

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

Financial Statements

Years Ended June 30, 2023 and 2022



**FORGE**

FINANCIAL & MANAGEMENT CONSULTING

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

<b>Contents</b>	<b>Page(s)</b>
<b>Independent Auditors' Report</b>	1-3
<b>Financial Statements:</b>	
Statements of Financial Position	4-5
Statements of Activities	6
Statements of Changes in Net Assets	7
Statement of Functional Expenses, Year Ended June 30, 2023	8
Statement of Functional Expenses, Year Ended June 30, 2022	9
Statements of Cash Flows	10
Notes to Financial Statements	11-25
<b>Supplementary Information:</b>	
Schedules of Operating Grant Revenue	26-27
<b>Schedule of Expenditures of Federal Awards</b>	28-29
<b>Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b>	30-31
<b>Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance required by the Uniform Guidance</b>	32-34
<b>Schedule of Findings and Questioned Costs</b>	35



# FORGE

FINANCIAL & MANAGEMENT CONSULTING

## Independent Auditors' Report

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

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

#### **Opinions**

We have audited the accompanying financial statements of Waypoint Services for Women, Children & Families (a non-profit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Waypoint Services for Women, Children & Families as of June 30, 2023 and 2022, and the changes in its net assets, functional expenses and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Waypoint Services for Women, Children & Families and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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

## **Auditor’s Responsibilities for the Audit of the Financial Statements**

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

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

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

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

## **Supplementary Information**

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2024, on our consideration of Waypoint Services for Women, Children & Families' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Waypoint Services for Women, Children & Families' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Waypoint Services for Women, Children & Families' internal control over financial reporting and compliance.

*Forge Financial and Management Consulting, Inc.*

West Des Moines, Iowa  
January 29, 2024

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Statements of Financial Position**  
**June 30, 2023 and 2022**

Assets	2023	2022
<b>Current assets:</b>		
Cash and cash equivalents	\$ 159,121	1,160,886
Certificate of deposit	250,000	-
Short-term investments	-	484
Accounts receivable	12,098	45,721
Grants receivable	415,852	572,757
Unconditional promises to give:		
United Way allocations	287,920	340,650
Capital campaign	103,135	187,291
Other	33,455	15,175
Prepaid expenses and other current assets	49,702	48,519
Total current assets	1,311,283	2,371,483
<b>Investments and other long-term assets:</b>		
Investments, long-term	3,046,087	2,800,481
Cash value of life insurance	94,251	90,789
Long-term contributions receivable, net	44,722	143,859
Beneficial interest in assets held by a community foundation	24,613	23,232
Total investments and other assets	3,209,673	3,058,361
<b>Property and equipment:</b>		
Land	324,144	324,144
Buildings	2,452,346	2,452,346
Building improvements	9,142,947	9,122,000
Furniture and equipment	928,199	896,910
	12,847,636	12,795,400
Less accumulated depreciation	5,341,307	4,987,379
Net property and equipment	7,506,329	7,808,021
<b>Other assets:</b>		
Right-of-use assets	32,600	-
Total other assets	32,600	-
	\$ 12,059,885	13,237,865

See accompanying notes to financial statements.

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Statements of Financial Position**  
**June 30, 2023 and 2022**

<b>Liabilities and Net Assets</b>		
	<b>2023</b>	<b>2022</b>
<b>Current liabilities:</b>		
Accounts payable	\$ 61,542	171,998
Accrued expenses	211,118	419,101
Deferred revenue	125	225
Current portion of operating lease liabilities	24,556	-
Total current liabilities	297,341	591,324
<b>Long-term liabilities:</b>		
Operating lease liabilities, net of current portion	8,044	-
Total long-term liabilities	8,044	-
Total liabilities	305,385	591,324
<b>Net assets:</b>		
Without donor restrictions	9,125,095	9,787,557
With donor restrictions	2,629,405	2,858,984
Total net assets	11,754,500	12,646,541
	\$ 12,059,885	13,237,865

See accompanying notes to financial statements.

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Statements of Activities**  
**For the Years Ended June 30, 2023 and 2022**

