

Women's Center and Shelter of Greater Pittsburgh

Consolidated Financial Statements

Years Ended June 30, 2021 and 2020
with Independent Auditor's Report

MaherDuessel

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WOMEN'S CENTER AND SHELTER OF GREATER PITTSBURGH

YEARS ENDED JUNE 30, 2021 AND 2020

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Independent Auditor's Report

Board of Directors Women's Center and Shelter of Greater Pittsburgh

We have audited the accompanying consolidated financial statements of the Women's Center and Shelter of Greater Pittsburgh (WC&S) and affiliate, which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of WC&S and affiliate as of June 30, 2021 and 2020, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included on pages 29 through 32 is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Maher Duessel

Pittsburgh, Pennsylvania
October 20, 2021

WOMEN'S CENTER AND SHELTER OF GREATER PITTSBURGH

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2021 AND 2020

	2021	2020
Assets		
Cash and cash equivalents	\$ 1,745,440	\$ 2,042,931
Restricted cash and cash equivalents	260,882	490,295
Accounts receivable	916,964	1,957,111
Prepaid expenses	94,340	74,871
Contributions receivable	78,378	85,976
Investments in trust - fair value	9,921,587	8,610,233
Interest rate cap	5,219	1,432
New Market Tax Credit financing - note receivable	8,112,500	8,112,500
Land, building, and equipment, net	12,261,111	12,716,281
Total Assets	\$ 33,396,421	\$ 34,091,630
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 15,120	\$ 7,712
Accrued expenses	291,318	250,179
Paycheck Protection Program loan payable	-	838,400
New Market Tax Credit financing - notes payable, net	11,441,410	11,390,970
Notes payable	443,268	3,587,811
Total Liabilities	12,191,116	16,075,072
Net Assets:		
Without donor restrictions:		
Invested in land, building, and equipment	9,367,723	7,233,926
Board-designated for Reserve Fund	10,578,267	8,866,588
Undesignated - other	489,029	1,269,892
Total without donor restrictions	20,435,019	17,370,406
With donor restrictions:		
Purpose and time restrictions	636,286	512,152
Perpetual in nature	134,000	134,000
Total with donor restrictions	770,286	646,152
Total Net Assets	21,205,305	18,016,558
Total Liabilities and Net Assets	\$ 33,396,421	\$ 34,091,630

See accompanying notes to consolidated financial statements.

WOMEN'S CENTER AND SHELTER OF GREATER PITTSBURGH

CONSOLIDATED STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
Net Assets without Donor Restrictions:		
Revenues, gains, and other support:		
Contributions:		
Individuals and others	\$ 1,546,948	\$ 1,317,603
Foundations and trusts	683,495	527,612
PCADV (DHS federal/state funds)	1,528,605	1,088,093
Governmental grants	3,145,228	2,812,534
Governmental grants - RCAP capital projects funding	-	1,000,000
United Way:		
Allocation	197,036	200,189
Contributor choice	132,515	125,131
Investment income (loss), net of fees	2,173,028	502,891
Special events - net	195,097	196,545
Fees for services	75,926	75,484
Other revenues	48,038	65,491
Net assets released from restrictions	332,959	453,192
Total revenues, gains, and other support	10,058,875	8,364,765
Expenses:		
Program services:		
Adult services	2,652,570	2,176,545
Empowerment center	816,980	983,294
Prevention and awareness	358,845	214,991
Children's program	746,068	708,684
Legal advocacy program	835,002	846,268
Civil Law Project	741,752	838,267
Batterers intervention	517,978	386,302
Standing firm	318,185	334,710
Medical advocacy program	98,565	105,422
Total program services	7,085,945	6,594,483
Management and general	411,115	396,968
Fundraising	339,389	397,356
Total expenses	7,836,449	7,388,807
Change in Net Assets without Donor Restrictions before Nonoperating Items	2,222,426	975,958
Nonoperating items:		
Gain on extinguishment/forgiveness of debt	838,400	-
Gain (loss) on fair market valuation - interest rate cap	3,787	(63,116)
Total nonoperating items	842,187	(63,116)
Change in Net Assets without Donor Restrictions	3,064,613	912,842
Net Assets with Donor Restrictions:		
Contributions:		
Foundations and trusts	457,093	308,959
Net assets released from restrictions	(332,959)	(453,192)
Change in Net Assets with Donor Restrictions	124,134	(144,233)
Change in Net Assets	3,188,747	768,609
Net Assets:		
Beginning of year	18,016,558	17,247,949
End of year	\$ 21,205,305	\$ 18,016,558

See accompanying notes to consolidated financial statements.

**WOMEN'S CENTER AND SHELTER OF
GREATER PITTSBURGH**

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2021

	Program Services									Supporting Services			Total	
	Adult Services	Empowerment Center	Prevention and Awareness	Children's Program	Legal Advocacy Program	Civil Law Project	Batterers Intervention	Standing Firm	Medical Advocacy Program	Total Program Services	Management and General	Fundraising		Total Supporting Services
Salaries and related expenses:														
Salaries and wages	\$ 1,154,322	\$ 307,937	\$ 85,372	\$ 423,368	\$ 442,231	\$ 513,251	\$ 276,591	\$ 169,730	\$ 55,694	\$ 3,428,496	\$ 302,419	\$ 216,780	\$ 519,199	\$ 3,947,695
Payroll taxes and benefits	347,621	104,899	18,038	126,612	139,559	153,131	84,391	44,215	18,696	1,037,162	64,865	61,787	126,652	1,163,814
Total salaries and related expenses	1,501,943	412,836	103,410	549,980	581,790	666,382	360,982	213,945	74,390	4,465,658	367,284	278,567	645,851	5,111,509
Specific assistance	321,864	169,498	-	1,686	480	339	-	-	-	493,867	-	-	-	493,867
Professional fees	144,231	60,374	49,512	30,184	31,258	-	44,515	17,823	3,052	380,949	30,907	2,045	32,952	413,901
Supplies	19,346	5,875	2,500	7,345	5,883	376	3,841	2,249	681	48,096	40	136	176	48,272
Donated items	107,142	-	-	350	-	-	-	-	-	107,492	-	-	-	107,492
Other non-personnel related expenses	25,538	7,989	130,601	7,163	14,172	3,945	5,567	3,020	922	198,917	-	38,388	38,388	237,305
Rent, parking, and other occupancy	50,057	13,903	6,107	13,829	50,903	17,691	9,415	5,424	1,868	169,197	33	-	33	169,230
Equipment rental/maintenance	29,732	9,021	3,963	8,238	9,220	-	5,720	3,514	1,088	70,496	-	-	-	70,496
Travel and meetings	1,458	519	169	480	474	-	304	325	46	3,775	16	-	16	3,791
Depreciation and amortization	211,400	65,111	28,599	59,459	66,547	-	41,281	25,358	7,855	505,610	-	-	-	505,610
Other expenses	236,691	70,878	33,555	66,463	73,278	52,977	45,734	46,147	8,545	634,268	12,835	19,628	32,463	666,731
Business expenses	3,168	976	429	891	997	42	619	380	118	7,620	-	625	625	8,245
Total expenses	\$ 2,652,570	\$ 816,980	\$ 358,845	\$ 746,068	\$ 835,002	\$ 741,752	\$ 517,978	\$ 318,185	\$ 98,565	\$ 7,085,945	\$ 411,115	\$ 339,389	\$ 750,504	\$ 7,836,449

See accompanying notes to consolidated financial statements.

