HISPANIC MINISTRY CENTER DBA URBAN YOUTH WORKERS INSTITUTE

FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2018 & 2017



Independent Auditors' Report

To the Board of Trustees Hispanic Ministry Center DBA Urban Youth Workers Institute Santa Ana, California

We have audited the accompanying financial statements of the Hispanic Ministry Center DBA Urban Youth Workers Institute (a nonprofit organization), which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Hispanic Ministry Center DBA Urban Youth Workers Institute as of December 31, 2018 and 2017, and changes in its net assets and its cash flows for years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statements of functional expenses and statements of income by activity on pages 8 - 11 are presented for purposes of additional analysis and are 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 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.

Major Faccionales CA

Orange, California July 18, 2019

Statements of Financial Position December 31, 2018 & 2017

ASSETS

		12/31/2018	_	12/31/2017
Current Assets Cash & Cash Equivalents - Note A, B Investments - Note B, C Postal Permit Contributions Receivable Prepaid Expenses Total Current Assets	\$	706,546 253,643 173 - 18,719 979,081	\$	526,559 256,775 1,419 113,600 12,906 911,259
Property, Plant & Equipment - Note A Transportation Equipment Furniture & Fixtures Computer Equipment Total Less: Accumulated Depreciation Property & Equipment - Net		26,090 8,113 55,544 89,747 (77,051) 12,696	_	26,090 8,113 55,544 89,747 (65,692) 24,055
TOTAL ASSETS	\$_	991,777	\$_	935,314
LIABILITIES & NE	T ASS	ETS		
Current Liabilities Accounts Payable Credit Cards Payable Payroll Liabilities Accrued Vacation - Note A Total Current Liabilities	\$	2,103 16,776 603 25,408 44,890	\$	20,783 10,005 - 13,729 44,517
Long Term Debt		-		-
Commitments - Note E Total Liabilities	_	44,890		- 44,517
Net Assets Unrestricted Temporarily Restricted Permanently Restricted Subtotal	_	946,887 - - - 946,887	_	777,197 113,600 - 890,797
Total Net Assets		946,887		890,797
TOTAL LIABILITIES & NET ASSETS	\$_	991,777	\$_	935,314

Statements of Activities
For the Year Ended December 31, 2018 & 2017

	_	12/31/2018		12/31/2017
Unrestricted Net Assets				
Unrestricted Revenues Contributions Program Service Fees & Registration Program Housing Product Sales/Booth Sponsorship Fundraising Event Donations Investment Income Total Unrestricted Revenue	\$	1,308,106 153,657 37,405 24,023 95,643 (1,975) 1,616,859	\$	910,139 140,553 22,603 29,489 - 11,182 1,113,966
Net assets released from restrictions	_	<u> </u>	_	113,600
Total Unrestricted Revenues, Gains & Other Support		1,616,859		1,227,566
Program Services National Conference Coaching & Mentoring Social Engagement Training & Certification Supporting Services General & Administrative Fundraising Total Expenses INCR (DECR) IN UNRESTRICTED NET ASSETS		591,835 99,237 320,345 281,013 16,137 252,200 1,560,767 56,092	-	561,380 71,722 360,013 386,386 23,685 181,104 1,584,290 (356,724)
Temporarily Restricted Net Assets				
Contributions		-		113,600
Net Assets released from restrictions	-			(113,600)
Increase(Decrease) in Temporarily Restricted Net Assets		-		-
Permanently Restricted Net Assets	_			<u>u</u>
INCREASE (DECREASE) IN NET ASSETS		56,092		(356,724)
NET ASSETS - BEGINNING OF YEAR		890,797		1,247,521
NET ASSETS - END OF YEAR	\$_	946,889	\$_	890,797

Statements of Cash Flows
For the Year Ended December 31, 2018 & 2017

		12/31/2018		12/31/2017
Cash Flows From Operating Activities:				
Reconciliation of Net Increase to Net Cash Provided (Used) By Operating Activities:				
Increase (Decrease) in Net Assets	\$	56,092	\$	(356,724)
Adjustments to Reconcile Net Increase (Decrease) to Net Cash Provided (Used) By Operating Activities Depreciation - Note A Donated Real Property included in Contributions (Increase) Decrease in Assets: Contributions Receivable USPS Postal Permit		11,359 - 113,600 1,246		12,599 390,000 - 418
Prepaid Expenses Increase (Decrease) in Liabilities: Accounts Payable Credit Cards Payable Accrued Vacation - Note A Accrued Salary		(5,813) (18,680) 6,771 11,679 607		(2,694) 18,039 5,062 (4,833) (58,000)
Liability related to Contributed Real Property Net Cash Provided (Used) By Operating Activities		176,861		(155,000)
Cash Flows From Investing Activities:				
Investments - Note C Fixed Assets Acquired Proceeds from the Sale of Assets		3,126		(10,142)
Net Cash Provided (Used) by Investing Activities		3,126		(10,142)
Cash Flows From Financing Activities:				
Net Increase (Decrease) in Cash		179,987		(161,275)
Cash - Beginning of Year		526,559		687,834
Cash - End of Year	\$	706,546		526,559
Supplemental Disclosures:				
Interest Paid Income Tax Paid	\$ \$	-	\$ \$	-

