual inflation rate for the previous 12 quarters. The spending rate was 5% and 4.5% for the years ended June 30, 2022 and 2021, respectively. In establishing this policy, the Organization considered the long-term expected returns on its endowment investments. Accordingly, over the long term, the Organization expects the current spending policy will allow its endowment to retain the original fair value of the gift.

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Notes to Financial Statements
June 30, 2022 and 2021

Note 7 - Endowments (Continued)

Strategies Employed for Achieving Objectives - The Organization relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends). The Organization targets a diversified asset allocation that emphasizes growth instruments and equity securities to achieve its long-term objectives within prudent risk constraints. The target allocation for the years ended June 30, 2022 and 2021, was as follows:

Asset Category	Target Allocation
Domestic equity	60%
Foreign equity	10%
Total equity	70%
Real estate/REITS	5%
Fixed income	20%
Short-term cash	5%
Total fixed income and cash	30%
Total	100%

Endowment net asset composition by type of fund as of June 30, 2022:

		Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment funds	\$	-	2,074,303	2,074,303
Quasi-endowment		837,678	-	837,678
Total	\$	837,678	2,074,303	2,911,981

Changes in endowment net assets for the year ended June 30, 2022:

		Without Donor Restrictions	With Donor Restrictions	Total
Net assets, beginning of year	\$	861,191	2,568,484	3,429,675
Contributions		1,210	-	1,210
Investment income		21,128	178,036	199,164
Net appreciation (depreciation)		(45,851)	(592,217)	(638,068)
Appropriated for expenditure		-	(80,000)	(80,000)
Net assets, end of year	\$	837,678	2,074,303	2,911,981

Endowment net asset composition by type of fund as of June 30, 2021:

		Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment funds	\$	-	2,568,484	2,568,484
Quasi-endowment		861,191	-	861,191
Total	\$	861,191	2,568,484	3,429,675

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Notes to Financial Statements
June 30, 2022 and 2021

Note 7 - Endowments (Continued)

Changes in endowment net assets for the year ended June 30, 2021:

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets, beginning of year	\$ 745,264	1,960,598	2,705,862
Contributions	10,346	-	10,346
Investment income	4,152	29,017	33,169
Net appreciation (depreciation)	101,429	633,056	734,485
Appropriated for expenditure	-	(54,187)	(54,187)
Net assets, end of year	<u>\$ 861,191</u>	<u>2,568,484</u>	<u>3,429,675</u>

Note 8 - Nature and Amount of Net Assets with Donor Restrictions

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

	2022	2021
Temporary (time and purpose) restrictions:		
Subsequent years' operations	\$ 361,344	370,764
Children's services	481,754	166,541
Domestic violence program	21,579	45,503
Administration	20,000	3,775
Homeless Services	60,162	98,612
Earnings from endowment funds (without donor-restricted earnings)	716,395	1,121,963
	<u>1,661,234</u>	<u>1,807,158</u>
Permanent (endowment) restrictions:		
Irene H. Perrine Endowment Fund	150,000	150,000
Audrey Linge-Ovel	100,000	100,000
Knapp Assistance Fund	96,793	96,793
Katz Charitable Foundation Fund for Children's Services	50,000	50,000
Cecil Peterson	62,120	62,120
Wilma and John Petersen Fund	33,900	33,900
Helen Arnold	90,980	87,412
Wayne and Nan Kocourek Foundation	155,000	155,000
Other funds	458,957	458,957
	<u>1,197,750</u>	<u>1,194,182</u>
Total	<u>\$ 2,858,984</u>	<u>3,001,340</u>

Accumulated investment earnings on \$316,425 of endowment net assets are expendable only on donor specified programs. The total of these restricted accumulated earnings was \$160,740 and \$252,730 for the years ended June 30, 2022 and 2021, respectively. Those earnings have been included in the related purposes restriction. Income from the balance of the endowment net assets is expendable to support the general operations of the Organization.

