

Financial Report

*The Young Men's Christian Association
of Greater New Orleans, Louisiana*

December 31, 2024



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of Greater New Orleans, Louisiana*

December 31, 2024

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
The Young Men's Christian Association
of Greater New Orleans, Louisiana,
Metairie, Louisiana.

Opinion

We have audited the accompanying financial statements of The Young Men's Christian Association of Greater New Orleans, Louisiana (the YMCA) (a non-profit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the YMCA as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the YMCA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the YMCA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Summarized Comparative Information

We have previously audited the YMCA's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 24, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer (Schedule 1) is presented for purposes of additional analysis, is required by Louisiana Revised Statute 24:513(A)(3) 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 April 8, 2025, on our consideration of the YMCA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the YMCA's internal control over financial reporting and compliance.



Certified Public Accountants.

New Orleans, Louisiana,
April 8, 2025.

STATEMENT OF FINANCIAL POSITION**The Young Men's Christian Association
of Greater New Orleans, Louisiana**

Metairie, Louisiana

December 31, 2024
(with comparative totals for 2023)**ASSETS**

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 2,133,146	\$ 2,445,984
Certificates of deposit	-	500,000
Unconditional promises to give	26,475	90,634
Grants receivable	173,996	242,844
Other receivables	64,949	62,589
Prepaid expenses	278,617	251,260
Investments	691,503	702,328
Operating lease right-of-use asset, net	39,385	75,996
Property and equipment, net	<u>10,451,253</u>	<u>10,242,898</u>
Total assets	<u><u>\$13,859,324</u></u>	<u><u>\$14,614,533</u></u>

LIABILITIES

Accounts payable and accrued expenses	\$ 358,405	\$ 472,280
Deferred revenue	45,000	40,000
Operating lease liability	39,385	75,996
Note payable, net	<u>1,316,433</u>	<u>1,367,151</u>
Total liabilities	<u><u>1,759,223</u></u>	<u><u>1,955,427</u></u>

NET ASSETS

Without donor restrictions:		
Undesignated	624,282	1,156,625
Invested in property and equipment and right-of-use assets	<u>10,490,638</u>	<u>10,318,894</u>
Total without donor restrictions	11,114,920	11,475,519
With donor restrictions	<u>985,181</u>	<u>1,183,587</u>
Total net assets	<u><u>12,100,101</u></u>	<u><u>12,659,106</u></u>
Total liabilities and net assets	<u><u>\$13,859,324</u></u>	<u><u>\$14,614,533</u></u>

See notes to financial statements.

STATEMENT OF ACTIVITIES

**The Young Men's Christian Association
of Greater New Orleans, Louisiana**
Metairie, Louisiana

For the year ended December 31, 2024
(with comparative totals for 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Totals	2023 Totals
Revenues and Public Support				
Membership dues	\$ 2,649,376	\$ -	\$ 2,649,376	\$ 2,378,027
Program fees	1,441,187	-	1,441,187	1,433,934
Government grants and contracts	694,139	-	694,139	693,800
Foundation and private grants	354,180	208,985	563,165	690,779
Federated campaigns	43,086	37,135	80,221	82,597
Contributions of cash and other financial assets	177,441	56,255	233,696	356,601
Contributions of nonfinancial assets	62,873	-	62,873	132,476
Special events, net of direct benefit to costs (\$95,920 for 2024 and \$86,733 for 2023)	176,220	-	176,220	167,781
Interest income	108,832	-	108,832	201,820
Investment income, net	52,236	-	52,236	83,960
Loss on disposal of assets	-	-	-	(101,764)
Sales of supplies and services	65,344	-	65,344	62,184
Miscellaneous	37,583	-	37,583	29,828
Total revenues and public support before net assets released from restrictions	5,862,497	302,375	6,164,872	6,212,023
Net assets released from restrictions	500,781	(500,781)	-	-
Total revenues and public support	6,363,278	(198,406)	6,164,872	6,212,023
Expenses				
Program services	5,710,889	-	5,710,889	5,673,628
General and administrative	939,691	-	939,691	898,955
Fundraising	73,297	-	73,297	71,053
Total expenses	6,723,877	-	6,723,877	6,643,636
Changes in Net Assets	(360,599)	(198,406)	(559,005)	(431,613)
Net Assets				
Beginning of year	11,475,519	1,183,587	12,659,106	13,090,719
End of year	<u>\$11,114,920</u>	<u>\$ 985,181</u>	<u>\$12,100,101</u>	<u>\$12,659,106</u>

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

**The Young Men's Christian Association
of Greater New Orleans, Louisiana
Metairie, Louisiana**

For the year ended December 31, 2024
(with comparative totals for 2023)

	Program Services			Total
	Youth Development	Healthy Living	Social Responsibility	Program Services
Personnel costs				
Salaries and wages	\$ 954,634	\$1,555,074	\$424,841	\$2,934,549
Employee benefits	113,039	185,254	90,570	388,863
Payroll taxes	70,261	120,528	30,629	221,418
Total personnel costs	<u>1,137,934</u>	<u>1,860,856</u>	<u>546,040</u>	<u>3,544,830</u>
Non-personnel costs				
Amortization	-	-	-	-
Conference and meetings	27,307	11,758	1,280	40,345
Contract services	83,582	39,534	21,939	145,055
Depreciation	211,533	236,887	78,962	527,382
Equipment - maintenance	17,307	44,724	6,605	68,636
Interest and finance service fees	17,076	104,987	6,595	128,658
Insurance	44,757	42,774	20,437	107,968
Marketing	1,182	5,933	224	7,339
Membership dues	37,730	37,458	17,846	93,034
Miscellaneous	828	932	311	2,071
Occupancy	243,355	302,269	94,865	640,489
Postage	162	877	86	1,125
Special events fundraising expenses	-	-	-	-
Supplies	207,881	69,215	30,393	307,489
Telephone	20,446	22,205	7,402	50,053
Travel	35,258	2,293	8,864	46,415
Total non-personnel costs	<u>948,404</u>	<u>921,846</u>	<u>295,809</u>	<u>2,166,059</u>
	2,086,338	2,782,702	841,849	5,710,889
Less allocated to direct benefit to donor costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u><u>\$2,086,338</u></u>	<u><u>\$2,782,702</u></u>	<u><u>\$841,849</u></u>	<u><u>\$5,710,889</u></u>

See notes to financial statements.