Notes to Financial Statements December 31, 2018 & 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations

The Hispanic Ministry Center (HMC), doing business as Urban Youth Workers Institute (UYWI) was originally established in 1993 as a division of the National Institute of Youth Ministry, and was subsequently incorporated on February 7, 1997. UYWI exists to strengthen a new generation of global urban leaders for transformational ministry. The organization's vision is to build transformational relationships with urban leaders who will in turn reach and disciple urban youth. HMC dba as UYWI is a non-profit charitable organization established under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the Revenue and Taxation Code of the State of California.

Urban Youth Workers Institute

We exist to power the urban youth worker so that urban youth have the leaders and role models they need to live transformed lives by the Gospel of Jesus Christ.

The vision of UYWI is to engage 75,000 urban youth in life-changing discipleship with local youth workers by 2020.

Programs in meeting these goals:

- National Conference
- Coaching & Mentoring
- Social Engagement
 - UYWI Store
 - UYWI App
- Training & Resource Development
 - Regional Training
 - Discipleship Toolkit
- Certification

Basis of Accounting

The Company prepares its financial statements on the accrual basis of accounting. As such, revenues are recognized when earned and expenses are recognized when incurred. This basis of accounting conforms to generally accepted accounting principles.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: Unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The temporarily restricted funds of \$113,600 in 2017 were released in 2018. There are no temporarily restricted funds in 2018.

Notes to Financial Statements December 31, 2018 & 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unrestricted net assets are resources available to support operations. The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Temporarily restricted net assets are resources that are restricted by a donor for use for a particular purpose or in a particular future period. The Organization's unspent contributions are reported in this class if the donor limited their use, as are promised contributions that are not yet due. The unspent appreciation of the Organization's donor-restricted endowment funds is also reported as temporarily restricted net assets.

Permanently restricted net assets are resources whose use is limited by donor-imposed restrictions that neither expire by being used in accordance with a donor's restriction nor by the passage of time. The portion of the Organization's donor-restricted endowment funds that the Organization is committed to maintaining in perpetuity are classified in this net asset class, as is the Organization's beneficial interest in a perpetual charitable trust held by a bank as trustee.

Cash and Cash Equivalents

The Company considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Contributed Services

No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific ministries. These services are not recognized as contributions in the financial statements since the recognition criteria were not met.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is provided using the straight line method for financial reporting purposes based on the following estimated useful lives:

Transportation Equipment	5	years
Computer Equipment	5-7	years
Furniture & Office Equipment	5-7	years

Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

Depreciation expense was \$11,359 and \$12,599 for the year ended December 31, 2018 and 2017.

Notes to Financial Statements December 31, 2018 & 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

Employees of the Organization are entitled to paid vacations and other time off depending on job classifications, length of service and other factors. As of December 31, 2018 and 2017, compensated absences payable were \$25,408 and \$13,729 respectively.

Estimates

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

Revenue Recognition

Contributions received are recorded as increases in unrestricted and temporarily restricted net assets depending on the existence and/or nature of any donor restrictions.

When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Income Taxes

The Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501 (c) (3) and Section 23701(d) of the Revenue and Taxation Code of contribution deduction under Section 170(b)(1)(A) and has been classified as organization other than a private foundation under Section 509(a)(2).

NOTE B - FINANCIAL INSTRUMENTS

The Organization maintains its cash balances at several financial institutions. In 2018 and 2017, cash balances maintained by the Organization at ECCU were insured by the National Credit Union Administration (NCUA) up to \$250,000. In 2018, the cash balance of the bonus checking and money market was \$453,142 over the insured limit. CD balances held at Merrill Lynch are invested in several CD programs that are insured by the Federal Deposit Insurance Corporation (FDIC).

NOTE C - MARKETABLE SECURITIES AND FAIR VALUE MEASUREMENTS

The Organization's investments at December 31, 2018 and 2017 consist of mutual funds held in trust at American Funds Service Company and CD's held at Merrill Lynch recorded at fair market value as summarized below. Fair market value has been determined using Level 1 inputs.

Marketable securities are classified as available-for-sale and are presented in the Statement of Financial Position at fair value. Unrealized gains and losses on these securities are included as income or loss in the Statement of Activities.