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues, gains and other support from operating activities:</b>						
Direct contributions	\$ 838,144	32,384	870,528	655,790	61,465	717,255
Indirect contributions:						
Allocation from United Way of East Central Iowa	-	287,920	287,920	18,487	312,430	330,917
Grants and reimbursements	3,235,715	24,645	3,260,360	4,172,481	405,122	4,577,603
Endowment income recognized under spending policy	-	82,835	82,835	-	80,000	80,000
Program service fees	2,073,424	-	2,073,424	2,718,163	-	2,718,163
Special event revenue, net of cost of direct benefits to donors of \$49,327 in 2023 and \$45,041 in 2022	37,195	-	37,195	38,618	-	38,618
Miscellaneous	36,806	-	36,806	(603)	-	(603)
Net assets released from restrictions:						
Satisfaction of purpose restrictions	502,524	(502,524)	-	136,428	(136,428)	-
Expiration of time restrictions	361,536	(361,536)	-	370,764	(370,764)	-
Total operating support and revenue	<u>7,085,344</u>	<u>(436,276)</u>	<u>6,649,068</u>	<u>8,110,128</u>	<u>351,825</u>	<u>8,461,953</u>
<b>Operating expenses:</b>						
Program services:						
Child care	3,107,248	-	3,107,248	3,099,418	-	3,099,418
Critical services	3,200,636	-	3,200,636	3,391,947	-	3,391,947
Total program services	<u>6,307,884</u>	<u>-</u>	<u>6,307,884</u>	<u>6,491,365</u>	<u>-</u>	<u>6,491,365</u>
Supporting activities:						
Management and general	1,046,789	-	1,046,789	1,038,877	-	1,038,877
Fundraising	434,317	-	434,317	318,316	-	318,316
Total supporting activities	<u>1,481,106</u>	<u>-</u>	<u>1,481,106</u>	<u>1,357,193</u>	<u>-</u>	<u>1,357,193</u>
Total operating expenses	<u>7,788,990</u>	<u>-</u>	<u>7,788,990</u>	<u>7,848,558</u>	<u>-</u>	<u>7,848,558</u>
<b>Change in net assets from operating activities</b>	<u>(703,646)</u>	<u>(436,276)</u>	<u>(1,139,922)</u>	<u>261,570</u>	<u>351,825</u>	<u>613,395</u>
<b>Non-operating activities:</b>						
Investment income, net of fees of \$14,182 in 2023 and \$13,127 in 2022	(474,084)	514,231	40,147	(145,599)	178,036	32,437
Net unrealized and realized gains (losses) on investments	517,900	(224,699)	293,201	122,086	(592,217)	(470,131)
Loss on disposal of assets	(2,632)	-	(2,632)	(87,524)	-	(87,524)
Less: Endowment income recognized under spending policy	-	(82,835)	(82,835)	-	(80,000)	(80,000)
Net investment income	<u>41,184</u>	<u>206,697</u>	<u>247,881</u>	<u>(111,037)</u>	<u>(494,181)</u>	<u>(605,218)</u>
<b>Change in net assets from non-operating activities</b>	<u>41,184</u>	<u>206,697</u>	<u>247,881</u>	<u>(111,037)</u>	<u>(494,181)</u>	<u>(605,218)</u>
<b>Change in net assets</b>	<u>\$ (662,462)</u>	<u>(229,579)</u>	<u>(892,041)</u>	<u>150,533</u>	<u>(142,356)</u>	<u>8,177</u>

See accompanying notes to financial statements.



**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Statements of Changes in Net Assets**  
**For the Years Ended June 30, 2023 and 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Balance, June 30, 2021</b>	\$ 9,637,024	3,001,340	12,638,364
Change in net assets	<u>150,533</u>	<u>(142,356)</u>	<u>8,177</u>
<b>Balance, June 30, 2022</b>	9,787,557	2,858,984	12,646,541
Change in net assets	<u>(662,462)</u>	<u>(229,579)</u>	<u>(892,041)</u>
<b>Balance, June 30, 2023</b>	\$ <u><u>9,125,095</u></u>	<u><u>2,629,405</u></u>	<u><u>11,754,500</u></u>

See accompanying notes to financial statements.

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Statement of Functional Expenses**  
**For the Year Ended June 30, 2023**

	Program Services			Supporting Activities			Total Expenses
	Child Care	Critical Services	Total	Management and General	Fundraising	Total	
Salaries and related expenses	\$ 2,489,184	2,116,562	4,605,746	710,974	270,717	981,691	5,587,437
Professional fees	-	-	-	104,894	23,003	127,897	127,897
Information technology	33,828	38,252	72,080	32,790	43,135	75,925	148,005
Consulting contract fees	47,927	11,165	59,092	7,509	24,063	31,572	90,664
Food and supplies	188,721	9,790	198,511	7,718	1,957	9,675	208,186
Telephone	21,313	33,836	55,149	23,667	2,812	26,479	81,628
Postage and shipping	1,050	866	1,916	934	5,314	6,248	8,164
Occupancy	86,306	35,962	122,268	64,803	1,357	66,160	188,428
Insurance	25,057	12,758	37,815	23,734	514	24,248	62,063
Printing	712	1,376	2,088	306	7,890	8,196	10,284
Transportation	2,400	20,143	22,543	9,580	573	10,153	32,696
Repairs and maintenance	2,860	5,661	8,521	7,928	-	7,928	16,449
Rental expenses	-	800	800	1,419	-	1,419	2,219
Program fees	34,009	-	34,009	-	-	-	34,009
Conferences, conventions and meetings	328	116	444	4,068	943	5,011	5,455
Publicity and publications	6,115	2,379	8,494	2,024	7,341	9,365	17,859
Membership dues	-	2,832	2,832	859	430	1,289	4,121
Licensing fees	667	240	907	5,611	-	5,611	6,518
Client housing assistance	-	609,717	609,717	-	-	-	609,717
Client housing assistance - ESG	-	145,752	145,752	-	-	-	145,752
Miscellaneous	10,734	6,281	17,015	34,677	4,951	39,628	56,643
Total expenses before depreciation	2,951,211	3,054,488	6,005,699	1,043,495	395,000	1,438,495	7,444,194
Depreciation	156,037	146,148	302,185	3,294	39,317	42,611	344,796
Total expenses	\$ 3,107,248	3,200,636	6,307,884	1,046,789	434,317	1,481,106	7,788,990

