



Certified Public Accountants, A.C.

**Young Women's Christian Association of Wheeling, WV
Regular Audit
For the Fiscal Year Ended June 30, 2016**

DHHR - Finance

JUL 25 2019

Date Received

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**YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF WHEELING, W. VA.**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report.....	1
Financial Statements:	
Statement of Financial Position.....	3
Statement of Activities.....	4
Statement of Functional Expenses.....	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Schedule of Expenditures of Federal and State Awards.....	12
Notes to the Schedule of Expenditures of Federal and State Awards	13
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	14
Schedule of Audit Findings.....	16



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INDEPENDENT AUDITOR'S REPORT

July 12, 2019

Young Women's Christian Association of Wheeling, WV
1100 Chapline St.
Wheeling, WV 26003

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of **Young Women's Christian Association of Wheeling, WV**, which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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Auditor's Responsibility (Continued)

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Young Women's Christian Association of Wheeling, WV as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state 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 information 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 July 12, 2019 on our consideration of Young Women's Christian Association of Wheeling, WV's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Young Women's Christian Association of Wheeling, WV's internal control over financial reporting and compliance."



Perry & Associates
Certified Public Accountants, A.C.
Marietta, Ohio

DHHR - Finance

JUL 25 2019

Date Received

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING, W.VA.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2016**

ASSETS:

Current Assets:

Cash and Cash Equivalents	\$ 78,994
Accounts Receivable - Grants	73,880
Accounts Receivable - Other	5,538
Inventory	<u>10,841</u>
Total Current Assets	<u><u>169,253</u></u>

Investments	<u>481,291</u>
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Property and Equipment:

Building and Improvements	1,849,185
Furniture and Equipment	<u>219,778</u>
Total Property and Equipment	2,068,963
Accumulated Depreciation	<u>(812,325)</u>
Net Property and Equipment	<u><u>1,256,638</u></u>

Total Assets	<u><u>\$ 1,907,182</u></u>
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LIABILITIES AND NET ASSETS:

Current Liabilities:

Demand Note Payable	\$ 95,735
Accounts Payable	32,680
Accrued Payroll	11,027
Payroll Taxes Payable	844
Other Current Liabilities	<u>11,321</u>
Total Current Liabilities	<u><u>151,607</u></u>

Total Liabilities	<u>151,607</u>
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NET ASSETS:

Unrestricted	1,710,325
Temporarily Restricted	33,572
Permanently Restricted	<u>11,678</u>
Total Net Assets	<u><u>1,755,575</u></u>

Total Liabilities and Net Assets	<u><u>\$ 1,907,182</u></u>
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The accompanying notes are an integral part of these financial statements.

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING, W.VA.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT AND REVENUES:				
Contributions:	78,994			
General	\$ 69,031	\$ 8,136	\$ -	\$ 77,167
United Way	27,327	-	-	27,327
Special Events, Net	89,963	-	-	89,963
Grants	283,974	825,022	-	1,108,996
Rental Income	51,561	-	-	51,561
Interest and Dividends	4,370	-	-	4,370
Realized Gains and (Losses)	22,048	-	-	22,048
Unrealized Gains and (Losses)	(41,193)	-	-	(41,193)
Other Income	11,200	-	-	11,200
Subtotal	<u>518,281</u>	<u>833,158</u>	<u>-</u>	<u>1,351,439</u>
Net Assets Released from Restrictions Satisfied by Payments	<u>799,586</u>	<u>(799,586)</u>	<u>-</u>	<u>-</u>
TOTAL SUPPORT AND REVENUES	<u>1,317,867</u>	<u>33,572</u>	<u>-</u>	<u>1,351,439</u>
EXPENSES				
Racial Justice	43,089	-	-	43,089
Boutique	1,164	-	-	1,164
Residence	71,127	-	-	71,127
Family Violence Prevention	634,749	-	-	634,749
WIND	156,343	-	-	156,343
Total Program Expenses	<u>906,472</u>	<u>-</u>	<u>-</u>	<u>906,472</u>
Management and General	211,943	-	-	211,943
Fundraising	20,731	-	-	20,731
TOTAL EXPENSES	<u>1,139,146</u>	<u>-</u>	<u>-</u>	<u>1,139,146</u>
CHANGE IN NET ASSETS	178,721	33,572	-	212,293
NET ASSETS AT BEGINNING OF YEAR	<u>1,531,604</u>	<u>-</u>	<u>11,678</u>	<u>1,543,282</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,710,325</u>	<u>\$ 33,572</u>	<u>\$ 11,678</u>	<u>\$ 1,755,575</u>