At December 31, 2018 and 2017, marketable securities consisted of the following:

Notes to Financial Statements December 31, 2018 & 2017

NOTE C - MARKETABLE SECURITIES AND FAIR VALUE MEASUREMENTS (CONTINUED)

12/31/2018	Fair Value	Cost	Unrealized Appreciation (Decline) in Value
	Tall Value		(Decime) in value
Short-term Investments Certificates of Deposit	200,391	200,391	-
Mutual Funds Equity Securities	53,252	50,510	2,742
Total	253,643	250,901	2,742
12/31/2017	Fair Value	Cost	Unrealized Appreciation (Decline) in Value
Short-term Investments Certificates of Deposit	200,189	200,189	<u>.</u>
		·	
Mutual Funds Equity Securities	56,586	45,848	10,738

Accounting principles general accepted in the United States of America establish a framework for measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

- (i) Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- (ii) Level 2 Inputs to the valuation methodology include:
- * quoted prices for similar or liabilities in inactive 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 by other means
- (i) Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Foreign taxes of \$3 were paid with respect to these assets in 2018.

Notes to Financial Statements December 31, 2018 & 2017

NOTE C - FAIR VALUE MEASUREMENTS (CONTINUED)

Measured using Level 1 fair value mea	sures:	
<u>Description</u>	<u>12/31/2018</u>	<u>12/31/2017</u>
Merrill Lynch CD's		
Bank Deposit Program	200,298	200,096
ISA Bk of America NA	93	93
Total CD's	200,391	200,189
Mutual Funds - American Funds		
Fundamental Investors - A	37,453	40,101
American Balanced Fund - A	12,338	12,682
Global Growth Portfolio - A	3,461_	3,803
Total Mutual Funds	53,252	56,586
Total Level 1 Investments	\$ 253,643	\$ 256,775
Measured using Level 2 fair value mea	sures:	
None	-	-
Measured using Level 3 fair value mea	sures:	

NOTE D - FUNCTIONAL ALLOCATION OF EXPENSES

Total investments measured at fair value

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated by percentage among the programs and supporting services benefited.

253,643

\$ 256,775

NOTE E - COMMITMENTS

None

The Organization rents office space on a month-to-month basis. Rents paid for the years ended December 31, 2018 and 2017 were \$4,800 and \$4,400, respectively.

NOTE F - DEFINED CONTRIBUTION PLAN

The Organization has a defined contribution plan (the Plan) under IRC §403(k) covering all employees with at least 1000 hours of annual service who agree to make contributions to the Plan. Employees are eligible at age 18 after 2 months of employment. The Organization had been contributing to the Plan up to 6% of all participant's compensation.

During 2018, the organization contributed \$5,000. The Organization did not contribute to the Plan in 2017.

Notes to Financial Statements December 31, 2018 & 2017

NOTE H - SUBSEQUENT EVENTS

There were no events or transactions during the period beginning with the Organization's year end, December 31, 2018, and ending with the date of issuance of these financial statements, July 18, 2019, that would have a material impact on the Organization's assets, liabilities, equity, cash flow, or results of operations. Management has evaluated subsequent events through July 18, 2019, the date the financial statements were available to be issued.



DBA Urban Youth Workers Institute Statements of Income by Activity Hispanic Ministry Center

