



June 30,

2021 & 2020

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Financial Statements



**CROSSWINDS YOUTH SERVICES, INC.  
COCOA, FLORIDA**

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Jan Lokay

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WHITTAKER COOPER

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Crosswinds Youth Services, Inc.  
Cocoa, Florida

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

We have audited the accompanying financial statements of Crosswinds Youth Services, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020 and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our 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.

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 Crosswinds Youth Services, Inc. as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### ***Other Information***

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 awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Florida Single Audit Act, Chapter 10.650, *Rules of the Auditor General* 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 May 18, 2022, on our consideration of Crosswinds Youth Services, Inc.'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Crosswinds Youth Services, Inc.'s 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 Crosswinds Youth and Services Inc.'s internal control over financial reporting and compliance.

*Whittaker Cooper Certified Public Accountants*

Whittaker Cooper Certified Public Accountants  
Melbourne, Florida  
May 18, 2022

**CROSSWINDS YOUTH SERVICES, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2021**

|                                      | <b>Without Donor<br/>Restrictions</b> | <b>With Donor<br/>Restrictions</b> | <b>Total</b>        |
|--------------------------------------|---------------------------------------|------------------------------------|---------------------|
| <b>ASSETS</b>                        |                                       |                                    |                     |
| <b>CURRENT ASSETS</b>                |                                       |                                    |                     |
| Cash and cash equivalents            | \$ 441,937                            | \$ -                               | \$ 441,937          |
| Investments                          | 218,541                               | -                                  | 218,541             |
| Grants/contracts receivable          | 334,315                               | -                                  | 334,315             |
| Promises to give                     | 9,909                                 | -                                  | 9,909               |
| Gift cards                           | 1,349                                 | -                                  | 1,349               |
| Prepaid expenses                     | 16,175                                | -                                  | 16,175              |
|                                      | <u>1,022,226</u>                      | <u>-</u>                           | <u>1,022,226</u>    |
| <b>PROPERTY AND EQUIPMENT, net</b>   | 3,371,547                             | -                                  | 3,371,547           |
| <b>OTHER ASSETS, net</b>             | 18,139                                | 178,392                            | 196,531             |
|                                      | <u>\$ 4,411,912</u>                   | <u>\$ 178,392</u>                  | <u>\$ 4,590,304</u> |
| <b>LIABILITIES AND NET ASSETS</b>    |                                       |                                    |                     |
| <b>CURRENT LIABILITIES</b>           |                                       |                                    |                     |
| Payables                             | \$ 39,721                             | \$ -                               | \$ 39,721           |
| Accrued expenses                     | 139,680                               | -                                  | 139,680             |
| Current portion of long-term debt    | 31,479                                | -                                  | 31,479              |
|                                      | <u>210,880</u>                        | <u>-</u>                           | <u>210,880</u>      |
| <b>LONG-TERM LIABILITIES</b>         |                                       |                                    |                     |
| Long-term debt, net                  | 766,719                               | -                                  | 766,719             |
| <b>COMMITMENTS AND CONTINGENCIES</b> |                                       |                                    |                     |
| <b>NET ASSETS</b>                    | <u>3,434,313</u>                      | <u>178,392</u>                     | <u>3,612,705</u>    |
|                                      | <u>\$ 4,411,912</u>                   | <u>\$ 178,392</u>                  | <u>\$ 4,590,304</u> |

See accompanying notes.

**CROSSWINDS YOUTH SERVICES, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2020**

|                                      | <b>Without Donor<br/>Restrictions</b> | <b>With Donor<br/>Restrictions</b> | <b>Total</b>        |
|--------------------------------------|---------------------------------------|------------------------------------|---------------------|
| <b>ASSETS</b>                        |                                       |                                    |                     |
| <b>CURRENT ASSETS</b>                |                                       |                                    |                     |
| Cash and cash equivalents            | \$ 617,167                            | \$ -                               | \$ 617,167          |
| Investments                          | 175,980                               | -                                  | 175,980             |
| Grants/contracts receivable          | 366,011                               | -                                  | 366,011             |
| Promises to give                     | 10,000                                | -                                  | 10,000              |
| Gift cards                           | 1,278                                 | -                                  | 1,278               |
| Prepaid expenses                     | 19,008                                | -                                  | 19,008              |
|                                      | <u>1,189,444</u>                      | <u>-</u>                           | <u>1,189,444</u>    |
| <b>PROPERTY AND EQUIPMENT, net</b>   | <u>3,516,899</u>                      | <u>-</u>                           | <u>3,516,899</u>    |
| <b>OTHER ASSETS, net</b>             | <u>8,144</u>                          | <u>135,325</u>                     | <u>143,469</u>      |
|                                      | <u>\$ 4,714,487</u>                   | <u>\$ 135,325</u>                  | <u>\$ 4,849,812</u> |
| <b>LIABILITIES AND NET ASSETS</b>    |                                       |                                    |                     |
| <b>CURRENT LIABILITIES</b>           |                                       |                                    |                     |
| Payables                             | \$ 170,083                            | \$ -                               | \$ 170,083          |
| Paycheck Protection Program loan     | 231,130                               | -                                  | 231,130             |
| Accrued expenses                     | 77,061                                | -                                  | 77,061              |
| Current portion of long-term debt    | 29,947                                | -                                  | 29,947              |
|                                      | <u>508,221</u>                        | <u>-</u>                           | <u>508,221</u>      |
| <b>LONG-TERM LIABILITIES</b>         |                                       |                                    |                     |
| Long-term debt, net                  | 793,305                               | -                                  | 793,305             |
| <b>COMMITMENTS AND CONTINGENCIES</b> |                                       |                                    |                     |
| <b>NET ASSETS</b>                    | <u>3,412,961</u>                      | <u>135,325</u>                     | <u>3,548,286</u>    |
|                                      | <u>\$ 4,714,487</u>                   | <u>\$ 135,325</u>                  | <u>\$ 4,849,812</u> |

See accompanying notes.

**CROSSWINDS YOUTH SERVICES, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2021**

|                                                                 | <b>Without Donor<br/>Restrictions</b> | <b>With Donor<br/>Restrictions</b> | <b>Total</b>        |
|-----------------------------------------------------------------|---------------------------------------|------------------------------------|---------------------|
| Revenues, gains and other support                               |                                       |                                    |                     |
| Contracts, grants and contributions from<br>government agencies | \$ 2,544,567                          | \$ -                               | \$ 2,544,567        |
| Brevard County and other local grants                           | 295,256                               | -                                  | 295,256             |
| Paycheck Protection Program loan forgiveness                    | 231,130                               | -                                  | 231,130             |
| Private organization support                                    | 26,000                                | -                                  | 26,000              |
| Contributions and fundraising                                   | 204,984                               | 10,100                             | 215,084             |
| In-kind contributions                                           | 130,120                               | -                                  | 130,120             |
| United Way                                                      | 53,000                                | -                                  | 53,000              |
| Fees revenue                                                    | 9,410                                 | -                                  | 9,410               |
| Investment earnings, net                                        | 42,411                                | 32,967                             | 75,378              |
| Interest income                                                 | 784                                   | -                                  | 784                 |
| Miscellaneous income                                            | 89                                    | -                                  | 89                  |
| Released from restrictions                                      | -                                     | -                                  | -                   |
| Total revenues, gains and other support                         | <u>3,537,751</u>                      | <u>43,067</u>                      | <u>3,580,818</u>    |
| Expenses                                                        |                                       |                                    |                     |
| Program                                                         | 3,089,587                             | -                                  | 3,089,587           |
| Management & general                                            | 202,081                               | -                                  | 202,081             |
| Fundraising                                                     | <u>224,731</u>                        | <u>-</u>                           | <u>224,731</u>      |
| Total expenses                                                  | <u>3,516,399</u>                      | <u>-</u>                           | <u>3,516,399</u>    |
| <b>CHANGE IN NET ASSETS</b>                                     | 21,352                                | 43,067                             | 64,419              |
| <b>NET ASSETS, beginning of year</b>                            | <u>3,412,961</u>                      | <u>135,325</u>                     | <u>3,548,286</u>    |
| <b>NET ASSETS, end of year</b>                                  | <u>\$ 3,434,313</u>                   | <u>\$ 178,392</u>                  | <u>\$ 3,612,705</u> |

See accompanying notes.

