

**HISPANIC MINISTRY CENTER  
DBA URBAN YOUTH WORKERS  
INSTITUTE**

FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021 & 2020



## **Independent Auditors' Report**

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

### **Opinion**

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, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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, 2021 and 2020, and the 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.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Hispanic Ministry Center DBA Urban Youth Workers Institute and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the 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 these 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 Hispanic Ministry Center DBA Urban Youth Workers Institute'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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Hispanic Ministry Center DBA Urban Youth Workers Institute'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 Hispanic Ministry Center DBA Urban Youth Workers Institute'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 statements of income by activity on pages 15 - 16 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 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.

Santa Ana, California  
November 4, 2022

*Myra & Associates, Ac*

# Hispanic Ministry Center DBA Urban Youth Workers Institute

Statements of Financial Position  
December 31, 2021 & 2020

## ASSETS

	12/31/2021	12/31/2020
<b>Current Assets</b>		
Cash & Cash Equivalents - Note A, B	\$ 839,569	\$ 812,265
Investments - Note B, C	93,593	76,880
Accounts Receivable	-	200
Prepaid Expenses	11,271	11,849
<b>Total Current Assets</b>	<b>944,433</b>	<b>901,194</b>
 <b>Property, Plant &amp; Equipment - Note A</b>		
Transportation Equipment	26,090	26,090
Furniture & Fixtures	359	359
Computer Equipment	20,670	13,062
<b>Total</b>	<b>47,119</b>	<b>39,511</b>
Less: Accumulated Depreciation	(39,909)	(38,806)
<b>Property &amp; Equipment - Net</b>	<b>7,210</b>	<b>705</b>
 <b>TOTAL ASSETS</b>	<b>\$ 951,643</b>	<b>\$ 901,899</b>

## LIABILITIES & NET ASSETS

<b>Current Liabilities</b>		
Accrued Liabilities	\$ 2,835	\$ 1,870
Credit Cards Payable	15,443	5,675
Payroll Liabilities	-	1,139
Accrued Vacation - Note A	17,893	22,661
<b>Total Current Liabilities</b>	<b>36,171</b>	<b>31,345</b>
 <b>Long Term Debt</b>	<b>-</b>	<b>-</b>
 Total Liabilities	<b>36,171</b>	<b>31,345</b>
 <b>Net Assets</b>		
Without Donor Restrictions	915,472	870,554
With Donor Restrictions	-	-
Subtotal	<b>915,472</b>	<b>870,554</b>
 Total Net Assets	<b>915,472</b>	<b>870,554</b>
 <b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 951,643</b>	<b>\$ 901,899</b>

See Accompanying Notes.

**Hispanic Ministry Center**  
**DBA Urban Youth Workers Institute**

Statements of Activities  
For the Years Ended December 31, 2021 & 2020

	12/31/2021	12/31/2020
<b>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
<b>Operating Activities</b>		
<b>Revenues and Other Support</b>		
Contributions	\$ 1,079,237	\$ 1,122,202
Strategic Programs	40,345	11,884
Product Development & Services	80,000	30,000
Fundraising Event Donations	18,292	1,400
Donated Services	18,550	3,000
Total Revenues & Other Support	1,236,424	1,168,486
<b>Expenses</b>		
Program Services		
Media	393,636	350,451
Training	146,816	101,802
Certification	257,922	126,851
Coaching	91,671	33,797
Networks	68,743	31,094
Supporting Services		
General & Administrative	172,390	153,655
Fundraising	198,344	204,213
Total Expenses	1,329,522	1,001,863
<b>Change in net assets from operations</b>	(93,098)	166,623
<b>Nonoperating Activities</b>		
Government Grants - Note G	122,100	82,677
Return on Investments, Net	15,916	11,034
<b>Change in net assets from nonoperating activities</b>	138,016	93,711
<b>INCREASE (DECREASE) IN NET ASSETS</b>	44,918	260,334
<b>NET ASSETS - BEGINNING OF YEAR</b>	870,554	610,220
<b>NET ASSETS - END OF YEAR</b>	\$ 915,472	\$ 870,554

See Accompanying Notes.