Support Services				
General and Administrative	Fundraising	Total Support Services	2024 Totals	2023 Totals
\$ 409,929	\$ -	\$ 409,929	\$3,344,478	\$3,301,318
84,872	-	84,872	473,735	413,682
30,040	-	30,040	251,458	252,154
524,841	-	524,841	4,069,671	3,967,154
3,579	-	3,579	3,579	64,086
13,058	-	13,058	53,403	70,243
255,270	6,338	261,608	406,663	338,923
1,025	-	1,025	528,407	571,111
4,469	-	4,469	73,105	79,787
11,800	-	11,800	140,458	132,958
16,140	-	16,140	124,108	132,716
5,294	18,461	23,755	31,094	40,444
4,842	-	4,842	97,876	89,164
1,604	-	1,604	3,675	1,176
81,119	-	81,119	721,608	725,309
2,545	-	2,545	3,670	3,105
-	95,920	95,920	95,920	86,733
3,928	48,498	52,426	359,915	328,576
5,484	-	5,484	55,537	51,518
4,693	-	4,693	51,108	47,366
414,850	169,217	584,067	2,750,126	2,763,215
939,691	169,217	1,108,908	6,819,797	6,730,369
-	(95,920)	(95,920)	(95,920)	(86,733)
\$ 939,691	\$73,297	\$1,012,988	\$6,723,877	\$6,643,636

STATEMENT OF CASH FLOWS

**The Young Men's Christian Association
of Greater New Orleans, Louisiana**
Metairie, Louisiana

For the year ended December 31, 2024
(with comparative totals for 2023)

	<u>2024</u>	<u>2023</u>
Cash Flows From Operating Activities		
Changes in net assets	\$ (559,005)	\$ (431,613)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Amortization	3,579	64,086
Depreciation	528,407	571,111
Loss on disposal of assets	-	101,764
Realized gain on investments	(18,746)	(10,537)
Unrealized gain on investments	(12,065)	(59,790)
(Increase) decrease in operating assets:		
Unconditional promises to give	64,159	(62,954)
Grants receivable	68,848	(167,575)
Other receivables	(2,360)	(21,976)
Employee Retention Credit receivable	-	1,056,794
Prepaid expenses	(27,357)	42,311
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	25,236	69,216
Deferred revenue	5,000	5,000
	<u>75,696</u>	<u>1,155,837</u>
Net cash provided by operating activities		
Cash Flows From Investing Activities		
Net proceeds from maturity (purchase of) certificates of deposit	500,000	(500,000)
Purchases of investments	(296,947)	(276,668)
Proceeds from sales of investments	338,583	257,938
Purchases of property and equipment	(734,969)	(493,398)
Insurance proceeds from dispositions of property and equipment	-	41,735
	<u>-</u>	<u>41,735</u>
Net cash used in investing activities	<u>(193,333)</u>	<u>(970,393)</u>

**Exhibit D
(Continued)**

	<u>2024</u>	<u>2023</u>
Cash Flows From Financing Activities		
Repayment of finance lease liability	-	(60,992)
Repayment of notes payable	(54,297)	(52,467)
Payments on accounts payable used to finance acquisition of property and equipment	<u>(140,904)</u>	<u>(14,432)</u>
Net cash used in financing activities	<u>(195,201)</u>	<u>(127,891)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(312,838)	57,553
Cash and Cash Equivalents		
Beginning of year	<u>2,445,984</u>	<u>2,388,431</u>
End of year	<u><u>\$2,133,146</u></u>	<u><u>\$2,445,984</u></u>
Supplemental Disclosures of Cash Flows Information		
Cash paid for interest	<u><u>\$ 50,757</u></u>	<u><u>\$ 54,256</u></u>
Supplemental Disclosure of Noncash Investing and Financing Activities		
Property and equipment purchases included in accounts payable	<u><u>\$ 1,793</u></u>	<u><u>\$ 140,904</u></u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**The Young Men's Christian Association
of Greater New Orleans, Louisiana
Metairie, Louisiana**

December 31, 2024 and 2023

Note 1 - NATURE OF OPERATIONS**a. Description of Organization**

The Young Men's Christian Association of Greater New Orleans, Louisiana (the YMCA) is a not-for-profit organization established in 1852. The YMCA's mission is to advance the cause of strengthening community through youth development, healthy living, and social responsibility. The YMCA is a powerful association of men, women, and children committed to bringing about lasting personal and social change. With a focus on nurturing the potential of every child and teen, improving the nation's health and well-being and providing opportunities to give back and support neighbors, the YMCA enables youth, adults, families and communities to be healthy, confident, connected and secure.

b. Program Activities

Youth Development - The YMCA is committed to nurturing the potential of every child and teen. The YMCA believes that all kids deserve the opportunity to discover who they are and what they can achieve. That is why the YMCA helps young people cultivate the values, skills, and relationships that lead to positive behaviors, better health, and educational achievement. The YMCA programs offer a range of experiences that enrich cognitive, social, physical and emotional growth.

Healthy Living - The YMCA is a leading voice on health and well-being. The YMCA brings families closer together, encourage good health and fosters connections through fitness, sports, fun and shared interests. As a result, people in the community are receiving the support, guidance and resources they need to achieve greater health in spirit, mind and body. This is particularly important as the nation struggles with an obesity crisis, families struggle with work/life balance and individuals search for personal fulfillment.

Note 1 - NATURE OF OPERATIONS (Continued)

b. Program Activities (Continued)

Social Responsibility - The YMCA believes in giving back and supporting its neighbors. The YMCA has been listening and responding to the community's most critical social needs. The YMCA programs are how it delivers training, resources and support that empower its neighbors to effect change, bridge gaps and overcome obstacles. The YMCA engages members, participants and volunteers in activities that strengthen the community and pave the way for future generations to thrive.