**CROSSWINDS YOUTH SERVICES, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2020**

|                                                                 | <b>Without Donor<br/>Restrictions</b> | <b>With Donor<br/>Restrictions</b> | <b>Total</b>        |
|-----------------------------------------------------------------|---------------------------------------|------------------------------------|---------------------|
| Revenues, gains and other support                               |                                       |                                    |                     |
| Contracts, grants and contributions from<br>government agencies | \$ 2,520,059                          | \$ -                               | \$ 2,520,059        |
| Brevard County and other local grants                           | 232,606                               | -                                  | 232,606             |
| Paycheck Protection Program loan forgiveness                    | 191,670                               | -                                  | 191,670             |
| Private organization support                                    | 19,000                                | -                                  | 19,000              |
| Contributions and fundraising                                   | 170,096                               | 8,200                              | 178,296             |
| In-kind contributions                                           | 173,754                               | -                                  | 173,754             |
| United Way                                                      | 55,000                                | -                                  | 55,000              |
| Fees revenue                                                    | 5,805                                 | -                                  | 5,805               |
| Investment earnings, net                                        | 10,943                                | 5,649                              | 16,592              |
| Interest income                                                 | 2,110                                 | -                                  | 2,110               |
| Miscellaneous income                                            | 28                                    | -                                  | 28                  |
| Released from restrictions                                      | -                                     | -                                  | -                   |
| Total revenues, gains and other support                         | <u>3,381,071</u>                      | <u>13,849</u>                      | <u>3,394,920</u>    |
| Expenses                                                        |                                       |                                    |                     |
| Program                                                         | 3,031,056                             | -                                  | 3,031,056           |
| Management & general                                            | 283,431                               | -                                  | 283,431             |
| Fundraising                                                     | <u>267,193</u>                        | <u>-</u>                           | <u>267,193</u>      |
| Total expenses                                                  | <u>3,581,680</u>                      | <u>-</u>                           | <u>3,581,680</u>    |
| <b>CHANGE IN NET ASSETS</b>                                     | (200,609)                             | 13,849                             | (186,760)           |
| <b>NET ASSETS, beginning of year</b>                            | <u>3,613,570</u>                      | <u>121,476</u>                     | <u>3,735,046</u>    |
| <b>NET ASSETS, end of year</b>                                  | <u>\$ 3,412,961</u>                   | <u>\$ 135,325</u>                  | <u>\$ 3,548,286</u> |

See accompanying notes.

**CROSSWINDS YOUTH SERVICES, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2021**

|                            | Shelter and<br>Community<br>Counseling | Transitional<br>Living Program | JAC/Civil<br>Citation    | Independent<br>Living Services | Street Outreach<br>Program |
|----------------------------|----------------------------------------|--------------------------------|--------------------------|--------------------------------|----------------------------|
| Salaries and related costs | \$ 1,068,285                           | \$ 176,728                     | \$ 197,003               | \$ 229,737                     | \$ 141,095                 |
| Youth expenditures         | 27,123                                 | 141,256                        | -                        | 6,676                          | 7,574                      |
| Repairs and maintenance    | 96,709                                 | 8,599                          | 6,502                    | 5,215                          | 5,748                      |
| In-kind expenses           | 46,146                                 | 10,348                         | 1,430                    | 1,535                          | 4,267                      |
| Professional fees          | 14,788                                 | 13,515                         | 1,699                    | 232                            | 2,168                      |
| Occupancy                  | 52,705                                 | 8,221                          | 13,153                   | 10,602                         | 5,012                      |
| Insurance                  | 37,263                                 | 4,693                          | 6,159                    | 5,757                          | 4,531                      |
| Food                       | 30,559                                 | 35,676                         | -                        | -                              | -                          |
| Small furniture and equip. | 7,859                                  | 14,007                         | 3,312                    | -                              | 4,052                      |
| Interest                   | -                                      | -                              | -                        | -                              | -                          |
| Communications             | 21,639                                 | 2,947                          | 3,855                    | 3,570                          | 2,672                      |
| Travel                     | 21,398                                 | 6                              | 565                      | 610                            | 396                        |
| Dues and licenses          | 19,451                                 | 1,720                          | 83                       | 94                             | 598                        |
| Office operations          | 5,066                                  | 1,068                          | 2,472                    | 1,499                          | 1,653                      |
| Fundraiser                 | -                                      | -                              | -                        | -                              | -                          |
| Public relations           | 160                                    | 43                             | 11                       | 8                              | -                          |
| Personnel processing       | 3,102                                  | 75                             | -                        | 177                            | -                          |
| Literature and education   | 473                                    | 960                            | -                        | -                              | -                          |
| Conferences and training   | 976                                    | -                              | -                        | -                              | 100                        |
| Allocated indirect expense | <u>213,115</u>                         | <u>41,734</u>                  | <u>30,610</u>            | <u>35,764</u>                  | <u>17,501</u>              |
|                            | 1,666,817                              | 461,596                        | 266,854                  | 301,476                        | 197,367                    |
| Depreciation               | <u>93,911</u>                          | <u>10,332</u>                  | <u>15,514</u>            | <u>13,334</u>                  | <u>12,360</u>              |
| <b>TOTAL EXPENSES</b>      | <u><u>\$ 1,760,728</u></u>             | <u><u>\$ 471,928</u></u>       | <u><u>\$ 282,368</u></u> | <u><u>\$ 314,810</u></u>       | <u><u>\$ 209,727</u></u>   |

See accompanying notes.

