

**Audited Combined Financial Statements
and Other Information**

**eliminating racism
empowering women
ywca**

silicon valley
and related entity

June 30, 2019

Quigley & Miron

YWCA Silicon Valley and Related Entity
Audited Combined Financial Statements and Other Information
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Independent Auditor's Report

Board of Directors
**YWCA Silicon Valley
and Related Entity**
San Jose, California

Report on the Financial Statements

We have audited the accompanying combined financial statements of YWCA Silicon Valley (YWCA-SV), a nonprofit YWCA-SV, and its related entity, YWCA Third Street, Inc., which comprise the combined statement of financial position as of June 30, 2019, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America, including the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined 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 combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of YWCA Silicon Valley and its related entity as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

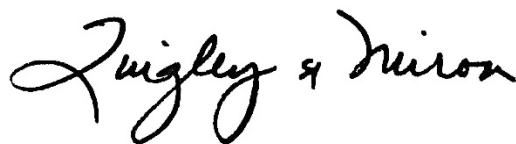
We have previously audited YWCA Silicon Valley's June 30, 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 30, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying schedules of expenditures of federal, state, and local awards, and the supplementary information required by the California Emergency Management Agency (CAL EMA), and the supplementary information required by the California Department of Education (CDE) are presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), CAL EMA, and the CDE, and are also not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued reports dated November 22, 2019, on our consideration of YWCA Silicon Valley's internal control over financial reporting, and our tests of its compliance with certain provisions of laws, regulations, contracts and 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering YWCA Silicon Valley's internal control over financial reporting and compliance.



YWCA Silicon Valley and Related Entity
Combined Statement of Financial Position
June 30, 2019
(with comparative totals for 2018)

	<u>2019</u>	<u>2018</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,432,416	\$ 878,080
Investments—Note 3	5,459,824	6,040,011
Accounts receivable, net—Note 5	193,271	80,134
Government contracts receivable	1,004,491	749,819
Advances to SBW	67,646	59,944
Pledges receivable	141,473	474,123
Prepaid expenses and other assets	127,373	95,907
Total Current Assets	8,426,494	8,378,018
Noncurrent Assets		
Fixed assets, net		
Land, buildings, and equipment	5,479,460	5,457,445
Accumulated depreciation	(3,084,236)	(2,940,527)
Total Fixed Assets, Net	2,395,224	2,516,918
Deposits	5,120	12,179
Endowment cash restricted in perpetuity—Note 8	92,679	92,679
Total Noncurrent Assets	2,493,023	2,621,776
Total Assets	<u>\$ 10,919,517</u>	<u>\$ 10,999,794</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 100,347	\$ 73,929
Accrued compensation and related liabilities	465,220	322,323
Grant payable	13,318	4,437
Deferred revenue	213,163	
YWCA Third Street loan payable, current portion—Note 6	35,000	35,000
Total Current Liabilities	827,048	435,689
Noncurrent Liabilities		
YWCA Third Street loan payable—Note 6	461,465	490,926
Total Noncurrent Liabilities	461,465	490,926
Total Liabilities	1,288,513	926,615
Net Assets		
Without donor restrictions	1,804,717	1,853,426
With donor restrictions—Note 8	7,826,287	8,219,753
Total Net Assets	9,631,004	10,073,179
Total Liabilities and Net Assets	<u>\$ 10,919,517</u>	<u>\$ 10,999,794</u>

See notes to combined financial statements.

YWCA Silicon Valley and Related Entity
Combined Statement of Activities
Year Ended June 30, 2019
(with comparative totals for 2018)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2019 Total</u>	<u>2018 Total</u>
Operating Activities				
Public Support and Revenue				
Contributions				
Individuals	\$ 506,770	\$ 194,358	\$ 701,128	\$ 680,974
Government	85,180		85,180	81,566
Foundation/corporate grants	29,971	367,059	397,030	1,049,560
In-kind	239,034		239,034	271,967
Special events—Note 9				
Gross revenue	1,085,196		1,085,196	905,410
Less cost of direct benefits to donors	(405,642)		(405,642)	(283,981)
Special Events, Net	679,554		679,554	621,429
Total Support	1,540,509	561,417	2,101,926	2,705,496
Government contracts	4,374,825		4,374,825	3,689,654
Program service fees	1,398,138		1,398,138	969,602
Interest and dividend income	13,512	156,117	169,629	158,443
Income from investment in SBW	17,521		17,521	222
Ground lease income	4,461		4,461	54,787
Miscellaneous income	21,004		21,004	621
Total Revenue	5,829,461	156,117	5,985,578	4,873,329
Net assets released from restrictions	1,070,402	(1,070,402)		
Total Public Support and Revenue, and Releases from Restrictions	8,440,372	(352,868)	8,087,504	7,578,825
Expenses				
Program services	6,978,873		6,978,873	6,522,701
Management and general	915,434		915,434	432,252
Fund development	601,668		601,668	676,297
Total Expenses	8,495,975		8,495,975	7,631,250
Change in Net Assets from Operating Activities	(55,603)	(352,868)	(408,471)	(52,425)
Nonoperating Activities				
Loss on sale on "Housing Parcel"				(68,145)
Investment returns, net	6,894	(40,598)	(33,704)	186,418
Total Nonoperating Activities	6,894	(40,598)	(33,704)	118,273
Change in Net Assets	(48,709)	(393,466)	(442,175)	65,848
Net Assets at Beginning of Year	1,853,426	8,219,753	10,073,179	10,007,331
Net Assets at End of Year	\$ 1,804,717	\$ 7,826,287	\$ 9,631,004	\$ 10,073,179

See notes to combined financial statements.

YWCA Silicon Valley and Related Entity
Combined Statement of Functional Expenses
Year Ended June 30, 2019
(with comparative totals for 2018)

	Program Services							Supporting Services					2019 Totals	2018 Totals	
	Child Care Services	Youth Services/ TechGYRLS	Curated Pathways to Innovation	Linda Haskell Endowment Fund	Domestic Violence Services	Housing Services	YWCA Third Street	Counseling Services	Total Program Services	Management and General	Fund Development	Special Events			Total Supporting Services
Salaries	\$ 997,571	\$ 11,210	\$ 203,652	\$ 71,863	\$ 2,041,048	\$ 368,194	\$	\$ 380,445	\$ 4,073,983	\$ 477,397	\$ 422,982		\$ 900,379	\$ 4,974,362	\$ 4,313,217
Employee benefits	149,379	339	10,981	5,633	175,978	21,595		28,344	392,249	58,508	26,154		84,662	476,911	452,406
Payroll taxes	76,399	866	15,901	5,375	155,128	28,264		29,612	311,545	36,085	33,156		69,241	380,786	341,080
Total Payroll-Related Expense	1,223,349	12,415	230,534	82,871	2,372,154	418,053		438,401	4,777,777	571,990	482,292		1,054,282	5,832,059	5,106,703
Professional fees and contract services	33,867	512	117,595	68,673	273,638	9,072	18,434	11,484	533,275	179,516	13,548		193,064	726,339	732,993
Occupancy	156,624	880	6,089		194,203	10,520		18,777	387,093	20,313	9,383		29,696	416,789	342,303
In-kind services and supplies	22,377		1,841		214,816				239,034					239,034	228,967
Supplies	43,631	92	3,358		63,637	8,851		5,459	125,028	4,686	2,004		6,690	131,718	212,961
Depreciation	42,441	905	1,306		58,404	7,240		16,975	127,271	7,718	8,720		16,438	143,709	136,623
Housing and rental assistance					8,535	261,418			269,953					269,953	139,395
Telephone	14,511	261	1,460		80,918	3,785		5,550	106,485	5,809	4,024		9,833	116,318	126,565
Equipment rental and maintenance	24,053	508	914		33,050	4,263		8,534	71,322	5,820	4,890		10,710	82,032	97,557
Publicity and promotion	3,089		2,989	70	13,341	1,729		278	21,496	11,673	13,814		25,487	46,983	88,649
Local transportation	3,645	101	9,714	55	46,456	11,043		8,409	79,423	12,741	1,452		14,193	93,616	85,128
Insurance	11,244	271	545		10,493	2,224		4,606	29,383	35,344	2,657		38,001	67,384	68,336
Miscellaneous	1,259		980			190			2,429	41,136	25,942		67,078	69,507	58,333
Conferences, conventions, and meetings		1,118	108		25,170	1,455		775	28,626	2,788	9,230		12,018	40,644	54,308
Emergency and basic assistance			6,930		86,697	4,947			98,574					98,574	55,743
Dues and subscriptions	12,116	310	559		17,810	3,166		5,302	39,263	5,521	4,522		10,043	49,306	34,517
Minor equipment	142		5,146		13,791	1,972			21,051	1,516	1,158		2,674	23,725	27,131
Outside printing and artwork	1,506	33	516		5,675	958		543	9,231	2,811	15,615		18,426	27,657	16,116
Taxes and licenses	6,478	31	89		4,073	50		289	11,010	5,136	491		5,627	16,637	12,291
Postage	197		9		823	120			1,149	916	1,926		2,842	3,991	6,631
Cost of direct benefits to donors													405,642	405,642	283,981
Total Expenses by Function	1,600,529	17,437	390,682	151,669	3,523,684	751,056	18,434	525,382	6,978,873	915,434	601,668	405,642	1,922,744	8,901,617	7,915,231
Less cost of direct benefits to donors												(405,642)	(405,642)	(405,642)	(283,981)
2019 Total Expenses	\$ 1,600,529	\$ 17,437	\$ 390,682	\$ 151,669	\$ 3,523,684	\$ 751,056	\$ 18,434	\$ 525,382	\$ 6,978,873	\$ 915,434	\$ 601,668	\$	\$ 1,517,102	\$ 8,495,975	\$ 7,631,250
2018 Total Expenses	\$ 1,630,448	\$ 71,524	\$ 381,735	\$ 64,248	\$ 3,086,842	\$ 563,276	\$ 68,421	\$ 656,207	\$ 6,522,701	\$ 432,252	\$ 676,297	\$ 6,954,953	\$ 1,108,549		\$ 7,631,250

See notes to combined financial statements.