The accompanying notes are an integral part of these financial statements.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING, W.VA.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2016

	Program Services					Supporting Services				Total
	Racial Justice	Boutique	Residence	Family Violence Protection	WIND	Total Program Services	Management and General	Fundraising	Total Support Services	
Compensation and Benefits	\$ 28,111	\$ -	\$ 55,369	\$ 433,127	\$ 106,894	\$ 623,501	\$ 108,725	\$ -	\$ 108,725	\$ 732,226
Supplies and Program Materials	5,191	342	2,637	18,747	7,700	34,617	4,814	-	4,814	39,431
Repairs and Maintenance	4	75	13,294	13,309	4,946	31,628	-	-	-	31,628
Building and Occupancy	619	452	-	60,876	18,168	80,115	8,861	-	8,861	88,976
Insurance	237	262	4,376	27,931	14,505	47,311	-	-	-	47,311
Contract Services/Instructors	-	-	-	28,016	-	28,016	-	-	-	28,016
Professional and Consulting	57	-	-	-	-	57	275	-	275	332
Travel	77	-	-	19,894	4,018	23,989	2,217	-	2,217	26,206
Communications	176	23	-	13,207	-	13,406	1,910	-	1,910	15,316
Promotion	-	-	-	5,279	-	5,279	546	20,731	21,277	26,556
Interest	-	-	-	-	-	-	5,244	-	5,244	5,244
Depreciation	-	-	-	-	-	-	44,022	-	44,022	44,022
Miscellaneous	8,617	10	(4,549)	14,363	112	18,553	35,329	-	35,329	53,882
Total Expenses	\$ 43,089	\$ 1,164	\$ 71,127	\$ 634,749	\$ 156,343	\$ 906,472	\$ 211,943	\$ 20,731	\$ 232,674	\$1,139,146

The accompanying notes are an integral part of these financial statements.

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING, W.VA.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016**

Cash flows from operating activities:	
Cash received from contributions and grants	\$ 1,095,965
Cash received from interest and other income	212,655
Cash disbursed for program expenses	(819,979)
Cash disbursed for general support and fundraising expenses	<u>(232,674)</u>
Net cash provided (used) in operating activities	<u>255,967</u>
Cash flows from investing activities	
Purchase of property and equipment	(193,579)
Purchase of investments	(232,165)
Proceeds from sale of investments	238,916
Noncash investment revenues and expenses	<u>(4,371)</u>
Net cash provided (used) in investing activities	<u>(191,199)</u>
Cash flows from financing activities:	
Proceeds from borrowings	994,536
Principal payments on borrowings	<u>(1,018,695)</u>
Net cash provided (used) in financing activities	<u>(24,159)</u>
Net decrease in cash and cash equivalents	40,610
Cash and cash equivalents at beginning of year	<u>38,384</u>
Cash and cash equivalents at end of year	<u><u>\$ 78,994</u></u>
Reconciliation of changes in net assets to net cash provided by operating activities	
Cash flows from operating activities:	
Change in net assets	\$ 212,293
Adjustments to reconcile change in net assets to net cash used for operating activities:	
Depreciation	44,022
Realized (gains) losses on investments	(22,048)
Unrealized (gains) losses on investments	41,193
(Increase) decrease in accounts receivable	(61,964)
(Increase) decrease in inventory	(2,147)
(Increase) decrease in deposits and other assets	5,050
Increase (decrease) in accounts payable and accrued expenses	39,568
Net cash provided (used) in operating activities	<u><u>\$ 255,967</u></u>

The accompanying notes are an integral part of these financial statements.

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING, W.V A.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Young Women's Christian Association of Wheeling, W. Va., was organized as a women's membership movement nourished by its roots in the Christian faith and sustained by the richness of many beliefs and values. Strengthened by diversity, the association draws together members who strive to create opportunities for growth, leadership, and power in order to attain a common vision: Peace, justice, freedom, and dignity for all people.