**CROSSWINDS YOUTH SERVICES, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)**  
**YEAR ENDED JUNE 30, 2021**

|                            | Rapid Re-<br>housing | Total<br>Programs   | Management<br>and General | Fundraising       | Total<br>Expenses   |
|----------------------------|----------------------|---------------------|---------------------------|-------------------|---------------------|
| Salaries and related costs | \$ 11,721            | \$ 1,824,569        | \$ 323,573                | \$ 106,106        | \$ 2,254,248        |
| Youth expenditures         | 33,038               | 215,667             | -                         | -                 | 215,667             |
| Repairs and maintenance    | 107                  | 122,880             | 18,893                    | 3,367             | 145,140             |
| In-kind expenses           | -                    | 63,726              | 4,250                     | 62,144            | 130,120             |
| Professional fees          | 166                  | 32,568              | 93,759                    | 589               | 126,916             |
| Occupancy                  | 88                   | 89,781              | 2,299                     | 1,815             | 93,895              |
| Insurance                  | 267                  | 58,670              | 6,650                     | 1,217             | 66,537              |
| Food                       | -                    | 66,235              | -                         | -                 | 66,235              |
| Small furniture and equip. | -                    | 29,230              | 33,309                    | -                 | 62,539              |
| Interest                   | -                    | -                   | 45,473                    | -                 | 45,473              |
| Communications             | 147                  | 34,830              | 8,076                     | 815               | 43,721              |
| Travel                     | -                    | 22,975              | 7,070                     | 286               | 30,331              |
| Dues and licenses          | 3                    | 21,949              | 4,867                     | 217               | 27,033              |
| Office operations          | 63                   | 11,821              | 11,987                    | 872               | 24,680              |
| Fundraiser                 | -                    | -                   | -                         | 16,256            | 16,256              |
| Public relations           | -                    | 222                 | 4,893                     | 29                | 5,144               |
| Personnel processing       | -                    | 3,354               | 168                       | -                 | 3,522               |
| Literature and education   | 6                    | 1,439               | 332                       | -                 | 1,771               |
| Conferences and training   | -                    | 1,076               | 180                       | -                 | 1,256               |
| Allocated indirect expense | 4,125                | 342,849             | (369,301)                 | 26,452            | -                   |
|                            | 49,731               | 2,943,841           | 196,478                   | 220,165           | 3,360,484           |
| Depreciation               | 295                  | 145,746             | 5,603                     | 4,566             | 155,915             |
| <b>TOTAL EXPENSES</b>      | <u>\$ 50,026</u>     | <u>\$ 3,089,587</u> | <u>\$ 202,081</u>         | <u>\$ 224,731</u> | <u>\$ 3,516,399</u> |

See accompanying notes.

**CROSSWINDS YOUTH SERVICES, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2020**

|                            | Shelter and<br>Community<br>Counseling | Transitional<br>Living Program | JAC/Civil<br>Citation | Independent<br>Living Services | Street Outreach<br>Program |
|----------------------------|----------------------------------------|--------------------------------|-----------------------|--------------------------------|----------------------------|
| Salaries and related costs | \$ 1,167,793                           | \$ 176,351                     | \$ 163,733            | \$ 247,231                     | \$ 177,702                 |
| Youth expenditures         | 12,990                                 | 100,048                        | -                     | 989                            | 1,398                      |
| Repairs and maintenance    | 79,135                                 | 4,596                          | 5,652                 | 7,235                          | 12,330                     |
| In-kind expenses           | 28,807                                 | 3,756                          | 227                   | 210                            | 1,118                      |
| Occupancy                  | 57,499                                 | 7,505                          | 7,197                 | 7,062                          | 6,206                      |
| Professional fees          | 19,099                                 | 6,023                          | 57                    | -                              | -                          |
| Food                       | 29,273                                 | 30,920                         | -                     | 603                            | 29                         |
| Travel                     | 29,643                                 | 4,138                          | 529                   | 12,659                         | 3,015                      |
| Insurance                  | 34,410                                 | 2,588                          | 3,873                 | 4,777                          | 3,285                      |
| Communications             | 23,015                                 | 215                            | 2,776                 | 3,338                          | 2,411                      |
| Interest                   | -                                      | -                              | -                     | -                              | -                          |
| Dues and licenses          | 18,153                                 | 7                              | 9                     | 10                             | 69                         |
| Fundraiser                 | -                                      | -                              | -                     | -                              | -                          |
| Office operations          | 7,631                                  | 2,072                          | 2,320                 | 1,576                          | 730                        |
| Small furniture and equip. | 12,072                                 | 5,512                          | 296                   | 336                            | 3,031                      |
| Public relations           | 602                                    | 164                            | 2,931                 | 38                             | 18                         |
| Conferences and training   | 7,313                                  | 2,699                          | 100                   | 1,216                          | 3,088                      |
| Personnel processing       | 1,877                                  | 301                            | 128                   | 130                            | -                          |
| Literature and education   | 313                                    | -                              | -                     | -                              | -                          |
| Allocated indirect expense | 190,953                                | 1,826                          | 19,368                | 41,219                         | 2,138                      |
|                            | 1,720,578                              | 348,721                        | 209,196               | 328,629                        | 216,568                    |
| Depreciation               | 103,608                                | 7,524                          | 10,692                | 12,264                         | 6,912                      |
| <b>TOTAL EXPENSES</b>      | <b>\$ 1,824,186</b>                    | <b>\$ 356,245</b>              | <b>\$ 219,888</b>     | <b>\$ 340,893</b>              | <b>\$ 223,480</b>          |

See accompanying notes.

**CROSSWINDS YOUTH SERVICES, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)**  
**YEAR ENDED JUNE 30, 2020**

|                            | Rapid Re-<br>housing | Total<br>Programs   | Management<br>and General | Fundraising       | Total<br>Expenses   |
|----------------------------|----------------------|---------------------|---------------------------|-------------------|---------------------|
| Salaries and related costs | \$ 12,084            | \$ 1,944,894        | \$ 361,838                | \$ 104,534        | \$ 2,411,266        |
| Youth expenditures         | 52,720               | 168,145             | -                         | -                 | 168,145             |
| Repairs and maintenance    | 222                  | 109,170             | 20,806                    | 5,805             | 135,781             |
| In-kind expenses           | -                    | 34,118              | -                         | 78,636            | 112,754             |
| Occupancy                  | 562                  | 86,031              | 10,403                    | 5,564             | 101,998             |
| Professional fees          | 160                  | 25,339              | 67,991                    | 2,625             | 95,955              |
| Food                       | -                    | 60,825              | -                         | -                 | 60,825              |
| Travel                     | -                    | 49,984              | 8,632                     | 63                | 58,679              |
| Insurance                  | 178                  | 49,111              | 5,252                     | 2,885             | 57,248              |
| Communications             | 113                  | 31,868              | 7,812                     | 1,920             | 41,600              |
| Interest                   | -                    | -                   | 40,248                    | -                 | 40,248              |
| Dues and licenses          | 1                    | 18,249              | 9,125                     | 169               | 27,543              |
| Fundraiser                 | -                    | -                   | -                         | 25,378            | 25,378              |
| Office operations          | 20                   | 14,349              | 8,632                     | 1,193             | 24,174              |
| Small furniture and equip. | 3                    | 21,250              | 2,711                     | 120               | 24,081              |
| Public relations           | 1                    | 3,754               | 14,540                    | 76                | 18,370              |
| Conferences and training   | -                    | 14,416              | 605                       | -                 | 15,021              |
| Personnel processing       | -                    | 2,436               | 768                       | 65                | 3,269               |
| Literature and education   | -                    | 313                 | 319                       | -                 | 632                 |
| Allocated indirect expense | -                    | 255,504             | (281,292)                 | 25,788            | -                   |
|                            | 66,064               | 2,889,756           | 278,390                   | 254,821           | 3,422,967           |
| Depreciation               | 300                  | 141,300             | 5,041                     | 12,372            | 158,713             |
| <b>TOTAL EXPENSES</b>      | <u>\$ 66,364</u>     | <u>\$ 3,031,056</u> | <u>\$ 283,431</u>         | <u>\$ 267,193</u> | <u>\$ 3,581,680</u> |

See accompanying notes.