As part of its mission, the YMCA programs are accessible, affordable, and open to all faiths, backgrounds, abilities, and income levels. The YMCA provides financial assistance to people who otherwise may not have been able to afford to participate.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Organization and Income Taxes

The Young Men's Christian Association of Greater New Orleans, Louisiana is a non-profit organization organized under the laws of the State of Louisiana and is exempt from Federal income tax under Section 501 (c)(3) of the Internal Revenue Code (IRC) and qualifies as an organization that is not a private foundation as defined in Section 509(a) of the IRC. It is also exempt from Louisiana income tax under the authority of R.S. 47:121(5).

The Financial Accounting Standards Board (FASB) guidance requires tax effects from uncertain tax positions to be recognized in the financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. As of December 31, 2024, management has determined that there are no material uncertain positions that require recognition in the financial statements. Additionally, no provision for income taxes is reflected in these financial statements. Interest and penalties would be recognized as tax expense; however, there is no interest and penalties recognized in the Statement of Activities. The tax years after December 31, 2021 are still open to audit for both federal and state purposes.

b. Basis of Accounting

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

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Basis of Presentation

The YMCA records resources for accounting and reporting purposes based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions that will be met either by action of the YMCA or by the passage of time.

d. Operating Activities

Operating activities reflect all transactions increasing or decreasing net assets except those items associated with investments, contributions for facilities and equipment, property and equipment purchases and depreciation, and changes in the fair value of the interest rate swap.

e. Use of Estimates

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

f. Cash and Cash Equivalents

The YMCA considers all liquid investments with original maturities of three months or less to be cash equivalents.

g. Promises to Give

Contributions are recognized when the donor makes a promise to give to the YMCA that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met. All promises to give are recognized as assets, net of an allowance for uncollectible amounts. The YMCA provides for estimated uncollectible promises to give based on prior years' experience and management's analysis of specific promises made. As of December 31, 2024 and 2023, management determined an allowance was not necessary.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Grants Receivables

Grants receivables are stated at the amount management expects to collect from outstanding balances. Management monitors outstanding balances and provides for uncollectible amounts on a specific account basis. Management believes all outstanding balances as of December 31, 2024 and 2023 are fully collectible.

i. Investments

Investments are reported at fair value or estimated fair value.

j. Right-of-Use Assets and Lease Liabilities

Right-of-use (ROU) assets represent the YMCA's right to use the underlying assets for the lease term and lease liabilities represent the net present value of the YMCA's obligation to make payments arising from these leases. The lease liabilities are based on the present value of fixed lease payments over the lease term using the YMCA's incremental borrowing rate on the lease commencement date. If the lease includes one or more options to extend the term of the lease, the renewal option is considered in the lease term if it is reasonably certain the YMCA will exercise the options. Operating lease expense is recognized on a straight-line basis over the term of the lease. Finance lease expense is recognized as amortization of the right to use asset and interest expense. As permitted by Accounting Standards Codification (ASC) 842, leases with an initial term of twelve months or less ("short-term leases") are not recorded on the accompanying Statement of Financial Position.

k. Property and Equipment

Property and equipment consist of land, buildings, office furniture and equipment, and leasehold improvements, and is stated at cost or, if contributed, at fair market value at date of donation, net of accumulated depreciation. Contributions of property and equipment are recorded at estimated fair value. Repairs and maintenance are charged to expense as incurred; major renewals and betterments are capitalized. Depreciation and amortization are provided on a straight-line basis over the estimated useful lives of the related assets. Buildings and building improvements are depreciated over 5 to 40 years, other depreciable property, and equipment from 2 to 10 years. Only major replacements and improvements with a cost in excess of \$1,000 are capitalized and included in property and equipment.

l. Deferred Revenue

Membership dues and program fees that are designated for or related to future years' activities are deferred and recognized as revenue in the period in which they apply.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Contributions

The YMCA reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

n. Contributed Nonfinancial Assets

Donated land, buildings, equipment, investments, and other noncash donations are recorded as contributions at their fair market value at the date of donation. The YMCA reports the donations in the net assets without donor restrictions category, unless explicit donor stipulations specify how the donated assets must be used.

The YMCA recognizes contributions of services received if such services: (a) create or enhance nonfinancial assets, (b) require specialized skills, (c) are provided by individuals possessing those skills, and (d) would typically need to be purchased if not contributed (see Note 13).

The YMCA receives services from a large number of volunteers who give significant amounts of their time to the programs of the YMCA. No amounts have been reflected for these types of donated services, as there is no objective basis available to measure the value of such services.

o. Government Grants and Contracts

The YMCA receives grant and contract funding from various federal, state, and local governments to provide a variety of program services to the public based on specific requirements included in the agreement, including eligibility, procurement, reimbursement, curriculum, staffing and other requirements. These program services range from childcare after school programs, day camp, family programs, programs for seniors, and immigration and health and welfare related programs. The YMCA's government grants and contracts are nonreciprocal transactions and include conditions stipulated by the government agencies and are, therefore, accounted for as conditional contributions. Public support is recognized as conditions are satisfied, primarily as expenses are incurred.

Cash received on government grants and contracts prior to incurring allowable expenses are recorded as advances upon receipt.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Government Grants and Contracts (Continued)

Government grants and contracts receivable are recorded in receivables. All other contributions are recorded in promises to give. The allowance for doubtful accounts is determined by the age of the balance, historical collection rates, and specific identification of uncollectible accounts. Uncollectible receivables are charged to the allowance. An expense is recorded at the time the allowance is adjusted. Government grants receivables totaled \$43,788 and \$242,844 as of December 31, 2024 and 2023, respectively, which are included in grants receivable on the Statements of Financial Position.

During 2019, the YMCA signed a cooperative endeavor agreement in the amount of \$700,000 with the State of Louisiana. As of December 31, 2024, this is an unexpended grant that has not been recognized pending fulfillment of conditions associated with the award.