See accompanying notes to financial statements.

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

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

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Statements of Cash Flows**  
**For the Years Ended June 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (892,041)	8,177
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	344,796	345,207
Reduction in right-of-use assets - operating	34,457	-
Change in operating lease liabilities	2,818	
Realized and unrealized (gain) loss on investments	(333,348)	519,363
Loss on disposal of fixed assets	2,632	87,524
Change in beneficial interest in assets held by a community foundation	(1,381)	1,709
Increase in cash value of life insurance	(3,462)	(3,377)
Decrease in receivables	408,271	737,452
(Increase) decrease in prepaid expenses and other current assets	(1,183)	8,900
Decrease in short-term investments	484	179
Increase (decrease) in accounts payable	(110,456)	11,742
Increase (decrease) in accrued expenses	(207,983)	53,932
Decrease in operating lease liabilities	(37,275)	-
Decrease in deferred revenue	(100)	(10,230)
Net cash provided (used) by operating activities	<u>(793,771)</u>	<u>1,760,578</u>
<b>Cash flows from investing activities:</b>		
Purchase of certificate of deposit	(250,000)	-
Proceeds from sale of investments	87,742	-
Purchases of property and equipment	(45,736)	(137,115)
Net cash used by investing activities	<u>(207,994)</u>	<u>(137,115)</u>
<b>Cash flows from financing activities:</b>		
Payments on long-term debt	-	(1,014,809)
Net cash used by financing activities	<u>-</u>	<u>(1,014,809)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	(1,001,765)	608,654
<b>Cash and cash equivalents, beginning of year</b>	<u>1,160,886</u>	<u>552,232</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 159,121</u>	<u>1,160,886</u>
<b>Supplemental disclosure of cash flow information</b>		
Non-cash additions of right-of-use assets - operating	<u>\$ 67,057</u>	<u>-</u>
Cash paid for:		
Interest	<u>\$ -</u>	<u>13,751</u>

See accompanying notes to financial statements. 10

# WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES

## Notes to Financial Statements

### June 30, 2023 and 2022

---

#### Note 1 - Summary of Significant Accounting Policies

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

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

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

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

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

#### *Description of Programs*

*Child Care* - The Organization provides quality, licensed childcare programs for over 250 children aged six weeks to 12 years. The Organization serves children of all socio-economic levels and offers financial assistance scholarships to families who could not otherwise afford childcare services. The programs' curriculums help children develop their physical, emotional, social, intellectual, and creative abilities in nurturing learning environments.

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

*Critical Services* - The Waypoint Housing Services offer shelter and support to individuals and families experiencing housing instability and issues surrounding it. The Waypoint Madge Phillips Center Shelter provides temporary shelter, basic needs, and case management to households experiencing homelessness through goal setting and access to community resources that support self-sufficiency. Shelter operations ceased as of December 31, 2023. Waypoint will continue housing programming that focuses on solutions to address housing instability.

# WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES

## Notes to Financial Statements

### June 30, 2023 and 2022

---

#### Note 1 - Summary of Significant Accounting Policies (Continued)

Waypoint's Coordinated Entry (CE) serves as the area's central point of contact for all households experiencing a housing crisis or seeking emergency shelter in Linn, Benton, and Jones counties. Those in need are connected to the most appropriate housing intervention in the community, preventing duplication of services. Over 20 local agencies are supported by Waypoint through this collaborative approach. Waypoint provides virtual access to CE throughout 96 counties in Iowa.

Waypoint's Homeless Diversion/Eviction Prevention programming empowers individuals facing imminent homelessness to identify safe and appropriate housing options and assist them in avoiding shelter and returning immediately to housing. Provides case management and community resource navigation for individuals at risk of housing instability.

Waypoint's Rapid Re-Housing programming supports households experiencing literal homelessness with housing search and placement. Offers advocacy with area landlords and ongoing case management to support stabilization and if available, short-term financial assistance for rent and/or security deposit.