**CROSSWINDS YOUTH SERVICES, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2021 AND 2020**

|                                                                                               | <u>2021</u>       | <u>2020</u>       |
|-----------------------------------------------------------------------------------------------|-------------------|-------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                                   |                   |                   |
| Change in net assets                                                                          | \$ 64,419         | \$ (186,760)      |
| Adjustments to reconcile the change in net assets to<br>net cash used in operating activities |                   |                   |
| Depreciation                                                                                  | 155,915           | 158,713           |
| Amortization of loan costs reported as interest expense                                       | 665               | 665               |
| Investment income, net                                                                        | (75,380)          | (14,569)          |
| Paycheck Protection Program loan forgiveness                                                  | (231,130)         | (191,670)         |
| In-kind donation of building improvement                                                      | -                 | (61,000)          |
| Decrease (increase) in operating assets                                                       |                   |                   |
| Grants/contracts receivable                                                                   | 31,696            | (73,565)          |
| Promises to give                                                                              | 91                | 7,825             |
| Prepaid expenses                                                                              | 2,833             | 81                |
| Gift cards                                                                                    | (71)              | (412)             |
| Increase (decrease) in operating liabilities                                                  |                   |                   |
| Payables                                                                                      | (130,362)         | 145,881           |
| Accrued expenses                                                                              | <u>62,619</u>     | <u>(49,661)</u>   |
| NET CASH USED IN<br>OPERATING ACTIVITIES                                                      | <u>(118,705)</u>  | <u>(264,472)</u>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                                   |                   |                   |
| Purchases of property and equipment                                                           | (20,706)          | (5,967)           |
| Transfers from investment accounts                                                            | -                 | 100,000           |
| Transfers to investment accounts                                                              | <u>(10,100)</u>   | <u>(8,200)</u>    |
| NET CASH PROVIDED BY (USED IN)<br>INVESTING ACTIVITIES                                        | <u>(30,806)</u>   | <u>85,833</u>     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                                   |                   |                   |
| Proceeds from Paycheck Protection Program loan                                                | -                 | 422,800           |
| Payments on long-term debt                                                                    | <u>(25,719)</u>   | <u>(20,388)</u>   |
| NET CASH PROVIDED BY (USED IN)<br>FINANCING ACTIVITIES                                        | <u>(25,719)</u>   | <u>402,412</u>    |
| <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>                                                | (175,230)         | 223,773           |
| <b>CASH AND CASH EQUIVALENTS, beginning of year</b>                                           | <u>617,167</u>    | <u>393,394</u>    |
| <b>CASH AND CASH EQUIVALENTS, end of year</b>                                                 | <u>\$ 441,937</u> | <u>\$ 617,167</u> |
| <b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW</b>                                                   |                   |                   |
| Cash paid for interest                                                                        | <u>\$ 43,056</u>  | <u>\$ 39,583</u>  |

See accompanying notes.

## NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Organization

For nearly forty-eight years, Crosswinds Youth Services, Inc. (the Organization) has been a safety net for youth and families in Brevard County, Florida who have nowhere else to turn. Each year, many young people come to the Organization without the resources and traditional support they need for a healthy, safe, and productive future. The Organization's programs help them overcome challenges such as homelessness, abuse, or extreme family instability. The first program offered by the Organization, an emergency shelter, opened in 1974 in response to community outcry over the discovery of several graves in the area that contained the bodies of runaway children who had been murdered.

Since that time, the Organization has grown to provide eight programs developed in response to some of the most critical issues affecting Brevard County's youth and their families.

- ***Robert E. Lehton Children's Shelter*** - offers 24/7 emergency residential care and supportive services for youth ages 10 to 17 who have run away, are homeless, have had their foster home placement interrupted or are in respite, or are otherwise in crisis.
- ***Transitional Living Program*** - a comprehensive program offering housing and supportive services to help homeless young people ages 16-21 achieve self-sufficiency.
- ***Independent Living Services*** - assists youth aging out of foster care in making a successful transition to independent adulthood.
- ***Juvenile Assessment Center*** - the central point of entry for coordinated service delivery for young offenders and at-risk youth, as well as the central point of contact for law enforcement.
- ***Civil Citation*** - a component of the Juvenile Assessment Center and an alternative to arrest for youth with certain misdemeanor offenses, which holds them accountable for their actions, while offering counseling and other services for youth and their families.
- ***Community Counseling*** - provides counseling and case management for youth and their families to find solutions to issues such as hard to manage behaviors, truancy, and family conflicts.
- ***Street Outreach Program*** - provides mobile survival aid and services to homeless youth with the goal of helping them stay off the streets.
- ***STOP NOW AND PLAN (SNAP®)*** - is an evidence-based, cognitive-behavioral model, which helps troubled children ages 6-11 and their parents learn how to effectively manage their emotions and 'keep problems small'. The goal is to keep children in school and out of trouble.

The Organization's mission - Crosswinds Youth Services creates opportunities for young people to succeed - embodies the Organization's primary goal of helping young people reach their full potential regardless of any barriers or challenges they have faced. The Organization is licensed by the Florida Department of Children and Families as both a Child Caring Agency and as a Substance Abuse Prevention provider. The Organization is a licensed *Safe Place* which helps endangered children get immediate safe shelter and other services by entering any business or public building displaying the Safe Place sign. The Organization is accredited by the Council on Accreditation (COA). The Organization's campus is located in Cocoa, Florida.

**CROSSWINDS YOUTH SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Financial Statement Presentation**

Financial statement presentation follows the guidance provided by the Financial Accounting Standards Board (FASB), Accounting Standards Codification (ASC) 958, *Not-for-profit Entities*, as amended by Accounting Standard Update (ASU) No. 2016-14.

FASB ASC 958 requires a not-for-profit entity to present on the face of the statement of financial position amounts for two classes of net assets; net assets without donor restrictions and net assets with donor restrictions, and on the face of the statement of activities the amount of change in each of the two classes. In addition, the Organization is required to present:

- The amount of expenses by both their natural classification and their functional classification, including disclosures concerning the methods used for cost allocation between functional classifications.
- Qualitative and quantitative disclosure information on liquidity and availability of financial assets to meet the Organization's cash needs for general expenditure within one year.
- The composition of donor restricted net assets at period-end.
- Self-imposed limits on use of resources without donor restrictions at the end of the period, including designations and reserves.
- Investment returns net of external and direct internal investment expenses and no longer require the disclosure of those netted expenses.

**Cash and cash equivalents**

Management considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**Restricted cash and cash equivalents**

Restricted cash and cash equivalents include funds held in an endowment fund (See Note 9) which is required to be maintained in a separate account.

**Investments**

Investments are reported in the statement of financial position at fair value based on quoted market prices. Investment income consists of interest income, dividend income, and realized and unrealized investment gains and losses.

**Grants/Contracts receivable**

Accounts receivable are stated net of an allowance for doubtful accounts when considered necessary. Management estimates the allowance based upon factors including credit risk, the age of past due accounts, historical trends, market conditions, and consideration of any other current circumstances that could affect the collectability of amounts. Accounts receivable are charged off against the allowance when collectability is determined to be permanently impaired. Management determined that no allowance for doubtful accounts was necessary on June 30, 2021 and 2020.

**CROSSWINDS YOUTH SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Property and equipment**

Fixed assets acquired by the Organization are considered to be owned by Crosswinds Youth Services, Inc. However, State funding sources may maintain equitable interest in the property purchased with grant monies, as well as the right to determine the use of any proceeds from the sale of these assets.