The Racial Justice program uses study circles as a way of addressing some of the questions surrounding racism and racial issues. Study circles are small community groups who meet and discuss problems and then take an active role in change.

The Boutique was created to enhance the appearance of motivated, economically challenged women by providing new or "gently-worn" professional women's clothing at no cost to the recipient.

The Residence program makes available both long-term and overnight shelter for women in need.

The Family Violence Prevention program provides free confidential services to victims and children of domestic violence in Brooke, Hancock, Ohio, Marshall, and Wetzel Counties in West Virginia. Services include support groups for adults and children, batterer's program, court advocacy, emergency shelter, peer counseling, referrals, crisis intervention, education programs, and a twenty-four-hour hotline.

The WIND program is a six-month free residential non-treatment recovery home for women exiting corrections, domestic violence emergency shelter, or a thirty-day detox center and are in non-medicated recovery.

Basis of accounting - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Estimates -The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Basis of presentation - Under FASB ASC 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Revenue Recognition

In accordance with FASB ASC 958-605, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions.

All donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING, W.V A.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to income and a credit to the applicable accounts receivable.

Inventory

Inventory consists of both donated and purchased food, clothing, and supplies valued at estimated fair market value or cost, whichever applies.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Property and Equipment

Property and equipment is carried at cost. It is the Organization's policy to capitalize expenditures for property and equipment over \$2,500 that have a useful life exceeding one year. Depreciation is computed using the straight-line method with estimated useful lives of forty years for building and improvements and five years for furniture and equipment.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

Income Taxes

The Organization is exempt from federal income taxes under Section 501 (c)(3) of the Internal Revenue Code and, therefore, has made no provision for federal income taxes in the accompanying financial statements. In addition, the Organization has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income in 2016. The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending 2013, 2014, and 2015 are subject to examination by the IRS, generally for three years after they were filed.

Uncertain Tax Positions

The Organization follows the recognition requirements of FASB ASC 740-10. Under this provision, income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Organization has analyzed tax positions taken for filing with the Internal Revenue Service and the State of West Virginia. The Organization believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial condition, results of operations or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at June 30, 2016.

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING, W.V A.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

NOTE 2 - CONCENTRATION OF CREDIT RISK FOR CASH AND SECURITIES HELD AT BANKS

The Organization maintains cash balances at several banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization also maintains accounts at several banks which contain cash and securities. Balances are insured up to \$500,000 (with a limit of \$250,000 for cash) by the Securities Investor Protection Corporation.

NOTE 3 - RESTRICTIONS ON ASSETS

Temporarily restricted net assets at the end of 2016 consist of an anonymous donation in the amount of \$33,572. The unexpended funds may be applied against future building maintenance upgrades and expenses and are included as part of cash.

Permanently restricted net assets consist of the Zou Hastings Frazier Memorial Fund and are included as part of investments. The Fund was established for the benefit of the Organization with income to be used for theatrical activities.

The following schedule summarizes net assets released from restrictions during the year, as well as balances as of June 30, 2016:

	<u>Released</u>	<u>Balance</u>
Contributions - General	\$ 86,857	\$ 33,572
Grants	712,729	-
Total	<u>\$ 799,586</u>	<u>\$ 33,572</u>

NOTE 4 - INVESTMENTS

Investments are stated at fair value and summarized as follows at June 30, 2016:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Money market funds	\$ 8,534	\$ 8,534	\$ -
Mutual funds	430,826	472,757	41,931
Totals	<u>\$ 439,360</u>	<u>\$ 481,291</u>	<u>\$ 41,931</u>

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING, W.V A.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

NOTE 4 - INVESTMENTS (CONTINUED)

Investment return consists of the following for the year ended June 30, 2016:

Unrestricted:

Investment income	\$	4,370
Net realized gain (loss) on sale of investments		22,048
Net unrealized gain (loss) on investments		<u>(41,193)</u>
Total	\$	<u>(14,775)</u>

NOTE 5 - FAIR VALUE MEASUREMENTS

Assets measured on a recurring basis at fair value at June 30, 2016, comprise the following classes:

<u>Description</u>	
Trading securities	<u>\$ 481,291</u>

Fair value was determined as follows:

	<u>Fair Value</u>	<u>Quoted Prices in Active Markets (Level 1)</u>	<u>Other Observable Inputs (Level 2)</u>	<u>Other Unobservable Inputs (Level 3)</u>
Money market funds	\$ 8,534	\$ 8,534	\$ -	\$ -
Mutual funds	<u>472,757</u>	<u>472,757</u>	-	-
Totals	<u>\$ 481,291</u>	<u>\$ 481,291</u>	<u>\$ -</u>	<u>\$ -</u>

Level 1 investments are reported at fair value on a recurring basis determined by reference to quoted market prices and other relevant information generated by market transactions.