# Hispanic Ministry Center DBA Urban Youth Workers Institute

## Statement of Functional Expenses For the Year Ended December 31, 2021

	Media	Training	Certification	Coaching	Networks	Supporting Services		Total
						General & Administrative	Fundraising	
<b>Compensation &amp; Related Expenses</b>								
Salaries	\$ 156,661	45,659	91,584	45,790	27,091	88,902	-	\$ 455,687
Housing Allowance	56,899	16,584	33,263	16,631	9,840	32,289	-	165,506
Payroll Taxes	12,336	3,595	7,212	3,606	2,133	7,001	-	35,883
Health Insurance	22,910	6,677	13,393	6,696	3,962	13,001	-	66,639
Employee Benefits	426	124	249	125	74	242	-	1,240
Total Compensation & Related Exp.	249,232	72,639	145,701	72,848	43,100	141,435	-	724,955
<b>Program Expenses</b>								
Strategic Programs & Marketing								
Program Supplies/Resources/Fees	13,730	5,432	8,664	198	-	-	-	28,024
Event Expenses	4,777	-	-	-	-	-	-	4,777
Event Production	-	1,880	-	-	-	-	-	1,880
Scholarship/Registration Reimburse	-	21,000	3,000	-	-	-	-	24,000
Honorariums	3,600	4,745	20,700	-	14,000	-	-	43,045
Advertising	21,639	5,700	3,300	248	-	-	-	30,887
General Program Expenses								
Travel/Transportation/Housing	3,480	13,558	9,574	165	434	-	-	27,211
Networking	-	55	-	-	-	-	-	55
Meals	1,720	39	6,050	-	223	-	-	8,032
Contract Labor/Consulting	45,360	10,914	40,788	9,485	4,215	13,832	-	124,594
Rent/Maintenance/Utilities	564	1,917	2,686	-	500	-	-	5,667
Total Program Expenses	94,870	65,240	94,762	10,096	19,372	13,832	-	298,172
<b>Management Expenses</b>								
Travel, Meal & Transportation	846	397	329	164	129	319	-	2,184
General Expense	3,540	148	298	149	88	289	-	4,512
Telephone	1,059	309	619	310	183	601	-	3,081
Rent/Maintenance/Utilities	6,077	1,772	3,553	1,776	1,051	3,449	-	17,678
Postage/Office Supplies	819	224	449	224	132	435	-	2,283
Information Technology/Website	24,775	2,542	5,098	2,549	1,509	4,949	-	41,422
Finance & Accounting	4,029	1,174	2,355	1,177	696	2,286	-	11,717
Bank Service Charges	26	8	15	8	4	15	-	76
Depreciation Expense	318	93	186	93	55	358	-	1,103
Insurance Expense	5,641	1,644	3,298	1,649	976	3,201	-	16,409
Networking	-	-	-	-	1,000	-	-	1,000
Miscellaneous Expenses	375	36	72	36	21	70	-	610
Human Resource Expenses	1,843	536	1,078	538	319	1,045	-	5,359
Board of Directors Expense	186	54	109	54	108	106	-	617
Fundraising Expenses	-	-	-	-	-	-	198,344	198,344
Total Management Expenses	49,534	8,937	17,459	8,727	6,271	17,123	198,344	306,395
<b>TOTAL EXPENSES</b>	<b>\$ 393,636</b>	<b>\$ 146,816</b>	<b>\$ 257,922</b>	<b>\$ 91,671</b>	<b>\$ 68,743</b>	<b>\$ 172,390</b>	<b>\$ 198,344</b>	<b>\$ 1,329,522</b>

See Accompanying Notes.

