



Financial Statements

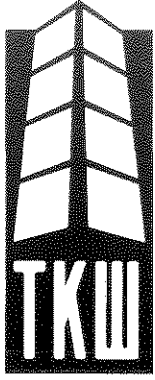
Year Ended June 30, 2009

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

YWCA CLARK COUNTY

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS:	
Statements of Financial Position	3
Statement of Activities and Changes in Net Assets – Year Ended June 30, 2009	4
Statement of Activities and Changes in Net Assets – Year Ended June 30, 2008	5
Statement of Functional Expenses – Year Ended June 30, 2009	6
Statement of Functional Expenses – Year Ended June 30, 2008	7
Statements of Cash Flows	8
Notes to Financial Statements	9
SINGLE AUDIT SECTION:	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government</i> <i>Auditing Standards</i>	17
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	19
Schedule of Expenditures of Federal Awards	21
Schedule of Findings and Questioned Costs	22



INDEPENDENT AUDITOR'S REPORT

December 21, 2009

To the Board of Directors
YWCA Clark County
Vancouver, Washington

4800 SW Macadam Ave, Suite 400
Portland, Oregon 97239-3973

P 503.274.2849
F 503.274.2853

www.tkw.com

We have audited the accompanying Statements of Financial Position of YWCA Clark County (YWCA) as of June 30, 2009 and 2008, and the related Statements of Activities and Changes in Net Assets, Functional Expenses and Cash Flows for the years then ended. These financial statements are the responsibility of YWCA's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of YWCA as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2009, on our consideration of YWCA's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

INDEPENDENT AUDITOR'S REPORT (Continued)

To the Board of Directors
YWCA Clark County
December 21, 2009

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Talbot, Kowala & Warwick LLP

Certified Public Accountants

YWCA CLARK COUNTY
STATEMENTS OF FINANCIAL POSITION

ASSETS

	June 30,	
	2009	2008
CURRENT ASSETS:		
Cash and cash equivalents - unrestricted	\$ 430,554	\$ 575,045
Cash and cash equivalents - temporarily restricted	16,627	18,482
Accounts receivable	258,700	261,923
Prepaid expenses	14,858	30,159
TOTAL CURRENT ASSETS	720,739	885,609
INVESTMENTS:		
Unrestricted investments	1,268,509	1,659,593
Temporarily restricted investments	229,134	226,900
Permanently restricted investments	1,075,958	1,074,738
TOTAL INVESTMENTS	2,573,601	2,961,231
PROPERTY AND EQUIPMENT:		
Land	300,000	300,000
Buildings and improvements	2,299,587	2,274,772
Vehicles, furnishings and equipment	358,194	350,684
	2,957,781	2,925,456
Less accumulated depreciation	(1,006,129)	(922,261)
TOTAL PROPERTY AND EQUIPMENT, net	1,951,652	2,003,195
TOTAL ASSETS	\$ 5,245,992	\$ 5,850,035

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts payable	\$ 61,064	\$ 80,139
Accrued liabilities	261,511	229,355
Current portion of notes payable	7,752	9,540
Deferred revenue	130,006	67,933
TOTAL CURRENT LIABILITIES	460,333	386,967
LONG-TERM LIABILITIES:		
Notes payable	24,074	31,826
TOTAL LIABILITIES	484,407	418,793
NET ASSETS:		
Unrestricted:		
Available for operations	1,728,008	2,399,264
Board-designated	1,711,858	1,711,858
Total unrestricted net assets	3,439,866	4,111,122
Temporarily restricted	245,761	245,382
Permanently restricted	1,075,958	1,074,738
TOTAL NET ASSETS	4,761,585	5,431,242
TOTAL LIABILITIES AND NET ASSETS	\$ 5,245,992	\$ 5,850,035

See notes to financial statements.