YWCA Silicon Valley and Related Entity
Combined Statement of Cash Flows
Year Ended June 30, 2019
(with comparative totals for 2018)

	<u>2019</u>	<u>2018</u>
Cash Flows from Operating Activities		
Change in net assets	\$ (442,175)	\$ 65,848
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	143,709	136,623
In-kind contribution of fixed assets		(43,000)
Net loss on disposal of fixed assets		12,536
Investment returns, net	33,704	(186,418)
Loss on sale of "Housing Parcel"		68,145
Changes in operating assets and liabilities:		
Accounts receivable, net	(113,137)	55,519
Government contracts receivable	(254,672)	75,453
Pledges receivable	332,650	(315,696)
Advances to SBW	(7,702)	(59,944)
Prepaid expenses and other assets	(31,466)	94,531
Deposits	7,059	(9,059)
Accounts payable	26,418	(51,217)
Accrued compensation and related liabilities	142,897	32,242
Grant payable	8,881	1,479
Deferred revenue	213,163	
	<u>59,329</u>	<u>(122,958)</u>
Net Cash Provided by (Used in) Operating Activities		
Cash Flows from Investing Activities		
Purchases of investments	(149,517)	(1,742,335)
Proceeds from sale of investments	696,000	1,921,189
Purchase of "Housing Parcel"		(2,939,971)
Proceeds from sale of "Housing Parcel"		2,871,826
Purchases of fixed assets	(22,015)	(2,915)
	<u>524,468</u>	<u>107,794</u>
Net Cash Provided by Investing Activities		
Cash Flows from Financing Activities		
Repayment of notes payable	(29,461)	(54,787)
	<u>(29,461)</u>	<u>(54,787)</u>
Net Cash Used in Financing Activities		
Increase (Decrease) in Cash and Cash Equivalents	<u>554,336</u>	<u>(69,951)</u>
Cash and Cash Equivalents at Beginning of Year	<u>878,080</u>	<u>948,031</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,432,416</u>	<u>\$ 878,080</u>
Supplementary Disclosures		
Income taxes paid	<u>\$</u>	<u>\$</u>
Interest paid	<u>\$</u>	<u>\$</u>

See notes to combined financial statements.

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements
June 30, 2019

Note 1—Organization and Summary of Significant Accounting Policies

YWCA-SV—YWCA Silicon Valley, dba YWCA Silicon Valley (YWCA-SV), is a nonprofit California corporation formed in May 1914, whose mission is to empower women, children, and families, and to eliminate racism, hatred, and prejudice. YWCA-SV is affiliated with the National YWCA USA YWCA-SV, that assesses dues annually based on certain criteria. The board of YWCA-SV also controls a related YWCA-SV, YWCA Third Street, Inc. (YTS), which was formed in 1990 to manage air rights for a parcel of land located in San Jose, California. YWCA-SV offers a broad range of services to a diverse constituency. Through staff and volunteers, collaboration with other agencies, government grants, and with the assistance of public and private contributions, YWCA-SV is able to provide services throughout Silicon Valley in the following major program areas:

Child Care Services Department

Providing families with affordable, quality child care is crucial to achieving the YWCA-SV mission; access to child care is central to women’s empowerment, and access to education for children is key to achieving equality. The YWCA-SV’s early learning curriculum is rooted in the agency’s values, and centers on building a community that promotes peace and justice. Serving families for more than 60 years, the YWCA-SV operates child care centers for almost 240 children each year, ranging in age from 6 weeks to 12 years. Each of the YWCA’s licensed centers is staffed with enthusiastic individuals trained in cultural diversity and responsiveness.

Support Services Department

The YWCA Support Services Department provides an integrated continuum of crisis response and prevention services for sexual assault, domestic violence and human trafficking survivors, with 24-hour crisis lines and crisis intervention, shelter, transitional, and supportive housing programming, counseling, advocacy, legal services, and community education. YWCA-SV believes that gender inequality, racism, and violence are mutually compounding and fueled by untreated trauma, unconscious beliefs, and systemic inequality. The mission framework of YWCA-SV allows for the adoption of capacity building and systems change approaches to eliminate racism and empower women, as well as provide needed crisis intervention services. To ensure systems change, YWCA-SV provides prevention and community education to change societal and cultural norms; advocates with policy makers and influencers; and engages with community partners to ensure collective impact.

The provision of a quality, integrated multi-service offers a safe, welcoming environment where individuals and survivors can receive critical services that provide the tools to establish violence-free relationships and safe living environments. Services include: a 24-hour toll-free bilingual (English/Spanish) crisis hotline and crisis intervention services; counseling and therapy; legal advocacy services; emergency shelter; rapid re-housing services; services for children; case management; and community education and training. These vital services reduce the number of Santa Clara County women and children living in danger of domestic violence, sexual assault, and human trafficking.

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 1—Organization and Summary of Significant Accounting Policies—Continued

Healing Center/Clinical Services and Training Program

YWCA-SV's Clinical Services provide trauma-informed therapy services for individuals, couples, and families in need of support and healing from trauma caused by domestic violence, sexual assault, child abuse, gang violence, grief and loss, and other challenges our communities experience. These services are provided at the Linda Haskell Empowerment Center in San Jose and at our satellite office in Sunnyvale. By using an income-based sliding scale for fees, therapy services are available for all income levels. During the year ended June 30, 2019, 210 clients received 1,913 counseling sessions providing healing and hope for a better future. Our school-based counseling program provided 2,792 sessions to 387 students in 9 schools in the San Jose School District. These services are free to students and provide immediate support/crisis management on school campuses. The ARISE Program offers free therapy services to clients in our community that feel safer receiving services in areas where they live, work, or attend school. In our first year of this program, we provided 191 clients with therapy at 3 different locations. Our diversion programs for first time individuals arrested for prostitution (VALOR) provided workshops/support groups for 44 women. Our program for men arrested for the purchase of sex (FOPP Men's Class) provided 77 men with psychoeducation on sex trafficking and objectification of women and girls. All of these services are provided by MFT associates and trainees from local universities. Twenty-eight MFT associates/trainees received trauma-informed training and high quality supervision as they gain hours toward licensure and continue to provide trauma-informed, client-driven, and empowerment-based clinical services for our communities.

TechGYRLS

The purpose of *TechGYRLS* is to provide STEM and computer science education to girls in underserved areas, from elementary through high school. In the 2018-2019 school year, *TechGYRLS* phased out as students actively participate in Curated Pathways to Innovation.

Curated Pathways™ to Innovation

Curated Pathways to Innovation™ is a game-changing model driving a collect impact approach to engaging young women and underrepresented minorities in science, technology, engineering, mathematics, and computer science, in Silicon Valley and beyond, through the use of a web-based application that guides and incents students' success through gamification, analytics, and a recommendation algorithm: a "virtual coach." Curated Pathways was piloted in 2017-2018 at Ocala STEAM Academy in Alum Rock Union Elementary School District and Overfelt High School in East Side Union High School District, engaging 957 students to start their personal education and career pathway through the online application.

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 1—Organization and Summary of Significant Accounting Policies—Continued

Financial Statement Presentation—In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. YWCA-SV has adopted ASU No. 2016-14 for the year ended June 30, 2019 and has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

The combined financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The combined financial statements include the accounts of YWCA-SV and YTS (together referred to as YWCA-SV). Significant intercompany accounts and transactions were eliminated upon consolidation. YWCA-SV recognizes contributions, including unconditional promises to give, as revenue in the period received. Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. The net assets of YWCA-SV and changes therein are classified and reported as follows:

Net assets without donor restrictions—Net assets that are not subject to donor-imposed stipulations and that may be expended for any purpose in performing the primary objectives of YWCA-SV. These net assets may be used at the discretion of YWCA-SV's 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; such restrictions that may or will be met either by actions of YWCA-SV and/or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. Generally, the donors of such assets permit YWCA-SV to use all or part of the income earned on related investments for general or specific purposes.

Donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restriction. When a time restriction expires or a purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

Measure of Operations—The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of YWCA-SV's program services; and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 1—Organization and Summary of Significant Accounting Policies—Continued

Income Taxes—YWCA-SV is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3), from California income taxes under Section 23701(d) of the California Bank and Corporation Tax Law and has been determined to be an YWCA-SV that is not a private foundation. YTS's exempt organization status was revoked, effective November 15, 2011, however management believes the impact of this revocation on the combined financial statements is immaterial. Accounting standards require an organization to evaluate its tax positions and provide for a liability for any positions that would not be considered '*more likely than not*' to be upheld under a tax authority examination. Management has evaluated its tax positions and has concluded that a provision for a tax liability is not necessary at June 30, 2019 or 2018. Generally, YWCA-SV's information returns remain open for examination for a period of three (federal) or four (state of California) years from the date of filing.

Cash and Cash Equivalents—For purposes of the combined statement of cash flows, YWCA-SV considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The carrying amounts reported in the combined statement of financial position approximate fair values because of the short maturities of these instruments. Included in cash for both years ended June 30, 2019 and 2018 is \$152,886 and \$154,136, respectively designated by YWCA-SV's Board of Directors for Domestic Violence shelter renovations and operations. Also included in cash for both years ended June 30, 2019 and 2018 is \$400,000 to be used as an operating reserve, of which \$350,000 is board-designated without restrictions and \$50,000 is with donor restrictions.

Accounts, Grants, and Pledges Receivable—Accounts receivable are shown net of an allowance of \$2,300 and \$2,300, respectively, as of June 30, 2019 and 2018. Bad debts charged to operations during the year ended June 30, 2018 totaled \$3,364, there was no bad debt expense for the year ended June 30, 2019. Write-off of accounts receivable totaled \$0 and \$2,564 for the years ended June 30, 2019 and 2018, respectively.

The carrying amounts for grants and pledges receivable reported in the combined statement of financial position approximate fair values, as all amounts are expected to be received or paid within one year, and management has determined that no allowance for potential losses due to uncollectible grants and pledges receivable is necessary.

Government Contracts Receivable—Government contracts receivable represents amount earned from services performed on government contracts but not collected as of June 30, 2019 and 2018. The YWCA-SV has determined that no allowance for potential losses due to uncollectable receivables was necessary at June 30, 2019 and 2018 as all such receivables are considered to be fully collectible.

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 1—Organization and Summary of Significant Accounting Policies—Continued

Depreciation—Fixed assets are reported at cost or donated value, and are depreciated using the straight-line method over the estimated useful life of the asset, ranging from three to forty-five years. YWCA-SV's policy is to capitalize items greater than \$1,000. At June 30, 2019 and 2018, the cost and related accumulated depreciation for fixed asset components are as follows:

	<u>2019</u>	<u>2018</u>
Land and buildings	\$ 4,274,951	\$ 4,274,951
Building improvements	926,952	904,937
Furniture, equipment, and improvements	150,658	150,658
Vehicles	<u>126,899</u>	<u>126,899</u>
	5,479,460	5,457,445
Less accumulated depreciation	<u>(3,084,236)</u>	<u>(2,940,527)</u>
Net	<u>\$ 2,395,224</u>	<u>\$ 2,516,918</u>

Depreciation expense charged to operations for the years ended June 30, 2019 and 2018 totaled \$143,709 and \$136,623, respectively.