		Fo	r the Year Er	For the Year Ended December 31, 2018	r 31, 2018	Secured Secure	Securios	
	Unrestricted & Temp Restricted	National Conference	Coaching & Mentoring	Social Engagement	Training & Certification	General & Administrative	Fundraising	Total
Support						***************************************		
Individual Donations \$	\$ 271,987 \$	1,000 \$	⇔	,	1,600 \$	·	6 5	274,587
Course Donations	98,546	, 0		1 (1		•	98,546
Corporate Donations	030,473	40,000	30,000	000,71	145,500	•	,	928,973
Strategic Programs Revenue	0000	124 276	. 1	• '	- 86 788	•	1	101,062
Product Sales/Booth Sponsorship	,	22,967	. 1	24	1 032			24 002
Fundraiser Event Donations	200	; ;	. 1	Ϊ,	400°		05 443	05,020
Investment Income	(1975)		1				۲۲,۵۵	(1,975)
Total Support	1.071.231	188.243	30.000	17 024	214 918		95 443	1 616 859
Compensation & Related Expenses			200		2.5		2 1 2 2	2000
Salaries	•	146.069	41 197	79 433	71.360	٠	,	338 059
Housing Allowance	,	52 385	15 106	28 697	26.288	1	•	122.476
Payroll Taxes	•	9.843	2 954	5.465	5 183	•		23.445
Health Insurance	ı	26 480	7.384	14.346	12.758		•	80 068
Employee Benefits	*	3 105	843	1,668	1 449			7 065
Total Compensation & Related Exp.		237,882	67 484	129 609	117 038			552 013
Program Expenses								
Strategic Programs & Marketing								
Program Supplies/Resources/Fees	J	13,615	954	26,468	23,765	ı	1	64,802
Event Expenses	j	23,425	ı	198	9,338	ι	•	32,961
Event Production	ı	61,560	ı	8,900	5,720	1	•	76,180
Scholarship/Registration Reimbursement	ı	1,443	148	3,259	19,908	ı	٠	24,758
Honorariums	•	59,710	1,900	5,675	26,380	•	,	93,665
Marketing	ı	13,035	231	2,210	1,414	1	1	16,890
General Program Expenses								
Travel/Transportation/Housing	•	77,671	6,557	2,544	21,784	•	1	108,556
Networking	*	317	670	30	416	1	•	1,433
Meals	•	23,075	3,180	208	12,676		•	39,639
Contract Labor/Consulting		53,203	9,352	125,152	29,269	ť		216,976
Total Program Expenses	ı	327,054	22,992	175,144	150,670	1		675,860
Management Expenses								
Travel, Meal & Transportation	•	2,060	1,299	887	450	1,173	•	5.869
General Expense	ſ	138	34	73	58	75	ī	378
Telephone	1	1,718	431	006	726	943	1	4.718
Rent/Maintenance/Utilities	r	3,302	749	1,563	1.262	1.718	4	8,594
Postage/Office Supplies	ı	1,603	372	776	626	844		4,221
Information Technology/Website	•	3,988	986	2.899	1.662	2.384	•	11.919
Finance & Accounting	,	2,474	621	1,296	1,046	1,359	•	6,796
Bank Service Charges	ŧ	460	115	241	194	253	1	1,263
Depreciation Expense	1	1,822	1,809	1,818	3,390	2,210	•	11,049
Insurance Expense		5,315	1,334	2,786	2,249	2,921	•	14,605
Marketing	t	379	95	519	161	289	•	1,443
Miscellaneous Expenses	•	424	106	220	178	232	r	1,160
Human Resource Expenses	1	2,089	490	1,023	826	1,107	•	5,535
Board of Directors Expense		1,127	322	591	477	629	•	3,146
Fundraising Expenses	1			,	,		252,200	252,200
lotal Management Expenses	-	26,899	8,763	15,592	13,305	16,137	252,200	332,896
IOLAL EXPENSES INCREASE (DECREASE) IN		581,835	99,239	320,345	281,013	16,137	252,200	1,560,769
NET ASSETS \$	1,071,231 \$	(403,592)	\$ (69,239) \$	(303,321) \$	(66,095)	(16,137)	\$ (156,757)\$	56,090

See Accompanying Notes.

