

YWCA USA, Inc.
**Financial Statements
and Independent Auditor's Report**
June 30, 2021 and 2020

YWCA USA, Inc.

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Independent Auditor's Report

To the Board of Directors
YWCA USA, Inc.
Washington, DC

We have audited the accompanying financial statements of YWCA USA, Inc. ("YWCA USA"), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities and change in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of YWCA USA as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Bethesda, Maryland
November 2, 2021

YWCA USA, Inc.

**Statements of Financial Position
June 30, 2021 and 2020**

Assets

	<u>2021</u>	<u>2020</u>
Current assets		
Cash and cash equivalents	\$ 22,037,276	\$ 12,117,991
Accounts receivable, net	395,945	147,602
Pledges receivable, current portion	5,055,865	3,290,916
Loans receivable, current portion	302,026	10,000
Prepaid expenses	<u>227,345</u>	<u>68,218</u>
Total current assets	<u>28,018,457</u>	<u>15,634,727</u>
Investments	67,469,086	53,414,864
Property and equipment, net	2,165,143	2,488,945
Pledges receivable, net of current portion	116,223	1,728,888
Loans receivable, net of current portion	369,113	-
Deposits	<u>37,020</u>	<u>25,776</u>
	<u>\$ 98,175,042</u>	<u>\$ 73,293,200</u>
<u>Liabilities and Net Assets</u>		
Current liabilities		
Accounts payable and accrued expenses	\$ 1,725,827	\$ 904,562
Payable to beneficiaries	87,622	227,853
Deferred rent, current portion	-	11,320
Deferred lease incentive, current portion	6,313	17,561
Deferred rental income, current portion	-	101,047
Deferred revenue	<u>-</u>	<u>5,836</u>
Total current liabilities	<u>1,819,762</u>	<u>1,268,179</u>
Long-term liabilities		
Paycheck Protection Program loan, and accrued interest	595,852	590,693
Deferred rent, net of current portion	159,300	6,066
Deferred lease incentive, net of current portion	57,865	7,317
Deferred rental income, net of current portion	-	110,633
Line of credit	<u>-</u>	<u>1,700,000</u>
Total long-term liabilities	<u>813,017</u>	<u>2,414,709</u>
Total liabilities	<u>2,632,779</u>	<u>3,682,888</u>
Net assets		
Without donor restrictions	76,762,012	51,209,636
With donor restrictions	<u>18,780,251</u>	<u>18,400,676</u>
Total net assets	<u>95,542,263</u>	<u>69,610,312</u>
	<u>\$ 98,175,042</u>	<u>\$ 73,293,200</u>

See Notes to Financial Statements.

YWCA USA, Inc.

**Statement of Activities and Change in Net Assets
Year Ended June 30, 2021**

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Support and revenue			
Contributions and bequests	\$ 19,103,418	\$ 1,947,648	\$ 21,051,066
Investment income, net of expenses	11,626,956	2,017,902	13,644,858
Support fees	3,386,794	-	3,386,794
Leadership development center rental income, net of expenses of \$194,278	222,022	-	222,022
Change in value of split-interest agreements	-	54,008	54,008
Donated services	42,000	-	42,000
Sponsorship and registration income	430,292	-	430,292
Other income	40,658	-	40,658
Net assets released from restrictions	<u>3,639,983</u>	<u>(3,639,983)</u>	<u>-</u>
 Total support and revenue	 <u>38,492,123</u>	 <u>379,575</u>	 <u>38,871,698</u>
Expenses			
Program services			
Advocacy	1,102,498	-	1,102,498
Communications	1,407,597	-	1,407,597
Local initiatives	7,533,815	-	7,533,815
Global initiatives	<u>318,705</u>	<u>-</u>	<u>318,705</u>
 Total program services	 <u>10,362,615</u>	 <u>-</u>	 <u>10,362,615</u>
Supporting services			
Management and general administrative	1,843,065	-	1,843,065
Fundraising	<u>734,067</u>	<u>-</u>	<u>734,067</u>
 Total supporting services	 <u>2,577,132</u>	 <u>-</u>	 <u>2,577,132</u>
 Total expenses	 <u>12,939,747</u>	 <u>-</u>	 <u>12,939,747</u>
 Change in net assets	 25,552,376	 379,575	 25,931,951
Net assets, beginning of year	<u>51,209,636</u>	<u>18,400,676</u>	<u>69,610,312</u>
Net assets, end of year	<u>\$ 76,762,012</u>	<u>\$ 18,780,251</u>	<u>\$ 95,542,263</u>

YWCA USA, Inc.

**Statement of Activities and Change in Net Assets
Year Ended June 30, 2020**

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Support and revenue			
Contributions and bequests	\$ 2,435,219	\$ 6,955,035	\$ 9,390,254
Investment income, net of expenses	1,222,388	226,562	1,448,950
Support fees	2,069,418	-	2,069,418
Leadership development center rental income, net of expenses of \$277,611	21,745	-	21,745
Change in value of split-interest agreements	-	(47,670)	(47,670)
Donated services	50,889	-	50,889
Sponsorship and registration income	7,225	-	7,225
Other income	80,672	-	80,672
Net assets released from restrictions	881,393	(881,393)	-
Total support and revenue	6,768,949	6,252,534	13,021,483
Expenses			
Program services			
Advocacy	1,394,266	-	1,394,266
Communications	1,234,642	-	1,234,642
Local initiatives	4,880,870	-	4,880,870
Global initiatives	254,387	-	254,387
Total program services	7,764,165	-	7,764,165
Supporting services			
Management and general administrative	1,132,973	-	1,132,973
Fundraising	828,460	-	828,460
Total supporting services	1,961,433	-	1,961,433
Total expenses	9,725,598	-	9,725,598
Change in net assets	(2,956,649)	6,252,534	3,295,885
Net assets, beginning of year	54,166,285	12,148,142	66,314,427
Net assets, end of year	\$ 51,209,636	\$ 18,400,676	\$ 69,610,312

See Notes to Financial Statements.

YWCA USA, Inc.