The California Department of Education (CDE) retains a reversionary interest in certain assets purchased with CDE funds. Title to such assets vests with YWCA-SV only for the period of time during which YWCA-SV has a contract with the CDE. In June 2016, YWCA-SV purchased and capitalized curriculum software totaling \$3,749 as furniture, equipment, and improvements, using CDE funds. Related depreciation expense totaled \$750 for the each of the years ended June 30, 2019 and 2018, respectively.

Accrued Compensation—Full-time employees annually accrue 80 to 160 hours of vacation, depending on length of employment, up to a maximum accrual of 200 to 280 hours. Exceptions to this policy may be granted by the Board of Directors. Upon termination, employees are compensated for unused vacation hours. In addition, employees receive one day of sick leave for each month of employment, up to a maximum accrual of 120 days. Employees are not compensated for unused sick leave upon termination. Benefited part-time employees receive the vacation and sick leave accruals on a prorated basis.

Legacies and Bequests—Legacies and bequests may be received by YWCA-SV under various wills and trust agreements. The amounts are recorded upon legal validation.

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 1—Organization and Summary of Significant Accounting Policies—Continued

Revenue Recognition, Government Contracts, Program Service Fees—YWCA-SV receives cost reimbursement contract revenue as well as fixed rate contract revenue. Revenue is recognized when the corresponding service has been provided according to the agreement, subject to the contract limit, if any. Under fixed rate contracts, YWCA-SV agrees to provide certain services in specified quantities at a prescribed rate per unit of service provided. Certain contracts have provisions for annual settlements to provide for recovery of costs for service capacity required to be provided, but not utilized, and for repayment of amounts billed in excess of contract limits. Estimated settlements are accrued by YWCA-SV as a grant receivable or grant payable for contracts for which cost reports have not been finalized. The carrying amounts for grants payable reported in the combined statement of financial position approximate fair values as all amounts are expected to be received or paid within one year. Revenue from program service fees is recognized when services are provided.

Amounts received in advance of expenditure are reported as deferred revenue on the statement of financial position.

Functional Expenses—YWCA-SV has in place a cost allocation plan employed to allocate indirect expenses to each program on a basis proportionate to the direct staff time or other cost driver used for each program. The following are the methodologies used for expenses that are allocated between programs, general and administrative and fundraising expenses:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries	Time and effort
Employee benefits	Time and effort
Payroll taxes	Time and effort
Professional fees and contract services	Time and effort
Occupancy	Square footage
In-kind services and supplies	Time and effort
Supplies	Time and effort
Depreciation	Square footage
Housing and rental assistance	Time and effort
Telephone	Square footage
Equipment rental and maintenance	Square footage
Publicity and promotion	Time and effort
Local transportation	Time and effort
Insurance	Square footage
Miscellaneous	Time and effort
Conferences, conventions, and meetings	Time and effort
Dues and subscriptions	Square footage

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 1—Organization and Summary of Significant Accounting Policies—Continued

<u>Expense</u>	<u>Method of Allocation</u>
Minor equipment	Time and effort
Outside printing and artwork	Time and effort
Taxes and licenses	Time and effort
Postage	Time and effort

Advertising—YWCA-SV's policy is to expense advertising costs to operations as incurred.

Reclassifications—Certain accounts in the prior year combined financial statements have been reclassified for comparative purposes to conform to the presentation in the current year combined financial statements.

Comparative Totals for 2018—The accompanying combined financial statements include certain prior-year summarized comparative financial information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with YWCA-SV's combined audited financial statements for the year ended June 30, 2018, from which the summarized information was derived.

Reconciliation of CDE and GAAP Expense Reporting—The supplementary *Combining Statement of Activities* and basic financial statements present financial data in conformity with GAAP. The other supplementary financial data presented in the audit, including data in the *Schedule of Expenditures by State Categories*, present expenditures according to CDE reporting requirements. However, reporting differences arise because CDE contract funds must be expended during the contract period (usually one year). For example, program amounts that are capitalized and depreciated over multiple years under GAAP are expensed in the contract period under CDE requirements. To address such reporting differences, the audit report includes a *Reconciliation of CDE and GAAP Expense Reporting*.

In-Kind—In-kind contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Donated professional services and supplies are reflected as contributions in the accompanying statements at their estimated fair market value at date of notification. For the years ended June 30, 2019 and 2018, in-kind services and supplies totaled \$239,034 and \$271,967, respectively. Included in special event revenue and expenses for the years ended June 30, 2019 and 2018 is \$15,500 and \$22,045, respectively, of donated materials and services.

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—*Continued*

Note 2—Availability and Liquidity

The following represents the availability and liquidity of CCAF’s financial assets at June 30, 2019 to cover operating expenses for the next fiscal year:

	2019
Cash and cash equivalents	\$ (748,569)
Investments	2,201
Accounts receivable	193,271
Government contracts receivable	1,004,491
Advances to SBW	67,646
Pledges receivable	46,473
Current Availability of Financial Assets	\$ 565,513

YWCA-SV’s goal is generally to maintain financial assets to meet at least 90 days of general operating expenses which are estimated to be \$2,123,000. Included in net assets with restrictions are \$6,500,000 of cash and investments from the Linda Haskell Empowerment fund. The donor agreement allows the YWCA-SV flexibility to use the funds not only for program use but to also to provide for liquidity when needed for working capital purposes.

Note 3—Investments

Investments are carried at fair value, as based on quoted market prices for these instruments. Donated investments are recorded at the estimated fair value at the donation date. Unrealized gains and losses are reported on the combined statement of activities. Marketable securities consist of the following at June 30, 2019 and 2018:

	2019	2018
Equity securities	\$ 3,628,838	\$ 4,451,136
Mutual funds	1,142,856	720,582
Corporate debt securities	202,041	258,221
Government securities	486,089	610,072
Totals	\$ 5,459,824	\$ 6,040,011

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 3—Investments—Continued

Investment returns for the years ended June 30, 2019 and 2018 consist of the following:

	<u>2019</u>	<u>2018</u>
Unrealized gains on investments	\$ 397,047	\$ 102,474
Realized gains (losses) on investments	<u>(364,855)</u>	<u>168,724</u>
Total Gains on Investments	32,192	271,198
Investment management fees	<u>65,896</u>	<u>84,780</u>
Investment Returns, Net	<u>\$ (33,704)</u>	<u>\$ 186,418</u>

Note 4—Fair Value Measurements

In determining the fair value of assets and liabilities, YWCA-SV utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. YWCA-SV determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are characterized in one of the following levels:

Level 1—Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the YWCA-SV at the measurement date.

Level 2—Valuations based on observable inputs (other than Level 1), such as quoted prices for similar assets at the measurement date, quoted prices in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3—Valuations based on inputs that are unobservable and significant to the overall fair value measurement, and involve management judgment.

The YWCA-SV may utilize a practical expedient for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable fair value. The practical expedient used by YWCA-SV to value private investments is the Net Asset Value (NAV) per share, or its equivalent. In some instances, the NAV may not equal the fair value that would be calculated under fair value accounting standards. YWCA-SV had no assets or liabilities classified at NAV as a practical expedient during the years ended June 30, 2019 and 2018.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2019 and 2018.

Equity Securities: Valued at the closing price reported on the active market in which the individual securities are traded.

Government Securities: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 4—Fair Value Measurements—Continued

Assets and liabilities measured at fair value on a recurring basis at June 30, 2019 consist of the following:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Equity securities	\$ 3,628,838	\$ 3,628,838	\$	\$
Mutual funds	1,142,856	1,142,856		
Corporate debt securities	202,041		202,041	
Government securities	486,089		486,089	
Totals	\$ 5,459,824	\$ 4,771,694	\$ 688,130	\$

Assets and liabilities measured at fair value on a recurring basis at June 30, 2018 consist of the following:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Equity securities	\$ 4,451,136	\$ 4,451,136	\$	\$
Mutual funds	720,582	720,582		
Corporate debt securities	258,221		258,221	
Government securities	610,072		610,072	
Totals	\$ 6,040,011	\$ 5,171,718	\$ 868,293	\$

Note 5—Accounts Receivable, Net

The carrying amounts for accounts receivable reported in the combined statement of financial position approximate fair values as all amounts are expected to be received within one year.

The following amounts are reported as receivable as of June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Accounts receivable		
Program fees and other accounts receivable	\$ 195,571	\$ 82,434
Less allowance for doubtful accounts	(2,300)	(2,300)
Accounts Receivable, Net	\$ 193,271	\$ 80,134

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 6—Long-Term Debt

On August 26, 1993, to facilitate its purchase of property, YTS secured a loan from the city of San Jose, bearing no interest and secured by the underlying property for \$1,144,000. In 1996, YTS assigned all rights under a ground lease to the City of San Jose, with all payments received under this lease to be remitted directly to the City of San Jose and applied against the principal balance, which is estimated to be \$35,000 annually. Actual principal reductions during the years ended June 30, 2019 and 2018 were \$29,461 and \$54,787, respectively.

The principal balance on the note was \$496,465 as of June 30, 2019, and \$525,926 as of June 30, 2018. The balance remaining on the note, if any, is due and payable in full on August 26, 2023.

The future annual maturities for the notes payable, assuming an estimated \$35,000 is applied each year from the ground lease, are as follows:

<u>Year Ending June 30,</u>	
2020	\$ 35,000
2021	35,000
2022	35,000
2023	35,000
2024	35,000
Thereafter	<u>321,465</u>
Total	<u><u>\$ 496,465</u></u>

Note 7—Concentrations and Contingencies

At times during the years ended June 30, 2019 and 2018, YWCA-SV maintained cash balances in excess of insured levels at various financial institutions. In addition, approximately 24% of YWCA-SV's operating revenue base is derived from its largest government contracting source. YWCA-SV's management believes that any potential disallowance of previously funded program costs is immeasurable and immaterial.

YWCA-SV, during the normal course of operating its business, may be subject to various lawsuits, licensing reviews, and government audits. Management believes that losses resulting from these matters, if any, would either be covered under YWCA-SV's insurance policy or are immeasurable. Management further believes the losses, if any, would not have a material effect on the financial position of YWCA-SV.