DBA Urban Youth Workers Institute Hispanic Ministry Center

Statements of Income by Activity

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Temp Sections Continuence		0 1 - 44 : 44 - 44 - 4	17.74			:	Supporting Services	Services	
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\$ 285,137 \$ 150 - - 500 57,201 ration (286) 5 150 - - 500 1500 ration (286) 5 150 - - - - 1500 -	port								
State	dividual Donations	(1)	5,150	,	36,500	57,201	69	6 9	451,988
10,105	nurch Donations	29,596	2,500	•	•	1,500	•	•	33 596
stronship (288) 86,917 - 22,603 - 21,101 - 27,388 - 21,101 - 27,388 - 21,101 - 27,388 - 21,101 - 27,388 - 21,101 - 27,388 - 21,101 - 27,388 - 21,101 - 27,388 - 21,101 - 27,388 - 21,101 - 27,388 - 21,101 - 20,249 - 20,122 - 20,255 - 20,122 - 20,255 - 20,122 - 20,125 - 20,125 - 11,212 - 20,125 - 20,125 - 11,212 - 20,125 - 20,12	vundation Donations	321,050	10.000	•	40.000	156,000	1	•	527,050
ration (288) 86,917 - 2,2603 - 2,101 Storship 11,182	propriate Donations	10,105	. '	•		1000			100,440
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sceling trip 27,305 - 2,101 11,162	ooram Housing	(22)	20,00	1	ı	470,00)		140,000
1,100 1,10	Ogical Cales/Booth Coopsharphin		22,003	•	, ,	•	•	1	57,503
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telated Exp. 10,249 1,867 5,674 20,255 3,689 11,212 4,262 776 2,359 5,025 3,889 11,212 1,022 1,054 186,116 1,022 1,054 186,116 1,022 1,054 186,116 1,022 1,054 186,116 1,022 1,054 186,116 1,022 1,054 186,116 1,022 1,054 186,116 1,022 1,054 186,116 1,022 1,054 186,116 1,022 1,054 186,116 1,022 1,054 186,116 1,023 1,024 186,116 1,026 1,014 186,116 1,000 1,000 1,000 1,000 1,00	ousing Allowance	1	58,522	10,659	32,396	29,783	•	į	131,360
celated Exp. 30,172 5,496 16,702 celated Exp. 20,255 376 1,502 ceding 13,547 1,858 19,877 ceding 1,022 1,024 180 ceding 1,022 1,024 180 ceding 1,024 1,024 180 ceding 1,024 1,024 180 ceding 1,024 1,024 180 ceding 1,024 1,024 180 ceding 1,025 1,024 10,825 deg 1,024 1,024 10,825 deg 1,026 1,027 1,777 2,190 ced 1,370 2,074 682 ced 1,376 2,074 682 ced 1,366 1,366 1,820 ced 1,360 2,51 766 ced 1,360 2,51 766 ced 1,497 1,497 ced 1,497 1,497 ced 1,497 1,497 ced 1,725 1,149 ced 1,725 1,149 ced 1,725 1,149 ced 1,726 1,236 <td>yroli Taxes</td> <td></td> <td>10.249</td> <td>1.867</td> <td>5.674</td> <td>5 216</td> <td>•</td> <td>1</td> <td>22,008</td>	yroli Taxes		10.249	1.867	5.674	5 216	•	1	22,008
seting 13.547 1,858 11,212 ceting 13,547 1,868 11,212 sources 10,22 1,054 18,77 refing 1,022 1,054 180 refing 1,022 1,054 180 refing 1,022 1,054 180 refing 1,022 1,054 180 refing 1,022 1,074 180 refing 1,022 1,074 180 refing 1,022 1,171 397 refing 1,137 1,171 397 refing 1,137 2,074 682 refing 1,137 2,074 682 refing 1,137 2,074 682 refing 1,370 2,074 682 refing 1,370 2,074 682 refing 1,370 2,074 682 refing 1,386 1,497 499 refing 1,386 1,497 499 refing 1,497 413 413 refing 1,018 3,08 1,497 refing 1,671 2,149 1,497 refing 1,671 <t< td=""><td>alth insurance</td><td></td><td>30 470</td><td>10 P</td><td>16 703</td><td>1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1</td><td></td><td></td><td>0 1 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5</td></t<>	alth insurance		30 470	10 P	16 703	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			0 1 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5
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celling - 20,255 3,689 11,212 celling - 285,630 52,025 158,116 curroes - 1,022 1,034 180 r 1,022 1,034 180 180 r 1,022 1,034 180 10,825 r 4,668 1,034 10,825 180 r 1,026 5,777 2,190 10,825 r 1,370 2,074 662 184 r 7,866 1,677 900 10,825 184 r 1,370 2,074 662 182 184 r 7,866 1,677 2,074 662 182 184 r 7,866 1,436 1,436 1,436 1436 1436 1436 1436 1436 1436 1436 1436 1436 1436 1436 1449 1449 1449 1449 1449 1449 1449 1449 <td>pioyee periella</td> <td>•</td> <td>4,262</td> <td>9//</td> <td>2,359</td> <td>2,169</td> <td></td> <td></td> <td>9,566</td>	pioyee periella	•	4,262	9//	2,359	2,169			9,566
ceting 13,547 1,656 52,025 158,116 sources 1,022 1,024 180 Felimbursement 1,022 1,171 397 1,022 1,171 397 1,022 1,171 397 4,668 167 45,835 1,370 2,074 662 1,370 2,074 662 1,370 2,074 662 1,380 1,437 4,186 1,497 1,497 4,19 1,497 1,497 4,19 1,497 1,497 4,49 1,497 1,497 4,49 1,497 1,497 4,49 1,497 1,497 4,49 1,497 1,497 4,49 1,497 1,497 4,49 1,497 1,497 4,49 1,497 1,497 4,49 1,497 1,497 4,43 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497	nsultants	1	20,255	3,689	11,212	10,308	1	ŀ	45.464
keting 13.547 1,858 39,857 180 10,654 180 1,022 1,022 1,024 180 1,022 1,022 1,024 180 1,025 1,022 1,024 180 1,025 1,025 1,037	otal Compensation & Related Exp.	1	285,630	52.025	158,116	145,364	1	*	641 135
keting cources	ram Expenses		-						20.1.
The control of the co	ategic Programs & Marketing								
Felimbursement 13,347 1,358 19,887 1,054 180 1,054 180 1,054 180 1,054 180 1,054 180 1,054 180 1,054 180 1,054 180 1,054 180 1,054 180 1,054 180 1,054 180 1,054 180 1,054 180 1,055 1,056 1,057 1,058									
1,054 1,054 180 180 1,052 1,054 180 1,052 1,052 1,054 1,052 1,	rogram supplies & Resources	į	13,547	1,858	39,857	32,161	•	ı	87,423