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Notes to Financial Statements
June 30, 2022 and 2021

Note 8 - Nature and Amount of Net Assets with Donor Restrictions (Continued)

Net assets released from donor restrictions during the years ended June 30, 2022 and 2021 are as follows:

	2022	2021
Subsequent years' operations	\$ 385,943	427,867
Children's services	9,121	2,888
Domestic violence program	20,408	10,782
Homeless Services	11,720	15,934
Capital campaign	-	2,716,994
Distribution from endowment	80,000	54,187
	\$ 507,192	3,228,652

Note 9 - Support Concentration

Total support received from United Way of East Central Iowa during the years ended June 30, 2022 and 2021, was \$330,917 and \$379,945, respectively, representing approximately 4% and 6% of the Organization's total support and revenue for the years ended June 30, 2022 and 2021, respectively.

Total support received from Iowa Finance Authority during the years ended June 30, 2022 and 2021, was \$1,760,296 and \$1,124,336, respectively, representing approximately 21% and 18% of the Organization's total support and revenue for the years ended June 30, 2022 and 2021, respectively.

Total support received from U.S. Department of the Treasury passed through the Iowa Department of Human Services (Childcare Stabilization Grant) during the years ended June 30, 2022 and 2021, was \$955,788 and \$0-, respectively, representing approximately 11% and 0% of the Organization's total support and revenue for the years ended June 30, 2022 and 2021, respectively.

Total support received from State of Iowa Department of Justice Crime Victim Assistance Division during the years ended June 30, 2022 and 2021, was \$737,887 and \$740,978, respectively, representing approximately 9% and 12% of the Organization's total support and revenue for the years ended June 30, 2022 and 2021, respectively.

Note 10 - Retirement Expense

The Organization participates in a defined contribution plan qualified under Section 401(k) of the Internal Revenue Code. The plan is available to all employees who are at least 21 years old and have completed one year of service consisting of 1,000 or more hours. Eligible employees may contribute up to 100% of their eligible salary up to limits set forth by the Internal Revenue Code. The Organization may elect to match a portion of employee contributions, at the discretion of the Board of Directors. The Organization's contributions to the plan for the years ended June 30, 2022 and 2021, were \$8,101 and \$7,638, respectively.

Note 11 - Designated Funds Held by a Community Foundation

Designated funds for the benefit of Waypoint Services for Women, Children and Families have been established by donors with The Greater Cedar Rapids Community Foundation (Foundation).

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Notes to Financial Statements
June 30, 2022 and 2021

Note 11 - Designated Funds Held by a Community Foundation (Continued)

In establishing a designated fund, the donor grants variance power to the Foundation and, therefore, an asset is not recognized by the Organization. Revenue is recognized upon receipt of distributions. The balances of these funds held for the Organization's benefit totaled \$149,090 and \$140,101 at June 30, 2022 and 2021. For the years ended June 30, 2022 and 2021, the amounts of distributions received from the Foundation were \$-0- and \$-0-, respectively.

Note 12 - Life Insurance Policy

The Organization owns a life insurance policy, insuring one patron, with a net death benefit of \$136,423. The cash surrender value of this life insurance policy, recorded as an other asset in the statement of financial position, totaled \$90,789 and \$87,412 at June 30, 2022 and 2021, respectively.

Note 13 - Significant Concentrations and Contingencies

Concentration of Credit Risk - The Organization maintains all of its cash, cash equivalents, cash held for the benefit of others, money market deposits, and cash designated for special purposes in two financial institutions. Balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits. Balances in excess of FDIC limits are uninsured. At June 30, 2022, the Organization had deposits in financial institutions that exceeded federally insured limits of \$250,000. The Organization has not experienced any losses on uninsured balances.

Indeterminable Contingency - In accordance with the Code of Iowa, the Organization has elected to reimburse the Iowa Workforce Development for benefits paid to former employees of the Organization. This election is in lieu of the Organization making deposits with the Iowa Workforce Development based on a predetermined contribution rate. The amount of the contingent liability for future payments is indeterminable.