On January 31, 2023, the YMCA signed a cooperative endeavor agreement in the amount of \$200,000 with the Plaquemines Parish Government for the period January 1, 2023 through December 31, 2023. This grant has been fully expended and recognized as revenue and expense during the year ended December 31, 2023 on the Statement of Activities.

On December 19, 2023, the YMCA signed a cooperative endeavor agreement in the amount of \$200,000 with the Plaquemines Parish Government for the period January 1, 2024 through December 31, 2024. This grant has been fully expended and recognized as revenue and expense during the year ended December 31, 2024 on the Statement of Activities.

On January 7, 2025, the YMCA signed a cooperative endeavor agreement in the amount of \$200,000 with the Plaquemines Parish Government for the period January 1, 2025 through December 31, 2025. This grant will be expended and recognized as revenue and expense on the Statement of Activities once the YMCA meets the conditions associated with the award.

p. Revenue Recognition

The YMCA has multiple revenue streams that are accounted for as reciprocal exchange transactions including membership and program fees, residence program and related services, and government contract revenues.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p. Revenue Recognition (Continued)

Because the YMCA's performance obligations relate to contracts with a duration of less than one year, the YMCA has elected to apply the optional exemption provided in FASB Accounting Standards Update (ASU) No. 606-10-50-14(a), "*Revenue from Contracts with Customers*", and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. There are no incremental costs of obtaining a contract and no significant financing components.

Membership dues and program fees consist of amounts that families and individuals pay to participate in health, fitness, education and recreation activities and programs. Members join for varying lengths of time and may cancel with 30 days' notice. Members generally pay a one-time joining fee plus monthly dues in advance. Memberships provide use of the recreation facilities, access to free classes, programs and activities, and discounts to fee-based programs. The YMCA offers a variety of programs including family, childcare, day camp, teen, scholastic, fitness, aquatics, and health services.

Fee-based programs are available to the public. Program fees for short duration programs of two months or less, such as aquatics classes, are typically paid in advance at the time of registration. Program fees for longer duration programs, such as fee-based childcare, are usually paid monthly in advance. Cancellation provisions vary by program, but most transactions are cancelable with 15 to 30 days' notice. Refunds may be available for services not provided. Financial assistance is available to members and program participants. Such financial assistance is reflected as a reduction of gross membership dues and program fees.

Membership dues and program fees are recognized ratably over the period the membership or program service is provided on a straight-line basis in an amount that reflects the consideration the YMCA expects to be entitled to in exchange for those services. All the YMCA's revenue from contracts with customers are from performance obligations satisfied over time. Prices are specific to a distinct performance obligation and do not consist of multiple transactions. Membership joining fees are recognized when a new member joins.

Membership dues and program fees paid to the YMCA in advance represent contract liabilities and are recorded as other deferred revenue. Amounts billed but unpaid are contract assets and recorded as accounts receivable.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p. Revenue Recognition (Continued)

The YMCA has contracts with city, state, and federal agencies to provide a variety of program services to the public based on contract requirements. Such contracts from government agencies are recorded as revenue as performance obligations are satisfied, which is generally when the related expenditures are incurred over the period the service is provided.

Advances are recorded as deferred revenue from government contracts upon receipt. Included in government receivables are contract assets for unbilled services and receivables for billed unpaid services.

The YMCA extends credit to third party payers of child development, and other programs in the normal course of operations which are due within 90 days of the date of service. The YMCA also extends credit to its members enrolling in certain programs, such as summer and day camp, which are due in full prior to the start of the program. The YMCA's accounts receivable represents an unconditional right to consideration from its contracts with customers. Receivables are recorded at estimated fair value at the time of origination and are reflected in the statements of financial position net of allowances for doubtful accounts. The allowance for doubtful accounts is determined by a monthly review of account balances, including the age of the balance and historical collection experience. Uncollectible receivables are charged to the allowance. An expense is recorded at the time the allowance is adjusted.

q. Functional Allocation of Expenses

Expenses are charged directly to program, management or fundraising in general categories based on specific identification. Indirect expenses have been allocated based on full-time equivalent expenses and facility square footage usages.

r. Unamortized Deferred Finance Costs

Financing costs related to the loan are being amortized over the estimated life of the obligation. Financing and loan acquisition costs totaled \$36,701 as of both December 31, 2024 and 2023. Accumulated amortization totaled \$14,930 and \$11,351 as of December 31, 2024 and 2023, respectively (see Note 9).

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

s. Impairment of Long-Lived Assets

The carrying value of the YMCA's long-lived assets is reviewed to determine if facts or circumstances suggest that the assets may be impaired or that the remaining useful, depreciable life may need to be changed. The YMCA considers internal and external factors related to each asset, including future asset utilization and business climate. If these factors and the projected undiscounted cash flows of the asset over the remaining life indicate that the asset will not be recoverable, the carrying value will be adjusted down to the estimated fair value, if less than book value. As of December 31, 2024 and 2023, there are no impaired long-lived assets.

t. Subsequent Events

Management has performed an analysis of the activities and transactions subsequent to December 31, 2024, to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended December 31, 2024. Management has performed their analysis through April 8, 2025, the date the financial statements were available to be issued.

Note 3 - CONCENTRATION OF CREDIT RISK

The YMCA maintains cash balances at several local financial institutions where they are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. As of December 31, 2024, the YMCA had approximately \$1,699,000 of cash deposits in excess of the insured limits.

Note 4 - UNCONDITIONAL PROMISES TO GIVE

Promises of donors to make contributions to the YMCA are included in the financial statements as unconditional promises to give. Unconditional promises to give as of December 31, 2024 and 2023 totaled \$26,475 and \$90,634, respectively, substantially all of which are due within one year.