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 8—Net Assets with Donor Restrictions

Net assets with donor restrictions for the years ended June 30, 2019 and 2018 consist of the following:

	<u>2019</u>	<u>2018</u>
Subject to expenditure for specified purpose:		
Linda Haskell Empowerment fund	\$ 6,542,635	\$ 6,579,183
Support services	535,178	536,619
Curated Pathways Program	368,203	676,994
Domestic Violence High Risk Response Program	50,000	
Counseling and clinical services	50,373	67,228
Miscellaneous programs	47,060	111,924
Housing	24,900	24,900
Fundraising	16,000	66,640
TechGYRLS after-school enrichment		19,327
Subject to time restrictions:		
Domestic Violence High Risk Response Program	50,000	40,000
Curated Pathways Program	45,000	
Subject to appropriation and expenditure		
Susie Wilson Scholarship	4,259	4,259
Perpetual in nature		
Women A.H.E.A.D. Scholarship	56,467	56,467
Susie Wilson Scholarship	33,760	33,760
General operations	2,452	2,452
Totals	<u>\$ 7,826,287</u>	<u>\$ 8,219,753</u>

Net assets released from donor restrictions for the years ended June 30, 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>
Satisfaction of purpose restrictions:		
Linda Haskell Empowerment fund	\$ 151,874	\$ 78,683
Support services	256,294	257,386
Curated Pathways program	385,124	381,735
Counseling and clinical services	117,588	136,174
Miscellaneous programs	4,863	4,862
Housing	41,310	47,249
Fundraising	92,022	46,502
Childcare	2,000	
TechGYRLS after-school enrichment	19,327	66,363
Totals	<u>\$ 1,070,402</u>	<u>\$ 1,018,954</u>

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 8—Net Assets with Donor Restrictions—Continued

YWCA-SV's endowments consist of donor-restricted endowment funds which are classified within net assets with donor restrictions and board-designated endowment funds which are classified within net assets without donor restrictions. In accordance with generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law—The Board of Directors' interpretation of the law that underlies YWCA-SV's net asset classification of donor restricted endowment funds requires the preservation of the fair value of the original gift. As a result of this interpretation, YWCA-SV classifies as net assets held in perpetuity (i) the original value of gifts donated to the permanent endowment, (ii) the original value of subsequent gifts to the permanent endowment, and (iii) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument.

Absent explicit direction from the donor regarding the classification of investment income from the endowments, investment income is recorded in net assets with donor restrictions until appropriated for spending.

Return Objects and Risk Parameters—YWCA-SV has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that achieve constant growth of the distribution amount and the corpus, with a target rate of 8% annual return over a five-year time horizon. Actual returns in any given year may vary from this amount. Management is always evaluating the composition of its investment portfolio based on recommendations from an outside investment advisor. Funds are currently invested in government securities and money markets until this process is complete.

Strategies Employed for Achieving Objectives—To satisfy its long-term objectives, YWCA-SV 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). YWCA-SV targets a diversified asset allocation that places more emphasis on fixed income securities than equity securities to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How Investment Objectives Relate to Spending Policy—YWCA-SV has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by the endowment funds while seeking to maintain the purchasing power of the endowment assets. The spending policy authorizes an annual distribution equal to 5% of the market value of the portfolio as of the preceding four quarters. Management has elected not to appropriate funds during the year ended June 30, 2019 due to the re-evaluation of its investment portfolio composition.

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 8—Net Assets with Donor Restrictions—Continued

Endowment net asset composition consists of the following at June 30, 2019:

	<u>Purpose Restricted</u>	<u>Perpetual in Nature</u>	<u>Total</u>
Donor-restricted endowment funds	\$ 4,259	\$ 92,679	\$ 96,938
Endowment Net Assets at June 30, 2019	<u>\$ 4,259</u>	<u>\$ 92,679</u>	<u>\$ 96,938</u>

Endowment net asset composition consists of the following at June 30, 2018:

	<u>Purpose Restricted</u>	<u>Perpetual in Nature</u>	<u>Total</u>
Donor-restricted endowment funds	\$ 4,259	\$ 92,679	\$ 96,938
Endowment Net Assets at June 30, 2018	<u>\$ 4,259</u>	<u>\$ 92,679</u>	<u>\$ 96,938</u>

The changes in endowment net assets for the year ended June 30, 2018 are as follows:

	<u>Net Assets Subject to Time and Use Restrictions</u>	<u>Net Assets Held in Perpetuity</u>	<u>Total</u>
Endowment net assets at June 30, 2017	\$ 4,259	\$ 92,679	\$ 96,938
Endowment Net Assets at June 30, 2018	<u>\$ 4,259</u>	<u>\$ 92,679</u>	<u>\$ 96,938</u>

The changes in endowment net assets for the year ended June 30, 2019 are as follows:

	<u>Net Assets Subject to Time and Use Restrictions</u>	<u>Net Assets Held in Perpetuity</u>	<u>Total</u>
Endowment net assets at June 30, 2018	\$ 4,259	\$ 92,679	\$ 96,938
Endowment Net Assets at June 30, 2019	<u>\$ 4,259</u>	<u>\$ 92,679</u>	<u>\$ 96,938</u>

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements — *Continued*

Note 9— Special Events

Special events are held to raise funds for YWCA-SV’s operations and programs. Revenue from special events is presented on the combined statement of activities. Revenues and expenses by special event for the years ended June 30, 2019 and 2018 are as follows:

	<u>Annual Lunch</u>	<u>Tribute to Women</u>	<u>Walk a Mile</u>	<u>Totals</u>
2019:				
Income	\$ 540,704	\$ 339,375	\$ 205,117	\$ 1,085,196
Expense	<u>(261,224)</u>	<u>(104,645)</u>	<u>(39,773)</u>	<u>(405,642)</u>
Net	<u>\$ 279,480</u>	<u>\$ 234,730</u>	<u>\$ 165,344</u>	<u>\$ 679,554</u>
2018:				
Income	\$ 404,690	\$ 316,901	\$ 183,820	\$ 905,411
Expense	<u>(163,136)</u>	<u>(93,700)</u>	<u>(27,146)</u>	<u>(283,982)</u>
Net	<u>\$ 241,554</u>	<u>\$ 223,201</u>	<u>\$ 156,674</u>	<u>\$ 621,429</u>

Included in special events revenue and expenses for the years ended June 30, 2019 and 2018, are in-kind contributions of \$15,500 and \$22,045, respectively.

Note 10— Retirement Plan

YWCA-SV maintains a 401(a) employer-sponsored cash balance defined benefit pension plan. The Plan covers all employees of YWCA-SV on the first of the month following completion of 1,000 hours of service in two 12-month periods commencing on the date of employment or anniversary thereof. The two 12-month periods need not be consecutive. YWCA-SV contributed \$147,354 and \$112,182 during the years ended June 30, 2019 and 2018, respectively. YWCA-SV also sponsors a 403(b) retirement plan to which YWCA-SV does not make any contributions.

Note 11— Leases

The YWCA-SV has leases for various program facilities. Total expense incurred for rent for the years ended June 30, 2019 and 2018 was \$240,800 and \$206,554, respectively.

The future annual minimum lease commitments for these facility leases are as follows:

<u>Year Ending June 30,</u>	
2020	\$ 168,778
2021	<u>13,871</u>
Total	<u>\$ 182,649</u>

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 12—Nutrition Program

The YWCA-SV has a nutrition agreement with the CDE for Child and Adult Care Food Programs, as reported in the *Schedule of Expenditures of Federal Awards*. The CDE, for CACPP, performed an audit for the program months of October 2017 to March 2018 in the state program fiscal year ended June 30, 2018. The YWCA is awaiting a disposition of the report on activity from the CDE. No nutrition audit report schedules are included in the audit because: (1) the audit disclosed no nutrition overpayments, underpayments, or program findings; (2) the contractor did not request reimbursement of audit costs; and (3) the audit is not a program-specific nutrition audit.

Note 13—Cost Allocation Plan

The YWCA-SV updates its cost allocation plan annually and obtains approval from its Board of Directors. Its indirect cost allocation plan is on file in the YWCA-SV's main accounting office. The YWCA-SV allocates its costs based on the relative benefits received by the programs or activities. Accordingly, the YWCA-SV applies several methods for allocating costs:

Direct-shared: Direct-shared costs are calculated and allocated using the following method to reasonable and proportionally charge the expense:

Service recipients (demand utilization): A percentage is derived based on the number of clients served across service programs. This allows for direct-shared expenses to be reasonably apportioned to our programs.

Indirect: The YWCA-SV consistently applies a reasonable approach to indirect costs calculations and applying those charges to their programs. All indirect expenses are "coded" to an account code, so an allocation can be calculated. Building square footage used by departments is re-evaluated annually during the budget process. This square footage allocation generates the percentage amount applied to overhead or indirect agency expenses. Indirect expenses are then charged to each grant based on and in compliance with the terms and conditions of that agreement.

Note 14—YWCA Third Street, Inc.

YWCA Third Street, Inc. (YTS) is a nonprofit, which was formed in 1990 to manage the land and air rights for property located in San Jose, California. YTS is controlled by the YWCA and its Directors and Officers are comprised of Directors & Officers of YWCA-SV. Three parcels were created at this property: YWCA-SV currently owns the parcel of land "Land Parcel" and two air rights parcels were created: Floors 1-2 "Services Parcel" currently owned by the YWCA SV and another for the air rights of floors 3-5 "Housing Parcel."

In February 2016, YTS and Charities Housing (CH) entered into a memorandum of understanding to acquire, rehabilitate, and refinance the housing project. On December 7, 2017, YTS purchased the housing project for \$2,293,971. On December 11, 2017, YTS sold the housing project to SBWR LP for \$2,871,826. The loss on sale, in part from agreed upon property management fees, of (\$68,145) is included in miscellaneous income in the statement of activities for the year ended June 30, 2018. The Susie B. Wilson Residence LLC (SBW LLC) is owned in equal percentage by YTS and CH. The Susie B. Wilson Residence Limited Partnership (SBWR LP) was also formed with the general partner being SBW

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 14—YWCA Third Street, Inc.—Continued

LLC and the current Limited Partner being CH. SBW LLC currently has a .001% interest in SBWR LP and CH has a 99.9% limited partnership interest. The limited partnership interest of 99.99% will be syndicated to a tax credit investor when the project is resyndicated and will remove CH as the current limited partner. SBWR LP was formed to acquire the leasehold interest in the air rights parcel owned by YTS and a fee interest in the improvements constituting the Housing Development and undertake the rehabilitation and refinancing and operation of the Project. The limited partners will grant YWCA an option to purchase and first right of refusal. CH will have a backup option and right of first refusal if YWCA does not exercise such rights.