YWCA CLARK COUNTY

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2009

	<u>Operating Fund</u>	<u>Board Designated Funds</u>	<u>Total, Unrestricted Funds</u>
REVENUES AND SUPPORT:			
Contributions	\$ 507,792	\$ -	\$ 507,792
Special events	54,330	-	54,330
Program revenue	64,955	-	64,955
Federal grants	632,790	-	632,790
Other government grants	1,378,364	-	1,378,364
United Way grant	11,200	-	11,200
Foundation grants	59,248	-	59,248
Sales to the public	55,019	-	55,019
In-kind revenue	28,800	-	28,800
Investment income	(373,487)	-	(373,487)
Other income	6,085	-	6,085
Net assets released from restrictions	241,866	-	241,866
	<u>2,666,962</u>	<u>-</u>	<u>2,666,962</u>
TOTAL REVENUES AND SUPPORT			
	<u>2,666,962</u>	<u>-</u>	<u>2,666,962</u>
EXPENSES:			
Program expenses	2,565,058	-	2,565,058
Fundraising	370,454	-	370,454
Management and general	402,706	-	402,706
	<u>3,338,218</u>	<u>-</u>	<u>3,338,218</u>
TOTAL EXPENSES			
	<u>3,338,218</u>	<u>-</u>	<u>3,338,218</u>
CHANGE IN NET ASSETS	<u>\$ (671,256)</u>	<u>\$ -</u>	<u>(671,256)</u>
NET ASSETS, July 1, 2008			<u>4,111,122</u>
NET ASSETS, June 30, 2009			<u>\$ 3,439,866</u>

See notes to financial statements.

Temporarily Restricted Funds	Permanently Restricted Funds	Total
\$ 110,080	\$ 1,220	\$ 619,092
32,752	-	87,082
-	-	64,955
-	-	632,790
-	-	1,378,364
2,981	-	14,181
96,432	-	155,680
-	-	55,019
-	-	28,800
-	-	(373,487)
-	-	6,085
(241,866)	-	-
<u>379</u>	<u>1,220</u>	<u>2,668,561</u>
-	-	2,565,058
-	-	370,454
-	-	402,706
-	-	3,338,218
379	1,220	(669,657)
<u>245,382</u>	<u>1,074,738</u>	<u>5,431,242</u>
<u>\$ 245,761</u>	<u>\$ 1,075,958</u>	<u>\$ 4,761,585</u>

YWCA CLARK COUNTY

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2008

	Operating Fund (As reclassified)	Board Designated Funds	Total, Unrestricted Funds (As reclassified)
REVENUES AND SUPPORT:			
Contributions	\$ 626,757	\$ -	\$ 626,757
Special events	82,281	-	82,281
Program revenue	46,320	-	46,320
Federal grants	565,426	-	565,426
Other government grants	1,353,204	-	1,353,204
United Way grant	28,868	-	28,868
Foundation grants	1,083	-	1,083
Sales to the public	61,858	-	61,858
In-kind revenue	28,800	-	28,800
Investment income	(148,621)	87,493	(61,128)
Other income	31,818	-	31,818
Net assets released from restrictions	201,218	-	201,218
TOTAL REVENUES AND SUPPORT	<u>2,879,012</u>	<u>87,493</u>	<u>2,966,505</u>
EXPENSES:			
Program expenses	2,271,540	-	2,271,540
Fundraising	354,470	-	354,470
Management and general	336,656	-	336,656
TOTAL EXPENSES	<u>2,962,666</u>	<u>-</u>	<u>2,962,666</u>
CHANGE IN NET ASSETS	<u>\$ (83,654)</u>	<u>\$ 87,493</u>	<u>3,839</u>
NET ASSETS, July 1, 2007,			<u>4,107,283</u>
NET ASSETS, June 30, 2008			<u>\$ 4,111,122</u>

See notes to financial statements.

Temporarily Restricted Funds (As reclassified)	Permanently Restricted Funds	Total
\$ 121,526	\$ 501,730	\$ 1,250,013
10,774	-	93,055
-	-	46,320
-	-	565,426
-	-	1,353,204
44,000	-	72,868
21,893	-	22,976
-	-	61,858
-	-	28,800
(15,030)	-	(76,158)
-	-	31,818
(201,218)	-	-
<u>(18,055)</u>	<u>501,730</u>	<u>3,450,180</u>
-	-	2,271,540
-	-	354,470
-	-	336,656
<u>-</u>	<u>-</u>	<u>2,962,666</u>
(18,055)	501,730	487,514
<u>263,437</u>	<u>573,008</u>	<u>4,943,728</u>
<u>\$ 245,382</u>	<u>\$ 1,074,738</u>	<u>\$ 5,431,242</u>

