

BROADSCOPE DISABILITY SERVICES, INC.

Greenfield, Wisconsin

Audited Financial Statements

December 31, 2022

(With Summarized Totals for the
Year Ended December 31, 2021)

Table of Contents

	<u>Page(s)</u>
Independent Auditors' Report	1 - 2
Statement of Financial Position	3
Statement of Activities	4
Statements of Cash Flows	5
Statement of Functional Expenses	6
Notes to Financial Statements	7 - 16
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> and the <i>Wisconsin DHS Audit Guide</i>	17 - 18
Schedule of Expenditures of Federal and State Awards and Fee-for-Service Contracts	19
Notes to Schedule of Expenditures of Federal and State Awards and Fee-for-Service Contracts	20
Summary Schedule of Prior Audit Findings	21
Schedule of Findings and Responses	22 - 23
Schedule of Revenues and Expenses by Program – Without Donor Restriction	24
DHS Cost Reimbursement Award Schedule	25



Board of Directors
Broadscope Disability Services, Inc.
Greenfield, Wisconsin

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Broadscope Disability Services, Inc. (a nonprofit organization) ("Organization"), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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.

Reilly, Penner & Benton LLP

1233 N. Mayfair Road Suite #302 • Milwaukee, WI 53226-3255 • 414-271-7800

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 schedule of revenues and expenses by program – without donor restriction on page 24, schedule of federal and state awards and fee-for-service contracts on page 19 and the supplemental information on page 25, as required by the Wisconsin DHS Audit Guide and Milwaukee County, 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 14, 2023 on our consideration of Broadscope Disability Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Broadscope Disability Services, Inc.'s internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the Broadscope Disability Services, Inc.'s financial statements, and we expressed an unmodified opinion on those financial statements in our report dated April 6, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

BROADSCOPE DISABILITY SERVICES
Greenfield, Wisconsin

Statement of Financial Position
December 31, 2022
With Summarized Totals For December 31, 2021

	2022			
	Without Donor Restrictions	With Donor Restrictions	Total	Total 2021
ASSETS				
Cash and equivalents	\$ 142,329	\$ 12,206	\$ 154,535	\$ 376,921
Receivables:				
General	46,010	---	46,010	46,931
Promises to give	---	20,000	20,000	---
Government contracts	414,893	---	414,893	393,886
Total receivables	460,903	20,000	480,903	440,817
Prepaid expenses	12,775	---	12,775	13,228
Investments	514,435	---	514,435	611,390
Property and equipment (net)	5,961	---	5,961	8,084
Other assets:				
Operating lease right of use asset	127,266	---	127,266	---
Finance lease right of use asset	824	---	824	---
Greater Milwaukee Foundation - Investments	167,402	---	167,402	197,997
Total assets	\$ 1,431,895	\$ 32,206	\$ 1,464,101	\$ 1,648,437
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable	\$ 53,323	\$ ---	\$ 53,323	\$ 29,716
Deferred revenue	13,250	---	13,250	400
Accrued payroll and related liabilities	40,181	---	40,181	41,764
Accrued vacation payable	39,525	---	39,525	41,940
Accrued payroll and related liabilities - fiscal agent	204,936	---	204,936	228,773
Fiduciary account - PFM	475	---	475	475
Operating lease liability - current	50,086	---	50,086	---
Finance lease liability - current	829	---	829	---
Operating lease liability - long-term	78,379	---	78,379	---
Total liabilities	480,984	---	480,984	343,068
Net Assets:				
Without donor restrictions	950,911	---	950,911	1,254,685
With donor restrictions	---	32,206	32,206	50,684
Total net assets	950,911	32,206	983,117	1,305,369
Total liabilities and net assets	\$ 1,431,895	\$ 32,206	\$ 1,464,101	\$ 1,648,437