Following is condensed financial information for YTS as of and for the years ended June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Assets		
Cash and cash equivalents	\$ 83,243	\$ 115,756
Prepaid expenses and other current assets		7,059
Property and equipment, net	201,000	201,000
Other assets	85,390	60,166
	<u>369,633</u>	<u>383,981</u>
Total Assets	\$ 369,633	\$ 383,981
Liabilities		
Interfund payable	\$ 364,932	\$ 371,022
YWCA Third Street loan payable	496,465	525,926
	<u>861,397</u>	<u>896,948</u>
Total Liabilities	861,397	896,948
Net Assets		
Without donor restrictions	(491,764)	(512,967)
	<u>(491,764)</u>	<u>(512,967)</u>
Total Net Assets	(491,764)	(512,967)
Total Assets and Liabilities	\$ 369,633	\$ 383,981
	<u>2019</u>	<u>2018</u>
Revenue		
Investment income	\$ 109	\$ 348
Ground lease income	4,461	54,787
Miscellaneous income	35,042	(68,145)
	<u>39,612</u>	<u>(13,010)</u>
Total Revenue	39,612	(13,010)
Expenses		
Professional fees	18,434	53,387
Equipment rent and maintenance		14,804
Miscellaneous	(25)	334
	<u>18,409</u>	<u>68,525</u>
Total Expenses	18,409	68,525
Change in Net Assets	\$ 21,203	\$ (81,535)

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 14—YWCA Third Street, Inc.—Continued

YTS's investment in SBW LLC is accounted for using the equity method of accounting. At June 30, 2018, the investment balance of \$222 is recorded in other assets. It represents the surplus from the partnership management fees which was recorded as other income in the statement of activities for the year ended June 30, 2018. At June 30, 2019, the investment balance of \$17,743 is recorded in other assets. The increase of \$17,521 over the prior year balance of \$222 represents the surplus from the partnership management fees which was recorded as other income in the statement of activities for the year ended June 30, 2019.

Note 15—Recent Accounting Pronouncements

Leases—In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires organizations that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the statement of financial position for leases with terms exceeding 12 months. ASU No. 2016-02 defines a lease as a contract or part of a contract that conveys the right to control the use of identified assets for a period of time in exchange for consideration. The lessee in a lease will be required to initially measure the right-of-use asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the right-of-use asset. ASU No. 2016-02 is effective for public business entities with fiscal years beginning after December 15, 2018, and for nonprofit organizations with fiscal years beginning after December 15, 2019, with early adoption permitted. YWCA-SV is currently evaluating the impact that the adoption of ASU No. 2016-02 will have on its financial statements.

Restricted Cash—In November 2016, FASB issued ASU No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. ASU No. 2016-18 clarifies how entities should present restricted cash and restricted cash equivalents in the statement of cash flows. The guidance requires entities to present the change in restricted cash and restricted cash equivalents with cash and cash equivalents to reconcile amounts on the balance sheet to the statement of cash flows. Entities will be required to disclose the nature of the restrictions, as well as reconcile the totals in the statement of cash flows to cash, cash equivalents, restricted cash, and restricted cash equivalents on the balance sheet when these are shown in more than one line item. ASU No. 2016-18 is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. YWCA-SV is currently evaluating the impact that the adoption of ASU No. 2016-18 will have on its financial statements.

YWCA Silicon Valley and Related Entity
Notes to Combined Financial Statements—Continued

Note 15—Recent Accounting Pronouncements—Continued

Revenue Recognition—In May 2014, FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*, which supersedes most of the current revenue recognition requirements. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The guidance provides a five-step analysis of transactions to determine when and how revenue is recognized. Other major provisions include capitalization of certain contract costs, consideration of time value of money in the transaction price and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. ASU No. 2014-09 is effective for fiscal years beginning after December 15, 2018; early adoption is permitted for fiscal years beginning after December 15, 2016. The guidance permits the use of either a retrospective or cumulative effect transition method. YWCA-SV is evaluating whether this will have a material impact on its financial statements.

Contributions—In June 2018, FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 clarifies the definition of an exchange transaction. As a result, not-for-profit entities (NFPs) will account for most federal grants as donor-restricted conditional contributions rather than as exchange transactions (the prevalent practice today). An accommodation ("simultaneous release" option) is provided which, if elected, would allow grants received and used within the same period to be reported in net assets without donor restrictions, consistent with where the grant revenue is reported today. Donors will use the same criteria as recipients (i.e., a barrier or hurdle coupled with a right of return/right of release) to determine whether gifts or grants are conditional or unconditional. Expense recognition is deferred for conditional arrangements and is immediate for unconditional arrangements. No new disclosures are required. YWCA-SV does not expect the new guidance to have a material impact on its financial statements.

Note 16—Subsequent Events

Subsequent events were evaluated through November 22, 2019, which is the date the combined financial statements were available to be issued, and it was concluded that no material subsequent events have occurred that would require adjustment to the combined financial statements or disclosure in the notes to the combined financial statements.

**YWCA Silicon Valley and Related Entity
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019**

Federal Department/ Federal Program Title/ Pass-Through Agency	Federal CFDA Number	Grantor's Number	Federal Grant Amount	Grant Period	Expenditures
Department of Agriculture					
Child and Adult Care Food Program Passed through: California Department of Education	10.558	06170-CACFP-43-NP-CS	\$ 13,956	10/01/17-09/30/18	\$ 13,956
	10.558	06170-CACFP-43-NP-CS	44,664	10/01/18-09/30/19	44,664
				Total CFDA 10.558	58,620
				Total Department of Agriculture	58,620
Department of Housing and Urban Development					
CDBG-Entitlement Grants Cluster					
Community Development Block Grants/Entitlement Grants Passed through local government agencies:					
City of Milpitas	14.218	B-17-MC-06-0055	8,455	07/01/18-06/30/19	3,503
City of Palo Alto	14.218	C18169995	10,000	07/01/18-06/30/19	9,398
City of Santa Clara	14.218	B-18-MC-0022	15,000	07/01/18-06/30/19	5,876
City of Sunnyvale	14.218	1819-827550	31,000	07/01/18-06/30/19	28,902
Santa Clara County	14.218	PS-19-15	12,159	07/01/18-06/30/19	12,159
				Total CDBG-Entitlement Grants Cluster, CFDA Nos. 14.218 and 14.225	59,838
Continuum of Care Program Direct award	14.267	CA1292L9T001602	499,904	11/01/17-10/31/18	128,944
	14.267	CA1292L9T001703	536,948	11/01/18-10/31/19	155,592
	14.267	CA1382L9T001702	390,006	05/01/18-04/30/19	128,021
	14.267	CA1382L9T001803	423,078	05/01/19-04/30/20	24,961
				Total CFDA 14.267	437,518
				Total Department of Housing and Urban Development	497,356
Department of Justice					
Crime Victim Assistance Passed through: California Office of Emergency Services	16.575	RC17-37-1024	493,459	10/01/17-09/30/18	150,447
	16.575	RC18-38-1024	594,028	10/01/18-09/30/19	396,318
	16.575	RC17-15-1024	269,291	10/01/17-09/30/18	70,939
	16.575	RC18-16-1024	325,196	10/01/18-09/30/19	176,290
	16.575	DV17-31-1024	395,270	10/01/17-09/30/18	61,254
	16.575	DV18-32-1024	323,564	10/01/18-09/30/19	215,439
	16.575	XS16-01-1024	306,117	07/01/16-12/31/19	93,292
	16.575	XD18-01-1024	300,000	01/01/19-12/31/19	17,347
	16.575	XV15-01-1024	656,251	04/01/16-12/31/19	187,496
	16.575	XC16-01-0430	291,418	07/01/16-12/31/19	33,732
				Total CFDA 16.575	1,402,554

YWCA Silicon Valley and Related Entity
Schedule of Expenditures of Federal Awards—Continued
Year Ended June 30, 2019

Federal Department/ Federal Program Title/ Pass-Through Agency	Federal CFDA Number	Grantor's Number	Federal Grant Amount	Grant Period	Expenditures
Department of Justice (cont'd)					
Services for Trafficking Victims Passed through: Santa Clara University's Katharine & George Alexander Community Law Center	16.320	DOJ006	\$ 105,124	10/01/15-09/30/18	\$ 16,912
				Total CFDA 16.320	16,912
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program Direct award	16.590	2018-WE-AX-0002	885,899	10/01/18-09/30/21	60,967
Passed through: City of San Jose Police Department Office on Violence Against Women	16.590	2018-WE-AX-0029	415,552	01/01/19-09/30/21	17,477
				Total CFDA 16.590	78,444
Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault Direct award	16.736	2015-WH-AX-0015	348,445	10/01/15-09/30/18	73,448
				Total CFDA 16.736	73,448
				Total Department of Justice	1,571,358
Department of Health and Human Services					
Injury Prevention and Control Research and State and Community Based Programs Passed through: California Department of Public Health	93.136	14-10705	355,250	11/01/14-01/31/19	21,570
	93.136	18-10731	374,000	02/01/19-01/31/23	33,311
				Total CFDA 93.136	54,881

YWCA Silicon Valley and Related Entity
Schedule of Expenditures of Federal Awards—Continued
Year Ended June 30, 2019

Federal Department/ Federal Program Title/ Pass-Through Agency	Federal CFDA Number	Grantor's Number	Federal Grant Amount	Grant Period	Expenditures
Department of Health and Human Services (cont'd)					
CCDF Cluster					
Child Care and Development Block Grant					
Passed through:					
California Department of Education	93.575	CSPP-8582	\$ 7,899	07/01/18-06/30/19	\$ 7,899
Child Care Mandatory and Matching Funds of the Child Care and Development Fund					
Passed through:					
California Department of Education	93.596	CSPP-8582	17,201	07/01/18-06/30/19	17,201
Total CCDF Cluster, CFDA Nos. 93.575 and 93.596					25,100
Total Department of Health and Human Services					79,981
Total Federal Awards					\$ 2,207,315

See accompanying notes to schedule of expenditures of federal awards.

YWCA Silicon Valley and Related Entity
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

Note A—Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of YWCA Silicon Valley and its related entity under programs of the federal government for the year ended June 30, 2019. The information in this schedule is presented in accordance with 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). Because the schedule presents only a selected portion of the operations of YWCA Silicon Valley and its related entity, it is not intended to and does not present the financial position, changes in net assets, or cash flows of YWCA Silicon Valley and its related entity.