**Statement of Functional Expenses
Year Ended June 30, 2021**

	Program services					Support services			
	Advocacy	Communications	Local Initiatives	Global Initiatives	Total	Management and general administrative	Fundraising	Total	Total
Salaries and benefits	\$ 496,794	\$ 428,490	\$ 1,845,440	\$ 40,951	\$ 2,811,675	\$ 787,405	\$ 256,868	\$ 1,044,273	\$ 3,855,948
Travel, meetings and related	5,660	1,574	71,164	79	78,477	1,499	2,455	3,954	82,431
Professional fees	439,463	856,520	1,446,968	12,440	2,755,391	756,423	288,893	1,045,316	3,800,707
Stipends	250	-	-	-	250	-	-	-	250
Printing and printed materials	227	196	20,093	19	20,535	360	497	857	21,392
Communications	5,663	4,884	21,039	467	32,053	8,977	2,929	11,906	43,959
Office supplies and postage	981	727	3,496	69	5,273	1,336	3,709	5,045	10,318
Rent and utilities	50,159	43,263	186,326	4,135	283,883	79,501	25,935	105,436	389,319
Insurance	6,619	5,709	24,587	546	37,461	10,491	3,422	13,913	51,374
Computer, equipment and maintenance	34,648	41,981	251,775	2,743	331,147	52,751	71,591	124,342	455,489
Membership and support	37,658	2,034	12,575	194	52,461	3,752	2,415	6,167	58,628
Awards and grants	-	-	3,570,500	115,000	3,685,500	-	17,500	17,500	3,703,000
World YWCA allocation	-	-	-	140,429	140,429	-	-	-	140,429
Miscellaneous	12,996	12,404	37,579	695	63,674	94,651	51,969	146,620	210,294
Depreciation and amortization	11,380	9,815	42,273	938	64,406	212,315	5,884	218,199	282,605
Interest	-	-	-	-	-	27,882	-	27,882	27,882
Total expenses by function	1,102,498	1,407,597	7,533,815	318,705	10,362,615	2,037,343	734,067	2,771,410	13,134,025
Less leadership development center depreciation expense included in support and revenue	-	-	-	-	-	(194,278)	-	(194,278)	(194,278)
	<u>\$ 1,102,498</u>	<u>\$ 1,407,597</u>	<u>\$ 7,533,815</u>	<u>\$ 318,705</u>	<u>\$ 10,362,615</u>	<u>\$ 1,843,065</u>	<u>\$ 734,067</u>	<u>\$ 2,577,132</u>	<u>\$ 12,939,747</u>

YWCA USA, Inc.

**Statement of Functional Expenses
Year Ended June 30, 2020**

	Program services					Support services			
	Advocacy	Communications	Local Initiatives	Global Initiatives	Total	Management and general administrative	Fundraising	Total	Total
Salaries and benefits	\$ 575,606	\$ 445,320	\$ 1,748,937	\$ 8,685	\$ 2,778,548	\$ 389,733	\$ 300,096	\$ 689,829	\$ 3,468,377
Travel, meetings and related	146,962	33,838	308,908	43,349	533,057	23,077	34,219	57,296	590,353
Professional fees	482,965	520,933	635,157	3,865	1,642,920	633,667	349,096	982,763	2,625,683
Stipends	775	19.00	50,222	-	51,016	17.00	13.00	30	51,046
Printing and printed materials	15,226	11,289	18,229	17	44,761	751	4,936	5,687	50,448
Communications	4,510	3,541	13,955	439	22,445	3,052	2,427	5,479	27,924
Office supplies and postage	13,273	9,957	39,673	194	63,097	8,566	23,954	32,520	95,617
Rent and utilities	42,253	33,282	130,248	650	206,433	28,682	22,322	51,004	257,437
Insurance	6,425	5,061	19,807	99	31,392	4,362	3,394	7,756	39,148
Computer, equipment and maintenance	39,819	153,781	156,764	1,016	351,380	18,384	44,867	63,251	414,631
Membership and support	44,866	2,533	23,229	28,049	98,677	2,183	4,807	6,990	105,667
Awards and grants	-	-	1,658,610	71,800	1,730,410	-	-	-	1,730,410
World YWCA allocation	-	-	-	92,381	92,381	-	-	-	92,381
Miscellaneous	7,218	3,770	32,839	3,622	47,449	6,481	30,738	37,219	84,668
Depreciation and amortization	14,368	11,318	44,292	221	70,199	287,364	7,591	294,955	365,154
Interest	-	-	-	-	-	4,265	-	4,265	4,265
Total expenses by function	1,394,266	1,234,642	4,880,870	254,387	7,764,165	1,410,584	828,460	2,239,044	10,003,209
Less leadership development center depreciation expense included in support and revenue	-	-	-	-	-	(277,611)	-	(277,611)	(277,611)
	<u>\$ 1,394,266</u>	<u>\$ 1,234,642</u>	<u>\$ 4,880,870</u>	<u>\$ 254,387</u>	<u>\$ 7,764,165</u>	<u>\$ 1,132,973</u>	<u>\$ 828,460</u>	<u>\$ 1,961,433</u>	<u>\$ 9,725,598</u>

See Notes to Financial Statements.

YWCA USA, Inc.