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

BROADSCOPE DISABILITY SERVICES
Greenfield, Wisconsin

Statement of Activities

Year Ended December 31, 2022

With Summarized Totals For the Year Ended December 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2022</u>	<u>Total 2021</u>
Public Support and Contract Revenue:				
Exchange transactions:				
Fee-for-service:				
CLTS Waiver program	\$ 2,912,333	\$ ---	\$ 2,912,333	\$ 2,360,503
Waukesha County	38,359	---	38,359	48,006
State of Wisconsin:				
Division of Vocational Rehabilitation	29,290	---	29,290	25,685
Care Wisconsin	---	---	---	257
My Choice Family Care	235,667	---	235,667	187,513
Community Care	218,655	---	218,655	213,596
Independent Care Health Plan	15,335	---	15,335	11,830
IRIS	219,073	---	219,073	212,975
Total fee-for-service	3,668,712	---	3,668,712	3,060,365
Private pay	16,985	---	16,985	10,094
Fiscal agent fee revenue	238,438	---	238,438	231,156
Total exchange transactions	3,924,135	---	3,924,135	3,301,615
Non-exchange transactions:				
Milwaukee County grant	150,000	---	150,000	185,726
Other grants	45,497	32,500	77,997	95,764
Contributions	169,077	---	169,077	181,163
Contributed nonfinancial assets	22,070	---	22,070	6,943
Total non-exchange transactions	386,644	32,500	419,144	469,596
Special events revenues	84,566	---	84,566	99,662
Less: Direct benefit to donor	(42,138)	---	(42,138)	(28,848)
Total public support and contract revenue	4,353,207	32,500	4,385,707	3,842,025
Other Revenue:				
Investment income (loss), net	(127,592)	---	(127,592)	81,015
Other revenue	26,038	---	26,038	23,089
Total other revenue	(101,554)	---	(101,554)	104,104
Net assets released from restrictions	50,978	(50,978)	---	---
Total revenue	4,302,631	(18,478)	4,284,153	3,946,129
Expenses:				
Program service:				
Independent living	266,490	---	266,490	257,793
Representative payee	124,851	---	124,851	120,654
Respite care	3,604,291	---	3,604,291	2,846,053
Employment	301,245	---	301,245	292,096
Total program service	4,296,877	---	4,296,877	3,516,596
Fundraising and development	206,532	---	206,532	177,962
General and administrative	102,996	---	102,996	99,899
Total expenses	4,606,405	---	4,606,405	3,794,457
Change in net assets	(303,774)	(18,478)	(322,252)	151,672
Net assets, beginning of year	1,254,685	50,684	1,305,369	1,153,697
Net assets, end of year	\$ 950,911	\$ 32,206	\$ 983,117	\$ 1,305,369

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

BROADSCOPE DISABILITY SERVICES

Greenfield, Wisconsin

Statements of Cash Flows

Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ (322,252)	\$ 151,672
Adjustments to reconcile change in net assets to net cash and equivalents provided (used) by operating activities		
Depreciation	2,124	1,429
Amortization on right of use asset	1,236	---
Realized (gain) on investments	(3,703)	(42,306)
Unrealized (gain) loss on investments	132,678	(36,608)
Changes in operating accounts:		
Receivables	(20,086)	(105,096)
Promises to give	(20,000)	---
Prepaid expenses	453	(3,580)
Accounts payable	23,607	(6,872)
Deferred revenue	12,850	(1,600)
Operating lease asset and liability	1,199	---
Accrued payroll and related liabilities	(1,583)	1,885
Accrued payroll and related liabilities - fiscal agent	(23,837)	35,267
Accrued vacation payable	(2,415)	(2,999)
Net cash and equivalents provided (used) by operating activities	(219,729)	(8,808)
Cash Flows from Investing Activities:		
Purchase of investments	(106,341)	(71,810)
Proceeds from investment sales	104,916	69,790
Purchase of property and equipment	---	(6,944)
Net cash and equivalents used by investing activities	(1,425)	(8,964)
Cash Flows from Financing Activities:		
Payments of financing right of use asset	(1,232)	---
Net change in cash and equivalents	(222,386)	(17,772)
Cash and equivalents - Beginning of year	376,921	394,693
Cash and equivalents - End of year	<u><u>\$ 154,535</u></u>	<u><u>\$ 376,921</u></u>
Supplementary Information:		
Interest paid	\$ 16	\$ ---
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 50,732	\$ ---
Operating cash flows from finance leases	16	---
Financing cash flows from finance leases	1,232	---