Note 14 - Refundable Advance (PPP Loan)

During the year ended June 30, 2021, the Organization received government assistance under the CARES Act in the form of two Paycheck Protection Program (PPP) loans. The Organization had applied FASB ASC 958-605 to initially record the loans as refundable advances. Under ASC 958-605-25-13, the loans are to be treated as refundable advances until the conditions on which they depend are substantially met. By June 30, 2021, the Organization had incurred eligible costs to qualify for complete forgiveness of the loans. As such, the full amounts of the PPP loans were recognized as revenue in the statement of activities for the year ended June 30, 2021.

**WAYPOINT SERVICES FOR WOMEN,
CHILDREN AND FAMILIES AND ITS SUBSIDIARY**

Cedar Rapids, Iowa

Supplemental Information

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Schedules of Operating Grant Revenue
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
State of Iowa Department of Justice Crime Victim Assistance Division:		
State Domestic Abuse	\$ 150,547	119,215
Federal Crime Victim Assistance Survivor	253,390	219,958
Survivor Grant - State	20,092	4,270
Federal Crime Victim Assistance	<u>313,858</u>	<u>397,535</u>
Total State of Iowa Department of Justice Crime Victim Assistance Division	737,887	740,978
Aegon Transamerica	33,318	-
Alliant Energy Foundation, Inc.	-	2,000
American Family Insurance	5,000	-
ARPA Childcare Stabilization Grant	955,788	-
Area Substance Abuse Council	4,500	7,500
BAE Systems	5,000	-
Bank of America Foundation	10,000	10,000
Bank of the West	10,000	-
Cedar Valley United Way	28,220	68,000
City of Cedar Rapids - Community Development Block Grant	22,000	22,000
City of Cedar Rapids - Hoteling	470	4,294
City of Marion - Low Income Housing	-	6,500
Community Foundation of Northeast Iowa	-	14,000
Crisis Line/Institute of Community Alliances	111,242	120,043
Greater Cedar Rapids Community Foundation - operating	45,000	85,725
Greater Cedar Rapids Community Foundation - restricted	36,276	7,500
Housing Fund of Linn County	36,500	40,000
Iowa Accountability Program	-	17,788
Investing in Iowa Child Care	-	7,711
Iowa Coalition Against Domestic Violence - Financial Literacy Classes	9,610	15,540
Iowa Economic Development Authority	-	22,500
Iowa Finance Authority - Emergency Solutions Grant	191,313	144,330
Iowa Finance Authority - Emergency Solutions Grant CV1	624,200	790,857
Iowa Finance Authority - Emergency Solutions Grant CV2	944,783	189,149
Iowa Women's Foundation	5,000	-
Investing in Iowa Childcare	175,129	-
Kirkwood College	2,720	4,222
Linn County Caring Dads	14,431	-
Linn County Community Services - Domestic Violence Housing	32,582	32,582
Linn County Community Services - Coordinated Intake Support	25,000	36,863
Linn County Early Childhood Iowa	-	25,035
Linn County ERA2	100,466	-
Linn County/Local Homeless Coordinating Board	<u>200</u>	<u>23,318</u>
Balance forward	4,166,635	2,438,435

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Schedules of Operating Grant Revenue
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Balance forward	4,166,635	2,438,435
Linn County Stop Gap	6,864	-
Maximus Foundation	12,000	-
Nordstrom	7,500	10,000
OVW transitional housing 2017	93,800	131,016
RBC Foundation	-	3,000
Robert Half	-	1,250
Rotary Club	750	-
Shelter Assistance Fund	17,193	-
St Joseph's Catholic Church	2,000	4,000
State of Iowa Dept of Education		
Child & Adult Care Food Program CACFP	92,786	53,000
State of Iowa - COVID stipend	132,700	187,000
State of Iowa - Rejuvenation		16,500
Theisen's	3,875	4,500
Toyota	-	5,000
University of Iowa	-	270
United Way	40,000	-
Walmart Foundation	1,500	-
Washington County Riverboat Foundation	-	25,000
Total grant revenue	\$ <u>4,577,603</u>	<u>2,878,971</u>