**WOMEN'S CENTER AND SHELTER OF
GREATER PITTSBURGH**

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2020

	Program Services									Supporting Services			Total	
	Adult Services	Empowerment Center	Prevention and Awareness	Children's Program	Legal Advocacy Program	Civil Law Project	Batterers Intervention	Standing Firm	Medical Advocacy Program	Total Program Services	Management and General	Fundraising		Total Supporting Services
Salaries and related expenses:														
Salaries and wages	\$ 1,044,017	\$ 352,250	\$ 68,380	\$ 411,190	\$ 473,197	\$ 535,590	\$ 209,392	\$ 181,539	\$ 59,442	\$ 3,334,997	\$ 282,570	\$ 193,419	\$ 475,989	\$ 3,810,986
Payroll taxes and benefits	302,855	103,645	18,852	108,579	128,043	128,412	58,130	34,825	18,800	902,141	70,777	54,826	125,603	1,027,744
Total salaries and related expenses	<u>1,346,872</u>	<u>455,895</u>	<u>87,232</u>	<u>519,769</u>	<u>601,240</u>	<u>664,002</u>	<u>267,522</u>	<u>216,364</u>	<u>78,242</u>	<u>4,237,138</u>	<u>353,347</u>	<u>248,245</u>	<u>601,592</u>	<u>4,838,730</u>
Specific assistance	103,876	253,270	-	5,324	848	100	-	-	-	363,418	-	-	-	363,418
Professional fees	127,267	61,043	3,983	19,068	16,591	2,565	29,842	11,533	1,806	273,698	16,379	29,690	46,069	319,767
Supplies	21,153	7,061	1,522	8,738	6,362	73	2,831	3,110	831	51,681	3,897	118	4,015	55,696
Donated items	112,898	-	-	100	-	-	-	-	-	112,998	-	-	-	112,998
Other non-personnel related expenses	15,720	6,721	76,703	4,584	11,765	3,960	2,919	2,680	682	125,734	6,402	35,843	42,245	167,979
Rent, parking, and other occupancy	44,797	20,605	4,154	18,027	56,360	19,701	12,483	6,948	4,313	187,388	1,061	704	1,765	189,153
Equipment rental/maintenance	25,980	10,715	2,343	7,722	9,221	-	4,239	3,647	1,149	65,016	1,974	-	1,974	66,990
Travel and meetings	2,364	1,012	85	4,220	488	350	230	928	451	10,128	5,015	936	5,951	16,079
Depreciation and amortization	203,767	92,057	20,127	66,347	79,227	-	36,165	31,336	9,869	538,895	-	-	-	538,895
Other expenses	170,726	74,407	18,731	54,419	63,728	147,479	29,871	57,991	8,024	625,376	8,804	17,392	26,196	651,572
Business expenses	1,125	508	111	366	438	37	200	173	55	3,013	89	64,428	64,517	67,530
Total expenses	<u>\$ 2,176,545</u>	<u>\$ 983,294</u>	<u>\$ 214,991</u>	<u>\$ 708,684</u>	<u>\$ 846,268</u>	<u>\$ 838,267</u>	<u>\$ 386,302</u>	<u>\$ 334,710</u>	<u>\$ 105,422</u>	<u>\$ 6,594,483</u>	<u>\$ 396,968</u>	<u>\$ 397,356</u>	<u>\$ 794,324</u>	<u>\$ 7,388,807</u>

See accompanying notes to consolidated financial statements.

**WOMEN'S CENTER AND SHELTER OF
GREATER PITTSBURGH**

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
Cash Flows From Operating Activities:		
Change in net assets	\$ 3,188,747	\$ 768,609
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	455,170	488,455
Amortization	50,440	50,440
Net depreciation (appreciation) of investments	(1,866,848)	(155,617)
Gain on extinguishment/forgiveness of debt	(838,400)	-
(Gain) loss on fair market valuation - interest rate cap	(3,787)	63,116
Debt accretion	5,457	5,293
Contributions restricted for long-term purposes	(2,088)	(5,303)
Change in:		
Accounts receivable	1,040,147	(866,944)
Prepaid expenses	(19,469)	11,239
Contributions receivable	(22,739)	12,588
Accounts payable	7,408	(51,957)
Accrued expenses	41,139	(158,311)
Total adjustments	(1,153,570)	(607,001)
Net cash provided by (used in) operating activities	2,035,177	161,608
Cash Flows From Investing Activities:		
Purchase of fixed assets	-	(106,238)
Purchase of investments	(3,222,126)	(2,647,013)
Proceeds from sale of investments	3,777,620	2,804,713
Net cash provided by (used in) investing activities	555,494	51,462
Cash Flows From Financing Activities:		
Payment on notes payable	(3,150,000)	(250,000)
Proceeds from Paycheck Protection Program loan payable	-	838,400
Collection of contributions restricted for long-term purposes:		
Capital campaign	32,425	152,262
Net cash provided by (used in) financing activities	(3,117,575)	740,662
Net Increase (Decrease) in Cash and Cash Equivalents and Restricted Cash and Cash Equivalents	(526,904)	953,732
Cash and Cash Equivalents and Restricted Cash and Cash Equivalents:		
Beginning of year	2,533,226	1,579,494
End of year	\$ 2,006,322	\$ 2,533,226
Supplemental Information:		
Interest paid	\$ 326,103	\$ 418,488
In-kind contributions	\$ 229,728	\$ 277,309

See accompanying notes to consolidated financial statements.

WOMEN'S CENTER AND SHELTER OF GREATER PITTSBURGH

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2021 AND 2020

1. Organization

Women's Center and Shelter of Greater Pittsburgh's (WC&S) mission is to end intimate partner violence in the lives of women and their children by providing sanctuary from domestic violence for women and their children within a supportive community where confidentiality is guaranteed; inform women of the resources available to them; work with all appropriate organizations/agencies to create resources for women victims of domestic violence and their children; accompany women as they proceed through the legal system; work with children to help them learn alternative responses to violence; educate the public about the needs of women, particularly those of women who have experienced domestic violence; and work for system changes to alter societal attitudes, behaviors, and responses.

WC&S has been awarded the Pennsylvania Association of Nonprofit Organizations (PANO) Seal of Excellence for successfully demonstrating compliance with the Standards for Excellence voluntary certification program.

In 2008, the governing body of WC&S formed Women's Center and Shelter Civil Law Project (CLP), a non-profit company. The primary purpose of CLP is to provide civil legal services to women in crisis. The CLP Board of Directors is separate from the WC&S Board but is elected by WC&S. WC&S is the sole member of CLP. The financial activity for CLP is reported as part of these consolidated financial statements. All significant inter-organization balances and transactions have been eliminated.

2. Summary of Significant Accounting Policies

Basis of Accounting

WC&S's consolidated financial statements have been prepared on the accrual basis of accounting. Revenues are recognized as they are earned and expenses are recorded when liabilities are incurred.