Note 5 - INVESTMENTS

Investments as of December 31, 2024 and 2023 are comprised of the following:

	2024		
	Cost	Fair Market Value	Excess of Market Over Cost
Equity securities	\$211,300	\$227,275	\$15,975
Mutual funds	401,512	464,228	62,716
Totals	<u>\$612,812</u>	<u>\$691,503</u>	<u>\$78,691</u>
	2023		
	Cost	Fair Market Value	Excess of Market Over Cost
Equity securities	\$175,334	\$199,951	\$24,617
Mutual funds	460,368	502,377	42,009
Totals	<u>\$635,702</u>	<u>\$702,328</u>	<u>\$66,626</u>

Investment return for the year ended December 31, 2024 is summarized as follows:

	Cost	Market	Excess of Market Over Cost
Balances as of December 31, 2024	<u>\$612,812</u>	<u>\$691,503</u>	\$78,691
Balances as of December 31, 2023	<u>\$635,702</u>	<u>\$702,328</u>	66,626
Unrealized appreciation			12,065
Net realized gain			18,746
Interest and dividend income			29,359
Less: management fees			<u>(7,934)</u>
Net investment income - 2024			<u>\$52,236</u>

Note 5 - INVESTMENTS (Continued)

Investment return for the year ended December 31, 2023 is summarized as follows:

	<u>Cost</u>	<u>Market</u>	<u>Excess of Market Over Cost</u>
Balances as of December 31, 2023	<u>\$635,702</u>	<u>\$702,328</u>	\$66,626
Balances as of December 31, 2022	<u>\$606,435</u>	<u>\$613,271</u>	6,836
Unrealized appreciation			59,790
Net realized gain			10,537
Interest and dividend income			20,472
Less: management fees			<u>(6,839)</u>
Net investment income - 2023			<u>\$83,960</u>

Note 6 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy which 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) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under the Financial Accounting Standards Board Accounting Standards Codification Topic 820, Fair Value Measurements 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 YMCA has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Note 6 - FAIR VALUE MEASUREMENTS (Continued)

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.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset'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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Equity securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the YMCA are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the YMCA are deemed to be actively traded.

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

Assets measured at fair value on a recurring basis as of December 31, 2024 and 2023 are comprised of and determined as follows:

Description	Total Assets Measured at Fair Value	2024		
		Based on		
		Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Equity securities	\$ 227,275	\$ 227,275	\$ -	\$ -
Mutual funds	464,228	464,228	-	-
	<u>\$ 691,503</u>	<u>\$ 691,503</u>	<u>\$ -</u>	<u>\$ -</u>

Note 6 - FAIR VALUE MEASUREMENTS (Continued)

Description	Total Assets Measured at Fair Value	2023		
		Based on		
		Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Equity securities	\$ 199,951	\$ 199,951	\$ -	\$ -
Mutual funds	502,377	502,377	-	-
	<u>\$ 702,328</u>	<u>\$ 702,328</u>	<u>\$ -</u>	<u>\$ -</u>

As of December 31, 2024, there were no assets measured at fair value on a non-recurring basis.

Note 7 - PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2024 and 2023 consists of the following:

	2024	2023
Land	\$ 1,978,929	\$ 1,978,929
Buildings	11,269,342	11,269,342
Furniture and equipment	2,269,098	2,426,269
Leasehold improvements	3,077,836	2,316,772
Construction in progress	280,559	353,695
	18,875,764	18,345,007
Less accumulated depreciation	<u>(8,424,511)</u>	<u>(8,102,109)</u>
Totals	<u>\$10,451,253</u>	<u>\$10,242,898</u>

Depreciation expense totaled \$528,407 and \$571,111 for the years ended December 31, 2024 and 2023, respectively.

Note 8 - LEASES

Operating Leases

The YMCA has certain operating leases for office and warehouse space and various office equipment used in operations. These leases are included in contract services, occupancy and equipment expenses in the accompanying Statement of Functional Expenses. Leases with original terms greater than one year are included in operating lease liabilities.

Note 8 - LEASES (Continued)

Operating Leases (Continued)

The YMCA leases office space through December 31, 2025. The lease calls for monthly payments of \$3,119 plus a quarterly fee for cleaning charges of \$850.

The YMCA has recognized a right-of-use asset for operating leases, and a corresponding operating lease liability that represents the present value of their obligation to make payments of the lease term. The YMCA utilized its incremental borrowing rate. The YMCA has elected to apply the practical expedient under ASC 842 treating all nonlease components associated with certain classes of underlying assets as lease components, meaning that maintenance services included in the lease agreement will be accounted for as part of the lease liability and right-of-use asset on the Statement of Financial Position.

Operating leases reported under FASB ASC 842 for the years ended December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Operating lease costs	<u>\$40,822</u>	<u>\$40,822</u>
Operating lease right-of-use asset	<u>\$39,385</u>	<u>\$75,996</u>
Operating lease liability	<u>\$39,385</u>	<u>\$75,996</u>
Weighted-average information		
Weighted-average remaining lease term in years	1	2
Weighted-average discount rate	3.65%	3.65%

Note 8 - LEASES (Continued)

Operating Leases (Continued)

Future minimum lease payments under these non-cancellable operating leases as of December 31, 2024 are as follows:

	<u>Year Ending December 31,</u>
	2025
	<u>\$40,822</u>
Total lease payments	40,822
Less amounts representing interest	<u>(1,437)</u>
Operating lease liability	<u><u>\$39,385</u></u>

Finance Leases

During 2019, the YMCA entered into a financing lease agreement for certain gym equipment that expired November 2023. Obligations under the financing lease have been recorded in the Statement of Financial Position at the present value of future minimum lease payments. The lease terms called for payments of \$5,691 per month. The interest rate of the finance lease was 3.99%.

Finance leases reported under FASB ASC 842 for the years ended December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Finance lease cost:		
Amortization of right-of-use assets	\$ -	\$60,507
Interest on lease obligations	<u>-</u>	<u>1,669</u>
Total finance lease cost	<u><u>\$ -</u></u>	<u><u>\$62,176</u></u>
Finance lease right-of-use asset	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Finance lease liability	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Weighted-average information		
Weighted-average remaining lease in years	N/A	N/A
Weighted-average discount rate	N/A	N/A

Note 9 - NOTE PAYABLE

The YMCA financed the renovations of existing facilities and the acquisition of property and fixtures by entering into a loan agreement in the aggregate principal amount of \$5,000,000. The loan agreement (the “Agreement”) was dated December 1, 2010. In conjunction with the Agreement, the YMCA accepted the assignment and assumption of the Agreement and guarantees the Agreement. As additional collateral, the YMCA issued a mortgage on certain existing property and future facilities to be constructed.