**Statements of Cash Flows
Years Ended June 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Change in net assets	\$ 25,931,951	\$ 3,295,885
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Realized and unrealized gains on investments	(12,858,776)	(355,682)
Depreciation and amortization - operating	88,327	87,543
Depreciation and amortization - leadership development center	194,278	277,611
Gain on disposal of property and equipment	(3,223)	-
Change in value of split-interest agreements	(54,008)	47,670
Amortization of discount on pledges receivable	(42,363)	4,028
Bad debt expense - accounts receivable	21,693	-
Bad debt expense - pledges receivable	9,250	7,000
Change in		
Accounts receivable	(270,036)	46,512
Pledges receivable	(119,171)	(3,615,667)
Prepaid expenses	(159,127)	9,854
Deposits	(11,244)	-
Inventory	-	17,015
Accounts payable and accrued expenses	875,273	(319,603)
Payable to beneficiaries	(140,231)	99,819
Accrued interest on Paycheck Protection Program loan	5,159	-
Deferred rent	141,914	(5,128)
Deferred lease incentive	39,300	(17,561)
Deferred rental income	(211,680)	200,867
Deferred revenue	(5,836)	4,178
	<u>13,431,450</u>	<u>(215,659)</u>
Net cash provided by (used in) operating activities		
Cash flows from investing activities		
Loans to member YWCAs	(870,000)	(10,000)
Proceeds from repayment of loans	208,861	-
Purchases of property and equipment	(221,880)	(335,653)
Proceeds from sale of property and equipment	16,300	-
Proceeds from reimbursement of leasehold improvement costs	250,000	-
Purchases of investments	(11,305,010)	(18,901,185)
Proceeds from sale/maturity of investments	<u>10,109,564</u>	<u>25,135,674</u>
	<u>(1,812,165)</u>	<u>5,888,836</u>
Net cash provided by (used in) investing activities		
Cash flows from financing activities		
Proceeds from Paycheck Protection Program loan	-	590,693
Proceeds from line of credit	-	1,700,000
Payments on line of credit	<u>(1,700,000)</u>	<u>-</u>
	<u>(1,700,000)</u>	<u>2,290,693</u>
Net cash provided by (used in) financing activities		
Net increase in cash and cash equivalents	9,919,285	7,963,870
Cash and cash equivalents, beginning of year	<u>12,117,991</u>	<u>4,154,121</u>
Cash and cash equivalents, end of year	<u>\$ 22,037,276</u>	<u>\$ 12,117,991</u>
Supplemental disclosures of cash flow information		
Interest paid	<u>\$ 22,733</u>	<u>\$ 4,265</u>

See Notes to Financial Statements.

YWCA USA, Inc.

Notes to Financial Statements June 30, 2021 and 2020

Note 1 - Organization and summary of significant accounting policies

Organization

YWCA USA, Inc. ("YWCA USA") (formerly Young Women's Christian Association of the United States of America, Inc.) was incorporated in 1907 under the laws of the State of New York as a nonprofit corporation to carry out the mission of providing support for the empowerment of women and the elimination of racism. YWCA USA's name change was effective December 15, 2015.

The major programs of YWCA USA are as follows:

Advocacy: Identifies, educates and mobilizes members and supporters on critical legislative and public policy issues and government funding to ensure the interests of YWCA USA are represented before Congress, the White House and government agencies.

Communications: Builds unified corporate identity and visibility. Conveys mission, programs and services of YWCA USA with intentional and coordinated efforts.

Local Initiatives: Provides support to local YWCA associations to further mission impact and business vitality, including: capacity-building training, services and resources; conferences and regular networking; organizational sustainability and growth initiatives; signature outcomes and model programs, and fund- and friend-raising collaborations and opportunities.

Global Initiatives: Promotes partnerships and relationship-building with the World YWCA and other YWCAs worldwide and advocates international public policies consistent with the mission.

Basis of accounting

The financial statements of YWCA USA are presented on the accrual basis of accounting and, accordingly, revenue is recognized when earned and expenses are recognized when the obligations are incurred.

Use of estimates

Management uses estimates and assumptions in preparing these financial statements in conformity with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were used.

Income taxes

YWCA USA is exempt from federal tax under the provisions of Section 501(c)(3) of the Internal Revenue Code. Accordingly, the accompanying financial statements do not include a provision for federal and state income taxes. YWCA USA recognizes interest expense and penalties on income taxes related to uncertain tax positions in management and general administration expenses on the statements of activities and change in net assets and accounts payable and accrued expenses on the statements of financial position. There is no provision in these financial statements for penalties and interest on income taxes related to uncertain tax positions for the years ended June 30, 2021 and 2020. Tax years prior to 2018 are no longer subject to examination by the IRS or the tax jurisdiction of the District of Columbia.

YWCA USA, Inc.

Notes to Financial Statements June 30, 2021 and 2020

Cash and cash equivalents

YWCA USA considers all highly-liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. Cash, deposits and money market funds held in investment accounts with investment institutions are classified as cash and cash equivalents on the statements of financial position.

Concentration of risk

YWCA USA maintains balances of cash and cash equivalents in excess of Federal Deposit Insurance Corporation ("FDIC") coverage. The amount of uninsured deposits at June 30, 2021 was approximately \$5,129,000.

Accounts receivable

Accounts receivable includes trade accounts receivable and interest receivable on investments. Trade accounts receivable totaled \$354,546 and \$73,788, respectively, at June 30, 2021 and 2020. YWCA USA records accounts receivable net of allowances for doubtful accounts when necessary. The allowances are determined based on a review of the estimated collectability of the specific accounts, plus a general provision based on historical loss experience and existing economic conditions. Uncollectible amounts are charged off against the allowance for doubtful accounts once management determines an account, or a portion thereof, to be uncollectible. Based on management's evaluation of the collectability of accounts receivable, the allowance for doubtful accounts was \$21,693 and \$0 at June 30, 2021 and 2020, respectively. Bad debt expense related to accounts receivable was \$21,693 and \$0, respectively, for the years ended June 30, 2021 and 2020.

Pledges receivable

Pledges receivable represent unconditional promises to give from donors to contribute monies to YWCA USA. Unconditional promises to give from donors are recorded when the promise is made. Unconditional promises to give from donors where payments are due in the next year are reflected as current receivables and are recorded at their net realizable amount. Unconditional promises to give from donors where payments are due in the subsequent years are reflected as long-term pledges receivable and are reflected at the present value of their net realizable amounts using a discount rate. The amortization of the discount on long-term pledges receivable is recorded as contributions and bequests in the statements of activities and change in net assets. The need for an allowance is determined based on a review of the estimated collectability of specific accounts, plus a general provision based on historical loss experience and existing economic conditions. Uncollectible amounts are charged off against the allowance for doubtful accounts once management determines an account, or a portion thereof, to be uncollectible. As of June 30, 2021 and 2020, management deemed all pledges receivable to be collectible and, as such, no allowance for doubtful accounts has been provided for in these financial statements. Bad debt expense related to pledges receivable was \$9,250 and \$7,000, respectively, for the years ended June 30, 2021 and 2020.