YWCA CLARK COUNTY

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2009

	<u>Safechoice</u>	<u>C.A.S.A.</u>	<u>Sexual Assault</u>	<u>Y's Care</u>	<u>ILS Program</u>
EXPENSES:					
Staff salaries	\$ 629,983	\$ 404,926	\$ 249,462	\$ 169,002	\$ 75,205
Payroll taxes and benefits	131,816	74,081	51,288	32,342	14,315
Professional services	8,460	843	5,037	36,135	458
Programs and events	8,107	10,818	2,519	10,587	6,730
Supplies	5,316	2,432	2,860	837	3,278
Communications	5,303	421	586	102	952
Occupancy	28,807	1,361	-	1,239	699
Depreciation expense	4,087	-	-	-	-
Printing and publications	5,373	3,737	2,039	671	1,150
Travel and conferences	18,000	12,608	2,339	1,288	2,732
Specific assistance	47,093	-	100	-	16,978
Insurance	6,602	4,163	1,987	3,644	1,123
Regional YWCA dues	-	-	-	-	-
In-kind expenses	28,800	-	-	-	-
Shared costs	65,880	88,201	26,720	38,123	13,813
Miscellaneous	2,776	1,367	1,260	705	169
	<u>\$ 996,403</u>	<u>\$ 604,958</u>	<u>\$ 346,197</u>	<u>\$ 294,675</u>	<u>\$ 137,602</u>

See notes to financial statements.

W.O.R.T.H.	Community Programs	Volunteer Development	Total Programs	Fund-raising	Management & General	Total
\$ 9,809	\$ 94,109	\$ 45,030	\$ 1,677,526	\$ 185,979	\$ 279,563	\$ 2,143,068
1,099	14,056	7,633	326,630	33,301	62,675	422,606
-	4,027	-	54,960	49,644	38,723	143,327
108	14,781	516	54,166	34,178	4,255	92,599
-	902	460	16,085	3,732	18,953	38,770
6	2,983	692	11,045	6,951	15,888	33,884
-	362	-	32,468	6,729	59,868	99,065
-	-	-	4,087	-	79,780	83,867
164	6,494	1,392	21,020	21,123	6,855	48,998
-	3,437	365	40,769	4,732	5,271	50,772
-	23,833	-	88,004	-	-	88,004
65	341	359	18,284	2,790	10,592	31,666
-	-	-	-	-	12,733	12,733
-	-	-	28,800	-	-	28,800
2,711	6,080	(56,501)	185,027	15,819	(200,846)	-
-	(144)	54	6,187	5,476	8,396	20,059
<u>\$ 13,962</u>	<u>\$ 171,261</u>	<u>\$ -</u>	<u>\$ 2,565,058</u>	<u>\$ 370,454</u>	<u>\$ 402,706</u>	<u>\$ 3,338,218</u>

YWCA CLARK COUNTY

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2008

	<u>Safechoice</u>	<u>C.A.S.A.</u>	<u>Sexual Assault</u>	<u>Y's Care</u>	<u>ILS Program</u>
EXPENSES:					
Staff salaries	\$ 546,591	\$ 357,245	\$ 211,883	\$ 157,257	\$ 53,083
Payroll taxes and benefits	112,056	60,698	37,861	32,331	11,048
Professional services	238	150	6,890	32,066	-
Programs and events	42,080	11,992	6,676	9,779	1,961
Supplies	13,657	4,968	1,132	976	140
Communications	8,328	778	329	76	605
Occupancy	36,242	15,035	5,719	15,531	5,100
Depreciation expense	12,532	10,420	6,773	15,882	6,084
Printing and publications	7,652	18,952	3,996	610	642
Travel and conferences	20,033	17,407	2,105	4,889	2,529
Specific assistance	30,369	-	138	6	18,371
Insurance	5,460	5,624	2,249	4,100	1,230
Regional YWCA dues	1,040	200	750	40	-
In-kind expenses	28,800	-	-	-	-
Shared costs	41,468	28,130	15,284	19,984	6,673
Miscellaneous	203	72	92	149	105
	<u>\$ 906,749</u>	<u>\$ 531,671</u>	<u>\$ 301,877</u>	<u>\$ 293,676</u>	<u>\$ 107,571</u>

See notes to financial statements.