# Hispanic Ministry Center DBA Urban Youth Workers Institute

## Statement of Functional Expenses For the Year Ended December 31, 2020

	Media	Training	Certification	Coaching	Networks	Supporting Services		Total
						General & Administrative	Fundraising	
<b>Compensation &amp; Related Expenses</b>								
Salaries	\$ 144,764	31,395	52,324	13,953	10,465	78,487	-	\$ 331,388
Housing Allowance	35,808	7,766	12,943	3,451	2,589	19,414	-	81,971
Payroll Taxes	10,968	2,379	3,964	1,057	793	5,946	-	25,107
Health Insurance	24,035	5,213	8,688	2,317	1,738	13,031	-	55,022
Employee Benefits	511	111	185	49	37	277	-	1,170
Total Compensation & Related Exp.	216,086	46,864	78,104	20,827	15,622	117,155	-	494,658
<b>Program Expenses</b>								
Strategic Programs & Marketing								
Program Supplies/Resources/Fees	1,783	6,024	6,441	30	-	-	-	14,278
Event Expenses	2,118	100	-	-	-	-	-	2,218
Event Production	425	-	-	-	-	-	-	425
Scholarship/Registration Reimburse	-	20,500	-	-	-	-	-	20,500
Honorariums	500	12,879	11,700	-	-	-	-	25,079
Advertising	4,203	475	-	-	637	-	-	5,315
General Program Expenses								
Travel/Transportation/Housing	4,812	74	2,281	-	-	-	-	7,167
Networking	-	-	-	-	9,000	-	-	9,000
Meals	1,277	-	3,832	59	-	-	-	5,168
Contract Labor/Consulting	79,964	5,994	9,989	8,664	2,551	14,984	-	122,146
Total Program Expenses	95,082	46,046	34,243	8,753	12,188	14,984	-	211,296
<b>Management Expenses</b>								
Travel, Meal & Transportation	887	192	321	85	64	481	-	2,030
General Expense	1,672	363	604	161	121	906	-	3,827
Telephone	1,405	305	508	135	102	762	-	3,217
Rent/Maintenance/Utilities	4,285	929	1,549	413	310	2,323	-	9,809
Postage/Office Supplies	1,021	221	369	98	74	554	-	2,337
Information Technology/Website	13,246	2,873	4,788	1,277	958	7,181	-	30,323
Finance & Accounting	2,956	641	1,068	285	214	1,602	-	6,766
Bank Service Charges	38	8	14	4	3	21	-	88
Depreciation Expense	477	477	477	477	477	477	-	2,862
Insurance Expense	7,891	1,711	2,852	761	570	4,278	-	18,063
Marketing	783	170	283	76	57	425	-	1,794
Miscellaneous Expenses	38	8	14	4	3	21	-	88
Human Resource Expenses	4,372	948	1,580	421	316	2,370	-	10,007
Board of Directors Expense	212	46	77	20	15	115	-	485
Fundraising Expenses	-	-	-	-	-	-	204,213	204,213
Total Management Expenses	39,283	8,892	14,504	4,217	3,284	21,516	204,213	295,909
<b>TOTAL EXPENSES</b>	<b>\$ 350,451</b>	<b>\$ 101,802</b>	<b>\$ 126,851</b>	<b>\$ 33,797</b>	<b>\$ 31,094</b>	<b>\$ 153,655</b>	<b>\$ 204,213</b>	<b>\$ 1,001,863</b>

See Accompanying Notes.

# Hispanic Ministry Center

## DBA Urban Youth Workers Institute

Statements of Cash Flows  
For the Years Ended December 31, 2021 & 2020

	12/31/2021	12/31/2020
<b>Cash Flows From Operating Activities:</b>		
Reconciliation of Net Increase to Net Cash Provided (Used) By Operating Activities:		
Increase (Decrease) in Net Assets	\$ 44,918	\$ 260,334
Adjustments to Reconcile Net Increase (Decrease) to Net Cash Provided (Used) By Operating Activities		
Depreciation - Note A	1,103	2,862
Loss on Disposal of Assets	-	104
Change in Value of Investments	(15,713)	(9,954)
(Increase) Decrease in Assets:		
Accounts Receivable	200	500
USPS Postal Permit	-	173
Prepaid Expenses	578	6,916
Increase (Decrease) in Liabilities:		
Accounts Payable	965	(2,832)
Credit Cards Payable	9,769	1,824
Accrued Vacation - Note A	(4,768)	6,402
Accrued Salary	(1,139)	536
Net Cash Provided (Used) By Operating Activities	35,913	266,865
<b>Cash Flows From Investing Activities:</b>		
Purchase of Investments - Note C	(1,000)	-
Fixed Assets Acquired	(7,609)	-
Net Cash Provided (Used) by Investing Activities	(8,609)	-
<b>Cash Flows From Financing Activities:</b>		
Net Increase (Decrease) in Cash	27,304	266,865
Cash - Beginning of Year	812,265	545,400
Cash - End of Year	\$ 839,569	\$ 812,265
<b>Supplemental Disclosures:</b>		
Interest Paid	\$ -	\$ -
Income Tax Paid	\$ -	\$ -

See Accompanying Notes.