It is the Organization's policy to capitalize property and equipment over \$5,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose.

Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method.

**Accrued compensated absences**

Certain employees of the Organization are entitled to vacation and sick leave depending on length of service and other factors. Management has determined that it is not practicable for the Organization to estimate the amount of compensation for future absences. Accordingly, no liability for future compensated absences has been recorded in the accompanying financial statements.

**Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Support under contracts and grants, if any, are recognized when earned. Amounts received that are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions.

When a temporary restriction expires, the net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities released from restrictions. When both net assets with donor restrictions and net assets without donor restrictions are available for use, the Organization's policy is to use net assets with donor restrictions first and then net assets without donor restrictions as needed.

In June 2018, the FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958) *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in ASU 2018-08 provide guidance on determining whether a transaction should be accounted for as a contribution or as an exchange transaction, determining whether a contribution is conditional, and modifies the simultaneous release option currently in U.S. GAAP, which allows a not-for-profit organization to recognize a restricted contribution directly in net assets without donor restrictions if the restriction is met in the same period that the revenue is recognized. This election may now be made for all restricted contributions that were initially classified as conditional without having to elect it for all other restricted contributions and investment returns.

**CROSSWINDS YOUTH SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**SBA Paycheck Protection Program**

In April 2020, as a benefit of the CARES Act passed in response to the ongoing COVID-19 pandemic, the Organization received a Paycheck Protection Program (PPP) loan totaling \$422,800. The loan is forgivable if used for qualifying expenses within a specified period of time. Following the guidance in FASB ASC 958-605, Not-for-Profit Entities, Governmental assistance in the form of loan forgiveness can be considered a nonreciprocal or non-exchange transaction referred to in the guidance as a contribution. Because PPP loan forgiveness is dependent on meeting certain conditions, it would be considered a conditional contribution. Conditional contributions are recognized as income when the conditions on which they depend are met.

As of June 30, 2021 and 2020 the Organization paid qualifying expenses totaling \$231,130 and \$191,670, respectively. As such, revenue related to the forgiveness of the loan in those amounts was included on the statement of activities for the years ended June 30, 2021 and 2020. The loan was fully forgiven on August 2, 2021.

**Donated materials and services**

Donated services that qualify as specialized services and donated items are recorded at their estimated fair market value at the date of receipt. A corresponding amount is recorded as an expense.

The Organization receives donated services from unpaid volunteers; however, no amounts have been recognized in the statement of activities because the criteria for recognition of such volunteer efforts in accordance with Financial Accounting Standards Board Accounting Standards Codification (“FASB ASC”) 958, *Not-for-Profit Entities*, have not been satisfied.

**Functional expenses**

Direct expenditures are charged to each program as incurred. Common expenses are allocated between program, management and general, and fundraising by the activities benefited as estimated by management.

**Income tax**

Crosswinds Youth Services, Inc. is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the financial statements.

FASB ASC 740, *Accounting for Income Taxes*, prescribes a recognition threshold and measurement attribute of the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

Tax years ended June 30, 2018 through 2021 remain subject to possible examination by the Internal Revenue Service.

Management evaluates the Organization’s tax positions on an annual basis, both past and current. If management determines that a past or current tax position is uncertain, then a tax liability is calculated to represent the increase in taxes anticipated upon examination. As of June 30, 2021, management has determined that all past and current tax positions were likely to be realizable and sustainable upon examination and that the calculation of a tax liability was not necessary.

**CROSSWINDS YOUTH SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Use of estimates**

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

**NOTE 2 – CONCENTRATIONS**

**Credit Risk**

The Organization maintains its cash and cash equivalents, and certificate of deposit balances in financial institutions that are insured by the Federal Deposit Insurance Corporation (“FDIC”) or the National Credit Union Association (“NCUA”) for balances up to \$250,000 per depositor. On June 30, 2021, the Organization’s uninsured cash balance was \$34,894.

The Organization maintains certain cash equivalents and securities with a brokerage firm that is a member of the Securities Investor Protection Corporation (“SIPC”). Cash and securities held at a member brokerage firm are insured by the SIPC up to \$500,000 per customer, inclusive of \$250,000 for cash balances. On June 30, 2021, the Organization had no uninsured balances.

**Significant Funding Sources**

The Organization received a significant portion of its funding directly or indirectly from three agencies. The following tables report the percentages of total revenue reported by the Organization related to these two agencies and the percentages of the reported total contract receivables at the end of the year:

|                                               | For the year ended<br>June 30, 2021 |                         | For the year ended<br>June 30, 2020 |                         |
|-----------------------------------------------|-------------------------------------|-------------------------|-------------------------------------|-------------------------|
|                                               | Revenue                             | Contract<br>Receivables | Revenue                             | Contract<br>Receivables |
| US Department of Health<br>and Human Services | 19%                                 | 19%                     | 17%                                 | 19%                     |
| Florida Network                               | 33%                                 | 51%                     | 35%                                 | 47%                     |
| Brevard Family Partnership                    | 11%                                 | 8%                      | 15%                                 | 9%                      |

These funding sources are subject to budgetary constraints and a significant reduction in the level of this funding, should it occur, could have an adverse effect on the Organization’s programs and activities.

**CROSSWINDS YOUTH SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**NOTE 3 – FAIR VALUE MEASUREMENTS**

FASB ASC 820, *Fair Value Measurements and Disclosures*, established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- |         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the company has the ability to access.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Level 2 | <p>Inputs to the valuation methodology include</p> <ul style="list-style-type: none"><li>▪ Quoted prices for similar assets or liabilities in active markets;</li><li>▪ Quoted prices for identical or similar assets or liabilities in inactive markets;</li><li>▪ Inputs other than quoted prices that are observable for the asset or liability;</li><li>▪ Inputs that are derived principally from or corroborated by observable market data by correlation or other means.</li></ul> <p>If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.</p> |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to fair value.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2021 and 2020.

*Common Stock/Mutual Funds* – Valued at quoted market prices.

*Bonds* – Valued at the most recent bid price of the equivalent yield for such securities.

The preceding methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the organization believes its valuation methods are appropriate and consistent with their market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurement at the reporting date.

**CROSSWINDS YOUTH SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 3 – FAIR VALUE MEASUREMENTS (continued)**

The following table sets forth by level, within the fair value hierarchy, the Organizations investments at fair value as of June 30, 2021 and 2020:

| Assets at fair value as of June 30, 2021 |                   |             |             |                   |
|------------------------------------------|-------------------|-------------|-------------|-------------------|
|                                          | Level 1           | Level 2     | Level 3     | Total             |
| Common Stock/Mutual Funds                | \$ 399,444        | \$ -        | \$ -        | \$ 399,444        |
| Bonds                                    | 5,485             | -           | -           | 5,485             |
|                                          | <u>\$ 404,929</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 404,929</u> |

  

| Assets at fair value as of June 30, 2020 |                   |             |             |                   |
|------------------------------------------|-------------------|-------------|-------------|-------------------|
|                                          | Level 1           | Level 2     | Level 3     | Total             |
| Common Stock/Mutual Funds                | \$ 313,964        | \$ -        | \$ -        | \$ 313,964        |
| Bonds                                    | 5,485             | -           | -           | 5,485             |
|                                          | <u>\$ 319,449</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 319,449</u> |