W.O.R.T.H.	Community Programs	Volunteer Development	Total Programs	Fund-raising	Management & General	Total
\$ 6,478	\$ 29,196	\$ 37,031	\$ 1,398,764	\$ 141,005	\$ 275,478	\$ 1,815,247
611	3,409	7,188	265,202	36,300	50,720	352,222
-	3,235	-	42,579	26,714	29,041	98,334
-	16,578	701	89,767	65,735	4,472	159,974
-	82	240	21,195	4,178	17,160	42,533
6	3,656	641	14,419	6,655	19,556	40,630
234	326	1,342	79,529	11,858	8,954	100,341
204	319	1,442	53,656	7,164	24,128	84,948
268	1,476	1,789	35,385	32,726	9,266	77,377
-	2,913	230	50,106	3,437	4,126	57,669
-	3,100	-	51,984	186	-	52,170
108	161	464	19,396	2,649	7,644	29,689
-	466	-	2,496	440	11,543	14,479
-	-	-	28,800	-	-	28,800
1,548	153	3,761	117,001	11,676	(128,677)	-
-	505	135	1,261	3,747	3,245	8,253
<u>\$ 9,457</u>	<u>\$ 65,575</u>	<u>\$ 54,964</u>	<u>\$ 2,271,540</u>	<u>\$ 354,470</u>	<u>\$ 336,656</u>	<u>\$ 2,962,666</u>

YWCA CLARK COUNTY
STATEMENTS OF CASH FLOWS

	Year Ended June 30,	
	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (669,657)	\$ 487,514
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	83,867	84,948
Restricted contributions	-	(501,730)
Realized (gain) on sale of investments	(38,111)	(98,462)
Unrealized loss on investments	500,981	261,367
Proceeds on property held for sale	-	335,634
Investment income	(89,383)	(86,747)
Capital distributions	-	(7,854)
Changes in operating assets and liabilities:		
Accounts receivable	3,223	(2,987)
Prepaid expenses	15,301	5,221
Accounts payable	(19,075)	48,815
Accrued liabilities	32,156	34,141
Deferred revenue	62,073	9,689
	(118,625)	569,549
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(26,220)	(836,844)
Sales of investments	40,363	70,552
Purchase of property and equipment	(32,324)	(54,779)
Capital distributions	-	7,854
	(18,181)	(813,217)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on notes payable	(9,540)	(9,746)
Restricted contributions	-	501,730
	(9,540)	491,984
CHANGE IN CASH AND CASH EQUIVALENTS	(146,346)	248,316
CASH AND CASH EQUIVALENTS, beginning of the year	593,527	345,211
CASH AND CASH EQUIVALENTS, end of the year	\$ 447,181	\$ 593,527
 REPORTED IN THE STATEMENT OF FINANCIAL POSITION AS:		
Cash and cash equivalents - unrestricted	\$ 430,554	\$ 575,045
Cash and cash equivalents - temporarily restricted	16,627	18,482
	\$ 447,181	\$ 593,527
 SUPPLEMENTAL INFORMATION:		
Cash paid for interest	\$ 103	\$ 65

See notes to financial statements.

YWCA CLARK COUNTY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009 AND 2008

1. ORGANIZATION

YWCA Clark County (YWCA) is a non-profit corporation affiliated with the national YWCA organization, YWCA USA. Its mission is to build a community of peace, justice, freedom and dignity for all people with a focus on empowering women, preventing violence and eliminating oppression.

YWCA is governed by a volunteer board of directors. Daily operations are managed by a full-time executive director who reports directly to the board. The service area is generally defined as Southwest Washington.

YWCA currently offers services under the following programs:

SafeChoice – This program serves victims of domestic violence by providing a 24-hour crisis line, emergency shelter, children's advocacy program, counseling, legal advocacy, support groups and community education involving awareness and prevention.

C.A.S.A. (Court Appointed Special Advocate) – The C.A.S.A program provides training and supervision for volunteers who are advocates in the court system for neglected, abused or abandoned children. The C.A.S.A.'s role is to make an independent recommendation to the court which represents the best interest of the child.

Sexual Assault – The Sexual Assault program serves women, children, men and families in order to lessen the trauma of sexual assault for victims and their families. Services provided include 24-hour advocacy, support groups, individual therapy for adult and adolescent sexual assault victims and community education about awareness and prevention.

Y's Care – Y's Care is a program that primarily serves children who are homeless or in transitional housing, ages 2-1/2 to 5 years. The program provides early childhood education and nurturing child care while parents seek housing, employment, financial assistance or attend to other family needs. Y's Care serves Headstart and Early Childhood Education Assistance preschool programs.