The funding of the obligation is in three phases. The first phase totaled \$2,327,691 and was issued on December 1, 2010 (“Project Part I”). The second phase was for \$1,912,309 (“Project Part II”) and the final phase was for \$760,000 (“Project Part III”), these phases have not been drawn on as of December 31, 2024.

The obligations of Projects Part I, Part II, and Part III were refinanced on January 29, 2021 with another financial institution. The new note allows for further advances up to a maximum of \$2,500,000. Beginning April 2022, the note carries interest at 3.65% and requires monthly payments of principal and interest in the amount of \$14,692, with all unpaid principal and accrued interest due on January 29, 2031.

The outstanding balances under these obligations were \$1,338,204 and \$1,392,501 as of December 31, 2024 and 2023, respectively.

	<u>2024</u>	<u>2023</u>
Balance of obligation	\$ 1,338,204	\$1,392,501
Less unamortized deferred finance costs	<u>(21,771)</u>	<u>(25,350)</u>
Net obligation	<u><u>\$ 1,316,433</u></u>	<u><u>\$1,367,151</u></u>

Interest expense on the note for the years ended December 31, 2024 and 2023 was \$50,757 and \$52,587, respectively.

Note 9 - NOTE PAYABLE (Continued)

The required principal payments under the note as of December 31, 2024 are as follows:

<u>Year Ending December 31,</u>	
2025	\$ 56,485
2026	58,611
2027	60,818
2028	62,986
2029	65,478
Thereafter	<u>1,033,826</u>
Total	<u><u>\$1,338,204</u></u>

Note 10 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31, 2024 and 2023 are restricted for the following purposes or periods:

	<u>2024</u>	<u>2023</u>
Net assets with donor restrictions:		
Restricted for:		
Capital expenditures	\$657,434	\$ 636,678
Specific programs	191,064	257,372
Subsequent periods	<u>136,683</u>	<u>289,537</u>
Totals	<u><u>\$985,181</u></u>	<u><u>\$1,183,587</u></u>

During the years ended December 31, 2024 and 2023, net assets released from donor restrictions by incurring expenses satisfying the restricted purposes are as follows:

	<u>2024</u>	<u>2023</u>
Specific programs	\$402,124	\$270,883
Subsequent periods	90,633	27,680
Capital expenditures	<u>8,024</u>	<u>29,918</u>
Totals	<u><u>\$500,781</u></u>	<u><u>\$328,481</u></u>

Note 11 - AVAILABILITY OF FINANCIAL ASSETS

Financial assets available for general expenditure within one year as of December 31, 2024:

Cash and cash equivalents	\$2,133,146
Unconditional promises to give	26,475
Grants receivable	173,996
Other receivables	64,949
Investments	<u>691,503</u>
 Total financial assets	 3,090,069
 Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	<u>(985,181)</u>
 Financial assets available to meet cash needs for general expenditures within one year	 <u><u>\$2,104,888</u></u>

Note 12 - GRANTS

The YMCA participates in a number of state and federally assisted grant programs. Federal and state grants are included in grants revenue for the years ended December 31, 2024 and 2023. The programs are subject to compliance audits. Such audits could result in requests for reimbursement by the grantor agency for expenditures disallowed under the terms and compliance requirements of the grants. The YMCA's management believes that the amount of disallowances, if any, which may arise from future audits, will not be material to the financial statements.

Note 13 - CONTRIBUTED NONFINANCIAL ASSETS

The YMCA recognized contributed nonfinancial assets on the Statements of Activities. Contributed nonfinancial assets for the years ended December 31, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Support		
Program supplies	\$30,230	\$ 33,882
Advertising	14,683	23,197
Food and drink	9,568	7,341
Event space	6,000	6,356
Equipment and installation	<u>2,392</u>	<u>61,700</u>
Total support	<u>\$62,873</u>	<u>\$132,476</u>
Expenses		
Program expenditures	\$30,230	\$ 33,882
Advertising	14,683	23,197
Food and drink	9,568	7,341
Event space	6,000	6,356
Equipment and installation	<u>2,392</u>	<u>61,700</u>
Total expenses	<u>\$62,873</u>	<u>\$132,476</u>

The YMCA recognized contributed nonfinancial assets within revenue, including program supplies, services, food and drink, and event space. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed program supplies were utilized in the following programs: Car Seat Safety, Hats and Horses, Plaquemines Parish Tailgate Cook-Off, East Jefferson YMCA's Christmas events, YES Corporate Classic, Belle Chasse Golf Tournament and West St. Tammany YMCA's golf tournament. The YMCA estimates the fair value based on the wholesale values that would be received for selling similar products in the United States.

Contributed advertising services recognized comprise of professional services from publishers to advertise programs offered by the YMCA and the YES Corporate Classic. Contributed services are valued and are reported at the estimated fair value in the financial statement based on current rates for similar advertising services.

Contributed food and drink were utilized in the following programs: Hats and Horses, East Jefferson YMCA's Christmas events, YES Corporate Classic, Belle Chasse Golf Tournament and West St. Tammany YMCA's golf tournament. The YMCA estimates the fair value based on the wholesale values that would be received for selling similar products in the United States.

Note 13 - CONTRIBUTED NONFINANCIAL ASSETS (Continued)

Contributed event space recognized is comprised of the venue for the East Jefferson YMCA's Christmas events. The YMCA estimated the fair value based on the vendor's rental rates for similar events.

Contributed equipment is comprised of computer equipment utilized in the YMCA Adult Literacy Program. The YMCA estimates the fair value based on current advertised prices for similar equipment.