# Hispanic Ministry Center

## DBA Urban Youth Workers Institute

Notes to Financial Statements  
December 31, 2021 & 2020

### 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 create a movement of urban leaders who lead generations of youth to restore and rebuild broken communities globally.

Programs in meeting these goals:

- Media
  - UYWI Website / Social Media
- Training
  - UYWI Library
- Certification
  - UYWI Certification Program
- Coaching
  - NXT LVL Leadership
- Networks
  - Launch & Fuel Networks

#### Basis of Accounting

The Organization 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 U.S. generally accepted accounting principles ("US GAAP").

#### Financial Statement Presentation

The financial statements of the Organization have been prepared in accordance with US GAAP, which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objective of the Organization. These net assets may be used at the discretion of the Organization's management and board of directors.

# Hispanic Ministry Center

## DBA Urban Youth Workers Institute

Notes to Financial Statements  
December 31, 2021 & 2020

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities. For the years ended December 31, 2021 and 2020, there were no net assets with donor restrictions.

#### Measure of Operations

The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing urban ministry services. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

#### Revenue Recognition

The Organization applies the five-step model to contracts when it is probable that the Organization will collect the consideration it is entitled. To determine revenue recognition for arrangements within the scope of ASC Topic 606, "Revenue from Contracts with Customers", the Organization performs the following five steps: (1) identify the contract with the customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when or as the Organization satisfies a performance obligation.

The Organization then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when or as the performance obligation is satisfied. A summary of significant revenue streams are below.

#### Contributions

The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Contributions are recorded as support without donor restrictions or with donor restrictions depending on the existence and nature of any restrictions. All contributions are considered to be available without donor restricted use unless specially restricted by the donor.

#### Strategic Programs

Revenues from strategic programs encompass service & registration fees from the Organization's five programs: Media, Training, Certification, Coaching, and Networks. Revenue is recognized when the performance obligations of transferring the products and providing the services are substantially met.

# Hispanic Ministry Center DBA Urban Youth Workers Institute

Notes to Financial Statements  
December 31, 2021 & 2020

## NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Product Development & Services

The Organization periodically engages in product development and related services that are aligned with the Organization's vision and goals. Revenues from these sources are recognized when or as the Organization satisfies its performance obligations.

### Fundraising Event Donations

Contributions from fundraising events are recognized when received.

### Donated Services

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. For the years ended December 31, 2021 and 2020, the Organization received donated services of \$18,550 and \$3,000, respectively.

## **Cash, Cash Equivalents, and Restricted Cash**

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. As of December 31, 2021 and 2020, the Organization had no restricted cash.

## **Concentrations of Credit Risk**

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents and investments. The Organization maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Organization's cash and cash equivalent accounts have been placed with high credit quality financial institutions. The Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

## **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. The Organization has a policy to recognize as a period cost, property and equipment expenditures of \$2,500 or less. For the years ended December 31, 2021 and 2020, depreciation expense was \$1,103 and \$2,862, respectively.

# Hispanic Ministry Center

## DBA Urban Youth Workers Institute

Notes to Financial Statements  
December 31, 2021 & 2020

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Advertising Costs

Advertising costs are expensed as incurred. Advertising costs were \$30,887 and \$5,315 for the years ended December 31, 2021 and 2020, respectively.

#### 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, 2021 and 2020, compensated absences payable were \$17,893 and \$22,661, respectively.

#### Estimates

Management uses certain estimates and assumptions in preparing its financial statements in accordance with generally accepted accounting principles. These estimates and assumptions may affect the amounts reported for assets, liabilities, revenues, expenses, and cash flow. Actual results could differ from estimated amounts.

#### Income Taxes

The Organization is exempt from income taxes under Internal Revenue Code Section 501(c)(3) and California Revenue Code Section 23701(d). The Organization is classified by the Internal Revenue Service as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(c)(2). Income for certain activities not directly related to the Organization's tax-exempt purpose is subject to unrelated business income taxation.

The Organization is subject to potential income tax audits on open tax years by any taxing jurisdiction in which it operates. The statute of limitations for federal and California state purposes is generally three and four years, respectively.

#### Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842) (ASU 2016-02). The guidance in this ASU supersedes the leasing guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2021. The Organization is currently evaluating the impact of the adoption of the new standard on the financial statements, if any.