1,022	event Expenses	i	96,638	1,054	180	17,673	1	·	115.545
Reimbursement	Event Production	1	1.022	, -	•	4 065	ı	1	5,088
61,575 900 10,825 4,668 167 45,835 1,370 2,074 682 1,370 2,190 1,380 1,497 1,497 492 1,497 493 1,497 493 1,497 493 1,497 493 1,497 493 1,497 493 1,497 443 1,998 145 1,936 1,936 1,936 1,936 1,936 1,936 1,936 1,936 1,937 19,897	Scholarship/Registration Reimbursement	•	717	1 171	307	000 70			100 to C
10,273 900 10,523 100 45,835 100 10,523 100 10,523 100 10,523 100 10,523 100 10,523 100 10,523 100 10,523 100 10,523 100 10,523 100 10,523 100 10,523 100 10,523 100 10,523 100 10,523 1	Johnsteins		24 27 27 27 27 27 27 27 27 27 27 27 27 27	000	500	667,77	•	•	+00°07
4,026 5,777 2,190 1,370 2,074 682 1,370 2,074 682 1,380 2,074 682 1,380 2,074 682 1,380 2,094 136 1,380 2,51 766 1,380 4,149 164 499 1,380 2,697 499 1,498 6,598 1,498 6,598 1,489 6,598	(A)		0/0'-0	000	10,625	04,540	,	•	127,840
1,370 2,777 2,190 662 662 7,986 160 184 184 11,356 160 18,850 13,162 182,000 17,986 164 499 65 65 199 65 14,97 14,97 14,97 14,97 14,149 16,52 14,018 3,098 164 44,3 16,51 16,5	אמוצעמוס	i	4,668	167	45,835	1,241	1	·	51,911
1,370 5,777 2,190 1,370 2,074 682 1,370 1,350 -	neral Program Expenses								
tion - 1,370 2,074 682 7,986 160 184 184 1850 - 239,899 13,162 182,000 to 239,899 13,162 182,000 to 899 164 499 184 499 185 6597 499 184 499 185 658 1,998 185 658 1,998 186 658 1,936 187 658 1,936 188 189 638 1,936 188 1897 188 1897 188 1897 188 1897 188 1897 188 1897 188 1897 188 1897 188 18987 188 1888 1888 18897 188 1897 188 18987 188 1888 1888 1888 1888 1888 1888 188	ravel & Transportation		41.026	5.777	2 190	53 453	•	ı	102 446
Tight 100 184 11,350 - 11,350 - 81,850	Vetworking	ŧ	1370	2 074	288	2 243	1		0017
tion - 1,350 - 13,162 104, 1550	sleav	1	7 986	. Cat	700	1,0			7,01
tion 1,330	Contract Labor/Consulting		77.7	-	2 2	147.00		ı	- 10°t
tion 1,380 251 766 786 143 436 436 182,000 189 189 189 189 189 189 189 189 189 189			000	,	000,10	70,740	,	•	118,840
tion		***************************************		-	-	1	-	•	•
tion	otal Program Expenses	4	239,899	13,162	182,000	222,762	ŧ	1	657,823
tion	agement Expenses								
ebsite 1,380 251 766 786 143 766 786 143 499 65 164 499 65 164 499 65 164 499 65 164 499 65 164 499 65 164 499 65 164 499 65 164 499 65 164 649 649 65 164	TOTAL MAN OF A TRANSPORT OF THE PROPERTY OF TH		•			i			
tr	wei, inteal & Hallspollation	(1,380	251	992	703	758	*	3,858
ebsite	neral Expense	•	786	143	436	400	432	ı	2.197
ebsite	iff Member Development	1	668	164	700	458	707	ļ	25.54
ebsite 2,697 492 1,497 136 413 4149 756 2,303 1,497 758 1,497 756 2,303 1,497 758 1,497 758 1,497 758 1,497 758 1,498 636 1,936 927 1,671 92,793 1,671 92,793 1,936 1,936 1,936 1,936 1,936 1,671 92,793 1,936 1,9	and	1	9 0	. 4	200	8 4	100	Ī	+:0'7
ebsite - 2,697 492 1,497 4136 4138			0 1	20	D :	2	SEL	•	500,1
ebsite - 2,697 492 1,497 1,497 2,503	reproduct & miteract	1	/44	136	413	379	409	ı	2,081
ebsite	nt & Maintenance	1	2,697	492	1,497	1,374	1.481	ı	7,541
ebsite - 5,582 1,018 3,088 443 798 145 443 443 443 798 145 443 443 443 711 2,165 5,250 1,009 1,0	fice & Postage Expense	r	4.149	756	2 303	2 113	2.278	•	11 500
2,502 1,016 3,086 3,086 3,086 3,086 3,086 3,086 3,086 3,086 3,087	ormation Technology////ehsite	1	 		900	- c	2 1 0	ŀ	2 0
145 443 748 145 2,165 9,460 1,725 5,250 (209) (38) (116) 3,489 636 1,936 1,671 305 927 145 26 81 145 26 927 145 26 927 145 26 927 145 26 927 145 26 927 145 26 927 145 26 927 145 26 927 145 26 927 145 26 927 1561,380 771,722 360,013	The Contract Office of the Contract of the Con	ı	200,0	2	960.0	V,0,1	500's	•	909'61
2,901 711 2,165 5,260 9,460 1,725 5,250 2,909 636 1,936 1,671 305 19,36 2,165 5,250 1,671 305 19,36 2,165 3,365 19,897 2,165 3,365 19,897 2,165 3,365 19,897 2,17,722 3,60,013	in service criarges	•	20.0	145	443	406	438	ı	2,230
e 9,460 1,725 5,250 (116) (209) (38) (116)	preciation Expense	1	3,901	711	2,165	1,987	2,142	ŧ	10,906
e 1,671 305 (116) 1,671 305 927 145 26 81 145 86 1,936	surance Expense	1	9.460	1,725	5 250	4 8 19	1 844	,	22.008
es 1,571 305 1,936	scellaneous Expenses	ļ	(906)	600	(446)	(£09)			20,04
ss 1,489 636 1,936	notice of the second of the se		(603)	(95)	(011)	(101)	(611)	ı	(282)
1,671 305 927 145 26 81 145 26 81 15 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	יישופת ו־יישורא	1	5,409	959	1,836	1,1,1,1	1,916	1	9,754
nses - 145 26 81 - 35,851 6,535 19,897 - 561,380 71,722 360,013	man Kesource Expenses	1	1,671	305	927	851	917	1	4,671
nses 35,851 6,535 19,897 561,380 71,722 360,013	ard of Directors Expense	•	145	26	8	74	79	ı	405
nses 35,851 6,535 19,897 561,380 71,722 360,013	in/Loss on Assets	1	•	•	•	•	7 350		7 350
	ndraising Expenses	1					200	707	7,000
- 35,851 6,535 19,897 - 561,380 71,722 360,013						1		181,104	181,104
561,380 71,722 360,013	otal ivaliagentent Expenses	-	35,851	6,535	19,897	18,260	23,685	181,104	285,332
	AL EXPENSES	1	561,380	71,722	360,013	386,386	23,685	181,104	1,584,290
	ILAVII (DECREAVE) IN								
\$ 724,782 \$ (406,822) \$ (71,722) \$ (281,412) \$	NET ASSETS	\$ 724,782	(406,822) \$	(71,722) \$	(281,412) \$	(116,761)	\$ (23,685) \$	(181,104) \$	(356.724)