Loans receivable

Loans receivable represent loans awarded to member YWCAs. The loans are to be repaid over a period of two to three years and are interest-free to the local associations. YWCA USA records loans receivable net of allowances for doubtful accounts when necessary. The allowances are determined based on a review of the estimated collectability of the specific accounts, plus a general provision based on historical loss experience and existing economic conditions. Uncollectible amounts are charged off against the allowance for doubtful accounts once management determines an account, or a portion thereof, to be uncollectible. Based on management's evaluation of the collectability of loans receivable, the allowance for doubtful accounts was \$0 at June 30, 2021 and

YWCA USA, Inc.

Notes to Financial Statements June 30, 2021 and 2020

2020. Bad debt expense related to loans receivable was \$0 for the years ended June 30, 2021 and 2020.

Investments

Investments are stated at fair value. The valuation of the investments is based upon quotations obtained from national securities exchanges where securities are listed on an exchange, or Net Asset Values ("NAVs") provided by investment managers. Interest and dividend income and realized and unrealized gain (loss) on investments, less external and direct internal investment expenses are recorded as net assets without donor restrictions or net assets with donor restrictions in accordance with the donor's designation. However, interest and dividend income, and realized and unrealized gain (loss) on investments are reported as increases in net assets without donor restrictions if the restrictions are met in the reporting period in which the investment earnings are recognized. Management intends to hold investments for long-term purposes. Investments include funds with an investment manager employing a variety of strategies to achieve investment objectives. Investment objectives are consistent with YWCA USA's Investment Policy. Accrued interest is included in accounts receivable and totaled \$63,092 and \$73,814, respectively, as of June 30, 2021 and 2020.

Property and equipment

Property and equipment in excess of \$1,000 with an estimated useful life of more than one year is capitalized and stated at cost. Depreciation and amortization is provided over the estimated useful lives of the respective assets, ranging between three and 40 years, on a straight-line basis. Leasehold improvements are amortized over the shorter of the useful life or the term of the lease. The gain on the disposal of property and equipment was \$3,223 and \$0 for the years ended June 30, 2021 and 2020, respectively. The gain or loss on the disposal of property and equipment is presented as other income on the statements of activities and change in net assets.

Revenue recognition

Contributions of cash, other assets and unconditional promises to give are reported as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Contributions are classified as either conditional or unconditional. A conditional contribution is a transaction where YWCA USA must overcome a barrier or hurdle to be entitled to the resource and the resource provider is released from the obligation to fund or has the right of return of any advanced funding if YWCA USA fails to overcome the barrier. Any funding received prior to overcoming the barrier is recognized as a refundable advance. At June 30, 2021 and 2020, YWCA USA had no refundable advances related to contributions.

Support that is restricted by the donor is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and change in net assets as net assets released from restrictions. Contributions and bequests and related investment income which are both received and released from restriction in the same year are reported as revenue without donor restrictions in that year.

Support fees consist of fees from local YWCA associations and are recognized as revenue on a pro rata basis over the period to which the membership relates and performance obligations are satisfied which coincides with YWCA USA's fiscal year.

YWCA USA, Inc.

Notes to Financial Statements June 30, 2021 and 2020

Sponsorship income, for which there are no conditions surrounding the sponsorship, is recorded as sponsorship revenue for the portion of the payment that represents the fair value of the benefits provided, which is usually upon the event being held. The remaining portion is recorded as revenue without donor restrictions or revenue with donor restrictions depending on when the event or meeting takes place and/or the existence of any other donor restrictions. When the event or meeting occurs, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and change in net assets as net assets released from restrictions.

Conference revenue is comprised of conference registrations. Revenue from these events is recognized upon the occurrence of the events. Conference revenue received in advance and not yet earned is deferred to the applicable period.

Net assets

Net assets without donor restrictions

Net assets without donor restrictions are net assets that are not restricted by donor stipulations for a time or purpose restriction.

YWCA USA segregates its net assets without donor restrictions into the following fund categories:

Operating Funds - Represents the portion of expendable funds that are available for support of YWCA USA operations.

Board-Designated Endowment Funds - Represents assets that have been internally designated by the Board of Directors as a general endowment fund to support the mission of YWCA USA. Board-designated endowment net assets totaled \$57,556,944 and \$49,309,054, respectively, at June 30, 2021 and 2020.

Net assets with donor restrictions

Net assets with donor restrictions result from contributions and bequests, investment income earned on restricted contributions, and investment income earned and appropriated from endowments. Use of net assets with donor restrictions is limited by donor-imposed purposes or time restrictions that have not yet been fulfilled by actions of YWCA USA pursuant to these stipulations or by the passage of time.

Net assets with donor restrictions also result from contributions whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by YWCA USA's actions. The donors of these assets permit YWCA USA to use the income and gains earned on related investments for operations or for specific purposes stipulated by the donors.

Donated services

Donated services are recorded as revenue and expenses at fair value when received and have been presented in the statements of activities and change in net assets as donated services and expensed in the appropriate functional category. These donated services required specialized skills which would typically need to be purchased if not donated. YWCA USA recorded donated services for the years ended June 30, 2021 and 2020 in the amount of \$42,000 and \$50,889, respectively. The donated services expense is presented as professional fees on the statements of functional expenses.

YWCA USA, Inc.

Notes to Financial Statements June 30, 2021 and 2020

Functional allocation of expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statements of functional expenses. Costs incurred by a program service or supporting service are charged directly to that service. Other management and general administrative expenses are allocated based on the percentage of time spent by each person on each service.

Adoption of new accounting principles

During the year ended June 30, 2021, YWCA USA adopted the provisions of the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers*. This ASU provides new revenue recognition guidance that superseded existing revenue recognition guidance. The update, as amended, requires the recognition of revenue related to the transfer of goods or services to customers which reflects the consideration to which YWCA USA expects to be entitled in exchange for those goods or services. Management has determined that adopting the new standard did not have a material effect on the timing of YWCA USA's revenue recognition for the years ended June 30, 2021 and 2020.