### NOTE B - FINANCIAL INSTRUMENTS

The Organization maintains its cash balances at several financial institutions. In 2021 and 2020, cash balances maintained by the Organization at ECCU were insured by the National Credit Union Administration (NCUA) up to \$250,000. As of December 31, 2021, the cash balance of the bonus checking and money market was \$486,367 over the insured limit. Bank deposit balances held at Merrill Lynch are insured by the Federal Deposit Insurance Corporation (FDIC) and were below the \$250,000 insurable limit.

# Hispanic Ministry Center

## DBA Urban Youth Workers Institute

Notes to Financial Statements  
December 31, 2021 & 2020

### NOTE B - FINANCIAL INSTRUMENTS (CONTINUED)

#### Availability and Liquidity

The following represents the Organization's financial assets at December 31, 2021 and 2020:

Financial assets at year-end:	2021	2020
Cash and cash equivalents	\$ 839,569	\$ 812,265
Accounts receivable	-	200
Investments	93,593	76,880
Total financial assets	933,162	889,345
Less amounts not available to be used within one year:		
Net assets with donor restrictions	-	-
Board-designated funds for future use	-	-
	-	-
Financial assets available to meet general expenditures over the next twelve months	\$ 933,162	\$ 889,345

### NOTE C - MARKETABLE SECURITIES AND FAIR VALUE MEASUREMENTS

Investments are reported at their fair values in the statements of financial position, and changes in fair value are reported as investment income in the statements of activities.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statements of activities in the period in which the securities are sold. Interest is recorded when earned. Dividends are automatically reinvested.

The Organization's investments at December 31, 2021 and 2020 consist of mutual funds held in trust at American Funds Service Company recorded at fair value.

The Organization's investments are summarized below using Level 1 fair value inputs:

# Hispanic Ministry Center

## DBA Urban Youth Workers Institute

Notes to Financial Statements  
December 31, 2021 & 2020

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

At December 31, 2021 and 2020, marketable securities consisted of the following:

12/31/2021	<u>Fair Value</u>	<u>Cost</u>	<u>Unrealized Appreciation (Decline) in Value</u>
<b>Mutual Funds</b>			
Equity Securities	93,593	51,510	42,083
<b>Total</b>	<u><u>93,593</u></u>	<u><u>51,510</u></u>	<u><u>42,083</u></u>
12/31/2020	<u>Fair Value</u>	<u>Cost</u>	<u>Unrealized Appreciation (Decline) in Value</u>
<b>Mutual Funds</b>			
Equity Securities	76,880	50,510	26,370
<b>Total</b>	<u><u>76,880</u></u>	<u><u>50,510</u></u>	<u><u>26,370</u></u>

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). The Organization groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 - Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.

Level 2 - Other observable inputs, either directly or indirectly, including:

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

Level 3 - Unobservable inputs that cannot be corroborated by observable market data

# Hispanic Ministry Center

## DBA Urban Youth Workers Institute

Notes to Financial Statements  
December 31, 2021 & 2020

### NOTE C - FAIR VALUE MEASUREMENTS (CONTINUED)

**Measured using Level 1 fair value measures:**

<u>Description</u>	<u>12/31/2021</u>	<u>12/31/2020</u>
<i>Mutual Funds - American Funds</i>		
Fundamental Investors - A	67,343	54,936
American Balanced Fund - A	18,875	16,305
Global Growth Portfolio - A	6,372	5,639
New World Fund - A	1,003	-
Total Mutual Funds	93,593	76,880
 Total Level 1 Investments	 \$ 93,593	 \$ 76,880

**Measured using Level 2 fair value measures:**

None	-	-
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**Measured using Level 3 fair value measures:**

None	-	-
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<b>Total investments measured at fair value</b>	<b>\$ 93,593</b>	<b>\$ 76,880</b>
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### NOTE D - FUNCTIONAL ALLOCATION OF EXPENSES

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.

The expenses that are allocated include the following:

Expense	Method of Allocation
Media	Time and Effort
Training	Time and Effort
Certification	Time and Effort
Coaching	Time and Effort
Networks	Time and Effort

### NOTE E - COMMITMENTS

The Organization rents office space, creative studio space, and storage space on a month-to-month basis. The Organization expects to continue incurring these rental expenses through the foreseeable future. Rents expense for the years ended December 31, 2021 and 2020 were \$19,667 and \$12,389, respectively.

