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State Examiner

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May 1, 2025

Board of Directors
Boys and Girls Club of St. Joseph County, Inc.
St. Joseph County, Indiana

We have reviewed the audit report of Boys and Girls Club of St. Joseph County, Inc. which was opined upon by DWC CPAs LLC, Independent Public Accountants, for the period January 1, 2023 to December 31, 2023. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of Boys and Girls Club of St. Joseph County, Inc. as of December 31, 2023 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, DWC CPAs LLC prepared the audit report in accordance with guidelines established by the Indiana State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

Tammy R. White, CPA
Deputy State Examiner

FINANCIAL REPORT

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.

December 31, 2023 and 2022

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Audit, Accounting, Tax & Advisory

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Boys and Girls Club of St. Joseph County, Inc.
South Bend, Indiana

Opinion

We have audited the financial statements of Boys and Girls Club of St. Joseph County, Inc., which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Boys and Girls Club of St. Joseph County, Inc. as of December 31, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Boys and Girls Club of St. Joseph County, Inc., and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Boys and Girls Club of St. Joseph County, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 GAAS 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 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 GAAS, 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 Boys and Girls Club of St. Joseph County, Inc.'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 Boys and Girls Club of St. Joseph County, Inc.'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on page 21 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.

DWC CPAs LLC

South Bend, Indiana

May 21, 2024

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets:		
Cash and cash equivalents	\$ 3,052,376	\$ 2,936,204
Investments	626,203	546,002
Promises to give	2,617,511	1,420,342
Accounts receivable	72,000	-
Prepaid expenses	255,647	68,479
Cash restricted for property and equipment	337,700	150,000
Cash restricted for endowment	2,195	-
Property and equipment	4,221,183	1,391,373
Operating lease right-of-use assets	132,030	268,526
Finance lease right-of-use assets	73,009	-
<i>Total assets</i>	<u>\$ 11,389,854</u>	<u>\$ 6,780,926</u>
Liabilities and Net Assets:		
Liabilities:		
Accounts payable	\$ 129,440	\$ 82,246
Accrued liabilities	194,333	106,619
Deferred revenues	16,174	30,260
Operating lease liabilities	143,697	268,526
Finance lease liabilities	56,783	-
<i>Total liabilities</i>	<u>540,427</u>	<u>487,651</u>
Net Assets:		
Without donor restrictions:		
Undesignated	5,705,592	3,784,317
Invested in property and equipment	4,221,183	1,391,373
	<u>9,926,775</u>	<u>5,175,690</u>
With donor restrictions:		
Purpose restricted	574,410	457,654
Time-restricted for future periods	348,242	659,931
	<u>922,652</u>	<u>1,117,585</u>
<i>Total net assets</i>	<u>10,849,427</u>	<u>6,293,275</u>
<i>Total liabilities and net assets</i>	<u>\$ 11,389,854</u>	<u>\$ 6,780,926</u>

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

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Totals	Without Donor Restrictions	With Donor Restrictions	Totals
Support and Revenues:						
Grants and contributions:						
Government-funded awards	\$ 6,378,758	\$ -	\$ 6,378,758	\$ 5,602,703	\$ -	\$ 5,602,703
Other grants	2,686,744	561,127	3,247,871	168,786	1,012,475	1,181,261
Private contributions -						
Financial assets	562,928	-	562,928	318,532	-	318,532
Nonfinancial assets	1,827,922	-	1,827,922	121,095	-	121,095
Grants from affiliates	-	-	-	182,000	200,000	382,000
Special events, net of cost of direct benefits to donors of \$59,606 and \$29,024, respectively	485,073	-	485,073	579,062	-	579,062
Revenues from contracts with customers-						
Dues and fees	171,072	-	171,072	274,168	-	274,168
Lease and staffing revenues	72,000	-	72,000	-	-	-
Net investment income (loss)	82,345	-	82,345	(88,503)	-	(88,503)
Other	1,263	-	1,263	15,680	-	15,680
Net assets released from restrictions	756,060	(756,060)	-	226,482	(226,482)	-
<i>Total support and revenues</i>	<u>13,024,165</u>	<u>(194,933)</u>	<u>12,829,232</u>	<u>7,400,005</u>	<u>985,993</u>	<u>8,385,998</u>
Expenses:						
Program services expenses:						
Club Programs	6,790,973	-	6,790,973	5,101,238	-	5,101,238
Supporting services expenses:						
Management and general	1,164,468	-	1,164,468	630,818	-	630,818
Fundraising	317,639	-	317,639	279,660	-	279,660
	<u>1,482,107</u>	<u>-</u>	<u>1,482,107</u>	<u>910,478</u>	<u>-</u>	<u>910,478</u>
<i>Total expenses</i>	<u>8,273,080</u>	<u>-</u>	<u>8,273,080</u>	<u>6,011,716</u>	<u>-</u>	<u>6,011,716</u>
Change in net assets	4,751,085	(194,933)	4,556,152	1,388,289	985,993	2,374,282
Net assets, beginning of year	5,175,690	1,117,585	6,293,275	3,787,401	131,592	3,918,993
<i>Net assets, end of year</i>	<u>\$ 9,926,775</u>	<u>\$ 922,652</u>	<u>\$ 10,849,427</u>	<u>\$ 5,175,690</u>	<u>\$ 1,117,585</u>	<u>\$ 6,293,275</u>