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Federal Grantor/ Program Title	Federal CFDA Number	Pass- through Entity Number	Federal Expenditure:
U.S. Department of Justice:			
Direct Awards:			
Transitional Housing Assistance	16.736		\$ 93,800
Passed through the Crime Victim Assistance Division of Iowa Department of Justice:			
Victims of Crime Act	16.575	VS-21-26-DAC and DAC-2022	313,858
Homicide Survivors Program	16.575	VS-21-144-HP and SOH/OVC-2022	<u>253,390</u>
			<u>661,048</u>
U.S. Department of Housing and Urban Development:			
Passed through the City of Cedar Rapids:			
Community Development Block Grants	14.218		22,000
Passed through the Iowa Finance Authority:			
* Emergency Solutions Grant Program	14.231	ESG-57007-21 and 22	191,313
* Emergency Solutions Grant Program COVID-19	14.231	ESG-CV-57007-20	624,199
* Emergency Solutions Grant Program COVID-19	14.231	ESG-CV2-57007-20	944,783
Passed through the Iowa Balance of State Continuum of Care:			
Continuum of Care (CoC) Program	14.267	2018-003	<u>111,242</u>
			<u>1,893,537</u>
U.S. Department of the Treasury			
Passed through the Iowa Department of Human Services:			
Coronavirus State and Local Fiscal Recovery Funds	21.027		578,886
U.S. Department of Agriculture			
Passed through the State of Iowa Department of Education:			
Child and Adult Care Food Program	10.558		92,786
Federal Emergency Management Agency			
Passed through Linn County Community Services:			
Emergency Food and Shelter National Board Program	97.024		200
Total Expenditures of Federal Awards			<u>\$ 3,226,457</u>

* - Denotes major program

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Waypoint Services for Women, Children, and Families (Waypoint) under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Waypoint, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Waypoint.

Note 2 - Summary of Significant Accounting Policies

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

Note 3 - Indirect Cost Rate

Waypoint opted not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4 - Subrecipients

There were no awards passed through to subrecipients.



FORGE

FINANCIAL & MANAGEMENT CONSULTING

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*

To the Board of Directors of
Waypoint Services for Women, Children and Families
Cedar Rapids, Iowa

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 Waypoint Services for Women, Children and Families (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated January 31, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Waypoint Services for Women, Children and Families' 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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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 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.

Forge Financial & Management Consulting

West Des Moines, Iowa
January 31, 2023



FORGE

FINANCIAL & MANAGEMENT CONSULTING

Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Directors of
Waypoint Services for Women, Children and Families
Cedar Rapids, Iowa

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Waypoint Services for Women, Children & Families, Inc.'s compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Waypoint Services for Women, Children & Families, Inc.'s major federal programs for the year ended June 30, 2022. Waypoint Services for Women, Children & Families, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Waypoint Services for Women, Children & Families, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Waypoint Services for Women, Children & Families, Inc.'s federal programs.

Auditors' Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Waypoint Services for Women, Children & Families, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Waypoint Services for Women, Children & Families, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Waypoint Services for Women, Children & Families, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Forge Financial & Management Consulting

West Des Moines, Iowa
January 31, 2023

WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Part I: Summary of independent auditors' results:

1. An unmodified opinion was issued on the financial statements.
2. The audit of the financial statements did not uncover any significant deficiencies or material weaknesses in internal control over financial reporting. However, material weaknesses or significant deficiencies may exist that have not been uncovered.
3. The audit did not disclose any non-compliance that is material to the financial statements.
4. There were no significant deficiencies or material weaknesses disclosed during the audit of compliance over major programs.
5. Auditor issued an unmodified opinion on compliance of major programs.
6. There were no reported audit findings relative to the major federal award programs.
7. The following program was considered to be a major program:
 - a. Emergency Solutions Grant, CFDA 14.231
8. The threshold between a Type A and Type B program was \$750,000.
9. The auditee did not qualify as a low-risk auditee.

Part II: Finding(s) related to the financial statements in accordance with generally accepted government auditing standards:

NONE

Part III: Finding(s) and questioned costs for Federal awards:

NONE

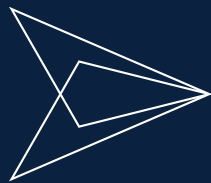
Summary Schedule of Prior Audit Findings

Questioned Program

Findings

Status

None



FORGE

FINANCIAL & MANAGEMENT CONSULTING