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

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

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

Unconditional promises to give are recorded as receivables and as support when received. Conditional contributions are not recorded until all conditions have been satisfied, at which time they are recognized as support. Amounts due in more than one year are recorded at net realizable discounted cash flow using an appropriate discount rate commensurate with the risks involved, 4.0% in 2023 and 2022. Amortization of the discount is recorded as additional revenue.

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

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

---

**Note 1 - Summary of Significant Accounting Policies (Continued)**

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

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

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

*Cost-reimbursable grants* – A portion of Waypoint Services for Women, Children and Families’ revenue is derived from cost-reimbursable federal grants, which are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Awarded grant contracts for which qualifying expenditures had not yet been incurred by year-end totaled \$3,321,562 for the year ended June 30, 2023.

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

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

*Certificate of Deposit* – The Organization has a certificate of deposit which bears interest at 2.5% with maturity of 15 months from the date of purchase (maturity in November 2023), with no material penalties for early withdrawal. The certificate of deposit is recorded as a current asset.

*Accounts and Grants Receivable* - Accounts receivable are uncollateralized customer obligations and grantor billings which generally are due upon receipt. Payments of accounts and grants receivable are applied to the earliest unpaid invoices. At the end of each year, management determines the need for an allowance for doubtful accounts based on historical collections, current credit conditions, and knowledge of the customer base. At June 30, 2023 and 2022, management has determined there is no need for an allowance for doubtful accounts.

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

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

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

---

**Note 1 - Summary of Significant Accounting Policies (Continued)**

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

*Property and Equipment* - Records of property and equipment additions were not maintained prior to December 31, 1976. Property and equipment acquired prior to that date are carried on the statement of financial position at an estimated value as of December 31, 1976, as determined by an appraisal prepared by management. The use of estimated values is not in accordance with accounting principles generally accepted in the United States of America; however, management has determined that the effects on the financial statements as of June 30, 2023 and 2022 are not material. Property and equipment acquired after December 31, 1976, are recorded at cost if purchased, or fair market value if received as a donation. The Organization's policy is to capitalize additions in excess of \$1,000 with an estimated useful life of at least three years.

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

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

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

*New Accounting Pronouncement* - In February 2016, FASB issued ASU 2016-02 - *Leases (Topic 842)* which requires lessees to recognize leases on the balance sheet and disclose key information about leasing arrangements. The new standard requires a lessee to recognize a right-of-use (ROU) asset and a lease liability on the balance sheet for all leases greater than 12 months. Leases will be classified as finance or operating. The Organization adopted these lease accounting standards effective July 1, 2022 and utilized the modified retrospective transition method with no adjustments to comparative periods presented. The Organization has elected to carry forward historical lease classification, to not reassess prior conclusions related to initial direct costs, and to not reassess whether any expired or existing contracts are or contain leases.

The Organization's adoption of ASU 2016-02 resulted in the recognition of operating lease liabilities of \$67,057 and ROU assets of \$67,057 for its operating leases based on the remaining present value of the minimum lease payments as of July 1, 2022.



**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

---

**Note 1 - Summary of Significant Accounting Policies (Continued)**

*Leases* - The Organization has several noncancellable operating leases for office space and equipment. The Organization determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing arrangement are changed. The Organization recognizes a lease liability and a right of use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate if it is readily determinable; if the rate is not readily determinable, the Organization uses its incremental borrowing rate. The implicit rate is not readily determinable and accordingly, the Organization uses its incremental borrowing rate based on the information available at the commencement date of each lease. The Organization's incremental borrowing rate is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment. The ROU asset is subsequently measured throughout the lease term at the amount of the remeasured lease liability, plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

The Organization has elected, for all asset classes, to not recognize ROU assets and lease liabilities for short-term leases that have an initial lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that the Organization is reasonably certain to recognize. The Organization recognizes lease costs associated with short-term leases on a straight-line basis over the lease term.

The Organization has elected for all asset classes to account for each separate lease component of a contract and its associated non-lease components as a single lease component.

The Organization recognizes operating lease expense for actual rent paid, generally plus or minus a straight-line adjustment for estimated rate increases, if applicable. The ROU asset is generally reduced each period by an amount equal to the difference between the operating lease expense and the amount of expense on the lease liability utilizing the effective-interest method. The Organization recognizes operating lease expense consisting of the reduction of the ROU asset on a straight-line basis over the remaining lease term plus an amount of expense on the lease liability using the effective interest method.

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

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

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

**Note 1 - Summary of Significant Accounting Policies (Continued)**

*Date of Management Review* - Management has evaluated subsequent events through January 29, 2024, the date which the financial statements were available to be issued.