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

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended December 31, 2023 and 2022

	2023				2022			
	<u>Club Programs</u>	<u>Management and General</u>	<u>Fund- raising</u>	<u>Totals</u>	<u>Club Programs</u>	<u>Management and General</u>	<u>Fund- raising</u>	<u>Totals</u>
Salaries	\$ 4,224,966	\$ 781,537	\$ 170,037	\$ 5,176,540	\$ 2,659,499	\$ 449,553	\$ 178,229	\$ 3,287,281
Payroll taxes	352,119	65,135	14,172	431,426	209,019	35,332	14,007	258,358
Retirement	74,997	13,873	3,018	91,888	45,618	11,404	-	57,022
Insurance	143,828	26,605	5,789	176,222	83,322	14,084	5,584	102,990
<i>Total personnel</i>	4,795,910	887,150	193,016	5,876,076	2,997,458	510,373	197,820	3,705,651
Contracted personnel	200,973	-	37,600	238,573	754,592	-	-	754,592
Occupancy	108,267	20,027	4,357	132,651	109,792	18,559	7,357	135,708
Professional fees and consultants	57,132	102,062	2,299	161,493	39,775	41,584	16,303	97,662
Technology	31,400	5,808	1,264	38,472	13,969	15,143	-	29,112
Program supplies	220,913	-	-	220,913	133,073	-	-	133,073
Printing	6,333	6,223	11,120	23,676	8,251	4,501	2,881	15,633
Insurance	79,828	14,767	3,213	97,808	46,798	7,886	3,126	57,810
Public and donor relations	-	-	17,000	17,000	-	-	8,745	8,745
Onboarding	39,563	7,318	1,593	48,474	43,615	7,373	2,923	53,911
Staff development	170,439	31,528	6,859	208,826	59,836	-	-	59,836
Youth activities -								
Purchased	595,472	-	-	595,472	587,853	-	-	587,853
Donated	51,795	-	-	51,795	121,095	-	-	121,095
Office supplies and postage	-	6,513	3,550	10,063	-	2,743	907	3,650
Travel	277,948	-	-	277,948	79,376	-	-	79,376
Special events	-	-	90,819	90,819	-	-	63,584	63,584
Depreciation	103,090	19,070	4,148	126,308	53,845	9,102	3,609	66,556
Other	51,910	64,002	407	116,319	51,910	13,554	1,429	66,893
<i>Total expenses by function</i>	6,790,973	1,164,468	377,245	8,332,686	5,101,238	630,818	308,684	6,040,740
Less expenses netted against revenues in the statements of activities:								
Cost of direct benefits to donors	-	-	(59,606)	(59,606)	-	-	(29,024)	(29,024)
<i>Total expenses reported in the expense sections of the statements of activities</i>	<u>\$ 6,790,973</u>	<u>\$ 1,164,468</u>	<u>\$ 317,639</u>	<u>\$ 8,273,080</u>	<u>\$ 5,101,238</u>	<u>\$ 630,818</u>	<u>\$ 279,660</u>	<u>\$ 6,011,716</u>

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

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Change in Cash and Cash Equivalents:		
Cash Flows from Operating Activities:		
Cash received from grants and contributions	\$ 8,581,933	\$ 6,444,610
Cash received from employee retention tax credits	-	211,067
Cash received from special events	560,853	608,086
Cash received from dues and fees	171,072	274,168
Cash received from other sources	1,263	15,680
Investment income received	14,885	9,322
Cash paid for personnel	(5,788,362)	(3,793,006)
Cash paid to vendors and others	(2,386,513)	(2,279,343)
Interest paid	(1,789)	-
<i>Net cash provided by operating activities</i>	<u>1,153,342</u>	<u>1,490,584</u>
Cash Flows from Investing Activities		
Purchase of property and equipment	(1,198,323)	(34,007)
Sale of investments	211,583	72,189
Purchase of investments	(217,867)	(75,261)
<i>Net cash (used in) investing activities</i>	<u>(1,204,607)</u>	<u>(37,079)</u>
Cash Flows from Financing Activities		
Contributions restricted for property and equipment	378,000	150,000
Contributions restricted for endowment	2,195	-
Payments on finance lease liabilities	(22,863)	-
<i>Net cash provided by investing activities</i>	<u>357,332</u>	<u>150,000</u>
Net change in cash, cash equivalents, and restricted cash	306,067	1,603,505
Cash, cash equivalents, and restricted cash, beginning of year	<u>3,086,204</u>	<u>1,482,699</u>
<i>Cash, cash equivalents, and restricted cash, end of year</i>	<u>\$ 3,392,271</u>	<u>\$ 3,086,204</u>
Reconciliation of Change in Net Assets to Net Cash		
Provided by Operating Activities:		
Change in net assets	\$ 4,556,152	\$ 2,374,282
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Contributions restricted for property and equipment	(378,000)	(150,000)
Contributed investments	-	(22,608)
Contributed property and equipment	(1,776,127)	-
Contributions restricted for endowment	(2,195)	-
Loss on disposal of property and equipment	6,048	-
Investment (gains) losses	(73,917)	91,574
Depreciation	126,308	66,556
Bad debts	-	11,200
Changes in operating assets and liabilities:		
Promises to give	(1,197,169)	(897,538)
Accounts receivable	(72,000)	-
Employee retention tax credits	-	211,067
Prepaid expenses	(187,168)	(64,445)
Operating lease right-of-use assets accrued rents	11,667	-
Accounts payable and accrued liabilities	153,829	(159,764)
Deferred revenues	(14,086)	30,260
<i>Net cash provided by operating activities</i>	<u>\$ 1,153,342</u>	<u>\$ 1,490,584</u>