# **Hispanic Ministry Center**

## **DBA Urban Youth Workers Institute**

Notes to Financial Statements  
December 31, 2021 & 2020

### **NOTE F - DEFINED CONTRIBUTION PLAN**

The Organization sponsors a defined contribution plan (the Plan) under IRC §403(b) covering all employees as of their hire date, that work a minimum of 20 hours per work or complete one year of service. The Organization has the option to make a discretionary matching contribution equal to a uniform percentage or dollar amount of an employee's elective deferral.

The organization did not make any contributions for the years 2021 and 2020.

### **NOTE G - PAYCHECK PROTECTION PROGRAM FORGIVABLE LOAN**

The Organization received loan proceeds of \$82,677 and \$122,100 under the Paycheck Protection Program (PPP) administered by the US Small Business Administration (SBA). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), can loan a qualifying organization up to 2.5 times the qualifying organization's average monthly payroll expenses. The loan and accrued interest are forgivable during the 8-week covered period it selects for payroll, healthcare benefits, interest on loan obligations incurred before February 15, 2020, rent, and utilities as outlined in the loan agreement.

As of September 07, 2021, the Organization has obtained full forgiveness of both rounds of PPP funding. Accordingly, the Organization has recognized the PPP proceeds as a governmental grant in accordance with ASC 958-605.

### **NOTE H - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through November 04, 2022, the date the financial statements were available to be issued, and has identified the following:

Subsequent to year-end, the United States and global markets experienced significant declines in value resulting from uncertainty caused by the world-wide coronavirus pandemic. The Organization is closely monitoring its investment portfolio and its liquidity and is actively working to minimize the impact of these declines. These financial statements do not include adjustments to fair value that have resulted from these declines.