During the year ended June 30, 2021, YWCA USA also adopted the provisions of FASB ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*. This ASU provides revised guidance to improve the effectiveness of the disclosure requirements for fair value measurements. Adopting the new standard did not have a material effect on YWCA USA's fair value measurements for the years ended June 30, 2021 and 2020.

Reclassifications

Certain reclassifications have been made to the 2020 amounts to conform to the 2021 presentation.

Subsequent events

YWCA USA has evaluated events and transactions for potential recognition or disclosure through November 2, 2021, the date the financial statements were available to be issued.

YWCA USA, Inc.

**Notes to Financial Statements
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Note 2 - Liquidity and availability of resources

The following table reflects YWCA USA's financial assets as of June 30, 2021 and 2020, reduced by amounts not available for general expenditure within one year because of donor restrictions or contractual obligations. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, or because the governing board has set aside the funds for a specific contingency reserve or a long-term investment as board-designated endowments. Although YWCA USA does not intend to spend from this board-designated endowment (other than amounts appropriated per the Board's annual spending), these amounts could be made available if necessary upon approval by the Board:

	<u>2021</u>	<u>2020</u>
Financial assets		
Cash and cash equivalents	\$ 22,037,276	\$ 12,117,991
Accounts and pledges receivable, net	5,568,033	5,167,406
Loans receivable	671,139	10,000
Investments	<u>67,469,086</u>	<u>53,414,864</u>
	<u>95,745,534</u>	<u>70,710,261</u>
Less those unavailable for general expenditure within one year due to		
Cash and cash equivalents subject to donor restrictions	(3,166,190)	(4,358,753)
Cash and cash equivalents designated by the Board of Directors for specific purposes	(869,391)	(4,861,708)
Time and donor restricted pledges receivable	(4,982,984)	(5,052,917)
Noncurrent portion of loans receivable	(369,113)	-
Investments representing split-interest agreements	(918,077)	(876,965)
Investments subject to donor restrictions	(9,763,000)	(8,112,041)
Investments designated by the Board of Directors for specific purposes (net of amounts appropriated for expenditure)	<u>(58,696,769)</u>	<u>(40,909,853)</u>
	<u>(78,765,524)</u>	<u>(64,172,237)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 16,980,010</u>	<u>\$ 6,538,024</u>

YWCA USA maintains a \$3,000,000 revolving line of credit, as discussed in Note 12. The amount outstanding on the line of credit was \$0 and \$1,700,000, respectively, at June 30, 2021 and 2020.

YWCA USA, Inc.

**Notes to Financial Statements
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Note 3 - Pledges receivable

Pledges receivable at June 30, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Pledges receivable in less than one year	\$ 5,055,865	\$ 3,290,916
Pledges receivable in one to five years	<u>120,000</u>	<u>1,771,251</u>
Total pledges receivable	5,175,865	5,062,167
Less discount to net present value	<u>(3,777)</u>	<u>(42,363)</u>
	<u><u>\$ 5,172,088</u></u>	<u><u>\$ 5,019,804</u></u>

Note 4 - Loans receivable

Loans receivable at June 30, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Loans receivable in less than one year	\$ 302,026	\$ 10,000
Loans receivable in one to five years	<u>369,113</u>	<u>-</u>
Total loans receivable	671,139	10,000
Less discount to net present value	<u>-</u>	<u>-</u>
	<u><u>\$ 671,139</u></u>	<u><u>\$ 10,000</u></u>

Note 5 - Investments

Investments at June 30, 2021 and 2020, which include split-interest agreements, consist of the following:

	<u>2021</u>	<u>2020</u>
Equity securities - domestic	\$ 10,827,590	\$ 8,072,720
Equity securities - foreign	134,550	122,521
Equities - mutual funds and ETFs	35,567,391	24,256,940
Fixed income - U.S. Treasury notes	2,977,062	3,591,622
Fixed income - U.S. Government agency notes	360,011	351,604
Fixed income - corporate bonds	8,915,482	8,810,517
Fixed income - mutual funds and ETFs	4,608,023	4,779,051
Real estate funds	1,015,799	849,810
Alternative investments	<u>3,063,178</u>	<u>2,580,079</u>
	<u><u>\$ 67,469,086</u></u>	<u><u>\$ 53,414,864</u></u>

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Alternative investments are comprised of an investment in a fund of funds (the "Fund"), which is reported at net asset value. This investment objective is to achieve above-average appreciation by opportunistically trading and investing in a wide variety of securities, instruments, and other investment opportunities and engaging in a broad array of trading and investment strategies. The Fund requires a 60-day prior written notice to redeem all or any portion of its common shares, and redemptions are made as of the last business of any calendar quarter. The minimum redemption amount is \$100,000. Net asset value per share is calculated based on measurement of all the underlying investments in the funds in accordance with FASB Accounting Standards Codification ("FASB ASC") Topic 820, *Fair Value Measurement*. As of June 30, 2021 and 2020, there are no unfunded commitments.

Investment income consists of the following:

	<u>2021</u>	<u>2020</u>
Interest and dividends	\$ 1,044,792	\$ 1,337,697
Unrealized gains (losses) on investments	11,049,828	(491,732)
Realized gains on investments	<u>1,808,948</u>	<u>847,414</u>
	13,903,568	1,693,379
Less investment fees	<u>(258,710)</u>	<u>(244,429)</u>
	<u>\$ 13,644,858</u>	<u>\$ 1,448,950</u>

Note 6 - Property and equipment

Property and equipment at June 30, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Building and improvements	\$ 5,205,439	\$ 5,505,439
Leasehold improvements	73,041	63,601
Office furniture and equipment	<u>868,776</u>	<u>734,759</u>
	6,147,256	6,303,799
Less accumulated depreciation and amortization	<u>(5,116,878)</u>	<u>(4,960,919)</u>
	1,030,378	1,342,880
Land	<u>1,134,765</u>	<u>1,146,065</u>
	<u>\$ 2,165,143</u>	<u>\$ 2,488,945</u>

Depreciation and amortization expense totaled \$282,605 and \$365,154 for the years ended June 30, 2021 and 2020, respectively.