Assets valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Assets valued using Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets. Assets valued using Level 3 inputs are based on other unobservable inputs.

NOTE 6 - SHORT-TERM DEBT

Short-term debt consists of a demand note payable due to WesBanco Bank, Inc. at June 30, 2016 with a balance of \$95,735. The demand note is a line of credit requiring interest payable monthly at an interest rate which fluctuates annually based on the banks base rate, presently 4%, and is secured with the Organization's investments. Total interest incurred and paid in 2016 was \$5,190 and \$5,190, respectively.

The Organization also had a note due to Wesbanco Bank Inc. issued in October 2015 for \$20,100 at an interest rate of 3.25%. The note was repaid in November 2015. Total interest incurred and paid in 2016 was \$54 and \$54, respectively.

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING, W.V A.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

NOTE 7 - DONATED SERVICES, MATERIALS, AND FACILITIES

The Organization receives donations of food, clothing, and facilities which are valued at their fair market values when received. All such donations are used in the Organization's program activities. The fair market value of these noncash donations was \$10,841 for the year ended June 30, 2016. These amounts are reflected both as contribution support and program expense in the financial statements.

The Organization receives donated services from a variety of unpaid volunteers assisting the Organization. No amounts have been recognized in the accompanying statement of activities, because the criteria for recognition of such volunteer effort has not been satisfied under FASB ASC 958-605.

NOTE 8 - PENSION PLAN

The Organization participates in the Young Women's Christian Association Retirement Fund, Inc. and covers substantially all eligible employees. The plan has characteristics of both a defined benefit and defined contribution plan. The plan provides for contributions of a specific percentage of compensation and maintenance of individual participant accounts. Each participant account is credited with a percentage of the participant's compensation and interest as determined by the plan trustees. Pension expense was \$18,153 for the year ended June 30, 2016.

The Retirement Fund was established to provide retirement, death, and disability benefits to eligible employees of Young Women's Christian Association. Accordingly, the Retirement Fund includes numerous associations. The Retirement Fund actuarial present value of accumulated plan benefits and other required disclosures can be found in the retirement fund's annual audited financial statements. At the present time, the plan is over funded.

NOTE 9 - CONCENTRATION OF CREDIT RISK FOR REVENUE SOURCES

The Organization receives a substantial amount of support from federal and state awards. A significant reduction in the level of this support, if such were to occur, would have a material effect on the Organization's programs and activities.

NOTE 10- EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through July 12, 2019, the date which the financial statements were available to be issued.

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING, W.VA.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2016**

Federal/State Grantor/Pass-through Grantor Program Title	Federal CFDA Number	Contract Number	Total Grant Support	Total Expenditures
Federal Awards:				
U.S. Department of Housing and Urban Development:				
<i>Passed through Ohio County Commission</i>				
Emergency Shelter Grants Program	14.231	ESG 15	\$ 27,500	\$ 27,500
Total U.S. Department of Housing and Urban Development			\$ 27,500	\$ 27,500
U.S. Department of Justice:				
<i>Passed through WV Division of Justice and Community Services</i>				
Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault	16.736	2013-WH-AX-0047	79,347	79,347
Total Direct Awards			79,347	79,347
<i>Passed through Ohio County Commission</i>				
Violence Against Women Formula Grants	16.588	14-VAW-027	17,126	17,126
Total U.S. Department of Justice			144,594	144,594
U.S. Department of Health and Human Services:				
<i>Passed through WV Department of Health and Human Resources</i>				
Family Violence Prevention and Services Act/Grants for Battered Women's Shelters	93.671	G150024	65,187	65,187
<i>Passed through WV Supreme Court of Appeals</i>				
Access and Visitation Grant	93.597	FY2015-2016	13,650	13,650
Total U.S. Department of Health and Human Services			78,837	78,837
Total Federal Awards			\$ 250,931	\$ 250,931
WV Department of Health and Human Resources				
Social Services		0403-195	\$ 77,036	\$ 77,036
Grants for Licensed DV Shelters & Statewide Prevention		0403-750	147,165	147,165
Women's Non-Treatment Recovery Home		G150024	251,211	27,010
Substance Abuse Continuum of Care		G160437	111,422	111,422
Total State Expenditures			\$ 586,834	\$ 362,633

**YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING, W.VA.
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR END JUNE 30, 2016**

NOTE I – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards (the Schedule) includes the federal and state grant activity of the Young Women's Christian Associations of Wheeling, W. Va. for the year ended June 30, 2016. The schedule presents only a selected portion of the operations of the Young Women's Christian Associations of Wheeling, W. Va. It is not intended to and does not present the financial position, statement of activities, or cash flows of the Young Women's Christian Association of Wheeling, W. Va.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (1) Expenditures reported on the Schedule are reported on the accrual basis of accounting.
- (2) Pass-through entity identifying numbers are presented where available.



Certified Public Accountants, A.C.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

July 12, 2019

Young Women's Christian Association of Wheeling, WV
1100 Chapline St.
Wheeling, WV 26003

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the **Young Women's Christian Association of Wheeling, W. Va.**, (the Organization), which comprise the statements of financial position as of June 30, 2016, and the related statements of activities, 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 July 12, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's 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, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Organization's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify certain deficiencies in internal control, described in the accompanying schedule of audit findings that we consider material weaknesses. We consider findings 2016-001 through 2016-003 to be material weaknesses.

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Tax – Accounting – Audit – Review – Compilation – Agreed Upon Procedures – Consultation – Bookkeeping – Payroll – Litigation Support – Financial Investigations

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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 an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of audit findings as item 2016-004.

We also noted certain matters not requiring inclusion in this report that we reported to the Organization's management in a separate letter dated July 12, 2019.

Organization's Response to Findings

The Organization's responses to the findings identified in our audit are described in the accompanying schedule of audit findings. We did not subject the Organization's responses to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance 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 under *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Perry & Associates
Certified Public Accountants, A.C.
Marietta, Ohio

DHHR - Finance

JUL 25 2019

Date Received

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING W.VA.
SCHEDULE OF AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2016

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2016-001

Material Weakness

Posting Receipts and Disbursements

Accurate financial reporting is the responsibility of the Executive Director and is essential to ensure information provided to the readers of the financial statements is accurate. Receipts and disbursements should be posted to appropriate classifications in the Association's accounting system.

During fiscal year 2016, the following errors were noted:

- Interest expense was classified as miscellaneous expense;
- Donations from various sources were classified as other income instead of contributions;
- WIND Grant receipts were classified as contributions instead of grants;
- Note payable issuance and repayment was not recorded properly in the accounting system.

Not posting receipts and disbursements accurately resulted in the financial statements requiring reclassifications and adjustments. The financial statements reflect all reclassifications and adjustments. The Organization is in agreement with the adjustments and has posted them to its accounting system. Additional errors noted in immaterial amounts, both individually and in the aggregate, were included on the summary of unadjusted differences. We noted that subsequent to the audit period, the Organization implemented a new classification method for recording grant reimbursements, contributions and donations.

We also noted the Organization did not post activity timely into its accounting system. Revenues and expenses were recorded in batches in the accounting system, creating a gap between the time a transaction occurred and the time it was posted in the accounting system. Posting activity in this manner caused ledgers and reconciliations to be inaccurate, and could cause activity to be left out of the Organization's accounting system.

To help ensure accuracy and reliability in the financial reporting process, we recommend management perform a detailed review of its draft financial statements. Such review should include procedures to ensure that all receipts and disbursements are properly identified and classified on the financial statements. We recommend the Organization ensure that the account codes used within its accounting system roll-up into the correct line item on the Organization's financial statements. We also recommend all activity be posted within the Organization's accounting system within one business day.

Management's Response: Corrections have been made in the classification of receipts and disbursements. Education of staff has begun and will be scheduled on a regular basis. The Organization has begun to scan documentation into the QuickBooks system to enable quick and accurate recordkeeping.