Revenue Recognition

WC&S recognizes contributions at their net realizable value when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not

WOMEN'S CENTER AND SHELTER OF GREATER PITTSBURGH

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2021 AND 2020

recognized until the conditions on which they depend have been met. A conditional pledge is defined by WC&S as a donor-imposed stipulation that specifies a future and uncertain event whose occurrence or failure to occur gives the donor the right of return of the assets or releases the donor from the obligation to transfer assets in the future. As of June 30, 2021, WC&S has no conditional pledges. At June 30, 2020, WC&S had pledges conditioned upon meeting certain terms and conditions of the grant agreements, specifically qualified capital expenditures (approximately \$125,000) and qualified COVID-19 related expenditures (approximately \$500,000) which were met during the year ended June 30, 2021 and recognized as revenue.

A portion of WC&S's revenue is derived from cost-reimbursable federal, state, county, and city contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenditures. WC&S recognizes contract revenue (up to the contract amount) to the extent of expenses. WC&S has cost-reimbursement grants totaling approximately \$5.5 million at June 30, 2021 that have not been recognized as revenue because qualifying expenditures have not yet been incurred. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the consolidated statements of financial position. No material amounts have been received in advance. Any of its funding sources may, at its discretion, request reimbursement for expenses or return of funds, or both as a result of non-compliance by WC&S with the terms of the grants or contracts. Management is unaware of any instances of non-compliance with grant or contract terms.

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial 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.

Program revenue, primarily fees for services, is recognized in the period in which the services are performed, as performance obligations are satisfied upon these events. There are no material accounts receivable or deferred revenue related to these services at June 30, 2021 or 2020. There have been no changes in the significant judgements related to the amount or timing of revenue from these transactions and there are no impairment losses to recognize.

WOMEN'S CENTER AND SHELTER OF GREATER PITTSBURGH

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2021 AND 2020

Net Asset Classes

WC&S's consolidated financial statements are classified for accounting and reporting purposes into two classes of net assets (with donor restrictions or without donor restrictions) established according to their nature and purpose. Separate accounts are maintained for individual funds; however, for financial reporting purposes, funds that have similar characteristics have been combined into net asset classes.

The assets, liabilities, and net assets of WC&S are reported in net asset classes as follows:

Net Assets Without Donor Restrictions - Used to accumulate all undesignated and board-designated resources from operations. This class represents the part of net assets of a not-for-profit organization that are not subject to donor-imposed stipulations. WC&S has board-designated net assets without donor restrictions for a reserve fund, as described in Note 4 below.

Net Assets With Donor Restrictions - Represents a portion of the net assets of WC&S resulting (a) from contributions and other inflows of assets whose use by WC&S is limited by donor-imposed stipulations that can be either fulfilled and removed by actions of WC&S pursuant to those stipulations or are to be maintained in perpetuity, but permit WC&S to use up or expend part or all of the income derived from the donated assets and (b) from reclassifications to (or from) other classes of net assets as a consequence of donor-imposed stipulations, and their fulfillment and removal by action of WC&S pursuant to those stipulations.

Donor-restricted support 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 consolidated statements of activities as net assets released from restrictions. Donor-restricted support whose restrictions are met in the same fiscal year are reported as net assets without donor restrictions.

Use of Estimates in the Preparation of Consolidated Financial Statements

The preparation of consolidated 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 at the

WOMEN'S CENTER AND SHELTER OF GREATER PITTSBURGH

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2021 AND 2020

date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Investments

Investments are recorded at their fair values in the consolidated statements of financial position. Unrealized gains and losses are included in investment income. Investment income from donor restricted assets not otherwise restricted by the donor is recorded as income without donor restrictions.

Fixed Assets

Fixed assets are capitalized at an individual cost of over \$5,000. Donated equipment is capitalized at fair value at the date of receipt. Depreciation is provided over the estimated useful life of the asset on a straight-line basis.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, WC&S considers all highly liquid investments available for current use (and not included in the investment trust account) with an initial maturity of three months or less to be cash equivalents.

Additionally, WC&S has New Market Tax Credit financing funds as of June 30, 2021 and 2020, which are held and controlled by the bank and are restricted for use towards future interest payments.

Accounts Receivable

Accounts receivable primarily represents amounts due from governmental funding sources for eligible expenditures incurred prior to reimbursement and are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. There were no allowances for doubtful accounts deemed necessary by management at June 30, 2021 and 2020.

WOMEN'S CENTER AND SHELTER OF GREATER PITTSBURGH

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and in the consolidated statements of functional expenses. Expenses directly related to a specific program are charged to that program. Accordingly, certain costs not charged directly to a program have been allocated among the programs and supporting services benefited. Salaries and occupancy space are the major bases for allocation.

Fair Value Measurement

WC&S follows the fair value accounting standards, in accordance with accounting principles generally accepted in the United States of America, which defines fair value, establishes a framework for measuring fair value, and enhances disclosures about fair value measurements for all financial assets and liabilities.

Tax-Exempt Status

WC&S is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, WC&S qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(1). Further, WC&S annually files a Form 990. WC&S is duly registered as a Charitable Organization with the Department of State, Commonwealth of Pennsylvania.

CLP is tax-exempt under Section 501(c)(3) of the Code, and as a supporting organization within the meaning of Section 509(a)(3)(A) of the Code for the benefit of, to perform the functions of, or to carry out the purposes of and to be operated, supervised, or controlled by WC&S. Further, CLP annually files a Form 990 as applicable.

Accordingly, no provision for income taxes is recorded in the consolidated financial statements. WC&S and CLP have not identified any material uncertain tax positions requiring an accrual or disclosure in the consolidated financial statements.

Concentration of Risk Factors

A significant portion of WC&S grants and contributions are from organizations and individuals within the Allegheny County area. In addition, its employees, volunteers, clients,

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2021 AND 2020

and vendors primarily reside in the Allegheny County area and therefore, economic, and demographic influences on this area could impact WC&S operations.

Additionally, at June 30, 2021 and 2020, WC&S had \$1,671,387 and \$1,927,854, respectively, in deposits in local financial institutions in excess of the amount insured by the FDIC. The solvency of the financial institutions is monitored and is not a concern of management at this time.

Concentration of credit risk for investments in marketable securities is mitigated by both the distribution of investment funds among asset managers and the overall diversification of managed investment portfolios. Investment securities are also exposed to various other risks such as interest rate and market risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities will occur in the near-term and that such change could materially affect the amount reported on the consolidated statements of financial position.

Pending Accounting Standards Updates

The Financial Accounting Standards Board (FASB) has issued Accounting Standards Updates (individually and collectively, ASU) that will become effective in future years as outlined below. Management has not yet determined the impact of these updates on the consolidated financial statements:

ASU 2016-02, "*Leases (Topic 842)*," is effective, as delayed, for the financial statements for the year beginning after December 15, 2021. These amendments and related amendments will require lessees to recognize assets and liabilities on the statement of financial position for the rights and obligations created by all leases with terms of more than twelve months. Disclosures also will be required by lessees to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

ASU 2016-13, "*Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*," is effective, as delayed, for the financial statements for the year beginning after December 15, 2022. These amendments and related amendments require a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. This includes loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures,

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reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash.

ASU 2020-07, "Not-For-Profit Entities (Subtopic 958): Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets," is effective for reporting periods beginning after June 15, 2021. The amendments in this update address presentation and disclosure of contributed nonfinancial assets.