Teen Programs – Independent Living Skills (ILS) program assists youth in foster care in identifying and acquiring skills they will need as they transition from state-supported care to independent living. Each youth works with an ILS case manager, the family and caseworker to develop an action plan based on the youth's own goals for the future. ILS includes programs to support post secondary-school education goals.

YWCA CLARK COUNTY

NOTES TO FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2009 AND 2008

1. ORGANIZATION (Continued)

Community Programs – Community programs focus on community education and project involvement on diversity-related issues in the community. These programs also include women's outreach and recognition through the annual Women of Achievement and Young Women of Achievement awards and recognition luncheon, as well as other community scholarship awards.

W.O.R.T.H. (Women Offender's Rehabilitation and Help) – The W.O.R.T.H program serves female inmates of the Clark County Jail, providing non-judgmental and caring support, encouragement, advocacy and clothing. The program also facilitates communications with attorneys and family members. Volunteers help bridge the gap for transition into the community for these women through community referrals, transportation and advocacy with other agencies.

Volunteer Development – Volunteer Development seeks volunteers for YWCA programs and provides comprehensive training for volunteers in each of the YWCA programs. The success in serving the needs of its clients rests in the strength and energy of its dedicated volunteers who contribute both time and talents to YWCA.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation – Net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Unrestricted net assets* - Net assets not subject to donor-imposed stipulations.
- *Temporarily restricted net assets* - Net assets subject to donor-imposed stipulations that will be met by actions of YWCA and/or the passage of time.
- *Permanently restricted net assets* - Net assets subject to donor-imposed stipulations that they be maintained permanently by YWCA.

Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

YWCA CLARK COUNTY

NOTES TO FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2009 AND 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents - Unrestricted –YWCA considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. YWCA maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. YWCA has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Cash and Cash Equivalents - Temporarily Restricted – These funds have been restricted by the donors to be used for designated purposes.

Accounts Receivable – These amounts consist primarily of receivables on grant contracts. Accounts receivable are recorded when invoices are issued and are written off when they are determined to be uncollectible. An allowance for doubtful accounts is estimated based on historical losses, review of problem accounts, the existing economic conditions in the industry, and the financial stability of its customers. Generally, YWCA considers accounts receivable past due after thirty days. Management periodically assesses the collectibility of accounts receivable. This assessment provides the basis for the allowance for doubtful accounts and the related bad debt expense. No allowance for doubtful accounts was deemed necessary at June 30, 2009 and 2008.

Investments – Investments are stated at fair value. Fair value is determined from readily available quoted market sources when available. Where quoted market prices are not readily available, management estimates fair value using other sources. Realized gains and losses from the sale of investments are computed based on the difference between the proceeds received and the carrying value.

Fair Value of Financial Instruments – YWCA adopted Statement of Financial Accounting Standards (SFAS) No. 157, "Fair Value Measurements", at the beginning of the 2009 fiscal year and there was no material impact to the financial statements. SFAS No. 157 applies to all assets and liabilities that are being measured and reported on a fair value basis and requires new disclosure that establishes a framework for measuring fair value under accounting principles generally accepted in the United States of America (GAAP), and expands disclosure about fair value measurements. This statement enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The statement requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

YWCA CLARK COUNTY

NOTES TO FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2009 AND 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value of Financial Instruments (Continued)

Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Pledges Receivable – Promises to give are recognized as revenues when the promise is received. Pledges expected to be collected after one year are discounted to net realizable value. YWCA determines an allowance for uncollectible accounts based on management's judgment. No allowance was deemed necessary at June 30, 2009 and 2008.

Property and Equipment – Property and equipment purchases and major improvements with an original cost of \$500 or more are capitalized at original cost or, if donated, at the approximate fair value at the date of donation and depreciated on a straight-line basis, as follows:

Building and improvements	5 - 40 years
Office furniture and fixtures	5 - 7 years
Vehicles	5 years

Depreciation expense for the years ended June 30, 2009 and 2008, was \$83,867 and \$84,948, respectively.

Deferred Revenue – These funds consist of grants that have been awarded to YWCA for completion of services that extend into future periods.

Allocation of Expenses – The costs of providing the various programs and 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 benefited.