Receipts are now recorded weekly to reflect deposits, effort is being made to record expenses in a timely fashion.

Alignment has been made within the system to reflect more accurately the recommendations of the accountant. A more detailed evaluation of the financials will be completed on a monthly basis during the Finance Meeting with the Executive Committee of the Board of Directors.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING W.VA.
SCHEDULE OF AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2016

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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FINDING NUMBER 2016-002

Material Weakness

Supporting Documentation

The Organization's records were not maintained in an organized fashion, which caused difficulties in retrieving records during the audit. Receipts, invoices and grant documentation was not readily available, and documentation was not easily comparable to grant activity posted in the accounting system. Incomplete recordkeeping and failure to properly track grant activity could result in a loss of future grant funding. We noted that subsequent to the audit period, the Organization began scanning documentation into its accounting system to enable quick and accurate recordkeeping.

We recommend the Organization reestablish its system of internal controls over its finance operations and its recordkeeping. It appears that staffing issues have created gaps in the Organization's control processes that must be addressed to ensure the continued safeguarding of the Organization's assets.

Management's Response: The records are kept in alphabetical order by month. Grant support is now gathered on a monthly basis and kept in binders to ensure collective information.

FINDING NUMBER 2016-003

Material Weakness

Bank Reconciliations

Accurate monthly reconciliations are not being completed for each of the Organization's bank accounts. Monthly reconciliations for the Organization's checking accounts are not always accurate due to the delay in posting activity to the accounting system. The Organization does not reconcile its Bingo Checking, Bingo Raffle and Wesbanco Savings accounts monthly. Failure to complete timely, accurate bank reconciliations could lead to activity being left out of the Organization's accounting system and misleading information being used by management and the Board for budgeting purposes. We noted that subsequent to the audit period, monthly reconciliations for the bingo and raffle accounts were completed on a monthly basis.

We recommend the Organization perform monthly reconciliations for all accounts and ensure all activity is accurately posted in the accounting system in agreement with bank statements.

Management's Response: Monthly bank reconciliations will be completed in QuickBooks by the 15th of the following month.

The bingo and raffle accounts were reconciled on the back of each bank statement by the 15th of the following month and will reconcile to quarterly bingo and raffle reports to the State of West Virginia. We are contracted with Perry & Associates CPAs, A.C. as our auditors to complete this work.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF WHEELING W.VA.
SCHEDULE OF AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2016

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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FINDING NUMBER 2016-004

Noncompliance

Bingo and Raffle Activity

The West Virginia State Tax Department oversees regulations regarding charitable bingo and raffle licenses. Organizations with an annual bingo license authorized to conduct charitable bingo occasions are required to file quarterly financial reports within 20 days after the end of the calendar quarter and an annual financial report within 30 days after the expiration of their annual license. Similarly, organizations with a raffle license are required to file a financial report within 30 days after the expiration of their license. These financial reports must be certified by a Certified Public Accountant if total receipts exceed \$50,000.

The Organization has filed quarterly reports with the West Virginia State Tax Department; however, the amounts on these quarterly bingo and raffle reports does not agree to the activity reported in the Organization's accounting system. Also, the Organization's bingo and raffle bank accounts are not accurately reconciled at the end of each month. The Organization has not had its financial reports certified by a Certified Public Accountant since fiscal year end 2014. We noted subsequent to the audit period, the Organization had its bingo and raffle revenues and expenses reviewed and reconciled with its bingo and raffle returns with the West Virginia State Tax Department.

We recommend the Organization ensure all activity is posted into the accounting system following each bingo and raffle event. The balances should be reconciled to the bingo and raffle bank statements, as well as the quarterly bingo and raffle reports before they are submitted to the West Virginia State Tax Department. The Organization should review its bingo and raffle revenues for fiscal years 2015 and 2016 and all subsequent years to determine if certification by a Certified Public Accountant is necessary.

Management's Response: Monthly reconciliations for the bingo and raffle accounts have been completed to June 2019, and all reconciliations are completed on a monthly basis by the 15th of the following month.

Bingo and raffle revenues and expenses have been reviewed and reconciled with bingo and raffle tax returns with the State of West Virginia.