Subsequent Events

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

3. Contributions Receivable

At June 30, WC&S had contributions receivable as follows:

	<u>2021</u>	<u>2020</u>
Due within one year	\$ 74,636	\$ 80,532
Due within two to five years	<u>3,742</u>	<u>5,444</u>
Total	<u>\$ 78,378</u>	<u>\$ 85,976</u>

All contributions receivable are deemed fully collectible and, as such, no allowance has been recorded. The effect of a present valuation of the contributions receivable has been deemed by management as immaterial.

4. Reserve Fund

The objectives of WC&S' Reserve Fund, consisting primarily of investments in trust in the consolidated statements of financial position, are to support ongoing operations, promote public and donor confidence in the long-term sustainability of WC&S, provide for nonrecurring expenses that will build long-term capacity, provide an internal source of funds for situations such as a sudden increase in expenses, one-time budgeted expenses,

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unanticipated loss in funding, or uninsured losses, and to maintain an internal line of credit to manage cash flow and maintain financial flexibility. To satisfy its long-term rate-of-return objectives, WC&S relies on a total rate-of-return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

WC&S invests reserve assets with an overall asset allocation of 60% equities and 40% bonds and cash with the ability of a 10% variance from these allocations due to market conditions. Endowment funds are invested in a manner that will protect the principal value relative to inflation, encourage capital appreciation, and safeguard against the loss of principal due to the assumption of undue risk.

WC&S's average spending policy is approximately 3.3% of the total market value derived from an expected asset allocation of 60% equities and 40% bonds with average long-term returns of 8% and 3%, respectively. Actual spending may vary according to the needs of WC&S. The reserve asset portfolio was comprised of the following at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents:		
Money market	\$ 707,096	\$ 454,748
Investments:		
Money market funds	63,819	100,745
Fixed income	3,305,131	2,994,067
Equities	3,203,964	3,122,805
Mutual funds	2,773,673	2,023,525
Alternative investments	<u>575,000</u>	<u>369,091</u>
Total reserve asset portfolio	<u>\$ 10,628,683</u>	<u>\$ 9,064,981</u>

The reserve net asset classes are primarily without donor restrictions, Board-designated, and a portion related to net assets with donor restrictions as described in the table below.

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During fiscal 2021, WC&S had the following reserve and endowment related activities:

	<u>Without Donor Restrictions - Board-Designated Reserve</u>	<u>With Donor Restrictions - Perpetual in Nature</u>	<u>Total Reserve and Endowment</u>
Investment return:			
Investment income	\$ 158,326	\$ 2,022	\$ 160,348
Net appreciation (depreciation)	1,843,312	23,536	1,866,848
Investment fees	<u>(62,618)</u>	<u>(800)</u>	<u>(63,418)</u>
Total investment return (loss)	<u>1,939,020</u>	<u>24,758</u>	<u>1,963,778</u>
Transfers to/from other funds	<u>(227,341)</u>	<u>(24,758)</u>	<u>(252,099)</u>
Total change in reserve and endowment funds	1,711,679	-	1,711,679
Reserve and endowment funds:			
Beginning of year	<u>8,866,588</u>	<u>134,000</u>	<u>9,000,588</u>
End of year	<u>\$ 10,578,267</u>	<u>\$ 134,000</u>	<u>\$ 10,712,267</u>

During fiscal 2020, WC&S had the following reserve and endowment related activities:

	<u>Without Donor Restrictions - Board-Designated Reserve</u>	<u>With Donor Restrictions - Perpetual in Nature</u>	<u>Total Reserve and Endowment</u>
Investment return:			
Investment income	\$ 194,882	\$ 2,924	\$ 197,806
Net appreciation (depreciation)	153,317	2,300	155,617
Investment fees	<u>(58,898)</u>	<u>(884)</u>	<u>(59,782)</u>
Total investment return (loss)	<u>289,301</u>	<u>4,340</u>	<u>293,641</u>
Transfers to/from other funds	<u>(275,717)</u>	<u>(4,340)</u>	<u>(280,057)</u>
Total change in reserve and endowment funds	13,584	-	13,584
Reserve and endowment funds:			
Beginning of year	<u>8,853,004</u>	<u>134,000</u>	<u>8,987,004</u>
End of year	<u>\$ 8,866,588</u>	<u>\$ 134,000</u>	<u>\$ 9,000,588</u>

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5. Investments

WC&S investments are managed by registered investment advisors. These investments are reported at fair value. As of June 30, 2021 and 2020, investments consist of the following:

	2021	2020
Level 1:		
Money market accounts	\$ 63,819	\$ 100,745
Fixed income:		
Taxable	2,808,343	2,994,067
High yield	300,427	-
Emerging markets	196,361	-
Equities:		
U.S. large cap	3,203,964	3,122,805
Mutual funds:		
U.S. mid cap	597,167	539,523
U.S. small cap	541,771	263,086
Developed international	756,601	534,355
Emerging markets	779,571	614,499
Real estate investment trust	98,563	72,062
Alternative investments	575,000	369,091
Total Level 1 investments	\$ 9,921,587	\$ 8,610,233

Investment income (loss), net of fees for the years ended June 30, 2021 and 2020 is summarized as follows:

	2021	2020
Interest and dividend income	\$ 160,348	\$ 197,806
Net realized and unrealized gain (loss)	1,866,848	155,617
Investment management fees	(63,418)	(59,782)
	\$ 1,963,778	\$ 293,641

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Investment income (loss), net of fees also includes \$209,250 for the years ended June 30, 2021 and 2020 related to interest earned on the New Market Tax Credit financing – note receivable, as further described in Note 7.

In accordance with accounting principles generally accepted in the United States of America, all investments of WC&S are measured using Level 1, Level 2, and Level 3 fair value inputs. Level 1 fair value is defined as inputs based upon “measuring the value at quoted prices available in active markets for identical assets or liabilities as of the report date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.” Level 2 is defined as inputs based upon “measuring pricing units other than at quoted prices in active markets, which are either directly or indirectly observable as of the report date. The nature of these securities includes investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed.” Level 3 is defined as inputs based upon “significant unobservable inputs, as they trade infrequently or not at all.”

The fair values of investments held by WC&S are determined using quoted prices in active markets for identical assets and, as such, are classified at June 30, 2021 and 2020 as Level 1 assets within the fair value hierarchy.