**NOTE 4 – INVESTMENTS**

On June 30, 2021 and 2020 investments were reported in the financial statements at fair value and are summarized as follows:

|                           | 2021              |                   | 2020              |                   |
|---------------------------|-------------------|-------------------|-------------------|-------------------|
|                           | Cost              | Market            | Cost              | Market            |
| Common Stock/Mutual Funds | \$ 304,763        | \$ 399,444        | \$ 262,631        | \$ 313,964        |
| Bonds                     | 4,000             | 5,485             | 4,000             | 5,485             |
|                           | <u>\$ 308,763</u> | <u>\$ 404,929</u> | <u>\$ 266,631</u> | <u>\$ 319,449</u> |

The following schedule summarizes the investment return and its classification in the statement of activities for the years ended June 30, 2021 and 2020:

|                        | 2021             | 2020             |
|------------------------|------------------|------------------|
| Interest and dividends | \$ 13,190        | \$ 16,460        |
| Unrealized gains       | 54,866           | 4,249            |
| Realized gains         | 11,908           | (264)            |
| Fees paid              | (4,586)          | (3,853)          |
|                        | <u>\$ 75,378</u> | <u>\$ 16,592</u> |

**CROSSWINDS YOUTH SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**NOTE 5 – PROPERTY AND EQUIPMENT**

On June 30, 2021 and 2020 property and equipment is summarized as follows:

|                           | 2021                       | 2020                       |
|---------------------------|----------------------------|----------------------------|
| Land                      | \$ 318,729                 | \$ 318,729                 |
| Building and improvements | 5,407,861                  | 5,407,861                  |
| Furniture and equipment   | <u>208,157</u>             | <u>197,594</u>             |
|                           | 5,934,747                  | 5,924,184                  |
| Accumulated depreciation  | <u>(2,563,200)</u>         | <u>(2,407,285)</u>         |
|                           | <u><u>\$ 3,371,547</u></u> | <u><u>\$ 3,516,899</u></u> |

Depreciation expense charged to operations was \$155,915 (2021) and \$158,713 (2020).

**NOTE 6 – OTHER ASSETS**

On June 30, 2021 and 2020 other assets consisted of the following:

|                        | 2021                     | 2020                     |
|------------------------|--------------------------|--------------------------|
| Noncurrent Investments | \$ 186,388               | \$ 143,469               |
| Deposits               | <u>10,143</u>            | <u>-</u>                 |
|                        | <u><u>\$ 196,531</u></u> | <u><u>\$ 143,469</u></u> |

**NOTE 7 – ACCRUED EXPENSES**

On June 30, 2021 and 2020 accrued expenses consisted of the following:

|                                     | 2021                     | 2020                    |
|-------------------------------------|--------------------------|-------------------------|
| Accrued wages                       | \$ 89,475                | \$ 27,125               |
| Accrued pension payable             | 46,267                   | 46,236                  |
| Youth payable (Transitional Living) | 858                      | 1,719                   |
| Other accruals                      | <u>3,080</u>             | <u>1,981</u>            |
|                                     | <u><u>\$ 139,680</u></u> | <u><u>\$ 77,061</u></u> |

**CROSSWINDS YOUTH SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**NOTE 8 – LONG-TERM DEBT**

On June 30, 2021 and 2020 long-term debt consisted of a loan payable to Community Credit Union of Florida, due in monthly installments of \$6,443 including interest of 6.0% until the stipulated rate change dates. The rate change dates are February 11, 2023 and February 11, 2033, when the rate will be adjusted to a fixed rate of 3.5% over the Index (weekly average yield US Treasury securities adjusted to a constant maturity of years). The mortgage loan matures February 11, 2038 and is secured by the Organization's land and buildings.

As a result of an inquiry by the Organization, the bank agreed to a reduced interest rate of 5.0% and corresponding monthly payments of \$5,887 beginning July 2015. The following schedule of future maturities reflects this change.

The current and long-term balances as of June 30, 2021 and 2020 for this loan are as follows:

|                          | 2021              | 2020              |
|--------------------------|-------------------|-------------------|
| Loan payable             | \$ 807,512        | \$ 833,231        |
| Less current portion     | (31,479)          | (29,947)          |
| Less debt issuance costs | (9,314)           | (9,979)           |
|                          | <u>\$ 766,719</u> | <u>\$ 793,305</u> |

Debt issuance costs are amortized over the term of the loan. Amortization expense of \$665 (2021 and 2020) is included in interest expense. Interest expense related to long-term debt, not including amortized loan costs, was \$44,808 (2021) and \$39,583 (2020).

Future scheduled maturities of long-term debt are as follows:

|            |                   |
|------------|-------------------|
| 2022       | \$ 31,479         |
| 2023       | 33,089            |
| 2024       | 34,782            |
| 2025       | 36,562            |
| 2026       | 38,432            |
| Thereafter | 633,168           |
|            | <u>\$ 807,512</u> |

**CROSSWINDS YOUTH SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS**

**Amy’s Memorial Endowment Fund**

In 2005, the endowment known as “Amy’s Memorial Endowment Fund” was established to generate earnings for the direct support of the Organization and its mission and programs. As amended in 2009, the endowment agreement requires a minimum balance of \$20,000 to be maintained. Contributions and investment earnings in excess of the \$20,000 minimum balance may be spent in accordance with the endowment agreement. If the fund balance declines below \$20,000 through market forces, no expenditures are permitted from the fund until the fund balance once again exceeds \$20,000. The following summarizes the changes in the fund’s balance:

|                            | 2021              | 2020              |
|----------------------------|-------------------|-------------------|
| Balance, beginning of year | \$ 135,325        | \$ 121,476        |
| Contributions to the fund  | 10,100            | 8,200             |
| Investment earnings, net   | 32,967            | 5,649             |
| Balance, end of year       | <u>\$ 178,392</u> | <u>\$ 135,325</u> |

Net assets related to the fund are classified as follows:

|                        |                   |                   |
|------------------------|-------------------|-------------------|
| Temporarily restricted | \$ 158,392        | \$ 115,325        |
| Permanently restricted | <u>20,000</u>     | <u>20,000</u>     |
|                        | <u>\$ 178,392</u> | <u>\$ 135,325</u> |

Crosswinds Youth Services, Inc. has adopted a total return approach that emphasizes both current income and growth in principle over the long-term. The selection of a growth and income objective implies a desire to keep portfolio risk below that of common stocks, but to pursue a return greater than that provided by bonds and cash equivalents.

**NOTE 10 – COMMITMENTS AND CONTINGENCIES**

**Contingent Liability - Brevard County**

During the year ended June 30, 2016 the Brevard County Board of Commissioners and the Brevard County Housing Finance Authority entered into separate agreements with the Organization to provide the necessary funding to purchase two new commercial air conditioner units. In both cases, the funding was provided through lending arrangements calling for balloon payments at maturity where the outstanding interest and principal are stated to be forgiven so long as the property is used in the Organization’s programs in accordance with the agreement. The loans are secured by the land and building of the Organization. One loan was for \$90,000 maturing in July 2030 and the second was for \$44,781 maturing in March 2026. The reported balance represents the estimated current value of the equipment and is considered to be temporarily restricted. The estimated current value is determined to be the original cost of the air conditioners net of accumulated depreciation. It is management’s intention to hold and use the equipment for the prescribed purpose for at least the term of the agreement when the debt is forgiven.