**Note 2 - Availability and Liquidity**

The following represents the Organization's financial assets at June 30, 2023 and 2022:

Financial assets at year-end:	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 159,121	1,160,886
Certificate of deposit	250,000	-
Accounts receivable	12,098	45,721
Contributions receivable	469,232	686,975
Grants receivable	415,852	572,757
Cash value of life insurance	94,251	90,789
Beneficial interest in assets held by a community foundation	24,613	23,232
Investments	<u>3,046,087</u>	<u>2,800,965</u>
Total financial assets	<u>4,471,254</u>	<u>5,381,325</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	2,629,405	2,858,984
Long-term contributions receivable	44,722	143,859
Less net assets with donor restrictions available for operating in the next year (time restrictions)	<u>(323,164)</u>	<u>(717,552)</u>
	<u>2,350,963</u>	<u>2,285,291</u>
Financial assets available to meet general expenditures Over the next twelve months	<u>\$ 2,120,291</u>	<u>3,096,034</u>

The Organization has a policy to maintain adequate financial assets to meet its obligations as they come due.

**Note 3 - Promises to Give**

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

	<u>2023</u>	<u>2022</u>
Gross unconditional promises to give in:		
Less than one year	\$ 840,362	1,115,873
More than one year	46,511	149,570
Gross unconditional promises to give	<u>886,873</u>	<u>1,265,443</u>
Less: Unamortized discount	<u>(1,789)</u>	<u>(5,711)</u>
Net unconditional promises to give	<u>\$ 885,084</u>	<u>1,259,732</u>

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

**Note 4 - Fair Value Measurements**

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

- Level 1 – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;
- Level 2 – Valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in less active markets, such as dealer or broker markets.
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer or broker-traded transactions.

Following is a description of the valuation methodologies used for instruments measured at fair value and their classification in the valuation hierarchy. There have been no changes in the techniques and inputs used as of June 30, 2023 and 2022.

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

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

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

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

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

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

The following tables present investment assets and liabilities measured at fair value by classification within the fair value hierarchy as of June 30, 2023 and 2022. Assets and liabilities are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

	<b>June 30, 2023</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
Money market funds	\$ 148,060	148,060	-	-
Marketable equity securities	2,355,081	2,355,081	-	-
Marketable debt securities	542,946	542,946	-	-
Cash value of life insurance	94,251	-	94,251	-
Beneficial interest in assets held by a community foundation	24,613	-	-	24,613
<b>Total assets, at fair value</b>	<b>\$ 3,164,951</b>	<b>3,046,087</b>	<b>94,251</b>	<b>24,613</b>

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

**Note 4 - Fair Value Measurements (Continued)**

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

The following is a reconciliation of the beginning and ending balances of the asset measured at fair value on a recurring basis using significant unobservable (Level 3) inputs for the years ended June 30, 2023 and 2022:

	<b>Beneficial Interest in Assets Held by a Community Foundation</b>
Beginning balance, June 30, 2022	\$ 23,232
Unrealized gain (loss) related to instruments held at the reporting date	1,381
Balance, June 30, 2023	<u>\$ 24,613</u>
The amount of total investment gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to assets still held at June 30, 2023	<u>\$ 1,381</u>
	<b>Beneficial Interest in Assets Held by a Community Foundation</b>
Beginning balance, June 30, 2021	\$ 24,941
Unrealized gain (loss) related to instruments held at the reporting date	(1,709)
Balance, June 30, 2022	<u>\$ 23,232</u>
The amount of total investment gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to assets still held at June 30, 2022	<u>\$ (1,709)</u>

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

**Note 4 - Fair Value Measurements (Continued)**

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

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

Type	Fair Value	Valuation Technique	Significant Unobservable inputs	Range
Beneficial interest in assets held by a community foundation	\$24,613	Estimated pro-rata share of the community foundation's investment pool	Investments are part of the community foundation's investment pool and inputs to investments are not known to investors	Unknown

**Note 5 - Line of Credit**

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

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

Subsequent to year end, the Organization established a new line of credit with a bank for \$500,000 in August 2023. Interest is due monthly and has a variable interest rate calculated based on the Wall Street Journal prime rate (9.5% as of the inception date). The line of credit matures in August 2024.

**Note 6 – Leases**

The Organization leases office space and equipment under noncancelable operating leases with expiration dates through September 2025. The leases require monthly payments ranging from \$111 to \$1,013 per month per location.

Certain leases provide for renewal options. Since the Organization is not reasonably certain to exercise the renewal option, the optional period is not included in determining the lease term, and associated payments under these renewal options are excluded from lease payments.