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6. Fixed Assets

Fixed assets are comprised of the following amounts at June 30, 2021:

	Balance at June 30, 2020	Additions/ Reclass	Deletions/ Reclass	Balance at June 30, 2020
Construction in progress	\$ -	\$ -	\$ -	\$ -
Land and improvements	\$ 254,086	\$ -	\$ -	\$ 254,086
Building	16,047,144	-	-	16,047,144
Office equipment	791,707	-	-	791,707
	17,092,937	-	-	17,092,937
Less: accumulated depreciation	(4,376,656)	(455,170)	-	(4,831,826)
Net land, building, and equipment	\$ 12,716,281	\$ (455,170)	\$ -	\$ 12,261,111

Fixed assets are comprised of the following amounts at June 30, 2020:

	Balance at June 30, 2019	Additions/ Reclass	Deletions/ Reclass	Balance at June 30, 2020
Construction in progress	\$ -	\$ -	\$ -	\$ -
Land and improvements	\$ 254,086	\$ -	\$ -	\$ 254,086
Building	15,969,333	77,811	-	16,047,144
Office equipment	763,280	28,427	-	791,707
	16,986,699	106,238	-	17,092,937
Less: accumulated depreciation	(3,888,201)	(488,455)	-	(4,376,656)
Net land, building, and equipment	\$ 13,098,498	\$ (382,217)	\$ -	\$ 12,716,281

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7. New Market Tax Credit Financing – Note Receivable and Notes Payable

In March 2017, WC&S entered into a New Markets Tax Credit Financing Transaction through the New Market Tax Credit (NMTC) Program to fund construction costs for the renovation of the Shelter. The NMTC Program, enacted by Congress as part of the Community Renewal Tax Relief Act of 2000, is incorporated as section 45D of the Internal Revenue Code and permits taxpayers to claim federal tax credits for making Qualified Equity Investments (QEI) in a designated Community Development Entity (CDE). The CDE must use substantially all of the proceeds to make Qualified Low-Income Community Investments (QLICs) to Qualified Active Low-Income Community Businesses (QALICB). The tax credits are claimed over a seven-year period and equate to 39% of the QLICs.

WC&S has partnered with an investor, PNC New Markets Investment Partners, LLC, (the Investor) to utilize the NMTC Program. The Investor established a special purpose entity called the WCS Investment Fund, LLC (Investment Fund) to raise the capital for the transaction. The Investment Fund was funded with \$4,378,500 of equity from the Investor and a \$8,112,500 note with CLP, who is considered the Leverage Lender. CLP raised its funds through receipt of charitable contributions from WC&S and a credit agreement entered with Huntington National Bank for a \$4,650,000 loan (see Note 8).

The \$8,112,500 note between CLP and the Investment Fund has a fixed interest rate of 2.579353% with a term of 29 years and matures on March 1, 2046. Payments on the note are expected to be from additional capital campaign contributions and other pledged support received from WC&S. CLP will receive interest-only payments from the Investment Fund until March 1, 2024, at which time principal payments also begin. Interest earned on the note was \$209,250 for the years ended June 30, 2021 and 2020. At June 30, 2021 and 2020, the balance of the note is \$8,112,500. Future principal and interest income to be received on this note are as follows:

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Year ending June 30,	Principal	Interest
2022	\$ -	\$ 209,250
2023	-	209,250
2024	51,925	209,250
2025	279,149	205,225
2026	286,419	197,955
Thereafter	7,495,007	2,100,860
	<u>\$ 8,112,500</u>	<u>\$ 3,131,790</u>

This capital raised by the Investment Fund was used to make two QEIs of \$7,500,000 and \$5,000,000 into Pittsburgh Urban Initiatives Sub-CDE 20, LP, (PUI Sub-CDE) and Commonwealth Cornerstone Group Ltd. XXXIV, (CCG Sub-CDE). The Investment Fund, through an executed Operating Agreement, is the Limited Partner of each Sub-CDE and has 99.99% interest. The General Partners, with a .01% interest are Pittsburgh Urban Initiatives LLC (PUI-CDE) and Commonwealth Cornerstone Group (CCG-CDE). PUI Sub-CDE and CCG Sub-CDE then loaned these funds to WC&S in the form of four notes totaling \$12,100,000.

The four notes payable were issued on March 1, 2017 and bear interest at 2.0065%. The notes require quarterly interest only payments through March 1, 2024, and then with principal and interest payments through March 1, 2052, and are guaranteed by substantially all of the assets of WC&S.

The four notes payable are reflected in the consolidated statements of financial position as follows for the years ended June 30, 2021 and 2020:

PUI CDE QLICI Loan A	\$ 4,867,500
PUI CDE QLICI Loan B	2,332,500
CCG CDE QLICI Loan A	3,245,000
CCG CDE QLICI Loan B	<u>1,655,000</u>
	<u>\$ 12,100,000</u>

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Future principal and interest payments on the four QLICI notes payable are as follows:

Year ending June 30,	Principal	Interest
2022	\$ -	\$ 242,787
2023	-	242,787
2024	61,220	242,787
2025	326,789	239,110
2026	333,396	232,503
Thereafter	11,378,595	3,227,373
	\$ 12,100,000	\$ 4,427,347

Interest expense on the notes was \$280,061 and \$272,536 for the years ended June 30, 2021 and 2020, respectively.

Debt issuance costs of \$902,167, included in New Market Tax Credit financing - notes payable, are being amortized by the straight-line method over the term of the notes payable. Accumulated amortization is \$243,577 and \$193,137 at June 30, 2021 and 2020, respectively. The total amount of amortization expense for 2021 and 2020 is \$50,440.

The future estimated amortization expense for the debt issuance costs is as follows:

Year ending June 30,	Amortization Expense
2022	\$ 50,440
2023	50,440
2024	50,440
2025	50,440
2026	50,440
Thereafter	406,390
	\$ 658,590

The seven-year compliance period for the NMTCs will end March 1, 2024, at which time the Investor may exit the transaction through the exercise of a call/put agreement which it has entered into with the WC&S. Under the agreement, the Investor may "put" its interest in

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the Investment Fund to WC&S for a purchase price of \$1,000. In the event that the Investor has not exercised this put option, WC&S has 180 days to exercise its call option to purchase the Investor's entire interest in the Investment Fund for a purchase price equal to the appraised value of the Investor's interest. To exercise the call option, the WC&S must be current on all payments under the four notes payable and must not owe any additional amounts to the Investment Fund or the Investor. WC&S will realize its savings from the NMTC transactions through the exercise of this put or call option, at which time it will control the Investment Fund. No amounts have been recorded in the accompanying consolidated financial statements related to these put and call options.

8. Notes Payable

Women's Center and Shelter

WC&S has a secured note payable to the Urban Redevelopment Authority of Pittsburgh (URA) in the face amount of \$200,000 that bears no interest and is due in one lump sum in 2036.

The notes payable presentation on the consolidated statements of financial position approximates the present value of the URA note payable discounted at an appropriate interest rate:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Principal due in 2036	\$ 200,000	\$ 200,000
Less: future accretion on zero-interest note	<u>(106,732)</u>	<u>(112,189)</u>
Total	<u>\$ 93,268</u>	<u>\$ 87,811</u>

In June 2016, WC&S entered into a loan agreement with the Wilksburg Borough Industrial and Commercial Development Authority (Authority) and a regional bank (or financial institution). Through this agreement, the Authority issued a Revenue Note, Series 2016 in the amount of \$9,000,000 to assist in the short-term financing of the facility renovation costs. On March 1, 2017, this Revenue Note was amended and restated to a principal amount of \$350,000, which is the balance outstanding as of June 30, 2021 and 2020. The Revenue Note bears a rate equal to the Bank Qualified Tax-Exempt Rate (70% of the LIBOR

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rate plus 2.75%). The interest rate was 1.99% and 2.04% at June 30, 2021 and 2020, respectively. Under the terms of the Revenue Note, WC&S must meet a debt service coverage ratio of not less than 1.05 to 1.00 and maintain an aggregate minimum liquidity of a least \$5,500,000. WC&S is considered to be in compliance with these covenants as of the years ended June 30, 2021 and 2020.