**CROSSWINDS YOUTH SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**NOTE 10 – COMMITMENTS AND CONTINGENCIES (continued)**

**Contingent Liability - Grants**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government and the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Organization expects such amounts, if any, to be immaterial.

**Commitments – Vehicle Leases**

The Organization entered into multiple noncancelable operating lease agreements for vehicles. The agreement requires different monthly payments of approx. \$311 to \$475 individually and various expiration dates from December 2020 through January 2022. The total lease expenses charged to operations under these lease agreements was approximately \$23,480 during the fiscal year ending June 30, 2021.

Future minimum lease payments as of June 30 are as follows:

|      |                 |
|------|-----------------|
| 2022 | \$ <u>5,478</u> |
|------|-----------------|

**NOTE 11 – EMPLOYEE RETIREMENT PLANS**

The Organization has a qualified employee profit sharing plan, which covers all employees who have met certain age and service requirements. The Organization's contribution to the profit-sharing plan is determined each year at the discretion of the board of directors. Total profit sharing plan contributions were \$46,267 (2021) and \$46,236 (2020).

The Organization also has a retirement plan under Internal Revenue Code section 403(b). The plan permits employees to defer compensation subject to certain limitations and permits the employer to make matching and profit-sharing contributions. The plan covers all employees who have met certain age and service requirements. Employer contributions to the plan are at the discretion of the board of directors. The Organization elected not to make contributions to the plan during 2021 and 2020 fiscal years.

The Organization also has an Internal Revenue Code section 457(b) plan, which covers designated management employees who have met certain age and service requirements. The Organization contributed \$26,799 (2021) and \$24,787 (2020) to this plan.

**CROSSWINDS YOUTH SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**NOTE 12 - LIQUIDITY**

The Organization's board of directors adopts a budget annually based on program requirements and anticipated revenue and expenditures for the year in an effort to manage working capital cash flows that vary due to the timing of its programs and fundraising events.

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations.

|                                                                                           |                     |
|-------------------------------------------------------------------------------------------|---------------------|
| Financial assets, at June 30, 2021                                                        |                     |
| Cash and cash equivalents                                                                 | \$ 441,937          |
| Investments                                                                               | 218,541             |
| Grants/contracts receivable                                                               | 334,315             |
| Promises to give                                                                          | <u>9,909</u>        |
| Financial assets available to meet cash needs for<br>general expenditures within one year | <u>\$ 1,004,702</u> |

**NOTE 13 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through May 18, 2022, the date that the financial statements were available to be issued, and has determined that the following subsequent event required disclosure:

- COVID-19 and its variants continue to cause disruptions to the Organization's normal activities, the local economy, as well as the worldwide economy. This has impacted the Organization's ability to host fundraising and awareness events, purchase necessary items due to supply chain interruptions, and safely reach potential clients through the street outreach program. Management continues to adapt to everchanging conditions and maintain reserves to carry the organization through uncertain times ahead. However, the impact on earnings and support cannot be estimated.

## **SUPPLEMENTARY INFORMATION**



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WHITTAKER COOPER

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Directors  
Crosswinds Youth Services, Inc.

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 Crosswinds Youth Services, Inc. (a non-profit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, and cash flows and functional expense analyses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 18, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Crosswinds Youth Services, Inc.'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 Crosswinds Youth Services, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Crosswinds Youth Services, Inc.'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*.

### **Purpose of this Report**

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

A handwritten signature in blue ink that reads "Whittaker Cooper Certified Public Accountants".

Whittaker Cooper Certified Public Accountants

Melbourne, Florida

May 18, 2022



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WHITTAKER COOPER

CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR FEDERAL PROGRAM AND STATE FINANCIAL PROJECT  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
THE UNIFORM GUIDANCE AND  
CHAPTER 10.650 RULES OF THE FLORIDA AUDITOR GENERAL**

To the Board of Directors  
Crosswinds Youth Services, Inc.

**Report on Compliance for Each Major Federal Program and State financial project**

We have audited Crosswinds Youth Services, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the Florida Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of Crosswinds Youth Services Inc.'s major federal programs and state financial projects for the year ended June 30, 2021. Crosswinds Youth Services, Inc.'s major federal programs and state financial projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned cost.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program as well as the state statutes, regulations, and the terms and conditions related to its state financial projects.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Crosswinds Youth Services, Inc.'s major federal programs and state financial projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650 Rules of the Florida Auditor General. Those standards, the Uniform Guidance, and Chapter 10.650 Rules of the Florida Auditor General, 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 or state financial project occurred. An audit includes examining, on a test basis evidence about Crosswinds Youth Services, Inc.'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 on compliance for each major federal program and state financial project. However, our audit does not provide a legal determination of Crosswinds Youth Services, Inc.'s compliance.

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

In our opinion, Crosswinds Youth Services, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial projects for the year ended June 30, 2021.

### **Report on Internal Control over Compliance**

Management of Crosswinds Youth Services, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Crosswinds Youth Services Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program or State financial project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state financial project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650 Rules of the Florida Auditor General, 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 Crosswinds Youth Services, Inc.'s internal control over compliance.

*A deficiency in 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 and correct noncompliance with a type of compliance requirement of a federal program or state financial project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state financial project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state financial project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of the Uniform Guidance and Chapter 10.650, Rules of the Florida Auditor General. Accordingly, this report is not suitable for any other purpose.

*Whittaker Cooper Certified Public Accountants*

Whittaker Cooper Certified Public Accountants  
Melbourne, Florida  
May 18, 2022

**CROSSWINDS YOUTH SERVICES, INC.**  
**SCHEDULE OF EXPENDITURES OF**  
**FEDERAL AWARDS AND STATE FINANCIAL PROJECTS**  
**YEAR ENDED JUNE 30, 2021**

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**I. Summary of Independent Auditor's Results**

**Financial Statements**

- A. Type of auditor's report issued: Unmodified
- B. Internal Controls over financial reporting:  
 Material weakness(es) identified?            Yes       ✓       No  
 Significant deficiency(ies) identified that are not  
 considered to be material weaknesses?            Yes       ✓       No
- C. Noncompliance material to financial statements noted?            Yes       ✓       No

**Federal Awards**

- D. Type of auditor's report issued on compliance for  
 major programs: Unmodified
- E. Internal control over major programs:  
 Material weakness(es) identified?            Yes       ✓       No  
 Significant deficiency(ies) identified that are not  
 considered to be material weaknesses?            Yes       ✓       No
- F. Audit findings related to 2 CFR section 200.516(a):  
 Any audit findings disclosed that are required to  
 be reported in accordance with 2 CFR section  
 200.516(a)?            Yes       ✓       No
- G. Identification of major programs:

**Name of Federal Program**

**CFDA Numbers**

Basic Center Grant

93.623

- H. Dollar or percentage threshold used to distinguish  
 between Type A and Type B program

\$750,000

- I. Auditee qualified as low-risk auditee?

      ✓       Yes            No

**CROSSWINDS YOUTH SERVICES, INC.**  
**SCHEDULE OF EXPENDITURES OF**  
**FEDERAL AWARDS AND STATE FINANCIAL PROJECTS**  
**YEAR ENDED JUNE 30, 2021**

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**I. Summary of Independent Auditor's Results (continued)**

**State Financial Projects**

D. Type of auditor's report issued on compliance for major State projects:

Unmodified

E. Internal control over major State projects:

Material weakness(es) identified?