Note B—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 as to reimbursement. YWCA Silicon Valley and its related entity uses 10% de minimis indirect cost rate allowed under the Uniform Guidance on certain contracts. Any negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

YWCA Silicon Valley and Related Entity
Schedule of Expenditures of State and Local Awards
Year Ended June 30, 2019

State or Local Grantor/Pass-Through Grantor Program Title	Program or Award Amount	Receipts/ Revenue Recognized	Disbursements/ Expenditures Incurred
City of Mountain View, Domestic Violence Services	\$ 37,000	\$ 37,000	\$ 37,000
County of Santa Clara Social Services, Domestic Violence Advocacy, 4300008456	342,353	329,640	329,640
County of Santa Clara Social Services, Support Services Dept, 4300012085	70,070	40,537	40,537
County of Santa Clara Social Services, Support Services Dept, 4300012085	70,070	36,346	36,346
County of Santa Clara, Lead agency is Santa Clara University Community Law Center	115,255	115,255	115,255
County of Santa Clara, Lead agency is Community Solutions	144,750	143,677	143,677
County of Santa Clara, PREA, 4400006479	30,588	30,500	30,500
County of Santa Clara, PREA, 4400006728	139,600	69,927	69,926
County of Santa Clara, Woman's Policy, TF 0231, TF00378, LA 2220510	100,000	85,180	85,180
County of Santa Clara - District Attorney - Family Justice Center	83,200		
San Jose State University, Campus Survivor Advocate, 3000029078	20,000	13,559	13,559
City of San Jose, Housing Department, (WISH) General Fund GF18-014A	225,000	7,677	7,677
City of San Jose, Police Department Grants Unit, FVC, GF 2017 YWCA	108,712	92,318	92,318
City of San Jose, Police Department Grants Unit, GF 2018 YWCA - DVHRRT	160,000	10,329	10,329
California Department of Ed, CSPP-8582	154,349	115,632	115,632
California Department of Ed, CSPP-8573	567,054	187,999	187,999
Office of Supportive Housing, County of Santa Clara/COC Subrecipient	152,500	108,146	108,146
School Contracts:			
San Jose Unified School District, Counseling Interns, 18101071	192,000	192,000	192,000
Evergreen School District, Child Abuse Prevention and Teen Empowerment	88,500	80,455	80,455
State of California, CAL OES, Domestic Violence Assistance Program, DV17 31 1024	203,124	46,465	46,465
State of California, CAL OES, Domestic Violence Assistance Program, DV18 32 1024	282,720	200,362	200,362
State of California, CAL OES, Valley Rape Crisis Center - Central, RC17 37 1024	42,901		
State of California, CAL OES, Valley Rape Crisis Center - Central, RC18 38 1024	121,228	97,974	97,974
State of California, CAL OES, Valley Rape Crisis Center - North, RC17 15 1024	24,336		
State of California, CAL OES, Valley Rape Crisis Center - North, RC18 16 1024	66,366	48,703	48,703
State of California, CAL OES, Human Trafficking Program, HV 16 01 1043 (fiscal lead is Community Solutions)	130,000	80,026	80,026
State of California, CAL OES, Human Trafficking Program, HV 18 01 1043 (fiscal lead is Community Solutions)	60,000	16,692	16,692
State of California, CAL OES, Family Justice Center, FJ18 01 1024	356,098	29,454	29,454
State of California, Strong Work Force - Foothill	250,000	36,837	36,837
Total State and Local Government Assistance	\$ 4,337,774	\$ 2,252,690	\$ 2,252,687

YWCA Silicon Valley and Related Entity
Supplementary Information Required by California Emergency Management Agency
Year Ended June 30, 2019

Project Title	Domestic Violence Assistance Program					
Grant award number	DV17-31-1024					
Grant period	10/1/17-9/30/18					
	Expenditures by Revenue Source					
	Budget	Federal VOCA	State DVPO	State CDVV	In-Kind Match State	Total Expenditures
Personal services	\$ 404,454	\$ 61,254	\$ 38,350	\$ 1,144	\$	\$ 100,748
Operating expenses	78,926		6,971			6,971
Totals	\$ 483,380	\$ 61,254	\$ 45,321	\$ 1,144	\$	\$ 107,719

Project Title	Domestic Violence Assistance Program					
Grant award number	DV18-32-1024					
Grant period	10/01/18-09/30/19					
	Expenditures by Revenue Source					
	Budget	Federal VOCA	State DVPO	State CDVV	In-Kind Match State	Total Expenditures
Personal services	\$ 510,525	\$ 182,131	\$ 165,027	\$ 2,308	\$ 32,169	\$ 381,635
Operating expenses	95,759	33,308	33,027			66,335
Totals	\$ 606,284	\$ 215,439	\$ 198,054	\$ 2,308	\$ 32,169	\$ 447,970

Project Title	Valley Rape Crisis Center – Central					
Grant award number	RC17-37-1024					
Grant period	09/01/17-08/31/18					
	Expenditures by Revenue Source					
	Budget	Federal VOCA	State RCP-5	State CASV	In-Kind Match Federal	Total Expenditures
Personal services	\$ 440,642	\$ 126,928	\$	\$	\$ 8,019	\$ 134,947
Operating expenses	95,718	23,519				23,519
Totals	\$ 536,360	\$ 150,447	\$	\$	\$ 8,019	\$ 158,466

Project Title	Valley Rape Crisis Center – Central					
Grant award number	RC18-38-1024					
Grant period	10/1/18-9/30/19					
	Expenditures by Revenue Source					
	Budget	Federal VOCA 16	State RCP-5	State RCP-0	In-Kind Match Federal	Total Expenditures
Personal services	\$ 594,028	\$ 365,472	\$	\$ 47,639	\$ 35,025	\$ 448,136
Operating expenses	121,228	30,846	25,551	24,784		81,181
Totals	\$ 715,256	\$ 396,318	\$ 25,551	\$ 72,423	\$ 35,025	\$ 529,317

Project Title	Valley Rape Crisis Center – North					
Grant award number	RC17-15-1024					
Grant period	10/1/17-9/30/18					
	Expenditures by Revenue Source					
	Budget	Federal VOCA	State RCP-5	State CASV	In-Kind Match Federal	Total Expenditures
Personal services	\$ 269,291	\$ 53,696	\$	\$	\$ 5,177	\$ 58,873
Operating expenses	24,336	17,243				17,243
Totals	\$ 293,627	\$ 70,939	\$	\$	\$ 5,177	\$ 76,116

YWCA Silicon Valley and Related Entity
 Supplementary Information Required by California Emergency Management Agency – *Continued*
 Year Ended June 30, 2019

Project Title Valley Rape Crisis Center – North
 Grant award number RC18-16-1024
 Grant period 10/1/18-9/30/19

	<u>Budget</u>	<u>Expenditures by Revenue Source</u>			<u>Total Expenditures</u>
		<u>Federal VOCA 16</u>	<u>State RCP-5</u>	<u>State RCP-0</u>	
Personal services	\$ 325,196	\$ 143,857	\$	\$ 29,476	\$ 196,831
Operating expenses	66,366	32,433	14,417	4,810	51,660
Totals	\$ 391,562	\$ 176,290	\$ 14,417	\$ 34,286	\$ 248,491

Project Title Unserved/Underserved Victim Advocacy & Outreach Program
 Grant award number XV15-01-1024
 Grant period 04/01/16-12/31/19

	<u>Budget</u>	<u>Expenditures by Revenue Source</u>		<u>Total Expenditures</u>
		<u>Federal VOCA</u>	<u>In-Kind Match Federal</u>	
Personal services	\$ 512,810	\$ 147,828	\$ 39,613	\$ 187,441
Operating expenses	143,441	39,668	7,889	47,557
Totals	\$ 656,251	\$ 187,496	\$ 47,502	\$ 234,998

Project Title Domestic Violence Housing First Program
 Grant award number XD18-01-1024
 Grant period 1/1/19-12/31/19

	<u>Budget</u>	<u>Expenditures by Revenue Source</u>		<u>Total Expenditures</u>
		<u>Federal VOCA</u>	<u>In-Kind Match Federal</u>	
Personal services	\$ 126,280	\$ 5,270	\$	\$ 5,270
Operating expenses	173,720	12,077		12,077
Totals	\$ 300,000	\$ 17,347	\$	\$ 17,347

Project Title Sexual Assault Response Team
 Grant award number XS16-011-1024
 Grant period 7/1/16-12/31/19

	<u>Budget</u>	<u>Expenditures by Revenue Source</u>			<u>Total Expenditures</u>
		<u>Federal VOCA 15</u>	<u>Federal VOCA 17</u>	<u>In-Kind Match Federal</u>	
Personal services	\$ 258,180	\$	\$ 78,534	\$ 25,486	\$ 104,020
Operating expenses	47,937		14,758		14,758
Totals	\$ 306,117	\$	\$ 93,292	\$ 25,486	\$ 118,778

YWCA Silicon Valley and Related Entity
 Supplementary Information Required by California Emergency Management Agency – *Continued*
 Year Ended June 30, 2019

Project Title	County Victim Services Program			
Grant award number	XC16-01-0430			
Grant period	7/1/16-12/31/19			
		Expenditures by Revenue Source		
	Budget	Federal VOCA	In-Kind Match Federal	Total Expenditures
Personal services	\$ 264,982	\$ 30,666	\$	\$ 30,666
Operating expenses	26,436	3,066		3,066
Totals	\$ 291,418	\$ 33,732	\$	\$ 33,732

Project Title	Human Trafficking Program			
Grant award number	HV16-01-1043			
Grant period	4/1/16-3/31/19			
		Expenditures by Revenue Source		
	Budget	State	In-Kind Match Federal	Total Expenditures
Personal services	\$ 108,276	\$ 63,084	\$	\$ 63,084
Operating expenses	21,724	16,942		16,942
Totals	\$ 130,000	\$ 80,026	\$	\$ 80,026

Project Title	Human Trafficking Program-62048			
Grant award number	HV18-01-1043			
Grant period	4/1/19-3/31/20			
		Expenditures by Revenue Source		
	Budget	State	In-Kind Match Federal	Total Expenditures
Personal services	\$ 53,470	\$ 15,484	\$	\$ 15,484
Operating expenses	6,530	1,208		1,208
Totals	\$ 60,000	\$ 16,692	\$	\$ 16,692

Project Title	Family Justice Center Program-62055			
Grant award number	FJ18-01-1024			
Grant period	1/1/19-12/31/20			
		Expenditures by Revenue Source		
	Budget	State	In-Kind Match Federal	Total Expenditures
Personal services	\$ 139,297	\$ 11,994	\$	\$ 11,994
Operating expenses	216,801	17,460		17,460
Totals	\$ 356,098	\$ 29,454	\$	\$ 29,454

YWCA Silicon Valley and Related Entity
Combining Statement of Activities
Year Ended June 30, 2019

	<u>CSPP 8582</u>	<u>CSPP 8573</u>	<u>Non-CDE Programs</u>	<u>Total</u>
Operating Activities				
Public Support and Revenue				
Contributions				
Individuals	\$	\$	\$ 701,128	\$ 701,128
Government			85,180	85,180
Foundation/corporate grants			397,030	397,030
In-kind			239,034	239,034
Special events—Note 9				
Gross revenue			1,085,196	1,085,196
Less cost of direct benefits to donors			(405,642)	(405,642)
Spccial Events, Net			679,554	679,554
Total Support			2,101,926	2,101,926
Government contracts				
Other government grants			3,987,474	3,987,474
Child care and development programs	138,306	153,706	36,719	328,731
Child care food program	13,956	44,664		58,620
Total Government Grants	152,262	198,370	4,024,193	4,374,825
Program service fees	11,058	15,940	1,371,140	1,398,138
Interest and dividend income			169,629	169,629
Income from investment in SBW			17,521	17,521
Ground lease income			4,461	4,461
Miscellaneous income			21,004	21,004
Total Revenue	163,320	214,310	5,607,948	5,985,578
Net assets released from restrictions				
Total Public Support, Revenue, and Releases from Restrictions	163,320	214,310	7,709,874	8,087,504
Expenses				
Salaries	111,800	176,299	4,686,263	4,974,362
Payroll taxes	8,464	13,392	455,055	476,911
Employee benefits	16,880	27,427	336,479	380,786
Total Payroll-Related Expense	137,144	217,118	5,477,797	5,832,059