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

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Boys and Girls Club of St. Joseph County, Inc. (the Organization, we, us, our) is an Indiana nonprofit corporation providing programs enabling young people in St. Joseph, White, Fulton, and Pulaski counties in Indiana to reach their full potential as productive, caring, and responsible adults. Our operations are supported primarily by grants and contributions, special events, and dues and fees.

At Boys and Girls Club of St. Joseph County, we have a bold vision: **that success is within reach of every child**. We believe every girl and boy deserves a safe place to learn and grow; life-enhancing programs, character development experiences, and hope and opportunity for the future. In such an environment, kids can discover how to see beyond the walls of their current situation and realize they can succeed. They are becoming better people, contributing members of the community – our future citizens, labor force, and leaders.

Significant Accounting Policies:

Method of Presentation:

As discussed further in Note 2, we are controlled by and related to Family and Children's Center, Inc. These financial statements present the financial position, results from operations, and cash flows of Boys and Girls Club of St. Joseph County, Inc., only and do not include the accounts of Family and Children's Center, Inc. or its other affiliates.

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. Significant estimates used in the financial statements include –

- Revenue earned from fee-for-service and cost-reimbursable awards from governmental agencies that are governed by cost principles and other administrative and programmatic regulations and are subject to audit by regulatory authorities. It is at least reasonably possible that revenue earned under such awards will be adjusted upon audit.
- The allowance for uncollectable promises to give, which is based on factors discussed later in this note.
- Allocations of costs among functions, which are based on time and facility usage studies and other cost allocation methods.

Net Asset Classes:

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-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 restrictions.

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

- *Net assets with donor restrictions* – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity; however, to date we have not received such net assets. Donor-imposed restrictions are released when a restriction expires; that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents:

We consider highly liquid financial instruments with original maturities of three months or less and that are neither held for nor restricted by donors for long-term purposes to be cash and cash equivalents. However, cash and cash equivalents temporarily held in investment accounts pending re-investment are included in investments.

Investments:

Investment purchases are recorded at cost, or if donated, at fair value on the date donated. Thereafter, investments are reported at fair value in the statements of financial position. Net investment income is reported in the statements of activities and consists of interest and dividend income and realized and unrealized gains and losses, less external and direct internal investment expenses.

Promises to Give:

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value, using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. The allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written-off when deemed uncollectable.

Accounts and Other Receivables:

Accounts receivable and other receivables are stated at the outstanding balance, net of any allowance for credit losses. We periodically evaluate accounts and other receivables and establish an allowance for credit losses based on the factors discussed below. We generally do not charge interest on accounts and other receivables.

Estimated Credit Losses:

We are exposed to credit losses in the event of nonperformance by the counterparties to our financial instruments, primarily cash and cash equivalents, accounts receivable, and other receivables. Our investment policy requires cash and cash equivalents to be placed with high-quality financial institutions and to limit the amount of credit risk from any one institution. We regularly evaluate the credit standing of any counterparty financial institutions.

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

We recognize an allowance for credit loss at the time a sale is recorded using the Current Expected Credit Losses (CECL) model. The CECL model utilizes a lifetime expected credit loss measurement objective for the recognition of credit losses for financial assets at the time the asset is originated or acquired. We recognize an allowance for credit losses at the time a sale is recorded based on management estimates of expected credit losses, historical write-off experience, and current account knowledge, and adjust this estimate over the life of the mortgage as needed. We evaluate the aggregation and risk characteristics of a receivable pool and develop loss rates that reflect historical collections, current forecasts of future economic conditions over the time horizon we are exposed to credit risk, and payment terms or conditions that may materially affect future forecasts. However, those provisions are estimates and actual results may materially differ from those estimates. Generally, counterparty payments greater than 90 days old are considered delinquent and are considered in our estimate of the allowance for credit losses. Accounts receivable and other receivables are deemed uncollectable and are removed from accounts and other receivables and the allowance for credit losses when collection efforts have been exhausted. Recoveries of receivables previously charged-off are credited back to the allowance.

We believe that concentrations of credit risk is limited, except for geographic concentrations, because of our long-term relationships with our counterparties. Our allowance for credit losses was \$-0- at both December 31, 2023 and 2022.

Property and Equipment:

Property and equipment is stated at cost if purchased, or at fair market value at the date of receipt if donated. Depreciation is recorded by the straight-line method over the estimated useful lives of the assets or, in the case of leasehold improvements, over the lesser of the term of the related lease or the estimated useful lives of the assets. Useful lives are generally as follows:

Building and improvements	10-25 years
Land improvements	15 years
Furniture and equipment	7 years
Vehicles	7-10 years

We review the carrying values of property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent that carrying value exceeds the fair value of the assets.