Note 7 - Split-interest agreements

Pooled income fund

YWCA USA manages a pooled income fund in which it shares a beneficial interest with member YWCAs. The fund is divided into units, and contributions from several donors are pooled. Donors

YWCA USA, Inc.

Notes to Financial Statements June 30, 2021 and 2020

are assigned a specific number of units based on the proportion of the fair market value of their contribution to the total fair market value of the fund. The beneficiary will receive the actual income earned on his or her units during their lifetime. The assets contributed are invested in the fund until the beneficiary's death. At that time, the value of the units assigned to the beneficiary will revert to YWCA USA and its members as specified in the underlying agreement. The fair market value of the pooled income fund as of June 30, 2021 and 2020 was \$843,319 and \$802,138, respectively, and is included in investments on the statements of financial position (see Note 5). The actuarial present value of YWCA USA's interest in such funds as of June 30, 2021 and 2020 was \$776,067 and \$666,966, respectively, and was computed using a discount rate of 1.2 percent and 2.8 percent, respectively, for the years ended June 30, 2021 and 2020, compounded annually.

Gift annuities

YWCA USA gift annuity program includes both gift annuities and deferred payment gift annuities. These assets are segregated as separate and distinct funds, independent from other funds and cannot be applied to payment of the debts and obligations of YWCA USA or any other purpose other than annuity benefits specified in the agreements. YWCA USA agrees to pay a stated dollar amount annually to the beneficiaries as long as they live, after which time the remaining assets are available for unrestricted use of YWCA USA. As of June 30, 2021 and 2020, the total assets, at fair market value, were \$74,758 and \$74,827, respectively. The actuarial present value of YWCA USA's interest in such funds as of June 30, 2021 and 2020 was \$53,448 and \$48,146, respectively, and were computed using an interest rate of 1.2 percent and 2.8 percent, respectively, for the years ended June 30, 2021 and 2020, compounded annually.

Note 8 - Payable to beneficiaries

In connection with the split-interest agreements, YWCA USA holds certain assets on behalf of member YWCAs. Such amounts are included in investments and in the payable to beneficiaries' liability on the accompanying statements of financial position.

Payable to beneficiaries at June 30, 2021 and 2020 consists of the following:

	<u>2021</u>	<u>2020</u>
Payable to beneficiaries	\$ 76,705	\$ 140,179
Payable to member YWCAs	<u>10,917</u>	<u>87,674</u>
	<u>\$ 87,622</u>	<u>\$ 227,853</u>

The amount payable to beneficiaries is the present value of the expected future cash flows to be paid to the beneficiaries. The amount payable to member YWCAs is comprised of the shared beneficial interest of \$10,917 and \$21,674, respectively, due to member YWCAs and grants totaling \$0 and \$66,000, respectively, received for member YWCAs, which reflect agency transactions between YWCA USA and member YWCAs.

Note 9 - Leadership development center

In fiscal year 2001, YWCA USA, as lessor, entered into a noncancelable operating lease for the Leadership Development Center facility, expiring in June 2011. During the year ended August 31, 2011, the lease was amended and extended through July 31, 2019. The amendment included "renewal term improvement credits," whereby the tenant will pay for certain improvements in exchange for rent for the duration of the lease. The total amount of improvements that YWCA USA

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Notes to Financial Statements June 30, 2021 and 2020

has received is approximately \$1.2 million. During the year ended June 30, 2020, the lease was amended and extended through August 31, 2022. The amendment includes reimbursable capital expenditures for long-term upkeep of the premises whereby the tenant will be responsible for the first \$82,500 in capital expenditures and the landlord will reimburse the tenant for the next \$82,500 of such costs. Additionally, the amendment included a tenant improvement allowance totaling \$300,000 during the renewal period. During the year ended June 30, 2021, the lease was terminated and \$250,000 of the tenant improvement allowance was returned to YWCA USA. Rental income under this arrangement is recognized based on straight-line amortization of the amount of the improvements over the extended lease term. Deferred rental income represents the amount of the improvements provided by the tenant, net of rental income recognized to date.

For the years ended June 30, 2021 and 2020, total rental income was \$416,300 and \$299,356, respectively, and is included in net Leadership Development Center rental income in the accompanying statements of activities and change in net assets.

Note 10 - Retirement plan

YWCA USA participates in the Young Women's Christian Association Retirement Fund, Inc.'s (the "Retirement Fund") multiemployer sponsored cash balance defined-benefit pension plan (the "Plan"). The Retirement Fund is a separate legal entity from YWCA USA. Employees are eligible to participate in the Plan after meeting certain service requirements. Participants are 100 percent vested immediately upon enrollment into the Plan. An employer's risks of participating in a multiemployer plan are different from a single employer plan in that the assets contributed to a multiemployer plan may be used to provide benefits to employees of other participating employers; and if a participating employer stops contributing to the Plan, unfunded obligations of the Plan, if any, may be borne by the remaining participating employers.

For the years ended June 30, 2021 and 2020, YWCA USA's contributions to the Retirement Fund at a rate of 7.5 percent of compensation, totaled \$114,680 and \$113,367, respectively.

Note 11 - Commitments

YWCA USA leased office space in Washington, DC under an amended lease that had an expiration date of November 30, 2021. In February 2020, YWCA USA elected to terminate the agreement effective September 1, 2020 and entered into a new agreement for office space in Washington, DC. The lease term is September 1, 2020 to August 31, 2031. The lease contains a clause for additional rent payments in lieu of YWCA USA's pro rata share of operating expenses and real estate taxes. In October 2020, YWCA USA signed an amendment to the lease which abates rent for the first 22 months of the lease agreement.

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Minimum rental payments on an annual basis are as follows:

<u>Year ending June 30,</u>	
2022	\$ 177,217
2023	363,294
2024	372,377
2025	381,686
2026	391,228
Thereafter	<u>2,181,908</u>
	<u>\$ 3,867,710</u>

Rent expense for the years ended June 30, 2021 and 2020 was \$389,319 and \$257,437, respectively.