YWCA Silicon Valley and Related Entity
Combining Statement of Activities— *Continued*
Year Ended June 30, 2019

	<u>CSPP 8582</u>	<u>CSPP 8573</u>	<u>Non-CDE Programs</u>	<u>Total</u>
Expenses— <i>cont'd</i>				
Professional fees and contract services	\$ 12,778	\$ 32,307	\$ 681,254	\$ 726,339
Occupancy	11,643	45,769	359,377	416,789
In-kind services and supplies			239,034	239,034
Supplies	8,814	3,739	119,165	131,718
Depreciation	3,915		139,794	143,709
Housing and rental assistance			269,953	269,953
Telephone	3,611	567	112,140	116,318
Equipment rental and maintenance	7,120	509	74,403	82,032
Publicity and promotion			46,983	46,983
Local transportation		242	93,374	93,616
Insurance	1,181	2,363	63,840	67,384
Miscellaneous	1,822	1,821	65,864	69,507
Conferences, conventions, and meetings			40,644	40,644
Emergency and basic assistance			98,574	98,574
Dues and subscriptions			49,306	49,306
Minor equipment			23,725	23,725
Outside printing and artwork	61	120	27,476	27,657
Taxes and licenses	302	1,830	14,505	16,637
Postage	65	40	3,886	3,991
Total Expenses	188,456	306,425	8,001,094	8,495,975
Change in Net Assets from Operating Activities	(25,136)	(92,115)	(291,220)	(408,471)
Nonoperating Activities				
Investment returns, net			(33,704)	(33,704)
Change in Net Assets from Nonoperating Activities			(33,704)	(33,704)
Change in Net Assets	\$ (25,136)	\$ (92,115)	\$ (324,924)	\$ (442,175)

See accompanying auditor's reports and notes to combined financial statements.

YWCA Silicon Valley and Related Entity
Schedule of Expenditures by State Categories
Year Ended June 30, 2019

Expenditures	CSPP 8582	CSPP 8573	Total
1000 Certificated salaries	\$ 102,472	\$ 171,718	\$ 274,190
2000 Classified salaries	12,254	12,724	24,978
3000 Employee benefits	16,880	27,428	44,308
5000 Services and other operating expenses	30,364	58,355	88,719
Depreciation on assets on purchased with public funds			
Start-up expenses			
Indirect costs (<i>Include in Administrative Cost</i>) (a)	10,465	18,966	29,431
	Total Expenses Claimed for Reimbursement (b)	172,435	289,191
Total supplemental expenses			461,626
	Total Expenditures	\$ 172,435	\$ 289,191
		\$ 461,626	

(a) A written indirect cost allocation plan for the current fiscal year, approved by the Board of Directors, is on file in the file in the main accounting office of the YWCA of Silicon Valley.

(b) Any food expenses have been allocated to the appropriate contacts.

We have examined the claims filed for reimbursement and the original records supporting the transactions recorded under the contract listed above to an extent considered necessary to assure ourselves that the amounts claimed by the contractor were eligible for reimbursement, reasonable, necessary, and adequately supported, according to governing laws, regulations, and contract provisions.

See accompanying auditor's reports and notes to combined financial statements.

**YWCA Silicon Valley and Related Entity
Reconciliation of CDE and GAAP Expense Reporting
Year Ended June 30, 2019**

Expenses	CSPP 8582	CSPP 8573	Total
Schedule of Expenditures by State Categories (CDE)	\$ 172,435	\$ 289,191	\$ 461,626
Adjustments to reconcile differences in reporting:			
Other expenses not expensed on AUD forms	16,021	17,234	33,255
Subtotal	16,021	17,234	33,255
Combining Statement of Activities (GAAP)	\$ 188,456	\$ 306,425	\$ 494,881

See accompanying auditor's reports and notes to combined financial statements.

YWCA Silicon Valley and Related Entity
 Schedule of Reimbursable Equipment Expenditures
 Year Ended June 30, 2019

Reimbursable Equipment Expenditures	CSPP 8582	CSPP 8573	Total
<u>Unit Cost Under \$7,500 Per Purchase</u>			
None	\$	\$	\$
Subtotal			
<u>Unit Cost Over \$7,500 per Purchase With Prior Written Approval</u>			
None	\$	\$	\$
Subtotal			
<u>Unit Cost Over \$7,500 per Purchase Without Prior Written Approval</u>			
None	\$	\$	\$
Subtotal			
Total Expenditures	\$	\$	\$

See accompanying auditor's reports and notes to combined financial statements.

YWCA Silicon Valley and Related Entity
 Schedule of Reimbursable Expenditures for Renovations and Repairs
 Year Ended June 30, 2019

<u>Reimbursable Expenditures for Renovations and Repairs</u>	<u>CSPP 8582</u>	<u>CSPP 8573</u>	<u>Total</u>
<u>Unit Cost Under \$10,000 Per Item</u>			
None	\$ _____	\$ _____	\$ _____
Subtotal			
<u>Unit Cost Over \$10,000 per Purchase With Prior Written Approval</u>			
None	\$ _____	\$ _____	\$ _____
Subtotal			
<u>Unit Cost Over \$10,000 per Purchase Without Prior Written Approval</u>			
None	\$ _____	\$ _____	\$ _____
Subtotal			
Total Expenditures	\$ _____	\$ _____	\$ _____

Note: The Organization's capitalization threshold is \$1,000 or more.

See accompanying auditor's reports and notes to combined financial statements.

YWCA Silicon Valley and Related Entity
 Schedule of Reimbursable Administrative Costs
 Year Ended June 30, 2019

Reimbursable Administrative Costs	CSPP 8582	CSPP 8573	Total
Indirect costs	\$ 10,465	\$ 18,966	\$ 29,431
Administrative costs	7,917	11,697	19,614
Total Expenditures	\$ 18,382	\$ 30,663	\$ 49,045

See accompanying auditor's reports and notes to combined financial statements.

YWCA Silicon Valley and Related Entity
Schedule of Reimbursable Start-Up Expenses
Year Ended June 30, 2019

Reimbursable Start-Up Expenses	CSPP 8582	CSPP 8573	Total
1000 Certificated salaries	\$	\$	\$
2000 Classified salaries			
3000 Employee benefits			
4000 Books and supplies			
5000 Services and other operating expenses			
Subtotal			
6100/6200 Other approved capital outlay			
Total Expenditures	\$	\$	\$

See accompanying auditor's reports and notes to combined financial statements.

Full Name of Contractor Young Women's Christian Association of Silicon Valley

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Three Years and Older Full-time-plus	34		34	1.1800	40.12
Three Years and Older Full-time	2,255		2,255	1.0000	2,255
Three Years and Older Three-quarters-time	118		118	0.7500	88.5
Three Years and Older One-half-time	4		4	0.6752	2.7008
Exceptional Needs Full-time-plus				1.6166	0
Exceptional Needs Full-time				1.3700	0
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time				0.6752	0
Limited and Non-English Proficient Full-time-plus				1.2980	0
Limited and Non-English Proficient Full-time	510		510	1.1000	561
Limited and Non-English Proficient Three-quarters-time	252		252	0.8250	207.9
Limited and Non-English Proficient One-half-time	4		4	0.6752	2.7008

Full Name of Contractor

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6752	0
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.6752	0
TOTAL DAYS OF ENROLLMENT	3,177		3,177	N/A	3,157.9216
DAYS OF OPERATION	246		246	N/A	N/A
DAYS OF ATTENDANCE	3,177		3,177	N/A	N/A

NO NON-CERTIFIED CHILDREN Check this box (omit pages 3-5) and continue to Revenue Section on page 6.

Full Name of Contractor

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Toddlers (18 up to 36 months) Full-time-plus				1.8880	0
Toddlers (18 up to 36 months) Full-time				1.6000	0
Toddlers (18 up to 36 months) Three-quarters-time				1.2000	0
Toddlers (18 up to 36 months) One-half-time				0.6752	0
Three Years and Older Full-time-plus				1.1800	0
Three Years and Older Full-time				1.0000	0
Three Years and Older Three-quarters-time				0.7500	0
Three Years and Older One-half-time				0.6752	0
Exceptional Needs Full-time-plus				1.6166	0
Exceptional Needs Full-time				1.3700	0
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time				0.6752	0

Fiscal Year Ending June 30, 2019
 Contract Number CSPP 8582
 Vendor Code T267

Full Name of Contractor **Young Women's Christian Association of Silicon Valley**

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Limited and Non-English Proficient Full-time-plus				1.2980	0
Limited and Non-English Proficient Full-time				1.1000	0
Limited and Non-English Proficient Three-quarters-time				0.8250	0
Limited and Non-English Proficient One-half-time				0.6752	0
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6752	0

Fiscal Year Ending

June 30, 2019

Contract Number

CSPP

8582

Vendor Code

T267

Full Name of Contractor **Young Women's Christian Association of Silicon Valley**

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.6752	0
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT				N/A	0

Full Name of Contractor

Section 3 - Revenue	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit
Restricted Income - Child Nutrition Programs	10,694	3,262	13,956
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
Restricted Income - Subtotal	10,694	3,262	13,956
Transfer from Reserve - General			
Transfer from Reserve - Professional Development			
Transfer from Reserve Total			
Family Fees for Certified Children	9,572	1,486	11,058
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income: Fees for Non-Certified Children			
Unrestricted Income: Head Start			
Unrestricted Income - Other:			
Total Revenue	20,266	4,748	25,014

Full Name of Contractor

Section 4 - Reimbursable Expenses	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	102,472		102,472
2000 Classified Salaries	12,254		12,254
3000 Employee Benefits	17,263	-383	16,880
4000 Books and Supplies			
5000 Services and Other Operating Expenses	30,397	-33	30,364
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)			
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance	3,914	-3,914	0
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (Include in Administrative Cost)	22,280	-11,815	10,465
Non-Reimbursable (State Use Only)			
Total Reimbursable Expenses	188,580	-16,145	172,435
Total Administrative Cost (included in section 4 above)	22,280	-3,898	18,382

Approved Indirect Cost Rate:

Comments:

NO SUPPLEMENTAL REVENUE Check this box and omit Page 8.

Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8582
Vendor Code	T267	

Full Name of Contractor Young Women's Christian Association of Silicon Valley

Section 5 - Supplemental Revenue	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit
Enhancement Funding			
Other:			
Other:			
Total Supplemental Revenue			

Section 6 - Supplemental Expenses	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit
1000 Certificated Salaries			
2000 Classified Salaries			
3000 Employee Benefits			
4000 Books and Supplies			
5000 Services and Other Operating Expenses			
6000 Equipment/Capital Outlay			
Depreciation or Use Allowance			
Indirect Costs			
Non-reimbursable Expenses 6100-6500 Non-reimbursable Capital Outlay			
Total Supplemental Expenses			

Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8582
Vendor Code	T267	

Full Name of Contractor Young Women's Christian Association of Silicon Valley

Section 7 - Summary	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit
Total Certified Days of Enrollment	3,177		3,177
Days of Operation	246		246
Days of Attendance	3,177		3,177
Total Non-Certified Days of Enrollment			
Restricted Program Income	10,694	3,262	13,956
Transfer from Reserve			
Family Fees for Certified Children	9,572	1,486	11,058
Interest Earned on Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	188,580	-16,145	172,435
Total Administrative Cost	22,280	-3,898	18,382

Total Certified Adjusted Days of Enrollment	3,157.9216
Total Non-Certified Adjusted Days of Enrollment	0

Independent Auditor's Assurances on Agency's Compliance with the Contract Funding Terms and Conditions and Program Requirements of the California Department of Education, Early Learning and Care Division:

- Eligibility, enrollment and attendance records are being maintained as required (check YES or NO):
- Yes
 No
- Reimbursable expenses claimed on page 7 are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):
- Yes
 No

Include any comments in the Comments box on page 7. If necessary, attach additional sheets to explain adjustments.

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS

A U D 8501 Page 1 of 9 (06/19)

Fiscal Year Ending June 30, 2019

Contract Number CSPP 8573

Vendor Code C425

Full Name of Contractor **San Jose Conservation Corps and Charter School**

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Three Years and Older Full-time-plus	473		473	1.1800	558.14
Three Years and Older Full-time	2,119		2,119	1.0000	2,119
Three Years and Older Three-quarters-time	622		622	0.7500	466.5
Three Years and Older One-half-time				0.6193	0
Exceptional Needs Full-time-plus				1.6166	0
Exceptional Needs Full-time				1.3700	0
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time				0.6193	0
Limited and Non-English Proficient Full-time-plus	230		230	1.2980	298.54
Limited and Non-English Proficient Full-time	467		467	1.1000	513.7
Limited and Non-English Proficient Three-quarters-time	267		267	0.8250	220.275
Limited and Non-English Proficient One-half-time	7		7	0.6193	4.3351

Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8573
Vendor Code	C425	

Full Name of Contractor San Jose Conservation Corps and Charter School

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6193	0
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.6193	0
TOTAL DAYS OF ENROLLMENT	4,185		4,185	N/A	4,180.4901
DAYS OF OPERATION	246		246	N/A	N/A
DAYS OF ATTENDANCE	4,170		4,170	N/A	N/A

NO NON-CERTIFIED CHILDREN Check this box (omit pages 3-5) and continue to Revenue Section on page 6.

Fiscal Year Ending
 Contract Number
 Vendor Code

Full Name of Contractor

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Toddlers (18 up to 36 months) Full-time-plus				1.8880	0
Toddlers (18 up to 36 months) Full-time				1.6000	0
Toddlers (18 up to 36 months) Three-quarters-time	Text			1.2000	0
Toddlers (18 up to 36 months) One-half-time				0.6193	0
Three Years and Older Full-time-plus				1.1800	0
Three Years and Older Full-time				1.0000	0
Three Years and Older Three-quarters-time				0.7500	0
Three Years and Older One-half-time				0.6193	0
Exceptional Needs Full-time-plus				1.6166	0
Exceptional Needs Full-time				1.3700	0
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time				0.6193	0

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS

A U D 8501 Page 4 of 9 (06/19)

Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8573
Vendor Code	C425	

Full Name of Contractor San Jose Conservation Corps and Charter School

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Limited and Non-English Proficient Full-time-plus				1.2980	0
Limited and Non-English Proficient Full-time				1.1000	0
Limited and Non-English Proficient Three-quarters-time				0.8250	0
Limited and Non-English Proficient One-half-time				0.6193	0
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6193	0

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS

A U D 8501 Page 5 of 9 (06/19)

Fiscal Year Ending

June 30, 2019

Contract Number

CSPP

8573

Vendor Code

C425

Full Name of Contractor San Jose Conservation Corps and Charter School

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.6193	0
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT				N/A	0

Full Name of Contractor

Section 3 - Revenue	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Restricted Income - Child Nutrition Programs	10,273	34,391	44,664
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
Restricted Income - Subtotal	10,273	34,391	44,664
Transfer from Reserve - General			
Transfer from Reserve - Professional Development			
Transfer from Reserve Total			
Family Fees for Certified Children	13,835	2,105	15,940
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income: Fees for Non-Certified Children			
Unrestricted Income: Head Start			
Unrestricted Income - Other:			
Total Revenue	24,108	36,496	60,604

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS

Fiscal Year Ending
 Contract Number
 Vendor Code

A U D 8501 Page 7 of 9 (06/19)

Full Name of Contractor

Section 4 - Reimbursable Expenses	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	171,718		171,718
2000 Classified Salaries	11,584	1,140	12,724
3000 Employee Benefits	28,004	-576	27,428
4000 Books and Supplies			
5000 Services and Other Operating Expenses	58,643	-288	58,355
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)			
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance			
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (Include in Administrative Cost)	34,658	-15,692	18,966
Non-Reimbursable (State Use Only)			
Total Reimbursable Expenses	304,607	-15,416	289,191
Total Administrative Cost (included in section 4 above)	34,658	-3,995	30,663

Approved Indirect Cost Rate:

Comments:

NO SUPPLEMENTAL REVENUE Check this box and omit Page 8.

Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8573
Vendor Code	C425	

Full Name of Contractor San Jose Conservation Corps and Charter School

Section 5 - Supplemental Revenue	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Enhancement Funding			
Other:			
Other:			
Total Supplemental Revenue			

Section 6 - Supplemental Expenses	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
1000 Certificated Salaries			
2000 Classified Salaries			
3000 Employee Benefits			
4000 Books and Supplies			
5000 Services and Other Operating Expenses			
6000 Equipment/Capital Outlay			
Depreciation or Use Allowance			
Indirect Costs			
Non-reimbursable Expenses 6100-6500 Non-reimbursable Capital Outlay			
Total Supplemental Expenses			

Fiscal Year Ending
 Contract Number
 Vendor Code

Full Name of Contractor

Section 7 - Summary	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Total Certified Days of Enrollment	4,185		4,185
Days of Operation	246		246
Days of Attendance	4,170		4,170
Total Non-Certified Days of Enrollment			
Restricted Program Income	10,273	34,391	44,664
Transfer from Reserve			
Family Fees for Certified Children	13,835	2,105	15,940
Interest Earned on Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	304,607	-15,416	289,191
Total Administrative Cost	34,658	-3,995	30,663

Total Certified Adjusted
Days of Enrollment

Total Non-Certified
Adjusted
Days of Enrollment

Independent Auditor's Assurances on Agency's Compliance with the Contract Funding Terms and Conditions and Program Requirements of the California Department of Education, Early Learning and Care Division:

Eligibility, enrollment and attendance records are being maintained as required (check YES or NO):

- Yes
 No

Reimbursable expenses claimed on page 7 are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):

- Yes
 No

Include any comments in the Comments box on page 7. If necessary, attach additional sheets to explain adjustments.

**YWCA Silicon Valley and Related Entity
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2019**

There were no prior year audit findings.

Certified Public Accountants

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3550 Wilshire Boulevard
Los Angeles, California 90010

Telephone: (213) 639-3550
Facsimile: (213) 639-3555

Suite 700
1999 South Bascom Avenue
Campbell, California 95008

Telephone: (408) 614-0100
Facsimile: (213) 639-3555

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
YWCA Silicon Valley and Related Entity
San Jose, California

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the combined financial statements of YWCA Silicon Valley and its related entity, YWCA Third Street, Inc. (together referred to as "the YWCA-SV"), which comprise the combined statement of financial position as of June 30, 2019, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements and have issued our report thereon dated November 22, 2019.

Internal Control over Financial Reporting

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

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

Compliance and Other Matters

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

Purpose of This Report

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

A handwritten signature in black ink that reads "Quigley & Niron". The signature is written in a cursive, flowing style.

Campbell, California
November 22, 2019

Certified Public Accountants

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3550 Wilshire Boulevard
Los Angeles, California 90010

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Campbell, California 95008

Telephone: (408) 614-0100
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Independent Auditor's Report for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

Board of Directors
YWCA Silicon Valley and Related Entity
San Jose, California

Report on Compliance for Each Major Federal Program

We have audited the compliance of YWCA Silicon Valley and its related entity, YWCA Third Street, Inc. (together referred to as "the YWCA-SV") 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 its major federal programs for the year ended June 30, 2019. The YWCA-SV'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of YWCA-SV's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our compliance audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about YWCA-SV'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 YWCA-SV's compliance.

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

YWCA-SV's management 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 YWCA-SV's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program as a basis for designing 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 YWCA-SV's internal control over compliance.

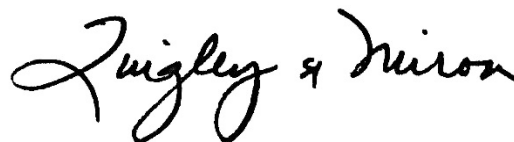
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement 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, as defined above. However, material weaknesses may exist that have not been identified.

Purpose of This Report

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 result of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Campbell, California
November 22, 2019



**YWCA Silicon Valley and Related Entity
Schedule of Findings and Questioned Costs
Year Ended June 30, 2019**

A. Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on whether the financial statements of YWCA Silicon Valley and its related entity were prepared in accordance with accounting principles generally accepted in the United States of America.
2. No material weaknesses or significant deficiencies were identified during the audit.
3. No instances of noncompliance material to the financial statements of YWCA Silicon Valley and its related entity were disclosed during the audit.
4. No material weaknesses or significant deficiencies were identified during the audit of the major federal award program.
5. The auditor's report on compliance for the major federal award program of YWCA Silicon Valley and its related entity expresses an unmodified opinion.
6. There were no audit findings that required reporting in this schedule in accordance with Title 2 U.S. *Code of Federal Regulations* section 200.516(a).
7. The program tested as a major program was the Department of Justice, Crime Victim Assistance, CFDA No. 16.575.
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. YWCA Silicon Valley and its related entity were determined to be a low-risk auditee.

B. Findings—Financial Statements Audit

None

C. Findings and Questioned Costs—Major Federal Award Program

None

**YWCA Silicon Valley and Related Entity
Corrective Active Plan
Year Ended June 30, 2019**

As there were no audit findings or questioned costs for the year ended June 30, 2019, a corrective action plan is not required.