Beneficial Interests in Assets Held by Others:

We recognize our beneficial interest in assets held by others unless the donor has granted the recipient organization variance power.

Leases:

Lease assets represent our right to use an underlying asset for the lease term. Lease assets are recognized at the present value of future minimum lease payments over the lease term as of the commencement date, plus initial direct costs incurred and lease payments made, less any lease incentives received. Lease liabilities represent our contractual obligation to make lease

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

payments. Lease liabilities are recognized at the present value of the future minimum lease payments over the lease term as of the commencement date.

We determine if an arrangement contains a lease at inception. If an arrangement is considered a lease, we determine at the commencement date whether the lease is an operating lease or a finance lease. Finance leases are leases that meet any of the following criteria –

- The lease transfers ownership of the underlying asset at the end of the lease term.
- The lessee is reasonably certain to exercise an option to purchase an underlying asset.
- The lease term is for the major part of the remaining economic life of the underlying leased asset.
- The present value of the sum of the lease payments and any additional residual value guarantee by the lessee equals or exceeds substantially all of the fair value of the underlying asset.
- The underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term.

A lease that does not meet any of these criteria is considered to be an operating lease. After the commencement date, lease costs for an operating lease are recognized over the remaining lease term on a straight-line basis, while lease costs for a finance lease is based on the depreciation of the lease asset and interest on the lease liability. Leases with an initial term of twelve months or less are short-term leases, which are not recorded in the accompanying statements of financial position unless the lease contains a purchase or renewal option that is reasonably certain to be exercised. Lease costs related to short-term leases are recognized on a straight-line basis over the lease term.

Determinations with respect to lease term (including any extensions), discount rate, variable lease costs, and future minimum lease payments require the use of judgment based on the facts and circumstances related to each lease. We consider various factors, including economic incentives and penalties and business need, to determine the likelihood that a renewal option will be exercised. Unless a renewal option is reasonably certain to be exercised, the initial non-cancelable lease term is used. We use U.S. Government bond rates that match each lease maturity at the inception of each lease to determine the present value of future minimum lease payments.

Revenue and Revenue Recognition:

Grants and contributions-

Grants under cost-reimbursable and unit-based awards are recognized as revenue when allowable expenditures are incurred or units are completed. Amounts received in advance of incurring allowable costs are reported as refundable grant advances in the statements of financial position. Other types of grants and contributions are recognized when cash, securities, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. We consider all contributions to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or are restricted by the donor for specific purposes are reported as net assets with donor restrictions.

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

Grants and contributions expected to be collected within one year are recorded at net realizable value. Grants and contributions that are expected to be collected in more than one year are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using interest rates applicable to the periods in which the promises are received. Amortization of the discounts is included in revenues. Conditional promises to give are not recognized as revenues until the conditions are substantially met.

Donated marketable securities and other noncash donations are recorded as contributions at their fair values at the date of donation. Contributions of property and equipment are recorded at fair value at the date of contribution and are reported as increases in net assets without donor restrictions unless the donor has restricted the contributed asset to a specific purpose. Assets contributed with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment, are reported as net assets with donor restrictions. Absent donor stipulations regarding how long such donated assets must be maintained, we report expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. We reclassify net assets with donor restrictions to net assets without donor restrictions at that time.

Contributions of services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not donated, are recorded at their fair value in the period received. No amounts for contributed services were recognized in the accompanying financial statements; however, a substantial number of unpaid volunteers make significant contributions of their time to us that do not meet the requirements to be recognized in the financial statements.

Special events-

Sponsorships for special events are treated as contributions and recognized when received or promised. Amounts received in advance of sponsored events are reported as net assets with donor restrictions until the events occur. Other revenues from special events that are exchange transactions, such as admissions, vendor fees, and product sales, are recognized at a point in time when the event occurs.

Dues and fees-

Membership dues are recognized as revenue over the period of membership. Dues received in advance are recorded as a liability. Membership dues are generally for the school calendar year and entitle member access to certain programs provided by us. Fees are recognized as revenue upon the completion of the performance of our services provided in or with member participation in our Before and After School Club and Summer Club. Fees for Before and After School Club are generally charged a week in advance of member attendance or participation. Fees for Summer Club are charged in advance of member attendance or participation.

Lease and staffing revenues-

Lease revenue is recognized as revenue over the period of the lease. Lease payments received in advance are recorded as a liability. Lease payments are due at the beginning of each month. Staffing revenue is recognized as revenue as we provide our staff to

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

other organizations. Revenue is recognized in the same period that related costs are incurred. Staffing payments are due monthly.

Performance obligations-

A performance obligation is a promise in a contract with a customer to transfer a distinct good or service. All of our contracts with customers are considered to have a single performance obligation, whereby we provide a service or a facility.

Functional Allocation of Expenses:

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function and report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, certain expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include rent to affiliate and occupancy, which is allocated on a square footage basis, as well as salaries, payroll taxes, retirement, insurance benefits, general insurance, telephone, postage, office supplies, and others, which are allocated on the basis of estimates of time and effort or other factors driving expenses.