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

BROADSCOPE DISABILITY SERVICES

Greenfield, Wisconsin

Statement of Functional Expenses

Year Ended December 31, 2022

With Summarized Totals For the Year Ended December 31, 2021

	<u>Independent Living</u>	<u>Representative Payee</u>	<u>Respite Care</u>	<u>Employment</u>	<u>Total Program Services</u>	<u>Fundraising and Development</u>	<u>General and Administrative</u>	<u>Cost of Direct Benefit to Donor</u>	<u>2022 Total</u>	<u>2021 Total</u>
Expenses:										
Salaries and wages	\$ 164,010	\$ 73,360	\$ 157,083	\$ 186,223	\$ 580,676	\$ 95,949	\$ 65,141	\$ ---	\$ 741,766	\$ 740,646
Employee benefits	17,296	9,196	49,529	22,667	98,688	11,344	8,147	---	118,179	77,525
Payroll taxes	11,834	5,328	11,592	13,448	42,202	7,200	4,953	---	54,355	54,587
Amortization of right of use asset	---	---	---	---	---	---	1,236	---	1,236	---
Conferences and seminars	15,610	---	26	1,042	16,678	368	485	---	17,531	6,366
Contributed nonfinancial assets	---	---	5,000	---	5,000	17,070	---	---	22,070	6,943
Depreciation	425	234	425	573	1,657	276	191	---	2,124	1,429
Equipment rental and maintenance	1,930	1,061	1,929	2,662	7,582	5,085	352	---	13,019	8,883
Fiscal agent payroll taxes	---	---	263,377	---	263,377	---	---	---	263,377	176,098
Fiscal agent Quickbook fees	---	---	4,442	---	4,442	---	---	---	4,442	6,380
Fiscal agent salaries	---	---	2,583,969	---	2,583,969	---	---	---	2,583,969	2,053,789
Interest on financing right of use lease	3	2	4	---	13	2	1	---	16	---
License and fees	---	---	8,576	---	8,576	6,899	2,409	---	17,884	15,522
Marketing activities	---	---	---	---	---	451	---	---	451	---
Miscellaneous	57	48	4,792	78	4,975	537	386	---	5,898	1,081
Occupancy	12,856	7,071	12,856	17,355	50,138	8,356	5,785	---	64,279	60,973
Postage and shipping	1,098	623	2,190	1,491	5,402	2,214	494	---	8,110	6,987
Printing and publications	175	141	175	780	1,271	864	79	---	2,214	1,302
Professional fees	18,731	10,302	189,450	25,287	243,770	18,081	8,429	---	270,280	179,754
Repairs and maintenance	7,342	4,038	7,342	9,912	28,634	4,773	3,304	---	36,711	36,344
Special event	---	---	---	---	---	25,224	---	42,138	67,362	50,590
Specific assistance	2,414	11,356	291,665	---	305,435	---	---	---	305,435	302,787
Subscriptions and membership	121	67	121	210	519	154	499	---	1,172	561
Supplies	796	---	554	925	2,275	359	283	---	2,917	3,404
Telephone	1,535	1,986	4,175	5,481	13,177	1,127	691	---	14,995	13,389
Travel	10,257	38	5,019	13,107	28,421	199	131	---	28,751	17,965
Total functional expenses	266,490	124,851	3,604,291	301,241	4,296,877	206,532	102,996	42,138	4,648,543	3,823,305
Less expenses included with revenues on the statement of activities	---	---	---	---	---	---	---	(42,138)	(42,138)	(28,848)
Total expenses included in the expense section of the statement of activities	266,490	124,851	3,604,291	301,241	4,296,877	206,532	102,996	---	4,606,405	3,794,457
Allocation:										
Administration	22,659	12,360	22,660	30,897	88,576	14,420	(102,996)	---	---	---
Total expenses	\$ 289,149	\$ 137,211	\$ 3,626,951	\$ 332,138	\$ 4,385,453	\$ 220,952	\$ ---	\$ ---	\$ 4,606,405	\$ 3,794,457

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

BROADSCOPE DISABILITY SERVICES, INC.
Greenfield, Wisconsin

Notes to Financial Statements
December 31, 2022 and 2021

1. Summary of Significant Accounting Policies

Nature of Activities

Broadscope Disability Services, Inc. ("Organization") is a not-for-profit corporation whose mission is to advance opportunities for people with disabilities and their families. The Organization serves people with a broad scope of disabilities and their families by fostering inclusion and empowering freedom of choice. We envision a world where people with disabilities and their families have the same opportunities as everyone else. The Organization fulfills its mission by focusing efforts in four primary areas.