Lease Cost	Classification	Year Ended June 30, 2023
Operating lease cost	Rental expense	\$ 1,728
Operating lease cost	IT expense	35,548
Total lease cost		\$ <u>37,276</u>

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

---

**Note 6 – Leases (Continued)**

The following is a schedule by years of future minimum lease payments required under leases that have initial or remaining noncancelable lease terms in excess of one year:

Year Ending June 30,	Operating Leases
2024	\$ 24,556
2025	8,045
2026	1,341
Total lease payments	\$ 33,942
Less: Interest	(1,342)
Present value of lease liabilities	\$ 32,600

The following table presents the weighted average remaining lease term and discount rate as of June 30, 2023:

Weighted average remaining lease term (years):	
Operating leases	1.39 years
Weighted average discount rate:	
Operating leases	5.50%

*Pre-Implementation of ASU 2016-02 (ASC Topic 842)*

Since the Organization has applied ASU 2016-02 for the year ended June 30, 2023, and has applied the practical expedient offered in ASU 2018-11 to not restate prior periods (see Note 1), the Organization provides the following comparative information as of and for the year ended June 30, 2022:

Operating lease expenses (pre-ASU 2016-02 implementation) for office space and equipment for the year ended June 30, 2022 were \$46,608.

Future minimum payments (as of June 30, 2022) under these leases are as follows for the years ending June 30:

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

**Note 7 - Endowments**

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

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

---

**Note 7 - Endowments (Continued)**

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

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

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

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

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

*Spending Policy* - The Organization has a policy of appropriating from the general endowment, that is, the portion for which donor restrictions on investment earnings do not exist, for distribution each year no more than the average annual total return, net of fees, for the previous 12 quarters on the endowment to support the general operation of the Organization less an average annual inflation rate for the previous 12 quarters. The spending rate was 5% and 5% for the years ended June 30, 2023 and 2022, respectively. In establishing this policy, the Organization considered the long-term expected returns on its endowment investments. Accordingly, over the long term, the Organization expects the current spending policy will allow its endowment to retain the original fair value of the gift.

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

**Note 7 - Endowments (Continued)**

*Strategies Employed for Achieving Objectives* - The Organization relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends). The Organization targets a diversified asset allocation that emphasizes growth instruments and equity securities to achieve its long-term objectives within prudent risk constraints. The target allocation for the years ended June 30, 2023 and 2022, was as follows:

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

Endowment net asset composition by type of fund as of June 30, 2023:

		Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment funds	\$	-	2,281,000	2,281,000
Quasi-endowment		881,429	-	881,429
Total	\$	881,429	2,281,000	3,162,429

Changes in endowment net assets for the year ended June 30, 2023:

		Without Donor Restrictions	With Donor Restrictions	Total
Net assets, beginning of year	\$	837,678	2,074,303	2,911,981
Contributions		-	-	-
Investment income		78,116	514,231	592,347
Net appreciation (depreciation)		(34,365)	(224,699)	(259,064)
Appropriated for expenditure		-	(82,835)	(82,835)
Net assets, end of year	\$	881,429	2,281,000	3,162,429

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

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



**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

**Note 7 - Endowments (Continued)**

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

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

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

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

	<b>2023</b>	<b>2022</b>
<b>Temporary (time and purpose) restrictions:</b>		
Subsequent years' operations	\$ 323,164	361,344
Children's services	122,804	481,754
Domestic violence program/Survivors Program	44,092	21,579
Administration	-	20,000
Homeless services	55,391	60,162
Earnings from endowment funds for operations (without donor-restricted earnings)	882,933	716,395
	<u>1,428,384</u>	<u>1,661,234</u>
<b>Permanent (endowment) restrictions:</b>		
Irene H. Perrine Endowment Fund	150,000	150,000
Audrey Linge-Ovel	100,000	100,000
Knapp Assistance Fund	96,793	96,793
Katz Charitable Foundation Fund for Children's Services	50,000	50,000
Cecil Peterson	62,120	62,120
Wilma and John Petersen Fund	33,900	33,900
Helen Arnold	94,441	90,980
Wayne and Nan Kocourek Foundation	155,000	155,000
Other funds	458,767	458,957
	<u>1,201,021</u>	<u>1,197,750</u>
Total	<u>\$ 2,629,405</u>	<u>2,858,984</u>

Accumulated investment earnings on \$316,425 of endowment net assets are expendable only on donor specified programs. The total of these restricted accumulated earnings was \$197,436 and \$160,740 for the years ended June 30, 2023 and 2022, respectively. Those earnings have been included in the related purposes restriction. Income from the balance of the endowment net assets is expendable to support the general operations of the Organization.

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

---

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

Net assets released from donor restrictions during the years ended June 30, 2023 and 2022 are as follows:

	<b>2023</b>	<b>2022</b>
Subsequent years' operations	\$ 361,344	385,943
Administration	20,000	-
Children's services	381,776	9,121
Domestic violence program	3,057	20,408
Homeless services	15,048	11,720
Distribution from endowment	82,835	80,000
	\$ 864,060	507,192

**Note 9 - Support Concentration**

Total support received from Iowa Finance Authority during the years ended June 30, 2023 and 2022, was \$1,023,189 and \$1,760,296, respectively, representing approximately 15% and 21% of the Organization's total support and revenue for the years ended June 30, 2023 and 2022, respectively.