Income Taxes:

We are exempt from income tax under Internal Revenue Code Section 501(c)(3) and a similar section of the Indiana Code, except for tax on income derived from business activities that are unrelated to our exempt purpose. We have been determined to not be a private foundation under Internal Revenue Code Section 509(a)(1).

We recognize the tax benefit from an uncertain tax position only if it is more likely than not that the position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Examples of tax positions include our tax-exempt status and positions related to the potential sources of unrelated business taxable income. We have not identified any uncertain tax positions taken or expected to be taken in a tax return, and there are no unrecognized tax benefits recorded as liabilities in the accompanying financial statements. We classify interest and penalties, if any, associated with uncertain tax positions as a component of income tax expense. There is no accrued interest or any penalties related to unrecognized tax benefits at either December 31, 2023 or 2022, or any interest or penalties expense related to unrecognized tax benefits for the years then ended. We are no longer subject to examination by the Internal Revenue Service or the State of Indiana for years prior to December 31, 2020.

Financial Instruments and Credit Risk:

We manage deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, we have not experienced losses in any of these accounts. Credit risk associated with promises to give is considered to be limited due to high historical

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

collection rates and because substantial portions of the outstanding amounts are due from governmental agencies, local individuals, and others supportive of our mission.

Recent Accounting Pronouncements and Accounting Changes:

Effective January 1, 2023, we adopted the provisions of Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit Losses (Topic 326)*, as amended through March 2022. We adopted this guidance using the required modified-retrospective approach. The effect on net assets at January 1, 2023 was immaterial, and no change was made to net assets at January 1, 2023. This guidance replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. CECL requires consideration of past events, current conditions, and reasonable and supportable forecasts about the future to assess credit loss estimates and will generally result in the earlier recognition of an allowance for credit losses.

Subsequent Events:

We have evaluated events occurring subsequent to December 31, 2023 for possible adjustment to the financial statements or disclosure through May 21, 2024, the date the financial statements were available to be issued.

NOTE 2. RELATED PARTY INFORMATION

We are related through common control, management, and purpose to the following nonprofit organizations (collectively, the Affiliates):

- *Family and Children's Center, Inc.* provides leadership and mission support services to the Affiliates.
- *Family & Children's Center Counseling and Development Services, Inc.* provides programs that empower individuals and families by promoting human growth and dignity and preventing abuse through advocacy, education, counseling, and supportive services.
- *Family and Children's Center Foundation, Inc.* provides financial support to the Affiliates and to other community organizations.

Family and Children's Center, Inc. controls the Affiliates through direct and indirect voting control of the Boards of Directors. In the case of the Organization, all members of its Board must be approved by the Family and Children's Center, Inc. Board, and up to one-half of its Board members may be appointed by the Family and Children's Center, Inc. Board. In addition, the Family and Children's Center's Board of Directors must include at least one member from each Affiliate's Board of Directors, and the number of members of that Board who are not members of Affiliates' Boards cannot exceed one-half of the number of members who are members of Affiliates' Boards.

We received grants of \$-0- and \$232,000 from Family and Children's Center Foundation, Inc. for the years ended December 31, 2023 and 2022, respectively, and we received grants of \$-0- and \$150,000 (of land) from Family and Children's Center, Inc. for the years ended December 31, 2023 and 2022, respectively. At December 31, 2022, Family and Children's Center Foundation, Inc. and Family and Children's Center, Inc. each owed us \$75,000 (\$150,000 total) for grants promised in 2022.

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 3. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure (that is, without donor or other restrictions limiting their use) within one year of December 31, 2023 and 2022, respectively, are as follows:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 2,817,861	\$ 2,628,550
Investments	626,203	546,002
Promises to give	2,269,269	934,285
Accounts receivable	<u>72,000</u>	<u>-</u>
<i>Total financial assets available for general expenditure</i>	<u>\$ 5,785,333</u>	<u>\$ 4,108,837</u>

Promises to give reflect all portions expected to be collected within twelve months of December 31, 2023 and 2022 and that are not otherwise restricted. Also, as discussed in Note 8, we have available at December 31, 2023 a \$250,000 bank line of credit.

We are partially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, we must maintain sufficient resources to meet those responsibilities to our donors. Thus, financial assets may not be available for general expenditure within one year, and these have been excluded from the above amounts. As part of our liquidity management, we have a policy to structure our financial assets to be available as our general expenditures, liabilities, and other obligations come due. In addition, we may invest cash in excess of daily requirements in short-term investments.