The note matures on March 1, 2027 with future principal and interest payments as follows:

Year ending June 30,	Principal	Interest
2022	\$ -	\$ 12,292
2023	-	12,292
2024	2,490	12,326
2025	10,114	12,103
2026	10,473	11,744
2027	326,923	10,452
	<u>\$ 350,000</u>	<u>\$ 71,209</u>

Women's Center and Shelter Civil Law Project

In March 2017 and in conjunction with the New Market Tax Credit financing transaction (see Note 7), CLP entered into a leverage loan agreement with a regional bank, Huntington National Bank, for \$4,650,000. The note bore interest at the LIBOR rate plus 2.5%. Quarterly installments of interest were payable commencing June 15, 2017, with outstanding principal and interest payable in full by March 1, 2024. In addition to the interest payments, CLP made quarterly principal payments in the amounts received from capital contributions received from WC&S. Under the credit agreement, CLP was subject to various covenants which, among other things, required maintaining a minimum liquidity threshold as defined by the credit agreement.

The note was repaid in full during the year ended June 30, 2021. As of June 30, 2020, the amount of the note outstanding was \$3,150,000. The note was secured by the deposits of CLP's New Market Tax Credit financing note receivable, as well as all real and personal property of WC&S.

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9. Paycheck Protection Program Loan Payable

On April 28, 2020, WC&S and CLP qualified for and received loans pursuant to the Paycheck Protection Program, a program implemented by the U.S. Small Business Administration under the Coronavirus Aid, Relief, and Economic Security Act, from a qualified lender (PPP Lender), for an aggregate principal amount of \$727,200 and \$111,200, respectively. Each PPP Loan bore interest at a fixed rate of 1.0% per annum, with the first ten months of interest deferred, had a term of two years, and was unsecured and guaranteed by the U.S. Small Business Administration. The principal amount of each PPP Loan was subject to forgiveness under the Paycheck Protection Program upon WC&S's and CLP's request to the extent that the PPP Loan proceeds were used to pay expenses permitted by the Paycheck Protection Program, including payroll costs, covered rent, and mortgage obligations, and covered utility payments incurred by WC&S and CLP. In February 2021, WC&S and CLP applied for and received full forgiveness of each PPP Loan with respect to these covered expenses. As a result, a gain on extinguishment/forgiveness of debt totaling \$838,400 is included in the consolidated statement of activities for the year ended June 30, 2021.

10. Interest Rate Cap

During 2017, CLP entered into a Rate Cap Transaction Agreement (Interest Rate Cap) with a regional bank, Huntington National Bank, with a notional amount of \$4,650,000 for the purpose of limiting its interest expense on floating-rate liabilities under the loan agreement (see Note 8) without modifying the underlying principal amount. The interest rate cap was entered into on February 28, 2017 and is set to expire on March 1, 2024. Under terms of the agreement, CLP paid a fixed amount of \$224,000 at inception to guarantee a maximum LIBOR rate of 2.0%. The fair value of the agreement at June 30, 2021 and 2020 is \$5,219 and \$1,432, respectively. The change in the fair value of the interest rate cap is recorded in the consolidated statements of activities.

Interest rate caps are valued using pricing models (such as discounted cash flows) whose inputs are observable for substantially the full term of the asset or liability and are derived principally from or corroborated by observable market data, such as interest rate curves, and measures of interest rate volatility through correlation or other means for substantially the full term of the asset or liability. The interest rate cap is within Level 2 of the fair value hierarchy.

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YEARS ENDED JUNE 30, 2021 AND 2020

11. Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following at June 30:

	2021	2020
Subject to expense for a specified purpose (or purpose and time):		
Legal Advocacy Program	\$ 4,393	\$ 5,998
Children's Program	114,440	638
Shelter Program	6,822	7,193
Empowerment	2,291	9,149
Standing Firm Program	132,259	150,793
Development	157,636	258,940
Education Program	21,300	-
Finance and Information	88,041	-
Building improvements	109,104	79,441
Total subject to purpose and time restrictions	636,286	512,152
Subject to WC&S's spending policy and appropriation:		
Investment in perpetuity	134,000	134,000
Total net assets with donor restrictions	\$ 770,286	\$ 646,152

Net assets of \$332,959 and \$453,192 were released from donor restrictions during the fiscal years ended June 30, 2021 and 2020, respectively, by incurring expenses satisfying the restricted purpose.

Income from net assets with donor restrictions – perpetual in nature is designated for long-term investment and aid for women who have been subject to physical or psychological abuse.

12. Profit-Sharing Plan

WC&S has a profit-sharing plan (plan) for eligible employees. This plan has a July 1 through June 30 plan year. For employees hired prior to April 1, 2012, WC&S contributes 10.34% of

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eligible participant salaries. For employees hired on or after April 1, 2012, WC&S contributes 5% of eligible participant salaries, and up to a 2% matching contribution. WC&S's aggregate plan contribution was \$258,684 and \$234,809 for the years ended June 30, 2021 and 2020, respectively.

13. Contributed Facilities, Material, and Services

WC&S receives and recognizes at fair value various in-kind contributions for food and clothing, household items, and various services. The contributed services include amounts for volunteers in legal services, therapy, the shelter, and others.

The above contributions can be summarized as follows for the years ended June 30:

	2021	2020
Contributed services	\$ 106,725	\$ 143,236
Food, clothing, and other	107,492	112,998
Special events services and materials	15,511	21,075
Total	\$ 229,728	\$ 277,309

14. Fundraising Events

WC&S schedules several events during the year for fundraising purposes. They are detailed as follows for the years ended June 30:

	2021	2020
Annual Event	\$ 132,265	\$ 153,563
Standing Firm Event	111,674	101,355
	243,939	254,918
Less: cost of events	(48,842)	(58,373)
Total	\$ 195,097	\$ 196,545

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15. Leases

During fiscal year 2015, WC&S entered into a non-cancelable operating lease for office space for its legal program offices through March 31, 2020. This lease was extended during fiscal year 2020 through March 31, 2025.

The following is a schedule of future minimum lease payments under the lease:

Year ending June 30,	Amount
2022	\$ 56,131
2023	57,872
2024	59,612
2025	45,688
Total	<u>\$ 219,303</u>

Total rent expense for the years ended June 30, 2021 and 2020 was approximately \$54,000.

16. Required Disclosures for the Year Ended June 30, 2021 - Pennsylvania Coalition Against Domestic Violence

Actual dollars spent under the WC&S domestic violence organization-wide budget were \$6,580,335.

Match requirement monies were provided as required and were spent during the contract period July 1, 2020 through June 30, 2021.

WC&S expended \$3,210,067 in Federal Financial Assistance for the fiscal year ended June 30, 2021 and was required to have a Single Audit performed. WC&S's cost allocation plan complied with the Uniform Guidance.

There was no interest income earned on grant funds.