Total support received from U.S. Department of the Treasury passed through the Iowa Department of Human Services (Childcare Stabilization Grant) during the years ended June 30, 2023 and 2022, was \$257,497 and \$955,788, respectively, representing approximately 4% and 11% of the Organization's total support and revenue for the years ended June 30, 2023 and 2022, respectively.

Total support received from State of Iowa Department of Justice Crime Victim Assistance Division during the years ended June 30, 2023 and 2022, was \$721,092 and \$737,887, respectively, representing approximately 11% and 9% of the Organization's total support and revenue for the years ended June 30, 2023 and 2022, respectively.

**Note 10 - Retirement Expense**

The Organization participates in a defined contribution plan qualified under Section 401(k) of the Internal Revenue Code. The plan is available to all employees who are at least 21 years old and have completed one year of service consisting of 1,000 or more hours. Eligible employees may contribute up to 100% of their eligible salary up to limits set forth by the Internal Revenue Code. The Organization may elect to match a portion of employee contributions, at the discretion of the Board of Directors. The Organization's contributions to the plan for the years ended June 30, 2023 and 2022, were \$9,317 and \$8,101, respectively.

**Note 11 - Designated Funds Held by a Community Foundation**

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

In establishing a designated fund, the donor grants variance power to the Foundation and, therefore, an asset is not recognized by the Organization. Revenue is recognized upon receipt of distributions. The balances of these funds held for the Organization's benefit totaled \$160,289 and \$149,090 at June 30, 2023 and 2022. For the years ended June 30, 2023 and 2022, the amounts of distributions received from the Foundation was \$-0-.

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

---

**Note 12 - Life Insurance Policy**

The Organization owns a life insurance policy, insuring one patron, with a net death benefit of \$138,367. The cash surrender value of this life insurance policy, recorded as an other asset in the statement of financial position, totaled \$94,251 and \$90,789 at June 30, 2023 and 2022, respectively.

**Note 13 - Significant Concentrations and Contingencies**

*Concentration of Credit Risk* - The Organization maintains all of its cash, cash equivalents, cash held for the benefit of others, money market deposits, and cash designated for special purposes in two financial institutions. Balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits. At times during the year the Organization may have balances in excess of FDIC insured limits. Balances in excess of limits are uninsured. At June 30, 2023, the Organization had no deposits in financial institutions that exceeded federally insured limits of \$250,000.

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

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

Cedar Rapids, Iowa

Supplemental Information

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Schedules of Operating Grant Revenue**  
**For the Years Ended June 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>State of Iowa Department of Justice Crime Victim Assistance Division:</b>		
State Domestic Abuse	\$ 140,687	150,547
Federal Crime Victim Assistance Survivor	224,251	253,390
Survivor Grant - State	27,910	20,092
Federal Crime Victim Assistance	<u>328,244</u>	<u>313,858</u>
Total State of Iowa Department of Justice Crime Victim Assistance Division	721,092	737,887
Aegon Transamerica	-	33,318
American Family Insurance	-	5,000
ARPA Childcare Capacity	155,141	-
ARPA Childcare Stabilization Grant	257,497	955,788
Area Substance Abuse Council	4,000	4,500
BAE Systems	-	5,000
Bank of America Foundation	-	10,000
Bank of the West	-	10,000
Cedar Valley United Way	28,220	28,220
City of Cedar Rapids - Community Development Block Grant	24,200	22,000
City of Cedar Rapids - Hoteling	-	470
Community Foundation of Greater Dubuque	4,000	-
Community Foundation of Northeast Iowa	8,000	-
Crisis Line/Institute of Community Alliances	288,386	111,242
Greater Cedar Rapids Community Foundation - operating	56,000	45,000
Greater Cedar Rapids Community Foundation - restricted	17,000	36,276
Housing Fund of Linn County	14,700	36,500
Investing in Iowa Child Care	-	175,129
Iowa Coalition Against Domestic Violence - Financial Literacy Classes	6,715	9,610
Iowa Finance Authority - Emergency Solutions Grant	297,327	191,313
Iowa Finance Authority - Emergency Solutions Grant CV1	-	624,200
Iowa Finance Authority - Emergency Solutions Grant CV2	429,172	944,783
Iowa Finance Authority - Iowa ERA2	296,690	-
Iowa Women's Foundation	10,000	5,000
Kirkwood College	-	2,720
Linn County Caring Dads	25,703	14,431
Linn County Community Services - Domestic Violence Housing	32,582	32,582
Linn County Community Services - Coordinated Intake Support	-	25,000
Linn County ERA2	89,517	100,466
Linn County/Local Homeless Coordinating Board	50,000	200
Linn County Stop Gap	-	6,864
Maximus Foundation	12,000	12,000
Nordstrom	-	7,500
Balance forward	<u>2,827,942</u>	<u>4,192,999</u>