Income Taxes – YWCA is exempt from federal and state income taxes under section 501(c)(3) of the Internal Revenue Code and Washington statutes. Accordingly, no provision for income tax has been recorded. YWCA is not treated as a private foundation for IRS purposes.

Contributions – Contributions are recorded at their estimated fair market value on the date donated. Contributions that are restricted by the donor are reported as increases in temporarily or permanently restricted net assets. As the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) these contributions are transferred to unrestricted net assets.

YWCA CLARK COUNTY

NOTES TO FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2009 AND 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions (Continued) – When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities and Changes in Net Assets as net assets released from restrictions. Certain contribution revenues for the year ended June 30, 2008 have been reclassified. This reclassification had no effect on total revenues for the year.

Investment Income – YWCA pools its investments for efficient and prudent management. The portion of the return included in unrestricted and restricted revenues is allocated based on the relative value of funds invested in the pool.

Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. INVESTMENTS

Investments consist of mutual funds, money market funds, real estate investment trusts and limited partnership interests.

Investments at June 30 are as follows:

	2009	2008
Cash and cash equivalents	\$ 234,454	\$ 430,885
Mutual funds	1,892,502	2,086,108
Real estate investment trusts	413,791	408,312
Limited partnership interests	32,854	35,926
Total investments	<u>\$ 2,573,601</u>	<u>\$ 2,961,231</u>

The investment return for June 30 is summarized as follows:

	2009	2008
Interest and dividend income	\$ 89,383	\$ 86,747
Realized gains	38,111	98,462
Unrealized losses	(500,981)	(261,367)
Total	<u>\$ (373,487)</u>	<u>\$ (76,158)</u>

YWCA CLARK COUNTY

NOTES TO FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2009 AND 2008

4. FAIR VALUE OF FINANCIAL INSTRUMENTS

At June 30, 2009, YWCA had financial assets and liabilities not required to be measured at a fair value on a recurring basis, which primarily consisted of cash, receivables, prepaids, accrued liabilities, deferred revenue and payables, the carrying value of which materially approximate fair value.

As of June 30, 2009, YWCA held money market funds, mutual funds, and certificates of deposit that are measured at fair value on a recurring basis. YWCA also held investments measured at fair value on a recurring basis using significant unobservable inputs. The following table represents the fair value hierarchy for financial assets measured at fair value on a recurring basis as of June 30, 2009:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash equivalents	\$ 234,454	\$ -	\$ -
Mutual funds	1,892,502	-	-
Real estate investment trusts	-	-	413,791
Limited partnership interests	-	-	32,854
Total	<u>\$ 2,126,956</u>	<u>\$ -</u>	<u>\$ 446,645</u>

5. NOTES PAYABLE

Notes payable at June 30 are comprised of the following:

	<u>2009</u>	<u>2008</u>
Interest free note payable to a government entity. Payable in annual installments of \$3,118, matures December 2011.	\$ 9,354	\$ 12,472
Interest free note payable to a government entity. Payable in annual installments of \$3,377, matures December 2014.	16,889	20,266
Interest free note payable to a government entity. Payable in annual installments of \$590, matures December 2014.	2,918	3,508
Interest free note payable to a government entity. Payable in annual installments of \$667, matures December 2012.	2,665	3,333
7.87% capital lease for equipment, due in monthly installments of \$185, including interest, matures April 2009.	-	1,787
	<u>31,826</u>	<u>41,366</u>
Less current portion	<u>(7,752)</u>	<u>(9,540)</u>
	<u>\$ 24,074</u>	<u>\$ 31,826</u>

YWCA CLARK COUNTY

NOTES TO FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2009 AND 2008

5. NOTES PAYABLE (Continued)

Future minimum payments are as follows:

<u>Year Ending June 30,</u>		
2010	\$	7,752
2011		7,752
2012		7,752
2013		4,634
2014		3,936
		<u>31,826</u>
	\$	<u>31,826</u>

6. NET ASSETS

Board Designated Net Assets – The Board of Directors has established a policy whereby the corpus of any gifts received through legacy and bequest giving are designated for endowment, unless otherwise restricted by the donor. The income is available to support program operations. Further, the corpus may be used to support program needs by board designation.

Temporarily Restricted Net Assets – YWCA receives contributions each year where the donor has specified how the funds are to be used. These contributions are recorded as temporarily restricted net assets. As the funds are spent in accordance with the restrictions, the funds are reclassified as unrestricted.