NOTE 4. INVESTMENTS INFORMATION

Investments consist of the following at December 31, 2023 and 2022, respectively:

	<u>2023</u>	<u>2022</u>
Cash equivalents	\$ 28,176	\$ 41,251
Fixed mutual funds	161,978	131,844
Equity mutual funds	<u>436,049</u>	<u>372,907</u>
<i>Total investments</i>	<u>\$ 626,203</u>	<u>\$ 546,002</u>

Net investment income (loss) is as follows for the years ended December 31, 2023 and 2022, respectively:

Interest on bank accounts	\$ 2,144	\$ -
Dividends and interest on investments	12,741	9,322
Investment gains (losses)	73,917	(91,574)
Investment management fees	<u>(6,457)</u>	<u>(6,251)</u>
<i>Net investment income (loss)</i>	<u>\$ 82,345</u>	<u>\$ (88,503)</u>

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 5. PROMISES TO GIVE

Promises to give are estimated to be collected as follows at December 31, 2023 and 2022, respectively:

	<u>2023</u>	<u>2022</u>
Within one year	\$ 2,617,511	\$ 1,171,111
In one to five years	<u>-</u>	<u>249,732</u>
	2,617,511	1,420,843
Less discount to net present value at 2.571%	<u>-</u>	<u>(501)</u>
<i>Net promises to give</i>	<u>\$ 2,617,511</u>	<u>\$ 1,420,342</u>

No allowance for uncollectable promises was considered necessary at December 31, 2023 or 2022.

At December 31, 2023, we received approximately \$9,454,000 in conditional promises to give in excess of allowable costs incurred under cost-reimbursable awards, which will be recognized as revenue if and when allowable costs are incurred. At December 31, 2023, we also had approximately \$134,000 in conditional promises to give for matching grants that will not be recognized as revenue when we achieve the match since the donor's match will be contributed to our fund at the Community Foundation of St. Joseph County, Inc. (see Note 7).

NOTE 6. PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2023 and 2022, respectively:

	<u>2023</u>	<u>2022</u>
Land	\$ 214,500	\$ 214,500
Building and improvements	3,668,602	1,112,351
Land improvements	19,797	19,797
Furniture and equipment	262,283	135,331
Vehicles	<u>233,093</u>	<u>-</u>
	4,398,275	1,481,979
Less accumulated depreciation	<u>(241,450)</u>	<u>(122,030)</u>
	4,156,825	1,359,949
Construction in progress	<u>64,358</u>	<u>31,424</u>
<i>Net property and equipment</i>	<u>\$ 4,221,183</u>	<u>\$ 1,391,373</u>

NOTE 7. COMMUNITY FOUNDATION FUND

We are the beneficiary of a fund held by Community Foundation of St. Joseph County, Inc. (the Community Foundation), which receives donations from third-party donors that are invested to provide income to us. Distributions are based upon Community Foundation's spending policy and the amount of funds designated for us. Because the donations have been from third-party donors who granted Community Foundation granted variance power, the fund is not reported as an asset in the accompanying statements of financial position. The fund had a fair value of \$386,720 and \$203,960 at December 31, 2023 and 2022, respectively. We received contributions from the fund of \$10,767 and \$10,401 for the years ended December 31, 2023 and 2022, respectively, which are included in contributions revenue in the accompanying statements of activities.

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 8. DEBT INFORMATION

We maintain a \$250,000 bank line of credit agreement that is collateralized by substantially all of our assets. The line expires in August 2024. No borrowings were outstanding at either December 31, 2023 or 2022.

NOTE 9. NET ASSETS INFORMATION

Net assets with donor restrictions are restricted for the following purposes or periods at December 31, 2023 and 2022, respectively:

	<u>2023</u>	<u>2022</u>
Subject to expenditure for specified purposes:		
Memorial	\$ 17,137	\$ 17,137
Personnel positions	55,969	187,399
Youth and education activities	78,581	51,091
Capital expenditures	387,700	200,000
White County	32,828	-
Employee and family fund	-	2,027
Endowment	2,195	-
	<u>574,410</u>	<u>457,654</u>
Subject to passage of time:		
Emotional Well Being program grant	348,242	486,057
United Way of St. Joseph County	-	4,375
Pokagon Band of Potawatomi Indians	-	19,499
Family and Children's Center Foundation, Inc.	-	75,000
Family and Children's Center, Inc.	-	75,000
	<u>348,242</u>	<u>659,931</u>
<i>Total net assets with donor restrictions</i>	<u>\$ 922,652</u>	<u>\$ 1,117,585</u>

Net assets were released from donor restrictions by incurring expenses satisfying restricted purposes or by passage of time or other events specified by the donors as follows for the years ended December 31, 2023 and 2022, respectively:

Expiration of time restrictions –		
United Way	\$ 4,375	\$ 13,125
Pokagon Band of Potawatomi Indians	20,000	20,000
Affiliates	150,000	-
	<u>174,375</u>	<u>33,125</u>
Satisfaction of purpose restrictions:		
Technology	1,950	36,377
Youth and education activities	28,506	23,448
Personnel positions	353,651	114,011
Scholarships and financial assistance	7,278	6,435
Capital expenditures	190,300	-
Other	-	13,086
	<u>581,685</u>	<u>193,357</u>
<i>Total net assets released from restrictions</i>	<u>\$ 756,060</u>	<u>\$ 226,482</u>

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 10. LEASE INFORMATION

In December 2022 we entered into a lease agreement for our administrative offices under an operating lease that expires in December 2024. The lease contains an option to renew for an additional one-year term, but we have not yet made a determination for renewal. We also lease other facilities on a short-term basis, and we lease a vehicle under a finance lease that expires in May 2025. The following provides quantitative information about our leases as of and for the years ended December 31, 2023 and 2022, respectively:

Statements of financial position line items:	<u>2023</u>	<u>2022</u>
Right-of-use assets:		
Operating lease (one lease)	\$ 132,030	\$ 268,526
Finance lease (one lease)	<u>73,009</u>	<u>-</u>
<i>Total right-of-use assets</i>	<u>\$ 205,039</u>	<u>\$ 268,526</u>
Lease liabilities:		
Operating lease (one lease)	\$ 143,679	\$ 268,526
Finance lease (one lease)	<u>56,783</u>	<u>-</u>
	<u>\$ 200,462</u>	<u>\$ 268,526</u>
Lease cost components in statements of activities:		
Finance leases:		
Amortization of right-of-use assets	\$ 6,637	\$ -
Interest on lease liabilities	1,789	-
Operating lease costs	140,004	-
Short-term lease costs	<u>54,724</u>	<u>-</u>
<i>Total lease costs</i>	<u>\$ 203,154</u>	<u>\$ -</u>
Cash flows information:		
Operating cash flows from operating leases	<u>\$ 140,004</u>	<u>\$ -</u>
Financing cash flows from finance leases	<u>\$ 22,863</u>	<u>\$ -</u>
Weighted-average remaining lease term (in years):		
Operating leases	<u>1.0</u>	<u>2.0</u>
Finance leases	<u>1.4</u>	<u>n/a</u>
Discount rates applied:		
Operating leases	<u>8.0%</u>	<u>8.0%</u>
Finance leases	<u>4.4%</u>	<u>n/a</u>

Following is a maturity analysis by year of annual undiscounted cash flows for lease liabilities at December 31, 2023:

	<u>Finance</u> <u>Lease</u>	<u>Operating</u> <u>Lease</u>	<u>Totals</u>
2024	\$ 41,418	\$ 150,000	\$ 191,418
2025	<u>17,258</u>	<u>-</u>	<u>17,258</u>
<i>Totals</i>	58,676	150,000	208,676
Less imputed interest	<u>(1,893)</u>	<u>(6,321)</u>	<u>(8,214)</u>
<i>Amounts recognized in the statements</i> <i>of financial position</i>	<u>\$ 56,783</u>	<u>\$ 143,679</u>	<u>\$ 200,462</u>

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

Beginning in July 2023, we began leasing our Sample Street facility to Career Academy of South Bend, Inc., which operates a school in the facility for which we also provide staffing, under an operating lease. The lease runs through June 2030, with an initial monthly rent of \$4,400 through June 30, 2024, with subsequent years' rents to be adjusted for annual facility costs and on our usage and the tenant's usage. Lease revenue was \$24,129 for the year ended December 31, 2023. The cost of the facility being leased is \$3,967,257, and the related accumulated depreciation is \$145,884. Minimum future rentals at December 31, 2023 are \$26,400, which are all due in 2024.

NOTE 11. FAIR VALUE MEASUREMENTS

We report certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

- *Level 1:* Quoted prices (unadjusted) for identical assets in active markets that the entity has the ability to access as of the measurement date.
- *Level 2:* Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- *Level 3:* Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset.

The fair value of assets measured on a recurring basis at December 31, 2023 and 2022, respectively, is as follows:

	Fair Value	Level 1	Level 2	Level 3
<i>For 2023:</i>				
Investments	\$ <u>626,203</u>	\$ <u>626,203</u>	\$ <u>-</u>	\$ <u>-</u>
<i>For 2022:</i>				
Investments	\$ <u>546,002</u>	\$ <u>546,002</u>	\$ <u>-</u>	\$ <u>-</u>

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

The fair values of investments that are readily marketable are determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs).

NOTE 12. CASH FLOWS INFORMATION

The following reconciles cash, cash equivalents, and restricted cash reported within the statements of financial position that sum to the total of the same such amounts reported in the statements of cash flows at December 31, 2023 and 2022, respectively:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 3,052,376	\$ 2,936,204
Cash restricted for property and equipment	337,700	150,000
Cash restricted for endowment	<u>2,195</u>	<u>-</u>
<i>Total cash, cash equivalents, and restricted cash reported in the statements of cash flows</i>	<u>\$ 3,392,271</u>	<u>\$ 3,086,204</u>

In 2023, \$79,646 of equipment was acquired by finance lease in a non-cash transaction. In 2022, \$18,921 of property and equipment was financed by accounts payable in a non-cash transaction.

NOTE 13. CONTRIBUTED NONFINANCIAL ASSETS

Contributed nonfinancial assets recognized in the accompanying statements of activities are as follows for the years ended December 31, 2023 and 2022, respectively:

	<u>2023</u>	<u>2022</u>
Collegiate athletic tickets	\$ 100	\$ 89,655
Clothing	30,300	15,840
School and program supplies	17,225	15,600
Property and equipment	1,776,127	-
Sponsorships for outside programs	3,000	-
Other	<u>1,170</u>	<u>-</u>
<i>Totals</i>	<u>\$ 1,827,922</u>	<u>\$ 121,095</u>

Collegiate athletic tickets are valued at the stated price on the face of the ticket. Clothing, school and program supplies, property and equipment, sponsorships for outside programs, and other are valued using donor costs, if available, or donor stated values if the donor is in the business to provide the donated items.