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YEARS ENDED JUNE 30, 2021 AND 2020

17. Liquidity and Availability

The following reflects WC&S's financial assets as of June 30, 2021 and 2020, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the date of the consolidated statements of financial position:

	2021	2020
Financial assets at year-end:		
Cash and cash equivalents, including restricted amounts	\$ 2,006,322	\$ 2,533,226
Accounts receivable	916,964	1,957,111
Contributions receivable	78,378	85,976
Investments in trust - fair value	9,921,587	8,610,233
Total financial assets	12,923,251	13,186,546
Less: amounts not available to be used within one year:		
Board-designated for Reserve Fund	(10,578,267)	(8,866,588)
Restricted cash and cash equivalents	(260,882)	(490,295)
Contributions receivable due after one year	(3,742)	(5,444)
Donor-restricted investments to be maintained in perpetuity	(134,000)	(134,000)
Donor-restricted for finance and information	(88,041)	-
Donor-restricted for building improvements	(109,104)	(79,441)
Total amounts not available to be used in one year	(11,174,036)	(9,575,768)
Financial assets available to meet general expenditures within one year	\$ 1,749,215	\$ 3,610,778

WC&S manages its liquid resources by focusing on both fundraising efforts as well as earned revenue sources to ensure the organization has the adequate cash flow to cover the related program expenses. WC&S prepares a rolling twelve-month cash flow which it updates and reviews monthly and which ensures that both the Board and management are aware of upcoming cash flow needs so that adjustments can be made to expenditures in the event of a projected cash shortfall.

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WC&S receives significant contributions and promises to give restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. WC&S's goal is to maintain adequate liquid assets to fund near-term operating needs as well as maintain sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

SUPPLEMENTARY INFORMATION

**WOMEN'S CENTER AND SHELTER OF
GREATER PITTSBURGH**

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2021

	Women's Center and Shelter	Civil Law Project	Subtotal	Eliminations	Total
Assets					
Cash and cash equivalents	\$ 1,742,229	\$ 3,211	\$ 1,745,440	\$ -	\$ 1,745,440
Restricted cash and cash equivalents	75,402	185,480	260,882	-	260,882
Accounts receivable	916,964	-	916,964	-	916,964
Prepaid expenses	94,340	-	94,340	-	94,340
Contributions receivable	78,378	-	78,378	-	78,378
Inter-organization receivable	8,301,830	-	8,301,830	(8,301,830)	-
Investments in trust - fair value	9,921,587	-	9,921,587	-	9,921,587
Interest rate cap	-	5,219	5,219	-	5,219
New Market Tax Credit financing - note receivable	-	8,112,500	8,112,500	-	8,112,500
Land, building, and equipment, net	12,261,111	-	12,261,111	-	12,261,111
Total Assets	\$ 33,391,841	\$ 8,306,410	\$ 41,698,251	\$ (8,301,830)	\$ 33,396,421
Liabilities and Net Assets					
Liabilities:					
Accounts payable	\$ 15,120	\$ -	\$ 15,120	\$ -	\$ 15,120
Accrued expenses	291,318	-	291,318	-	291,318
Inter-organization payable	-	8,301,830	8,301,830	(8,301,830)	-
Paycheck Protection Program loan payable	-	-	-	-	-
New Market Tax Credit financing - notes payable, net	11,441,410	-	11,441,410	-	11,441,410
Notes payable	443,268	-	443,268	-	443,268
Total Liabilities	12,191,116	8,301,830	20,492,946	(8,301,830)	12,191,116
Net Assets:					
Without donor restrictions:					
Invested in land, building, and equipment	9,366,354	1,369	9,367,723	-	9,367,723
Board-designated for Reserve Fund	10,578,267	-	10,578,267	-	10,578,267
Undesignated - other	485,818	3,211	489,029	-	489,029
Total without donor restrictions	20,430,439	4,580	20,435,019	-	20,435,019
With donor restrictions:					
Purpose and time restrictions	636,286	-	636,286	-	636,286
Perpetual in nature	134,000	-	134,000	-	134,000
Total with donor restrictions	770,286	-	770,286	-	770,286
Total Net Assets	21,200,725	4,580	21,205,305	-	21,205,305
Total Liabilities and Net Assets	\$ 33,391,841	\$ 8,306,410	\$ 41,698,251	\$ (8,301,830)	\$ 33,396,421

**WOMEN'S CENTER AND SHELTER OF
GREATER PITTSBURGH**

CONSOLIDATING STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2021

	Women's Center and Shelter	Civil Law Project	Subtotal	Eliminations	Total
Net Assets without Donor Restrictions:					
Revenues, gains, and other support:					
Contributions:					
Individuals and others	\$ 1,546,948	\$ 379,765	\$ 1,926,713	\$ (379,765)	\$ 1,546,948
Foundations and trusts	683,495	-	683,495	-	683,495
PCADV (DHS federal/state funds)	1,528,605	-	1,528,605	-	1,528,605
Governmental grants	3,143,471	1,757	3,145,228	-	3,145,228
Governmental grants - RCAP capital projects funding	-	-	-	-	-
United Way:					
Allocation	197,036	-	197,036	-	197,036
Contributor choice	132,515	-	132,515	-	132,515
Investment income (loss), net of fees	1,963,778	209,250	2,173,028	-	2,173,028
Special events - net	195,097	-	195,097	-	195,097
Fees for services	75,926	-	75,926	-	75,926
Other revenues	48,038	-	48,038	-	48,038
Net assets released from restrictions	332,959	-	332,959	-	332,959
Total revenues, gains, and other support	<u>9,847,868</u>	<u>590,772</u>	<u>10,438,640</u>	<u>(379,765)</u>	<u>10,058,875</u>
Expenses:					
Program services:					
Adult services	2,652,570	-	2,652,570	-	2,652,570
Empowerment center	816,980	-	816,980	-	816,980
Prevention and awareness	358,845	-	358,845	-	358,845
Children's program	746,068	-	746,068	-	746,068
Legal advocacy program	835,002	-	835,002	-	835,002
Civil law project	415,758	705,759	1,121,517	(379,765)	741,752
Batterers intervention	517,978	-	517,978	-	517,978
Standing firm	318,185	-	318,185	-	318,185
Medical advocacy program	98,565	-	98,565	-	98,565
Total program services	<u>6,759,951</u>	<u>705,759</u>	<u>7,465,710</u>	<u>(379,765)</u>	<u>7,085,945</u>
Management and general	411,115	-	411,115	-	411,115
Fundraising	339,389	-	339,389	-	339,389
Total expenses	<u>7,510,455</u>	<u>705,759</u>	<u>8,216,214</u>	<u>(379,765)</u>	<u>7,836,449</u>
Change in Net Assets without Donor Restrictions before Nonoperating Items	<u>2,337,413</u>	<u>(114,987)</u>	<u>2,222,426</u>	<u>-</u>	<u>2,222,426</u>
Nonoperating items:					
Gain on extinguishment/forgiveness of debt	727,200	111,200	838,400	-	838,400
Gain (loss) on fair market valuation - interest rate cap	-	3,787	3,787	-	3,787
Total nonoperating items	<u>727,200</u>	<u>114,987</u>	<u>842,187</u>	<u>-</u>	<u>842,187</u>
Change in Net Assets without Donor Restrictions	<u>3,064,613</u>	<u>-</u>	<u>3,064,613</u>	<u>-</u>	<u>3,064,613</u>
Net Assets with Donor Restrictions:					
Contributions:					
Foundations and trusts	457,093	-	457,093	-	457,093
Net assets released from restrictions	(332,959)	-	(332,959)	-	(332,959)
Change in Net Assets with Donor Restrictions	<u>124,134</u>	<u>-</u>	<u>124,134</u>	<u>-</u>	<u>124,134</u>
Change in Net Assets	<u>3,188,747</u>	<u>-</u>	<u>3,188,747</u>	<u>-</u>	<u>3,188,747</u>
Net Assets:					
Beginning of year	18,011,978	4,580	18,016,558	-	18,016,558
End of year	<u>\$ 21,200,725</u>	<u>\$ 4,580</u>	<u>\$ 21,205,305</u>	<u>\$ -</u>	<u>\$ 21,205,305</u>