Permanently Restricted Net Assets – YWCA receives contributions where the donor has permanently restricted the corpus. The income is available to be spent on certain programs or is unrestricted, depending on the donors' intent.

7. IN-KIND CONTRIBUTIONS

The Vancouver Housing Authority provides the shelter building rent free. The fair value of the rent is estimated to be \$2,400 per month. Accordingly, \$28,800 has been recorded as in-kind revenue and in-kind expense for each of the years ended June 30, 2009 and 2008.

YWCA receives a significant amount of donated services from unpaid volunteers who assist in program services, fundraising and administrative support. The value of these services has not been recognized in the Statement of Activities because the criteria for recognition under SFAS No. 116 have not been satisfied.

YWCA CLARK COUNTY

NOTES TO FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2009 AND 2008

8. DEFINED CONTRIBUTION PENSION PLAN

YWCA participates in the "YWCA Retirement Fund" (the Fund), which is an independent corporation that operates under the Employee Retirement Income Security Act of 1974 (ERISA). The Fund covers employees of approximately 350 local YWCAs in the United States. The assets of the Fund are managed by the Trustees. The plan covers all employees of YWCA after two years of service of at least 1,000 hours per year.

The funding formula is 5.0% of eligible gross wages paid by YWCA and 2% of eligible gross wages paid by the national YWCA organization.

In addition, eligible participants may make voluntary contributions not to exceed 10%. The employees' contributions vest immediately. Participants are entitled, at age 65, to an actuarially determined benefit based on the balance in the participant's account. Early retirement is allowed after age 55. Total pension expense was approximately \$61,500 and \$55,700 for the years ended June 30, 2009 and 2008, respectively.

9. CONCENTRATIONS

During the year ended June 30, 2009, YWCA received 76% of its revenue and support from federal, state and local government grants. In the event those grants were discontinued, YWCA's financial status may be jeopardized. However, management does not expect any significant detrimental change in funding. Approximately 81% of the accounts receivable at June 30, 2009, are from federal, state and local government grants of which 100% have been collected subsequent to year-end.

SINGLE AUDIT SECTION

(This page intentionally left blank)



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

December 21, 2009

Board of Directors
YWCA Clark County
Vancouver, Washington

4800 SW Macadam Ave, Suite 400
Portland, Oregon 97239-3973

P 503.274.2849
F 503.274.2853

www.tkw.com

We have audited the financial statements of YWCA Clark County (YWCA) as of and for the year ended June 30, 2009, and have issued our report thereon dated December 21, 2009. 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.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered YWCA's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of YWCA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of YWCA's internal control over financial reporting.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 09-01 to be a material weakness in internal control over financial reporting.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS (Continued)**

Page 2

INTERNAL CONTROL OVER FINANCIAL REPORTING (Continued)

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

COMPLIANCE AND OTHER MATTERS

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

We noted certain matters that we reported to management of YWCA in a separate letter dated December 21, 2009.

This report is intended solely for the information and use of the Board of Directors, Audit Committee, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Talbot, Korwola & Warwick LLP

Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

December 21, 2009

Board of Directors
YWCA of Clark County
Vancouver, Washington



4800 SW Macadam Ave, Suite 400
Portland, Oregon 97239-3973

P 503.274.2849

F 503.274.2853

www.tkw.com

COMPLIANCE

We have audited the compliance of YWCA Clark County (YWCA) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. YWCA's major federal programs are identified in the Summary of Independent Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of YWCA's management. Our responsibility is to express an opinion on YWCA's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about YWCA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on YWCA's compliance with those requirements.

In our opinion, YWCA complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

INTERNAL CONTROL OVER COMPLIANCE

The management of YWCA is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered YWCA's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133 (Continued)**

Page 2

INTERNAL CONTROL OVER COMPLIANCE (Continued)

expressing our opinion on compliance but, not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of YWCA's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by any entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Directors, Audit Committee, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Talbot, Kowala & Warwick LLP