NOTE 14. RETIREMENT PLAN

We participate in a defined-contribution retirement pension plan under Internal Revenue Code Section 401(k) maintained by Family and Children's Center, Inc. covering substantially all of the full-time employees. Employer contributions are based on 5% (3% prior to June 2022) of eligible compensation. Retirement expense was \$91,888 and \$57,022 for the years ended December 31, 2023 and 2022, respectively.

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 15. CONCENTRATIONS

All of our programs and activities are in St. Joseph County and White County, Indiana and the surrounding areas; consequently, our sources of support and revenue may be affected by conditions in that area. For the years ended December 31, 2023 and 2022, approximately 33% and 51%, respectively, of total revenues were received from the Indiana Department of Education. For the year ended December 31, 2023, approximately 18% of total revenues were received from a grant from the Lilly Foundation.

Financial instruments that expose us to concentrations of credit risk consist primarily of cash and cash equivalents and promises to give. We have cash on deposit with financial institutions that, at times, may exceed the insurance limit of the Federal Deposit Insurance Corporation and are not otherwise collateralized. At December 31, 2023 we had approximately \$2,642,000 in deposits with financial institutions that exceeded federal deposit insurance coverage. At December 31, 2023, approximately 60% and 12% of promises to give were due from Indiana Department of Education and Career Academy of South Bend, Inc., respectively. At December 31, 2022 we had approximately \$2,836,000 in deposits with financial institutions that exceeded federal deposit insurance coverage. At December 31, 2022, approximately 35%, 31%, and 11% of promises to give were due from a private foundation, Indiana Department of Education, and from two related parties (Family and Children's Center, Inc. and Family and Children's Center Foundation, Inc.), respectively.

NOTE 16. ACQUISITION

On January 1, 2023, we signed a Letter of Agreement with Boys and Girls Club of White County that absorbed that club into our operations. The effect on our 2023 financial statements was the receipt of approximately \$130,000 in cash, investments, and property and equipment, the assumption of approximately \$4,000 in liabilities, and a recognized net contribution of approximately \$126,000. In addition, we received \$30,260 of contributions in 2022 designated for Boys and Girls Club of White County that is reported as deferred revenues in the 2022 statement of financial position and was then recognized as revenue in 2023.

NOTE 17. SUBSEQUENT EVENTS

On May 1, 2024, we signed a promissory note with Career Academy of South Bend, Inc. for \$1,514,272 for our share of the cost of leasehold improvements to a building that will house our Teen Center and other programs. The note bears interest at 6.1% compounded quarterly and is due in May 2026.

BOYS AND GIRLS CLUB OF ST. JOSEPH COUNTY, INC.
SCHEDULE OF FEDERAL, STATE, AND LOCAL AWARDS
Year Ended December 31, 2023

<u>Grantor/Pass-Through Grantor/ Program/Title</u>	<u>Identifying Number</u>	<u>Beginning Balance</u>	<u>Award Received</u>	<u>Award Expended/ Expired</u>	<u>Ending Balance</u>
Federal Awards					
<i>United States Department of Education:</i>					
Passed through Indiana Department of Education:					
21st Century Community Learning Centers	51441	\$ 69,234	\$ 175,000	\$ 202,098	\$ 42,136
<i>United States Department of Housing:</i>					
Passed through Indiana Housing & Community Development Authority:					
Passed through City of Mishawaka:	n/a	-	20,000	20,000	-
<i>United States Department of Justice:</i>					
Passed through Boys and Girls Club of America:					
Mentoring in Underserved Communities	n/a	-	132,513	132,513	-
Passed through SEA Research Foundation:					
2022 STEM Mentoring Program	2021-SR-SJC-038	34,654	-	34,654	-
<i>Total United States Department of Justice</i>		<u>34,654</u>	<u>132,513</u>	<u>167,167</u>	<u>-</u>
<i>Total federal awards</i>		<u>\$ 103,888</u>	<u>\$ 327,513</u>	<u>\$ 389,265</u>	<u>\$ 42,136</u>
State Awards					
<i>Indiana Department of Education:</i>					
Learning Loss Grant	54960	\$ 3,405,337	\$ 6,800,000	\$ 4,937,861	\$ 5,267,476
<i>Indiana Office of Faith Based & Community Initiatives:</i>					
Passed through Indiana Alliance of Boys & Girls Clubs of America:					
Indiana Kids	n/a	-	511,084	511,084	-
<i>Total state awards</i>		<u>\$ 3,405,337</u>	<u>\$ 7,311,084</u>	<u>\$ 5,448,945</u>	<u>\$ 5,267,476</u>
Local Awards					
School City of Mishawaka	N/A	\$ -	\$ 125,000	\$ 125,000	\$ -
South Bend Community School Corp.	N/A	-	422,010	422,010	-
City of South Bend - EASSI Grant	N/A	-	10,000	10,000	-
<i>Total local awards</i>		<u>\$ -</u>	<u>\$ 557,010</u>	<u>\$ 557,010</u>	<u>\$ -</u>
<i>Total federal, state, and local awards</i>		<u>\$ 3,509,225</u>	<u>\$ 8,195,607</u>	<u>\$ 6,395,220</u>	<u>\$ 5,309,612</u>