See Accompanying Notes.

DBA Urban Youth Workers Institute Hispanic Ministry Center

Statement of Functional Expenses For the Year Ended December 31, 2018

		National	Coaching &	Social	Training &	Supporting Services General &	Services	
Compensation & Related Expenses	ا	Conference	Mentoring	Engagement	Certification	Administrative	Fundraising	Total
Salaries	G	146 069	41 197	70 /33	71 260		G	330 050
Housing Allowance	+	. 10,000 . 10,000	15 106	28 607	28, 90	. '	→	122,478
Payroll Taxes		9.843	2.954	5 465	5 183			23,45
Health Insurance		26,480	7,384	14.346	12.758	Ī	F	60.968
Employee Benefits		3,105	843	1,668	1,449	ı	ŧ	7,065
Total Compensation & Related Exp.		237,882	67,484	129,609	117,038			552,013
Program Expenses								
Strategic Programs & Marketing								
Program Supplies/Resources/Fees		13,615	954	26,468	23,765	•	•	64,802
Event Expenses		23,425	1	198	9,338	•	1	32,961
Event Production		61,560	1	8,900	5,720	•	•	76,180
Scholarship/Registration Reimburse		1,443	148	3,259	19,908	•	1	24,758
Honorariums		59,710	1,900	5,675	26,380	1	1	93,665
Marketing		13,035	231	2,210	1,414	t	•	16,890
General Program Expenses								
Travel/Transportation/Housing		77,671	6,557	2,544	21,784	,	•	108,556
Networking		317	670	30	416	,	1	1,433
Meals		23,075	3,180	708	12,676	,	1	39,639
Contract Labor/Consulting		53,203	9,352	125,152	29,269	1	•	216,976
Total Program Expenses		327,054	22,992	175,144	150,670	1		675,860
L								
Wanagement Expenses				1				
ravel, Meal & Transportation		2,060	1,299	887	450	1,173.00	B	5,869
General Expense		138	34	73	28	75.00	•	378
Telephone		1,718	431	006	726	943.00	1	4,718
Rent/Maintenance/Utilities		3,302	749	1,563	1,262	1,718.00	1	8,594
Postage/Office Supplies		1,603	372	9//	626	844.00	1	4,221
Information Technology/Website		3,988	986	2,899	1,662	2,384.00	1	11,919
Finance & Accounting		2,474	621	1,296	1,046	1,359.00	•	6,796
Bank Service Charges		460	115	241	194	253.00	•	1,263
Depreciation Expense		1,822	1,809	1,818	3,390	2,210.00	r	11,049
Insurance Expense		5,315	1,334	2,786	2,249	2,921.00	1	14,605
Marketing		379	92	519	161	289.00	1	1,443
Miscellaneous Expenses		424	106	220	178	232.00	ı	1,160
Human Resource Expenses		2,089	490	1,023	826	1,107.00	ı	5,535
Board of Directors Expense		1,127	322	591	477	629.00	ı	3,146
Fundraising Expenses		1	•	•	•		252,200	252,200
Total Management Expenses	ļ	26,899	8,763	15,592	13,305	16,137.00	252,200	332,896
TOTAL EXPENSES	69	591,835 \$	99,239	\$ 320,345 \$	281,013	16,137.00	252,200 \$	1,560,769