Certified Public Accountants

YWCA CLARK COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2009

<u>Program Title</u>	<u>CFDA Number</u>	<u>Pass Through Grantors' Contract Number</u>	<u>Expenditures</u>
U.S. DEPARTMENT OF AGRICULTURE:			
Passed through Washington State Office of Superintendent of Public Instruction:			
Child and Adult Care Food Program	10.558	08-06-01-0470	\$ 2,677
	10.558	09-06-01-0470	9,552
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>12,229</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:			
Passed through Clark County Department of Community Services:			
Emergency Shelter Grants Program	14.231	2008-ESG-03	14,513
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>14,513</u>
U.S. DEPARTMENT OF JUSTICE:			
Passed through Washington State Department of Social and Health Services:			
Crime Victim Assistance	16.575	0812-44074	61,932
Passed through Washington State Department of Community, Trade and Economic Development:			
Crime Victim Assistance	16.575	09-31110-162	108,899
Violence Against Women Formula Grants	16.588	F07-31103-042	3,477
	16.588	F08-31103-054	18,287
			<u>21,764</u>
Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590	F07-31105-103	87,549
Passed through City of Vancouver - Police Department:			
Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590	N/A	38,428
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>318,572</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Passed through Washington State Department of Community, Trade and Economic Development:			
Injury Prevention and Control Research and State and Community Based Programs	93.136	08-31110-0162	22,945
Passed through Washington State Department of Social and Health Services:			
Family Violence Prevention and Services	93.671	0812-44074	39,603
Chafee Foster Care Independence Program	93.674	0712-25869	12,515
	93.674	0812-48000	22,150
	93.674	0712-25869	8,311
	93.674	0812-48000	9,233
	93.674	0812-48000	79,763
			<u>131,972</u>
Passed through Washington State Department of Educational Opportunities for Children and Families:			
Headstart Cluster			
Headstart	93.600	1-07-330-02-4E	4,075
	93.600	1-08-330-02-4E	8,151
Total Headstart Cluster			<u>12,226</u>
Passed through Washington State Department of Community, Trade and Economic Development:			
Victims of Crime	93.991	09-31110-162	44,529
	93.991	09-31110-162	8,259
			<u>52,788</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>259,534</u>
U.S. DEPARTMENT OF HOMELAND SECURITY:			
Passed through Clark County Department of Community Services:			
Emergency Food and Shelter Program Cluster			
Emergency Food and Shelter National Board Program	97.024	LRO # 886800-002	11,020
	97.024	LRO # 886800-002	14,435
Total Emergency Food and Shelter Program Cluster			<u>25,455</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>25,455</u>
U.S. DEPARTMENT OF EDUCATION:			
Passed through Community Service Act of 1990:			
Federal Work Study Program	84.033	N/A	2,487
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>2,487</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE			<u>\$ 632,790</u>

Notes:

1. This schedule is prepared on the accrual basis of accounting.

YWCA CLARK COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2009

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements:

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified not considered to be material weakness(es)?	No
Noncompliance material to financial statements noted?	No

Federal Awards:

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weakness(es)?	No
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 510 (a) of Circular A-133?	No

Identification of major programs:

<u>CFDA NUMBER(S)</u>	<u>NAME OF PROGRAM OR CLUSTER</u>
16.575	Crime Victim Assistance

Dollar threshold used to distinguish between type A and B programs:	\$300,000
--	-----------

Auditee qualified as low-risk auditee?	Yes
--	-----

YWCA CLARK COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

YEAR ENDED JUNE 30, 2009

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding 09-01

- Criteria: YWCA receives contributions from donors which are unrestricted (used for any purpose), temporarily restricted (used to satisfy the specific purpose of the donor), and permanently restricted (the initial donation may never be spent but income earned on the contributed asset may be spent for operations). In some instances, the donor's purpose may be unclear and thus the contribution could be misclassified.
- Condition: Contributions and net assets balances were not originally classified correctly on the Statement of Activities and Changes in Net Assets based on donor intent, based on the criteria stated above.
- Context: YWCA placed contributions into the programs the donor intended; however, did not correctly place restrictions on these assets as specified by the donor.
- Effect: Temporary and permanently restricted assets were understated and unrestricted assets were overstated.
- Cause: The classification of assets was overlooked in the review of the financial statements prepared by management.
- Recommendation: We recommend YWCA perform a more thorough review of the documentation for the contributions and request additional information if the intent is unclear. Documentation of the donor's intent should be maintained. This will permit the proper recognition in the accounting records of the contribution, i.e. unrestricted, temporarily restricted or permanently restricted.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported

(This page intentionally left blank)