**SUPPLEMENTARY INFORMATION**

# Hispanic Ministry Center DBA Urban Youth Workers Institute

Statement of Income by Activity  
For the Year Ended December 31, 2021

	Unrestricted & Temp Restricted	Media	Training	Certification	Coaching	Networks	Supporting Services		Total
							General & Administrative	Fundraising	
<b>Support</b>									
Individual Donations	\$ 184,713	-	8,262	-	-	-	-	-	\$ 192,975
Church Donations	42,733	-	-	-	-	-	-	-	42,733
Foundation Donations	522,293	65,000	50,000	130,000	5,000	60,000	-	-	832,293
Corporate Donations	11,236	-	-	-	-	-	-	-	11,236
Strategic Programs Revenue	-	-	-	37,245	3,100	-	-	-	40,345
Donated Services	-	-	-	-	-	-	18,550	-	18,550
Product Development & Services	-	-	30,000	-	-	50,000	-	-	80,000
Fundraiser Event Donations	964	-	-	-	-	-	-	17,328	18,292
Government Grants	122,100	-	-	-	-	-	-	-	122,100
Return on Investments, Net	15,916	-	-	-	-	-	-	-	15,916
<b>Total Support</b>	<b>899,955</b>	<b>65,000</b>	<b>88,262</b>	<b>167,245</b>	<b>8,100</b>	<b>110,000</b>	<b>18,550</b>	<b>17,328</b>	<b>1,374,440</b>
<b>Compensation &amp; Related Expenses</b>									
Salaries	-	156,661	45,659	91,584	45,790	27,091	88,902	-	455,687
Housing Allowance	-	56,899	16,584	33,263	16,631	9,840	32,289	-	165,506
Payroll Taxes	-	12,336	3,595	7,212	3,606	2,133	7,001	-	35,883
Health Insurance	-	22,910	6,677	13,393	6,696	3,962	13,001	-	66,639
Employee Benefits	-	426	124	249	125	74	242	-	1,240
<b>Total Compensation &amp; Related Exp.</b>	<b>-</b>	<b>249,232</b>	<b>72,639</b>	<b>145,701</b>	<b>72,848</b>	<b>43,100</b>	<b>141,435</b>	<b>-</b>	<b>724,955</b>
<b>Program Expenses</b>									
<b>Strategic Programs &amp; Marketing</b>									
Program Supplies/Resources/Fees	-	13,730	5,432	8,664	198	-	-	-	28,024
Event Expenses	-	4,777	-	-	-	-	-	-	4,777
Event Production	-	-	1,880	-	-	-	-	-	1,880
Scholarship/Registration Reimbursement	-	-	21,000	3,000	-	-	-	-	24,000
Honorariums	-	3,600	4,745	20,700	-	14,000	-	-	43,045
Advertising	-	21,639	5,700	3,300	248	-	-	-	30,887
<b>General Program Expenses</b>									
Travel/Transportation/Housing	-	3,480	13,558	9,574	165	434	-	-	27,211
Networking	-	-	55	-	-	-	-	-	55
Meals	-	1,720	39	6,050	-	223	-	-	8,032
Contract Labor/Consulting	-	45,360	10,914	40,788	9,485	4,215	13,832	-	124,594
Rent/Maintenance/Utilities	-	564	1,917	2,686	-	500	-	-	5,667
<b>Total Program Expenses</b>	<b>-</b>	<b>94,870</b>	<b>65,240</b>	<b>94,762</b>	<b>10,096</b>	<b>19,372</b>	<b>13,832</b>	<b>-</b>	<b>298,172</b>
<b>Management Expenses</b>									
Travel, Meal & Transportation	-	846	397	329	164	129	319	-	2,184
General Expense	-	3,540	148	298	149	88	289	-	4,512
Telephone	-	1,059	309	619	310	183	601	-	3,081
Rent/Maintenance/Utilities	-	6,077	1,772	3,553	1,776	1,051	3,449	-	17,678
Postage/Office Supplies	-	819	224	449	224	132	435	-	2,283
Information Technology/Website	-	24,775	2,542	5,098	2,549	1,509	4,949	-	41,422
Finance & Accounting	-	4,029	1,174	2,355	1,177	696	2,286	-	11,717
Bank Service Charges	-	26	8	15	8	4	15	-	76
Depreciation Expense	-	318	93	186	93	55	358	-	1,103
Insurance Expense	-	5,641	1,644	3,298	1,649	976	3,201	-	16,409
Networking	-	-	-	-	-	1,000	-	-	1,000
Miscellaneous Expenses	-	375	36	72	36	21	70	-	610
Human Resource Expenses	-	1,843	536	1,078	538	319	1,045	-	5,359
Board of Directors Expense	-	186	54	109	54	108	106	-	617
Fundraising Expenses	-	-	-	-	-	-	-	198,344	198,344
<b>Total Management Expenses</b>	<b>-</b>	<b>49,534</b>	<b>8,937</b>	<b>17,459</b>	<b>8,727</b>	<b>6,271</b>	<b>17,123</b>	<b>198,344</b>	<b>306,395</b>
<b>TOTAL EXPENSES</b>	<b>-</b>	<b>393,636</b>	<b>146,816</b>	<b>257,922</b>	<b>91,671</b>	<b>68,743</b>	<b>172,390</b>	<b>198,344</b>	<b>1,329,522</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>\$ 899,955</b>	<b>\$ (328,636)</b>	<b>\$ (58,554)</b>	<b>\$ (90,677)</b>	<b>\$ (83,571)</b>	<b>\$ 41,257</b>	<b>\$ (153,840)</b>	<b>\$ (181,016)</b>	<b>\$ 44,918</b>

See Accompanying Notes.