In September 2013, YWCA USA entered into an indemnification agreement, whereby YWCA USA has a total indemnification obligation up to \$750,000. No claims for indemnification have been made under this agreement through the date these financial statements were available to be issued and no amounts have been recorded in these financial statements related to any potential indemnification obligation.

Note 12 - Line of credit

In April 2020, YWCA USA obtained a revolving line of credit in the amount of \$3,000,000 with a maturity of April 20, 2022. The line of credit has a variable interest rate of LIBOR rate plus 1.25% and is secured by investments. Interest is to be paid monthly based on the outstanding balance. The amount outstanding on the line of credit was \$0 and \$1,700,000, respectively, at June 30, 2021 and 2020. Interest expense for the years ended June 30, 2021 and 2020 was \$22,723 and \$3,282, respectively.

Note 13 - Paycheck Protection Program loan

On April 30, 2020, YWCA USA obtained a promissory note of \$589,710 from its bank under the Small Business Administration's ("SBA") Paycheck Protection Program ("PPP") that is part of the CARES Act stimulus relief. The note bears interest at 1 percent and requires monthly payments of principal and interest on the outstanding principal balance, unless otherwise forgiven in whole or part by the SBA under the CARES Act. If the note is not forgiven, payments will begin seven months from the date of the note until the maturity date of April 30, 2022, when the entire principal balance, along with all accrued and unpaid interest is due in full. The terms of the promissory note are subject to change depending on final regulation or legislation enacted. Accrued interest as of June 30, 2021 and 2020 was \$6,142 and \$983, respectively, and is included with Paycheck Protection Program loan on the statements of financial position. Subsequent to year-end, the promissory note was forgiven.

Note 14 - Net assets

As of June 30, 2021 and 2020, net assets with donor restrictions are restricted for the following purposes or periods.

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Subject to expenditure for specified purpose:

	<u>2021</u>	<u>2020</u>
Scholarships	\$ 855,924	\$ 620,836
Domestic training	6,654,355	6,699,006
International training	1,024,251	666,417
International travel	846,690	582,402
World service council	120,633	186,008
COVID relief	-	1,816,675
Split-interest agreements	727,114	627,213
Racial justice	1,026,229	288,750
Other	924,496	312,810
	<u>12,179,692</u>	<u>11,800,117</u>

Endowments:

	<u>2021</u>	<u>2020</u>
Scholarships	644,000	644,000
Domestic training	302,233	302,233
International training	1,283,067	1,283,067
International travel	840,208	840,208
World relations	200,000	200,000
General operations	2,755,768	2,755,768
Other	575,283	575,283
	<u>6,600,559</u>	<u>6,600,559</u>
	<u>\$ 18,780,251</u>	<u>\$ 18,400,676</u>

For the years ended June 30, 2021 and 2020, net assets were released from donor restrictions by incurring expenses satisfying the purpose restrictions specified by donors as follows:

	<u>2021</u>	<u>2020</u>
Domestic training	\$ 1,083,213	\$ 709,738
International training	40,810	51,635
World Service Council	115,525	108,377
COVID relief	1,816,675	-
Split-interest agreements	153,027	-
Racial justice	235,602	-
Other	195,131	11,643
	<u>\$ 3,639,983</u>	<u>\$ 881,393</u>

YWCA USA, Inc.

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Note 15 - Endowments

YWCA USA's endowment consists of funds established for a variety of purposes. Its endowments consist of both donor-restricted endowment funds and funds designated by the Board of Directors to function as a quasi-endowment. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of relevant law

Effective September 17, 2010, YWCA USA became subject to the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") enacted by the State of New York ("NYPMIFA"). YWCA USA classifies as net assets with donor restrictions (a) the original value of gifts to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. In accordance with NYPMIFA, YWCA USA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund;
- (2) The preservation of YWCA USA and the donor-restricted endowment fund;
- (3) General economic conditions;
- (4) The possible effect of inflation and deflation;
- (5) The expected total return from income and the appreciation of investments;
- (6) Other resources of YWCA USA;
- (7) An asset's special relationship or special value, if any, to the purposes of YWCA USA;
- (8) Where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the Endowment Fund, giving due consideration to the effect that such alternatives may have on YWCA USA; and
- (9) The investment policies of YWCA USA.

Funds with deficiencies

From time-to-time, the fair value of the assets associated with individual donor-restricted endowments may fall below the level that the donor or NYPMIFA requires YWCA USA to retain as a fund of perpetual duration. There were no deficiencies of this nature at June 30, 2021 and 2020.

Return objectives and risk parameters

YWCA USA has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by endowments. The endowment assets are invested in a manner that is intended to achieve appreciation of assets without exposure to undue risk.

To satisfy its long-term rate-of-return objectives, YWCA USA 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 USA targets a diversified asset allocation that

YWCA USA, Inc.

**Notes to Financial Statements
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places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending policy

YWCA USA has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor restricted funds that YWCA USA must hold in perpetuity or for donor specified periods, as well as board endowment funds. With respect to the appropriation for expenditure or accumulation of a donor restricted endowment fund, subject to the intent of a donor expressed in the gift instrument, and subject to the timely direction of a donor that YWCA USA not spend below the original dollar value of a gift made prior to September 17, 2010, YWCA USA may appropriate for expenditure or accumulate so much of the donor restricted endowment fund as YWCA USA determines is prudent for the uses, benefits, purposes, and duration for which each of the donor restricted endowment funds is established.

YWCA USA adopted a policy of budgeting for distribution of five percent of its Board Designated Endowment Fund's moving average fair value over the prior 12 quarters in the preceding fiscal years in which the distribution is planned. In establishing this policy, YWCA USA considered the long-term expected returns on its Board Designated endowment funds. This distribution formulation was selected as it is highly-likely to generate a gradually increasing payout amount each year. This is consistent with YWCA USA's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

YWCA USA expects its endowment assets, over a market cycle, to return at least a nominal payout percentage (defined as the actual payout amount as a percentage of the current market value of the fund) on the current market value plus the annual rate of inflation. Actual returns in any given year may vary from this amount.