DBA Urban Youth Workers Institute Hispanic Ministry Center

Statement of Functional Expenses

131,360 23,006 67,725

Total

45,464 641,135

87,423 115,545 5,088 26,584 127,840 51,911

102,446 6,469 14,577

119,940 657,823

		Statement	Statement of Functional Expenses	Expenses			
		ror me rear	ror the rear Ended December 31, 2017	nber 31, 2017			
	National	Coachina &	Social	Training &	Supporting General &	Supporting Services	
	Conference	Mentoring	Engagement	Certification	Administrative	Fundraising	Ь
Compensation & Related Expenses	162 170	20 538	80 773	80 500		6	
Housing Allowance		40,550	32 306	02,333	1		
Payroll Taxes	10.249	1,867	56,330	23,703 5,718	ŧ	1	
Health Instrance	30 172	90, r	40,074	0,210 45.255	ŧ	1	
Employee Renefits	20,772	0 00 00 00 00 00 00 00 00 00 00 00 00 0	11,72	10,505	ı ,		
Total Compensation & Related Exp.	285,630	52.025	158 116	145.364		# # # # # # # # # # # # # # # # # # #	
Program Expenses							
Strategic Programs & Marketing							
Program Supplies & Resources	13,547	1,858	39,857	32,161	1	•	
Event Expenses	96,638	1,054	180	17,673	1		
Event Production	1,022	•	•	4,065	•	1	
Scholarship/Registration Reimburse	717	1,171	397	24,299	1	t	
Honorariums	61,575	006	10,825	54,540	ı	ŧ	
Marketing	4,668	167	45,835	1,241	•	1	
General Program Expenses							
Travel & Transportation	41,026	5,777	2,190	53,453	F	•	
Networking	1,370	2,074	682	2,343	ŧ	,	
Meals	7,986	160	184	6,247	ŧ	•	
Contract Labor/Consulting	11,350	ŧ	81,850	26,740	1	ı	
Program Housing	***	•	1	1	E	•	
Total Program Expenses	239,899	13,162	182,000	222,762	ŧ	•	
Management Expenses							
Travel, Meal & Transportation	1,380	251	766	703	758	ı	
General Expense	786	143	436	400	432	ı	
Staff Member Development	899	164	499	458	494	ŧ	
Benevolence	328	65	199	183	197	1	
Telephone & Internet	744	136	413	379	409	ı	
Rent & Maintenance	2,697	492	1,497	1,374	1,481	•	
Office & Postage Expense	4,149	756	2,303	2,113	2,278	•	
Information Technology/Website	5,582	1,018	3,098	2,843	3,065	ı	
Bank Service Charges	798	145	443	406	438	1	
Depreciation Expense	3,901	711	2,165	1,987	2,142	ı	
Insurance Expense	9,460	1,725	5,250	4,819	1,844	,	
Miscellaneous Expenses	(508)	(38)	(116)	(107)	(115)	•	
Donated Property	3,489	636	1,936	1,777	1,916	ı	
Human Resource Expenses	1,671	305	927	851	917	•	
Board of Director's Expense	145	26	84	74	79	•	
Gain/Loss on Assets	s	•	,		7,350	•	
Fundraising Expenses	•	•	•	•	1	181,104	
Total Management Expenses	35,851	6,535	19,897	18,260	23,685	181,104	

2,197 2,514 1,003 2,081 7,541 11,599 15,606 2,230 10,906 23,098 (585) 9,754 4,671

405 7,350 181,104 285,332 1,584,290

181,104 \$

23,685

386,386 \$

360,013 \$

71,722 \$

561,380 \$

TOTAL EXPENSES



Hispanic Ministry Center DBA UYWI Santa Ana, CA 92806

In planning and performing our audit of the financial statements of the Hispanic Ministry Center DBA Urban Youth Workers Institute for the year ended December 31, 2018, we considered the organizations internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. This letter summarizes our comments and suggestions concerning those matters. This letter does not affect our report dated July 18, 2019, on the financial statements of the Hispanic Ministry Center DBA Urban Youth Workers Institute.

1. **Fraud Attitudes/Rationalizations** – As a result of Sarbanes-Oxley, auditors now consider fraud upon performing financial statement audits. Most white collar fraud involves a rationalization on the part of the perpetrator to justify the act of fraud. Fraud is defined as "criminal deception intended to financially benefit the deceiver." Management should communicate in no uncertain terms that fraud of any kind is not tolerated within the organization.

We will review the status of your responses to these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing recommendations.

Major ? associates CBA.

Orange, California July 18, 2019