**Hispanic Ministry Center  
DBA Urban Youth Workers Institute**

Statement of Income by Activity  
For the Year Ended December 31, 2020

	Unrestricted & Temp Restricted	Media	Training	Certification	Coaching	Networks	Supporting Services		
							General & Administrative	Fundraising	Total
<b>Support</b>									
Individual Donations	\$ 302,036	510	100	-	-	500	-	-	\$ 303,146
Church Donations	38,996	-	-	-	-	-	-	-	38,996
Foundation Donations	475,599	45,446	165,000	12,500	10,000	65,000	-	-	773,545
Corporate Donations	6,515	-	-	-	-	-	-	-	6,515
Strategic Programs Revenue	-	-	-	11,484	400	-	-	-	11,884
Donated Services	-	-	-	-	-	-	3,000	-	3,000
Product Development & Services	-	25,000	5,000	-	-	-	-	-	30,000
Fundraiser Event Donations	-	-	-	-	-	-	-	1,400	1,400
Government Grants	82,677	-	-	-	-	-	-	-	82,677
Return on Investments, Net	11,034	-	-	-	-	-	-	-	11,034
<b>Total Support</b>	<b>916,857</b>	<b>70,956</b>	<b>170,100</b>	<b>23,984</b>	<b>10,400</b>	<b>65,500</b>	<b>3,000</b>	<b>1,400</b>	<b>1,262,197</b>
<b>Compensation &amp; Related Expenses</b>									
Salaries	-	144,764	31,395	52,324	13,953	10,465	78,487	-	331,388
Housing Allowance	-	35,808	7,766	12,943	3,451	2,589	19,414	-	81,971
Payroll Taxes	-	10,968	2,379	3,964	1,057	793	5,946	-	25,107
Health Insurance	-	24,035	5,213	8,688	2,317	1,738	13,031	-	55,022
Employee Benefits	-	511	111	185	49	37	277	-	1,170
<b>Total Compensation &amp; Related Exp.</b>	<b>-</b>	<b>216,086</b>	<b>46,864</b>	<b>78,104</b>	<b>20,827</b>	<b>15,622</b>	<b>117,155</b>	<b>-</b>	<b>494,658</b>
<b>Program Expenses</b>									
<b>Strategic Programs &amp; Marketing</b>									
Program Supplies/Resources/Fees	-	1,783	6,024	6,441	30	-	-	-	14,278
Event Expenses	-	2,118	100	-	-	-	-	-	2,218
Event Production	-	425	-	-	-	-	-	-	425
Scholarship/Registration Reimbursement	-	-	20,500	-	-	-	-	-	20,500
Honorariums	-	500	12,879	11,700	-	-	-	-	25,079
Advertising	-	4,203	475	-	-	637	-	-	5,315
<b>General Program Expenses</b>									
Travel/Transportation/Housing	-	4,812	74	2,281	-	-	-	-	7,167
Networking	-	-	-	-	-	9,000	-	-	9,000
Meals	-	1,277	-	3,832	59	-	-	-	5,168
Contract Labor/Consulting	-	79,964	5,994	9,989	8,664	2,551	14,984	-	122,146
<b>Total Program Expenses</b>	<b>-</b>	<b>95,082</b>	<b>46,046</b>	<b>34,243</b>	<b>8,753</b>	<b>12,188</b>	<b>14,984</b>	<b>-</b>	<b>211,296</b>
<b>Management Expenses</b>									
Travel, Meal & Transportation	-	887	192	321	85	64	481	-	2,030
General Expense	-	1,672	363	604	161	121	906	-	3,827
Telephone	-	1,405	305	508	135	102	762	-	3,217
Rent/Maintenance/Utilities	-	4,285	929	1,549	413	310	2,323	-	9,809
Postage/Office Supplies	-	1,021	221	369	98	74	554	-	2,337
Information Technology/Website	-	13,246	2,873	4,788	1,277	958	7,181	-	30,323
Finance & Accounting	-	2,956	641	1,068	285	214	1,602	-	6,766
Bank Service Charges	-	38	8	14	4	3	21	-	88
Depreciation Expense	-	477	477	477	477	477	477	-	2,862
Insurance Expense	-	7,891	1,711	2,852	761	570	4,278	-	18,063
Marketing	-	783	170	283	76	57	425	-	1,794
Miscellaneous Expenses	-	38	8	14	4	3	21	-	88
Human Resource Expenses	-	4,372	948	1,580	421	316	2,370	-	10,007
Board of Directors Expense	-	212	46	77	20	15	115	-	485
Fundraising Expenses	-	-	-	-	-	-	-	204,213	204,213
<b>Total Management Expenses</b>	<b>-</b>	<b>39,283</b>	<b>8,892</b>	<b>14,504</b>	<b>4,217</b>	<b>3,284</b>	<b>21,516</b>	<b>204,213</b>	<b>295,909</b>
<b>TOTAL EXPENSES</b>	<b>-</b>	<b>350,451</b>	<b>101,802</b>	<b>126,851</b>	<b>33,797</b>	<b>31,094</b>	<b>153,655</b>	<b>204,213</b>	<b>1,001,863</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>\$ 916,857</b>	<b>\$ (279,495)</b>	<b>\$ 68,298</b>	<b>\$ (102,867)</b>	<b>\$ (23,397)</b>	<b>\$ 34,406</b>	<b>\$ (150,655)</b>	<b>\$ (202,813)</b>	<b>\$ 260,334</b>

See Accompanying Notes.