Respite Care Coordination – Respite care coordination is a service that provides a break for people who are caring for an individual or child with a disability. The Organization distributes funding for in-home respite care at an hourly, overnight or multiple-day basis.

Employment Services – Employment services assists adults with diverse abilities to secure and retain competitive employment. The Organization partners with businesses in the community to expand job opportunities, empower productivity and advance independence.

Independent Living Services – Independent living provides a broad scope of individualized services for adults with disabilities, to create opportunities for a successful life in the community. The Organization provides life skills education, community integration and budgeting and financial management assistance.

Representative Payee – The Organization's Representative Payees manage the assets and benefits of individuals with disabilities who have been deemed unable to manage them on their own.

Basis of Accounting

The Organization follows the accrual basis of accounting, wherein public support, revenues and expenses are reflected in the period earned or incurred.

Basis of Presentation

Financial statement presentation follows accounting principles generally accepted in the United States of America ("U.S. GAAP"). Under these principles, the Organization is required to report information regarding its financial position and activities according to classes of net assets as follows:

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions – Net assets subject to donor- (or certain grantor-) 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 donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resource be maintained in perpetuity. 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. The Organization does not have any restrictions that are required to be held in perpetuity.

BROADSCOPE DISABILITY SERVICES, INC.
Greenfield, Wisconsin

Notes to Financial Statements
December 31, 2022 and 2021
(Continued)

1. Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of the accompanying financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that directly affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results may differ from these estimates.

Cash and Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an original maturity of three months or less to be cash and equivalents, excluding money market funds held as investments.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

U.S. GAAP defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. U.S. GAAP clarifies that the exchange price is the price in an orderly transaction between market participants to sell an asset or transfer a liability at the measurement date. U.S. GAAP emphasizes that fair value is a market-based measurement and not an entity-specific measurement. U.S. GAAP establishes a hierarchy that prioritizes the inputs for measuring fair value. Those inputs are summarized as follows:

Level 1 – Quoted prices in active markets, e.g. NYSE, NASDAQ, etc. for assets identical to the securities to be valued. If a Level 1 input is available, it must be used.

Level 2 – Inputs other than quoted prices that are observable for securities, either directly or indirectly. Examples include matrix pricing utilizing yield curves, prepayment speeds, credit risks, etc.; quoted prices for similar assets in active markets; and inputs derived from observable market data by correlation or other means.

Level 3 – Unobservable inputs, which contain assumptions by the party valuing those assets. For level 3 inputs, there is no market data or correlations with market assumptions. Examples would include limited partnership interests, closely held stock, etc.

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

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

Held in Trust: Valued at the net asset value provided by the Trustee for investments held in the trust at year-end.

BROADSCOPE DISABILITY SERVICES, INC.
Greenfield, Wisconsin

Notes to Financial Statements
December 31, 2022 and 2021
(Continued)

1. Summary of Significant Accounting Policies (Continued)

Accounts Receivable

Receivables are recorded at contract value. The Organization has elected to record bad debts using the direct write-off method. U.S. GAAP requires that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Property and Equipment

The Organization capitalizes all expenditures in excess of \$5,000 for property and equipment at cost if purchased or fair value at date of the gift if donated. Maintenance, repairs and minor improvements are expensed as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income.

Donated property and equipment are recorded as increases in net assets without donor restrictions at their estimated fair market value as of the date received. Contributions of cash that must be used to acquire property and equipment are reported as net assets with donor restrictions. The Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Property and equipment are depreciated using the straight-line method over their estimated useful lives.

Impairment of Long-Lived Assets

The Organization reviews long-lived assets, including property and equipment and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. To date, there have been no such losses.