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Schedules of Operating Grant Revenue**  
**For the Years Ended June 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Balance forward	2,827,942	4,192,999
OVW transitional housing 2017	167,876	93,800
RBC Foundation	2,000	-
Rotary Club	-	750
Secret Donor	100,000	-
Shelter Assistance Fund	62,338	17,193
St Joseph's Catholic Church	1,500	2,000
State of Iowa Dept of Education		
Child & Adult Care Food Program CACFP	84,704	92,786
State of Iowa - COVID stipend	-	132,700
Theisen's	-	3,875
Toyota	10,000	-
United Way	-	40,000
Walmart Foundation	-	1,500
Witwer Trust Linn County	4,000	-
Total grant revenue	\$ <u>3,260,360</u>	<u>4,577,603</u>

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2023**

<u>Federal Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass- through Entity Number</u>	<u>Federal Expenditure:</u>
U.S. Department of Justice:			
Direct Awards:			
Transitional Housing Assistance	16.736		\$ 167,876
Passed through the Crime Victim Assistance Division of Iowa Department of Justice:			
Victims of Crime Act	16.575	DAC-2022 and DAC-2023	328,244
Homicide Survivors Program	16.575	SOH/OVC-2022 and SOH/OVC-2023	<u>224,251</u>
			<u>720,371</u>
U.S. Department of Housing and Urban Development:			
Passed through the City of Cedar Rapids:			
Community Development Block Grants	14.218		24,200
Passed through the Iowa Finance Authority:			
* Emergency Solutions Grant Program	14.231	ESG-57007-22 and 23	297,327
* Emergency Solutions Grant Program COVID-19	14.231	ESG-CV2-57007-20	429,172
Passed through the Iowa Balance of State Continuum of Care:			
Continuum of Care (CoC) Program	14.267		<u>288,386</u>
			<u>1,039,085</u>
U.S. Department of the Treasury			
Passed through the Iowa Department of Human Services:			
Coronavirus State and Local Fiscal Recovery Funds	21.027		<u>412,638</u>
Passed through the Iowa Finance Authority:			
Emergency Rental Assistance Program	21.023	RRH-ERA2-15	<u>296,690</u>
U.S. Department of Agriculture			
Passed through the State of Iowa Department of Education:			
Child and Adult Care Food Program	10.558		<u>84,704</u>
Federal Emergency Management Agency			
Passed through Linn County Community Services:			
Emergency Food and Shelter National Board Program	97.024		<u>50,000</u>
Total Expenditures of Federal Awards			<u>\$ 2,603,488</u>

\* - Denotes major program

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2023**

---

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Waypoint Services for Women, Children, and Families (Waypoint) under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Waypoint, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Waypoint.

**Note 2 - Summary of Significant Accounting Policies**

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

**Note 3 - Indirect Cost Rate**

Waypoint has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 4 - Subrecipients**

There were no awards passed through to subrecipients.





# FORGE

FINANCIAL & MANAGEMENT CONSULTING

Independent Auditors' Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Waypoint Services for Women, Children and Families (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 29, 2024.

## **Internal Control over Financial Reporting**

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

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

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

## **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Forge Financial and Management Consulting, Inc.*

West Des Moines, Iowa  
January 29, 2024



# FORGE

FINANCIAL & MANAGEMENT CONSULTING

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

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

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

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

We have audited Waypoint Services for Women, Children & Families, Inc.'s compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on Waypoint Services for Women, Children & Families, Inc.'s major federal program for the year ended June 30, 2023. Waypoint Services for Women, Children & Families, Inc.'s major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Waypoint Services for Women, Children & Families, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

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

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

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

#### **Responsibilities of Management for Compliance**

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

## **Auditors' Responsibilities for the Audit of Compliance**

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

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

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

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

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

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

*Forge Financial and Management Consulting, Inc.*

West Des Moines, Iowa  
January 29, 2024

**WAYPOINT SERVICES FOR WOMEN, CHILDREN AND FAMILIES**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2023**

---

Part I: Summary of independent auditors' results:

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

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

**NONE**

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

**NONE**

**Summary Schedule of Prior Audit Findings**

---

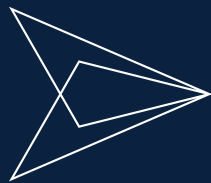
**Questioned Program**

**Findings**

**Status**

---

None



**FORGE**

FINANCIAL & MANAGEMENT CONSULTING