**WOMEN'S CENTER AND SHELTER OF
GREATER PITTSBURGH**

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2020

<u>Assets</u>	Women's Center and Shelter	Civil Law Project	Subtotal	Eliminations	Total
Cash and cash equivalents	\$ 2,039,323	\$ 3,608	\$ 2,042,931	\$ -	\$ 2,042,931
Restricted cash and cash equivalents	105,112	385,183	490,295	-	490,295
Accounts receivable	1,957,111	-	1,957,111	-	1,957,111
Prepaid expenses	74,871	-	74,871	-	74,871
Contributions receivable	85,976	-	85,976	-	85,976
Inter-organization receivable	5,236,943	-	5,236,943	(5,236,943)	-
Investments in trust - fair value	8,610,233	-	8,610,233	-	8,610,233
Interest rate cap	-	1,432	1,432	-	1,432
New Market Tax Credit financing - note receivable	-	8,112,500	8,112,500	-	8,112,500
Land, building, and equipment, net	12,716,281	-	12,716,281	-	12,716,281
Total Assets	\$ 30,825,850	\$ 8,502,723	\$ 39,328,573	\$ (5,236,943)	\$ 34,091,630
Liabilities and Net Assets					
<u>Liabilities:</u>					
Accounts payable	\$ 7,712	\$ -	\$ 7,712	\$ -	\$ 7,712
Accrued expenses	250,179	-	250,179	-	250,179
Inter-organization payable	-	5,236,943	5,236,943	(5,236,943)	-
Paycheck Protection Program loan payable	727,200	111,200	838,400	-	838,400
New Market Tax Credit financing - notes payable, net	11,390,970	-	11,390,970	-	11,390,970
Notes payable	437,811	3,150,000	3,587,811	-	3,587,811
Total Liabilities	12,813,872	8,498,143	21,312,015	(5,236,943)	16,075,072
<u>Net Assets:</u>					
Without donor restrictions:					
Invested in land, building, and equipment	7,121,754	112,172	7,233,926	-	7,233,926
Board-designated for Reserve Fund	8,866,588	-	8,866,588	-	8,866,588
Undesignated - other	1,377,484	(107,592)	1,269,892	-	1,269,892
Total without donor restrictions	17,365,826	4,580	17,370,406	-	17,370,406
With donor restrictions:					
Purpose and time restrictions	512,152	-	512,152	-	512,152
Perpetual in nature	134,000	-	134,000	-	134,000
Total with donor restrictions	646,152	-	646,152	-	646,152
Total Net Assets	18,011,978	4,580	18,016,558	-	18,016,558
Total Liabilities and Net Assets	\$ 30,825,850	\$ 8,502,723	\$ 39,328,573	\$ (5,236,943)	\$ 34,091,630

**WOMEN'S CENTER AND SHELTER OF
GREATER PITTSBURGH**

CONSOLIDATING STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2020

	Women's Center and Shelter	Civil Law Project	Subtotal	Eliminations	Total
Net Assets without Donor Restrictions:					
Revenues, gains, and other support:					
Contributions:					
Individuals and others	\$ 1,317,603	\$ 595,856	\$ 1,913,459	\$ (595,856)	\$ 1,317,603
Foundations and trusts	527,612	-	527,612	-	527,612
PCADV (DHS federal/state funds)	1,088,093	-	1,088,093	-	1,088,093
Governmental grants	2,758,534	54,000	2,812,534	-	2,812,534
Governmental grants - RCAP capital projects funding	1,000,000	-	1,000,000	-	1,000,000
United Way:					
Allocation	200,189	-	200,189	-	200,189
Contributor choice	125,131	-	125,131	-	125,131
Investment income (loss), net of fees	293,641	209,250	502,891	-	502,891
Special events - net	196,545	-	196,545	-	196,545
Fees for services	75,484	-	75,484	-	75,484
Other revenues	62,535	2,956	65,491	-	65,491
Net assets released from restrictions	453,192	-	453,192	-	453,192
Total revenues, gains, and other support	<u>8,098,559</u>	<u>862,062</u>	<u>8,960,621</u>	<u>(595,856)</u>	<u>8,364,765</u>
Expenses:					
Program services:					
Adult services	2,176,545	-	2,176,545	-	2,176,545
Empowerment center	983,294	-	983,294	-	983,294
Prevention and awareness	214,991	-	214,991	-	214,991
Children's program	708,684	-	708,684	-	708,684
Legal advocacy program	846,268	-	846,268	-	846,268
Civil law project	635,177	798,946	1,434,123	(595,856)	838,267
Batterers intervention	386,302	-	386,302	-	386,302
Standing firm	334,710	-	334,710	-	334,710
Medical advocacy program	105,422	-	105,422	-	105,422
Total program services	<u>6,391,393</u>	<u>798,946</u>	<u>7,190,339</u>	<u>(595,856)</u>	<u>6,594,483</u>
Management and general	396,968	-	396,968	-	396,968
Fundraising	397,356	-	397,356	-	397,356
Total expenses	<u>7,185,717</u>	<u>798,946</u>	<u>7,984,663</u>	<u>(595,856)</u>	<u>7,388,807</u>
Change in Net Assets without Donor Restrictions before Nonoperating Items	<u>912,842</u>	<u>63,116</u>	<u>975,958</u>	<u>-</u>	<u>975,958</u>
Nonoperating items:					
Gain on extinguishment/forgiveness of debt	-	-	-	-	-
Gain (loss) on fair market valuation - interest rate cap	-	(63,116)	(63,116)	-	(63,116)
Total nonoperating items	<u>-</u>	<u>(63,116)</u>	<u>(63,116)</u>	<u>-</u>	<u>(63,116)</u>
Change in Net Assets without Donor Restrictions	<u>912,842</u>	<u>-</u>	<u>912,842</u>	<u>-</u>	<u>912,842</u>
Net Assets with Donor Restrictions:					
Contributions:					
Foundations and trusts	308,959	-	308,959	-	308,959
Net assets released from restrictions	(453,192)	-	(453,192)	-	(453,192)
Change in Net Assets with Donor Restrictions	<u>(144,233)</u>	<u>-</u>	<u>(144,233)</u>	<u>-</u>	<u>(144,233)</u>
Change in Net Assets	<u>768,609</u>	<u>-</u>	<u>768,609</u>	<u>-</u>	<u>768,609</u>
Net Assets:					
Beginning of year	17,243,369	4,580	17,247,949	-	17,247,949
End of year	<u>\$ 18,011,978</u>	<u>\$ 4,580</u>	<u>\$ 18,016,558</u>	<u>\$ -</u>	<u>\$ 18,016,558</u>