Revenue Recognition

The Organization recognizes revenue based on the existence or absence of an exchange transaction. The Organization recognizes revenue from exchange transactions when it satisfies a performance obligation by providing a service to a customer or member or by transferring control over a product to a customer or member.

Revenue from performance obligations satisfied at a point in time consists of the following:

- **Fee for service contracts and fiscal agent fee revenue** – recognized as performance obligations are met

BROADSCOPE DISABILITY SERVICES, INC.
Greenfield, Wisconsin

Notes to Financial Statements
December 31, 2022 and 2021
(Continued)

1. Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Revenue from non-exchange transactions consist of the following:

- **Contributions of cash and promises to give** – gifts received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as revenue and net assets without donor restriction. Conditional promises are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met.
- **Federal and state contracts** – Federal and state contracts are conditional upon the incurrence of allowable qualifying expenses. Revenue is recorded as allowable qualifying expenses are incurred.
- **Contributed nonfinancial assets** – recognized either when the Organization provides donated goods to members or when a gift of in-kind service is performed on behalf of the Organization

Revenue that has characteristics of both exchange and non-exchange transactions consist of the following:

- **Special event revenue** – recognized equal to the cost of direct benefits to donors, and contribution revenue for the difference. Contributions from the Organization's special events are included on the contributions line in the Statement of Activities. Total contributions from the special events were \$128,423 and \$95,901 for the years ended December 31, 2022 and 2021, respectively.

Donated Goods and Services

Donated goods and services meeting recognition criteria under U.S. GAAP are recorded as support and as expense, based on estimated fair values. The Organization does not monetize any contributed nonfinancial assets and unless otherwise noted, contributed nonfinancial assets did not have donor restrictions.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on the functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, salaries and related expenses are allocated to functional activities based on the time spent in each area. Expenses specifically identifiable with an activity are charged to that activity. Other expenses not specifically identifiable with functions are allocated to functional activities using percentages based on actual experience.

Donated Services

A substantial number of volunteers have donated time to the Organization's program services and fund-raising campaigns during the year. These donated services are not reflected in the financial statements since the services do not require specialized skills and do not meet the requirements of U.S. GAAP.

BROADSCOPE DISABILITY SERVICES, INC.
Greenfield, Wisconsin

Notes to Financial Statements
December 31, 2022 and 2021
(Continued)

1. Summary of Significant Accounting Policies (Continued)

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization was incorporated under the nonprofit statutes of the State of Wisconsin and is not liable for Wisconsin income tax. Accordingly, no provision for income taxes has been provided.

The Organization has implemented accounting for uncertainty in income taxes in accordance with U.S. GAAP. This standard prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on various related matters such as derecognizing, interest, penalties and disclosures required. The Organization recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense.

In management's opinion, the Organization has not taken any uncertain tax positions, and accordingly, has not reported a corresponding liability in the financial statements.

Comparative Financial Information

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

Changes in Accounting Principles

Leases:

Effective January 1, 2022, the Organization adopted FASB ASC 842, *Leases* and recognized and measured leases existing at, or entered into after, January 1, 2022 (the beginning of the period of adoption) through a cumulative effect adjustment with certain practical expedients available. The new standard establishes a right of use ("ROU") model that requires a lessee to record an ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement.

The Organization elected to adopt the package of practical expedients available under the transition guidance with the new standard. This package includes the following: relief from determination of lease contracts included in existing or expiring leases at the point of adoption, relief from having to reevaluate the classification of leases in effect at the point of adoption, and relief from reevaluation of existing leases that have initial direct costs associated with the execution of the lease contract. The Organization also elected to adopt the practical expedient to use hindsight to determine the lease term and assess the impairment of the right of use assets.

As a result of the adoption of the new lease accounting guidance, the Organization recognized on January 1, 2022 a finance lease liability at the carrying amount of the capital lease obligations on December 31, 2021, of \$2,061 and a finance right-of-use asset at the carrying amount of the capital lease asset of \$2,061. The Organization also recognized on January 1, 2022 an operating lease liability of \$176,743, which represents the present value of the remaining operating lease payments of \$181,759, discounted using the risk-free rate of 1.63%, and a right-of-use asset of \$181,759 as of January 1, 2022. Results for years beginning prior to January 1, 2022 continue to be reported in accordance with the Organization's historical accounting treatment. The adoption of FASB ASC 842 had a material impact on the Organization's balance sheets but did not have a material impact on the Organization's results of operations, cash flows or debt covenants. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases.