           Yes       ✓       No

Significant deficiency(ies) identified that are not considered to be material weaknesses?

           Yes       ✓       No

F. Audit findings related to Rule 10.656:

Any audit findings disclosed that are required to be reported in accordance with Rule 10.656?

           Yes       ✓       No

G. Identification of major state projects:

**Name of State Project**

**CFSA Numbers**

Children in Need of Services/Families in Need of Services (CINS/FINS)

80.005

H. Dollar or percentage threshold used to distinguish between Type A and Type B projects as described in Department of Financial Services Rules, Chapter 69I-5, Florida Administrative Code, *State Financial Assistance*

30%

**II. Financial Statement Findings**

There are no reportable conditions, material weaknesses, or instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

**III. Major Federal Award Findings and Questioned Costs**

There are no reportable conditions, material weaknesses, or instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

**IV. Major State Financial Assistance Projects Findings and Questioned Costs**

There are no reportable conditions, material weaknesses, or instances of noncompliance including questioned costs that are required to be reported in accordance with the Florida Single Audit Act.

**CROSSWINDS YOUTH SERVICES, INC.**  
**SCHEDULE OF EXPENDITURES OF**  
**FEDERAL AWARDS AND STATE FINANCIAL PROJECTS**  
**YEAR ENDED JUNE 30, 2021**

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**Other Issues**

The management letter required by Auditor General Rule Section 10.656(3)(e) is not included in this report because there were no findings required to be reported.

The Summary Schedule of Prior Audit Findings is not included in this report because there were no prior audit findings related to state financial assistance projects.

A Corrective Action Plan is not required because there were no findings required to be reported under the Florida Single Audit Act.

**CROSSWINDS YOUTH SERVICES, INC.**  
**SCHEDULE OF EXPENDITURES OF**  
**FEDERAL AWARDS AND STATE FINANCIAL PROJECTS**  
**YEAR ENDED JUNE 30, 2021**

| Federal/State Agency, Pass-through Entity,<br>State Financial Project | CFDA /<br>CFSA No. | Grantor's Contract<br>Number | Expenditures   |
|-----------------------------------------------------------------------|--------------------|------------------------------|----------------|
| <b>FEDERAL AWARDS</b>                                                 |                    |                              |                |
| <b><u>U.S. Department of Health and Human Services</u></b>            |                    |                              |                |
| Transitional Living Program                                           | 93.550             | 90CX7209-02-02               | \$ 68,955      |
| Transitional Living Program                                           | 93.550             | 90CX7209-03-00               | 170,222        |
| COVID-19 - Transitional Living Program                                | 93.550             | 90CX7209-02-C3               | 56,641         |
| COVID-19 - Transitional Living Program                                | 93.550             | 90CX7209-03-C3               | 4,440          |
| <i>Total - Transitional Living Program</i>                            |                    |                              | <u>300,258</u> |
| Basic Center Grant                                                    | 93.623             | 90CY6944-03-01               | 43,549         |
| Basic Center Grant                                                    | 93.623             | 90CY7250-01-00               | 149,987        |
| COVID-19 - Basic Center Grant                                         | 93.623             | 90CY6944-03-C3               | 39,997         |
| <i>Total - Basic Center Grant</i>                                     |                    |                              | <u>233,533</u> |
| Street Outreach                                                       | 93.557             | 90YO2317-02-01               | 30,886         |
| Street Outreach                                                       | 93.557             | 90YO2317-03-00               | 90,902         |
| COVID-19 - Street Outreach                                            | 93.557             | 90YO2317-02-C3               | 12,736         |
| <i>Total - Street Outreach</i>                                        |                    |                              | <u>134,524</u> |
| Passed through Brevard Family Partnership                             |                    |                              |                |
| Independent Living                                                    | 93.674             | ILS1901                      | 238,400        |
| Foster Care Title IV-E                                                | 93.658             | RGC1803                      | 35,254         |
| Social Services Block Grant                                           | 93.667             | RGC1803                      | 13,954         |
| <i>Total - Passed through Brevard Family Partnership</i>              |                    |                              | <u>287,608</u> |
| Passed through Embrace Families                                       |                    |                              |                |
| Temporary Assistance for Needy Families                               | 93.558             | GJL58                        |                |
| Foster Care Title IV-E                                                | 93.658             | GJL58                        | 38,931         |
| Social Services Block Grant                                           | 93.667             | GJL58                        | 8,953          |
| Children, Youth, and Families - Child Abuse                           | 93.669             | GJL58                        | 620            |
| <i>Total - Passed through Embrace Families</i>                        |                    |                              | <u>48,504</u>  |

See accompanying notes to the  
Schedule of Expenditures of Federal Awards and State Financial Projects.

**CROSSWINDS YOUTH SERVICES, INC.**  
**SCHEDULE OF EXPENDITURES OF**  
**FEDERAL AWARDS AND STATE FINANCIAL PROJECTS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2021**

| Federal/State Agency, Pass-through Entity,<br>State Financial Project      | CFDA /<br>CFSA No. | Grantor's Contract<br>Number | Expenditures        |
|----------------------------------------------------------------------------|--------------------|------------------------------|---------------------|
| <b>FEDERAL AWARDS (continued)</b>                                          |                    |                              |                     |
| <b><u>U.S. Department of Housing and Urban Development</u></b>             |                    |                              |                     |
| Supportive Housing Program                                                 | 14.267             | FL0145L4H131811              | 22,927              |
| Supportive Housing Program                                                 | 14.267             | FL0145L4H131912              | 45,876              |
| Rapid Re-Housing                                                           | 14.267             | FL0693L4H131801              | 13,698              |
| Rapid Re-Housing                                                           | 14.267             | FL0693L4H131902              | 26,619              |
| Passed through State of Florida Department of Children and Family Services |                    |                              |                     |
| Emergency Shelter Grants Program                                           | 14.231             | GPZ48                        | <u>20,974</u>       |
| Total expenditures of federal awards                                       |                    |                              | <u>\$ 1,134,521</u> |
| <b>STATE FINANCIAL ASSISTANCE</b>                                          |                    |                              |                     |
| <b><u>State of Florida, Department of Juvenile Justice</u></b>             |                    |                              |                     |
| Passed through Florida Network of Youth and Family Services                |                    |                              |                     |
| Children in Need of Services/Families in Need<br>of Services (CINS/FINS)   | 80.005             | N/A                          | <u>1,184,311</u>    |
| Total expenditures of state financial assistance                           |                    |                              | <u>\$ 1,184,311</u> |
| Total expenditures of federal awards and state financial assistance        |                    |                              | <u>\$ 2,318,832</u> |

See accompanying notes to the  
Schedule of Expenditures of Federal Awards and State Financial Projects.

**CROSSWINDS YOUTH SERVICES, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF**  
**FEDERAL AWARDS AND STATE FINANCIAL PROJECTS**  
**YEAR ENDED JUNE 30, 2021**

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**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Crosswinds Youth Services, Inc. (the Organization) under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Expenditures**

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

**Pass-through entities**

Pass-through entity identifying numbers are presented where available.

**NOTE C – NONMONETARY EXPENDITURES**

Nonmonetary transactions are reported on the Schedule at cost. Certain grants warrant that the grantor pays certain expenditures on behalf of the Organization. In such situations the Organization records the expenditure on the Schedule at cost.

**NOTE D – INDIRECT COST RATE**

Crosswinds Youth Services, Inc. has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.