Endowment net asset composition by type of fund as of June 30, 2021 and 2020 was as follows:

June 30, 2021	Without donor restrictions	With donor restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 10,711,925	\$ 10,711,925
Board-designated endowment funds	57,556,944	-	57,556,944
	<u>\$ 57,556,944</u>	<u>\$ 10,711,925</u>	<u>\$ 68,268,869</u>
<u>June 30, 2020</u>			
Donor-restricted endowment funds	\$ -	\$ 9,126,602	\$ 9,126,602
Board-designated endowment funds	49,309,054	-	49,309,054
	<u>\$ 49,309,054</u>	<u>\$ 9,126,602</u>	<u>\$ 58,435,656</u>

YWCA USA, Inc.

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Changes in endowment net assets for the years ended June 30, 2021 and 2020 was as follows:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Endowment net assets, June 30, 2019	\$ 52,046,165	\$ 9,168,094	\$ 61,214,259
Contributions	118,650	-	118,650
Investment income			
Interest and dividends	1,128,139	209,545	1,337,684
Realized and unrealized gains (losses)	326,403	(30,632)	295,771
Investment fees	<u>(244,047)</u>	<u>-</u>	<u>(244,047)</u>
Total investment income, net	1,210,495	178,913	1,389,408
Appropriation for expenditure	<u>(4,066,256)</u>	<u>(220,405)</u>	<u>(4,286,661)</u>
Endowment net assets, June 30, 2020	49,309,054	9,126,602	58,435,656
Contributions	158,447	-	158,447
Investment income			
Interest and dividends	876,272	168,600	1,044,872
Realized and unrealized gains	11,009,006	1,652,664	12,661,670
Investment fees	<u>(258,342)</u>	<u>-</u>	<u>(258,342)</u>
Total investment income, net	11,626,936	1,821,264	13,448,200
Appropriation for expenditure	<u>(3,537,493)</u>	<u>(235,941)</u>	<u>(3,773,434)</u>
Endowment net assets, June 30, 2021	<u>\$ 57,556,944</u>	<u>\$ 10,711,925</u>	<u>\$ 68,268,869</u>

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**Notes to Financial Statements
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Note 16 - Fair value measurement

YWCA USA has determined the fair value of certain assets through FASB Accounting Standards Codification ("FASB ASC") Topic 820, *Fair Value Measurement*. Fair values of assets measured on a recurring basis at June 30, 2021 and 2020 are as follows:

June 30, 2021	Fair value	Net asset value	Fair value measurements at reporting date using:		
			Quoted prices in active markets for identical assets/liabilities (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets					
Equity securities - domestic	\$ 10,827,590	\$ -	\$ 10,827,590	\$ -	\$ -
Equity securities - foreign	134,550	-	134,550	-	-
Equities - Mutual Funds and ETFs	35,567,391	-	35,567,391	-	-
Fixed income - U.S. Treasury notes	2,977,062	-	-	2,977,062	-
Fixed income - U.S. Government agency notes	360,011	-	-	360,011	-
Fixed income - corporate bonds	8,915,482	-	-	8,915,482	-
Fixed Income - Mutual Funds and ETFs	4,608,023	-	4,608,023	-	-
Real estate funds	1,015,799	-	1,015,799	-	-
Alternative investment	3,063,178	3,063,178	-	-	-
Total assets	\$ 67,469,086	\$ 3,063,178	\$ 52,153,353	\$ 12,252,555	\$ -
Liabilities					
Payable to beneficiaries	\$ 87,622	\$ -	\$ -	\$ 87,622	\$ -
June 30, 2020					
Assets					
Equity securities - domestic	\$ 8,072,720	\$ -	\$ 8,072,720	\$ -	\$ -
Equity securities - foreign	122,521	-	122,521	-	-
Equities - Mutual Funds and ETFs	24,256,940	-	24,256,940	-	-
Fixed income - U.S. Treasury notes	3,591,622	-	-	3,591,622	-
Fixed income - U.S. Government agency notes	351,604	-	-	351,604	-
Fixed income - corporate bonds	8,810,517	-	-	8,810,517	-
Fixed Income - Mutual Funds and ETFs	4,779,051	-	4,779,051	-	-
Real estate funds	849,810	-	849,810	-	-
Alternative investment	2,580,079	2,580,079	-	-	-
Total assets	\$ 53,414,864	\$ 2,580,079	\$ 38,081,042	\$ 12,753,743	\$ -
Liabilities					
Payable to beneficiaries	\$ 227,853	\$ -	\$ -	\$ 227,853	\$ -

The FASB ASC Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and provide the highest quality inputs; Level 2 inputs are based primarily on quoted prices for identical assets in inactive markets or similar assets in active or inactive markets or other significant market observable inputs; Level 3 inputs provide the lowest quality inputs because there are no significant observable inputs. YWCA USA uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, YWCA USA measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. There have been no changes in the valuation methodologies used during the current year. All assets have been valued using a market approach.

Under ASU 2015-07, investments that are measured at fair value using NAV as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

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The alternative investments consist of private investment funds, which meet the criteria under GAAP for investments that calculate net asset value per share. Inputs include the underlying equity in private investment funds, subscription and redemption rights, expected discounted cash flows, transactions in the secondary market, bids received from potential buyers, and overall market conditions in its determination of fair value.

Note 17 - Risks and uncertainties

YWCA USA invests in a variety of investment vehicles, including, but not limited to U.S. and international mutual funds and exchange-traded funds, equity securities, fixed income securities, and other investments. Such investments are exposed to various risks such as interest rate, market and credit risk. Due to the level of risk associated with such investments and the level of uncertainty related to the changes in value of such investments, it is at least reasonably possible that changes in risks in the near term could materially affect the investment balances.

The spread of a novel strain of the coronavirus ("COVID-19") has caused significant business disruptions in the United States beginning in the first quarter of 2020. The economic impact of the business disruptions caused by COVID-19 is uncertain. The extent of any effects these disruptions may have on the operations and financial position of YWCA USA will depend on future developments, which cannot be determined at this time.



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