Note 14 - NATIONAL YMCA ORGANIZATION

The YMCA is a member of the National YMCA Organization and is responsible for paying monthly dues to the National YMCA. Total expenses to the National YMCA were \$93,518 and \$83,346 for the years ended December 31, 2024 and 2023, respectively. Differences between estimated revenues and actual revenues resulted in an underpayment and overpayment of dues in 2024 and 2023, respectively. The balance due to the National YMCA as of December 31, 2024 and 2023 was \$8,689 and \$14,173, respectively.

Note 15 - RETIREMENT PLANS

The YMCA participates in a defined contribution, individual account, money purchase retirement plan which is administered by the National YMCA Retirement Fund. The YMCA contributes 12% of eligible employee salaries into the plan. Employer contributions to the plan for the years ended December 31, 2024 and 2023 totaled \$200,909 and \$170,350, respectively.

Note 16 - COMMITMENTS AND CONTINGENCIES

The YMCA has entered into a contract for the architectural design of the Belle Chasse Gym Project totaling approximately \$257,800. As of December 31, 2024, the YMCA has incurred construction completed or in progress costs related to this architectural design contract totaling approximately \$142,700.

On January 16, 2025, the YMCA extended the office lease discussed in Note 8 through December 31, 2028. The terms of the lease remain the same.

Note 17 - SPECIAL EVENTS

As part of its fundraising efforts, the YMCA holds periodic special events. Revenue for special events is recognized in the period in which the event is held. Gross receipts from special fundraising events consist of exchange transaction revenue and contribution revenue. Direct expenses associated with special events for the years ended December 31, 2024 and 2023 are netted against such revenue as follows:

	<u>2024</u>	<u>2023</u>
Contributions	\$137,050	\$143,446
Special events - ticket sales	<u>135,090</u>	<u>111,068</u>
Special events - gross	272,140	254,514
Less: cost of direct donor benefits	<u>(95,920)</u>	<u>(86,733)</u>
Special event revenue, net	<u><u>\$176,220</u></u>	<u><u>\$167,781</u></u>

SUPPLEMENTARY INFORMATION

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

**The Young Men's Christian Association
of Greater New Orleans, Louisiana**
Metairie, Louisiana

For the year ended December 31, 2024

Agency Head Name: Gordon Wadge, President, Chief Executive Officer

Purpose:

Salary	\$161,500
Benefits - insurance	10,509
Benefits - retirement	19,380
Benefits - other	1,018
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	380
Travel	1,607
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouched expenses	0
Special meals	0
	<hr/>
	\$194,394

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Directors,
The Young Men’s Christian Association
of Greater New Orleans, Louisiana,
Metairie, Louisiana.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Young Men’s Christian Association of Greater New Orleans, Louisiana (the YMCA) (a non-profit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 8, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the YMCA’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the YMCA’s internal control. Accordingly, we do not express an opinion on the effectiveness of the YMCA’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 YMCA’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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the YMCA's financial statements are free of material misstatements, 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 financial statements. 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 YMCA'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Bourgeois Bennett, L.L.C." in a cursive script.

Certified Public Accountants.

New Orleans, Louisiana,
April 8, 2025.

SCHEDULE OF FINDINGS AND RESPONSES

The Young Men's Christian Association of Greater New Orleans, Louisiana Metairie, Louisiana

For the year ended December 31, 2024

Section I - Summary of Auditor's Results

a) Financial Statements

Type of report issued on the financial statements: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are not considered to be a material weakness? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

b) Federal Awards

The YMCA did not expend more than \$750,000 in Federal awards during the year ended December 31, 2024, and therefore, is exempt from the audit requirements under the *Uniform Guidance*.

Section II - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

No internal control over financial reporting findings material to the financial statements were reported during the audit for the year ended December 31, 2024.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the year ended December 31, 2024.

**Section II - Internal Control Over Financial Reporting and Compliance and Other Matters
Material to the Financial Statements (Continued)**

Section III - Federal Award Findings and Questioned Costs

Internal Control/Compliance

The YMCA did not expend more than \$750,000 in Federal awards during the year ended December 31, 2024 and, therefore, was exempt from the audit requirements under the *Uniform Guidance*.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

The Young Men's Christian Association of Greater New Orleans, Louisiana Metairie, Louisiana

For the year ended December 31, 2024

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

There were no findings noted during the audit for the year ended December 31, 2023 related to internal control over financial reporting material to the basic financial statements.

Compliance and Other Matters

There were no findings material to the financial statements noted during the audit for the year ended December 31, 2023 related to compliance and other matters.

Section II - Internal Control and Compliance Material to Federal Awards

The YMCA did not expend more than \$750,000 in Federal awards during the year ended December 31, 2023 and, therefore, was exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued in connection with the audit of the financial statements for the year ended December 31, 2023.

MANAGEMENT'S CORRECTIVE ACTION PLAN

The Young Men's Christian Association of Greater New Orleans, Louisiana Metairie, Louisiana

For the year ended December 31, 2024

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

There were no findings noted during the audit for the year ended December 31, 2024 related to internal control over financial reporting material to the basic financial statements.

Compliance and Other Matters

There were no findings material to the financial statements noted during the audit for the year ended December 31, 2024 related to compliance and other matters.

Section II - Internal Control and Compliance Material to Federal Awards

The YMCA did not expend more than \$750,000 in Federal awards during the year ended December 31, 2024 and, therefore, was exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued in connection with the audit of the financial statements for the year ended December 31, 2024.

STATEWIDE AGREED-UPON PROCEDURES

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

To the Board of Directors,
The Young Men's Christian Association,
Metairie, Louisiana.

We have performed the procedures described in Schedule 2 on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUP) for the fiscal period January 1, 2024 through December 31, 2024. The Young Men's Christian Association of Greater New Orleans, Louisiana (the YMCA) management is responsible for those C/C areas identified in the SAUPs.

The YMCA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period January 1, 2024 through December 31, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are described in Schedule 2.

We were engaged by the YMCA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on these C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the YMCA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Bougeois Bennett, L.L.C.

Certified Public Accountants

New Orleans, Louisiana,
April 8, 2025.

SCHEDULE OF PROCEDURES AND ASSOCIATED FINDINGS
OF THE STATEWIDE AGREED-UPON PROCEDURES

**The Young Men's Christian Association
of Greater New Orleans, Louisiana
Metairie, Louisiana**

For the year ended December 31, 2024

Most of the required procedures performed in the prior year ended December 31, 2023 were performed without exception. The required procedures for the year ended December 31, 2024 and our findings are as follows:

1. Procedures Performed on the YMCA's Written Policies and Procedures:

Prior year testing resulted in no exceptions related to written policies and procedures. Therefore, testing is not required in the current year.

2. Procedures Performed on the YMCA's Board or Finance Committee:

Prior year testing resulted in no exceptions related to the Board or Finance Committee. Therefore, testing is not required in the current year.

3. Procedures Performed on the YMCA's Bank Reconciliations:

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Performance: Obtained the listing of bank accounts from management and received management's representation in a separate letter. We selected the main account and 4 other accounts and one month for bank reconciliations.

Exceptions: There were no exceptions noted.

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Performance: Obtained monthly bank reconciliations for the selected month for the main operating account and the 4 other accounts. Inspected management's documentation for timely preparation of the bank reconciliations.

Exceptions: There were no exceptions noted.

3. Procedures Performed on the YMCA's Bank Reconciliations: (Continued)

- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within one month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and

Performance: Examined YMCA's documentation noting evidence of a member of management's review within one month of preparation of the September 2024 bank reconciliations for the 5 bank accounts selected.

Exceptions: There were no exceptions noted.

- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Performance: Examined documentation for items outstanding for more than 12 months.

Exceptions: There were no exceptions noted.

4. Procedures Performed on the YMCA's Collections (excluding electronic funds transfers):

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Performance: Obtained the listing of deposit sites from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Performance: Obtained the listing of collection locations from management and received management's representation in a separate letter that the listing is complete.

Exceptions: There were no exceptions noted.

- i. Employees responsible for cash collections do not share cash drawers/registers;

Performance: Inspected policy manuals, inquired of client as to all the requirements and observed that job duties are properly segregated.

Exceptions: There were no exceptions noted.

- ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;

Performance: Inspected policy manuals, inquired of client as to all the requirements and observed that job duties are properly segregated.

Exceptions: There were no exceptions noted.

**4. Procedures Performed on the YMCA's Collections (excluding electronic funds transfers):
(Continued)**

- iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

Performance: Inspected policy manuals, inquired of client as to all the requirements and observed that job duties are properly segregated.

Exceptions: There were no exceptions noted.

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

Performance: Inspected policy manuals, inquired of client as to all the requirements and observed that job duties are properly segregated.

Exceptions: There were no exceptions noted.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

Performance: Obtained a copy of the insurance policy for theft covering all employees who have access to cash. The policy was in force during the fiscal period.

Exceptions: There were no exceptions noted.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and

- i. Observe that receipts are sequentially pre-numbered.

Performance: Obtained supporting documentation for the selected deposits and observed that cash receipts are sequentially pre-numbered.

Exceptions: There were no exceptions noted.

- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Performance: Traced supporting documentation to the deposit slip.

Exceptions: There were no exceptions noted.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.

Performance: Traced deposit slip total to actual deposit per bank statement.

Exceptions: There were no exceptions noted.

**4. Procedures Performed on the YMCA's Collections (excluding electronic funds transfers):
(Continued)**

- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

Performance: Observed that the deposits were made within one business day of receipt.

Exceptions: There were 4 deposits that were not made within one business day of receipt.

- v. Trace the actual deposit per the bank statement to the general ledger.

Performance: Traced the actual deposit per the bank statement to the general ledger.

Exceptions: There were no exceptions noted.

5. Procedures Performed on the YMCA's Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases):

Prior year testing resulted in no exceptions related to non-payroll disbursements. Therefore, testing is not required in the current year.

6. Procedures Performed on the YMCA's Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (cards):

Prior year testing resulted in no exceptions related to credit cards/debit cards/fuel cards/purchase cards. Therefore, testing is not required in the current year.

7. Procedures Performed on the YMCA's Travel and Travel-Related Expense Reimbursements (excluding card transactions):

Prior year testing resulted in no exceptions related to travel and travel-related expense reimbursements. Therefore, testing is not required in the current year.

8. Procedures Performed on the YMCA's Contracts:

Prior year testing resulted in no exceptions related to contracts. Therefore, testing is not required in the current year.

9. Procedures Performed on the YMCA's Payroll and Personnel:

Prior year testing resulted in no exceptions related to payroll and personnel. Therefore, testing is not required in the current year.

10. Procedures Performed on the YMCA's Ethics:

Prior year testing resulted in no exceptions related to ethics. Therefore, testing is not required in the current year.

11. Procedures Performed on the YMCA's Debt Service:

Prior year testing resulted in no exceptions related to debt service. Therefore, testing is not required in the current year.

12. Procedures Performed on the YMCA's Fraud Notice:

Prior year testing resulted in no exceptions related to fraud notice. Therefore, testing is not required in the current year.

13. Procedures Performed on the YMCA's Information Technology Disaster Recovery/Business Continuity:

Prior year testing resulted in no exceptions related to information technology disaster recovery/business continuity. Therefore, testing is not required in the current year.

14. Procedures Performed on the YMCA's Prevention of Sexual Harassment:

Prior year testing resulted in no exceptions related to prevention of sexual harassment. Therefore, testing is not required in the current year.

Management's Overall Response to Exceptions:

4.D.iv. Bank deposits were not made within one business day of receipt in 4 instances.

Management's Response: Management has determined that daily deposits are not cost-effective for most accounts. To ensure proper handling of public assistance, the YMCA has opened a separate cash account which will be used solely to hold public assistance funds. Management will implement policies and procedures to ensure all receipts of public assistance are deposited timely.