BROADSCOPE DISABILITY SERVICES, INC.
Greenfield, Wisconsin

Notes to Financial Statements
December 31, 2022 and 2021
(Continued)

1. Summary of Significant Accounting Policies (Continued)

Changes in Accounting Principles (Continued)

Contributed Nonfinancial Assets:

Financial Accounting Standards Board ("FASB") Accounting Standards Updated ("ASU") 2020-07 Not-For-Profit Entities (Topic 958): *Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets*. The standard requires a not-for-profit to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. The standard also requires that the not-for-profit disclose certain attributes of the contributed nonfinancial assets including, qualitative information, monetizing versus utilizing, any donor-imposed restrictions, valuation techniques and the principal market used to arrive at fair value. We have implemented Topic 958 and have adjusted the presentation in these financial statements accordingly. The amendment has been applied retrospectively. Accordingly, there is no effect on net assets in connection with our implementation of 2020-07.

Subsequent Events

Management has evaluated subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed (April 14, 2023). There were no subsequent events that required disclosure other than the subsequent event in Note 7.

2. Liquidity and Availability

The following table reflects the Organization's financial assets, reduced by amounts that are not available to meet general expenditures and current contractual obligations within one year of the statement of financial position date because of contractual restrictions, certain donor restrictions, or internal board designations at December 31:

	<u>2022</u>	<u>2021</u>
Cash and equivalents	\$ 154,535	\$ 376,921
Investments	514,435	611,390
Greater Milwaukee Foundation investments	167,402	197,997
Accounts receivable	<u>480,903</u>	<u>440,817</u>
Total financial assets	1,317,275	1,627,125
Less amounts not available to be used within one year for general expenditures:		
Cash and equivalents	<u>(12,206)</u>	<u>(50,684)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 1,305,069</u>	<u>\$ 1,576,441</u>

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Refer to the statement of cash flows which identifies the sources and uses of the Organization's cash, and shows positive cash generated by operations for the years ended December 31, 2022 and 2021. The Organization also has a line of credit available to meet immediate cash needs. See Note 7 for information on the line of credit.

BROADSCOPE DISABILITY SERVICES, INC.
Greenfield, Wisconsin

Notes to Financial Statements
December 31, 2022 and 2021
(Continued)

3. Investments

The following summarizes the classification of investments by classification and method of valuation as of December 31, 2022 in accordance with U.S. GAAP:

<u>Description</u>	<u>Total</u>	<u>Fair Value Measurement at Reporting Date Using</u>			
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Fixed income mutual funds	\$ 276,011	\$ 276,011	\$ ---	\$ ---	
Equity mutual funds	203,221	203,221	---	---	
Money market funds	35,203	35,203	---	---	
Total	\$ 514,435	\$ 514,435	\$ ---	\$ ---	
Investments held by the Greater Milwaukee Foundation	\$ 167,402	\$ ---	\$ 167,402	\$ ---	

The following summarizes the classification of investments by classification and method of valuation as of December 31, 2021 in accordance with U.S. GAAP:

<u>Description</u>	<u>Total</u>	<u>Fair Value Measurement at Reporting Date Using</u>			
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Fixed income mutual funds	\$ 218,305	\$ 218,305	\$ ---	\$ ---	
Equity mutual funds	349,839	349,839	---	---	
Money market funds	43,246	43,246	---	---	
Total	\$ 611,390	\$ 611,390	\$ ---	\$ ---	
Investments held by the Greater Milwaukee Foundation	\$ 197,997	\$ ---	\$ 197,997	\$ ---	

Investment income (loss) is comprised of the following for the years ended December 31:

	<u>2022</u>	<u>2021</u>
Dividends and interest	\$ 9,328	\$ 10,147
Net realized gain	3,703	42,306
Net unrealized gain (loss)	(132,678)	36,608
Investment fees	(7,945)	(8,046)
Total	\$ (127,592)	\$ 81,015

BROADSCOPE DISABILITY SERVICES, INC.
Greenfield, Wisconsin

Notes to Financial Statements
December 31, 2022 and 2021
(Continued)

4. Greater Milwaukee Foundation Fund

U.S. GAAP requires that if a community foundation accepts a contribution from an Agency and agrees to transfer those assets, the return on investment of those assets or both back to the Agency, then these contributions are presented as a liability (instead of as a net asset) on the financial statements of the community foundation and as an asset on the financial statements of the donor. As a result, assets transferred by the Organization to the Greater Milwaukee Foundation, a community foundation, for which the Organization, as donor, is the beneficiary of the transferred assets, have been reflected on the Organization's statement of financial position as an asset entitled "Greater Milwaukee Foundation - Investments." The Board of Trustees of the Greater Milwaukee Foundation shall have the power to modify any restriction or condition on the distribution of funds for any specified charitable purpose or to a specified organization if, in the sole judgment of the Board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served.

5. Property and Equipment

Property and equipment is comprised of the following for the years ended December 31:

	<u>2022</u>	<u>2021</u>
Equipment	\$ 35,673	\$ 35,673
Less: Accumulated depreciation	<u>(29,712)</u>	<u>(27,589)</u>
Total	<u>\$ 5,961</u>	<u>\$ 8,084</u>

Depreciation expense for the years ended December 31, 2022 and 2021 was \$2,124 and \$1,429, respectively.

6. Leases

The Organization has an operating lease for office space in Greenfield, Wisconsin. The lease runs through June 30, 2025, with fixed monthly payments which increase each year. The Organization has a finance lease for a copy machine that runs through August 2023. As of December 31, 2022 the asset recorded under the finance lease was \$824 and accumulated amortization associated with the finance lease was \$1,236.

In the statement of functional expenses, operating office lease expenses is included in the occupancy line and copier finance lease expense is included in equipment rental and maintenance. The components of lease expense are as follows:

	<u>2022</u>
Operating lease cost	\$ 51,931
Finance lease cost:	
Amortization on right-of-use assets	1,236
Interest on lease liabilities	<u>16</u>
Total finance lease costs	<u>1,252</u>
Total	<u>\$ 53,183</u>

The weighted average remaining lease term and weighted average discount rate as of December 31, 2022 are as follows:

	<u>Operating Leases</u>	<u>Finance Leases</u>
Weighted average remaining lease term	2.50 years	0.67 years
Weighted average discount rate	1.63%	1.18%

BROADSCOPE DISABILITY SERVICES, INC.
Greenfield, Wisconsin

Notes to Financial Statements
December 31, 2022 and 2021
(Continued)

6. Leases (Continued)

The maturities on lease liabilities at December 31, 2022 are as follows:

	<u>Operating Leases</u>	<u>Finance Leases</u>
2023	\$ 51,738	\$ 832
2024	52,773	---
2025	26,517	---
Total future minimum lease payments	<u>131,028</u>	<u>832</u>
Less imputed interest	(2,563)	(3)
Total	<u>\$ 128,465</u>	<u>\$ 829</u>

Under previous lease standards, the future minimum lease payments under leases at December 31, 2021 for years ending December 31 are:

2022	\$ 51,980
2023	52,570
2024	52,773
2025	26,517
Total	<u>\$ 183,840</u>

7. Line of Credit

The Organization maintains a line of credit of \$200,000 with Tri-City National Bank bearing interest at 1% over the prime rate, with a 5% floor. At December 31, 2022 and 2021, there was no balance outstanding, and interest expense for the years ended December 31, 2022 and 2021 amounted to \$0. The line of credit was secured by a general business security agreement and expired February 16, 2023. Subsequent to year-end, the Organization signed a new line of credit agreement for \$300,000 with Associated Bank, expiring January 23, 2028. The line of credit bears interest at the prime rate published in The Wall Street Journal.

8. Concentration of Credit Risk

Financial instruments which potentially subject the Organization to a concentration of credit risks include cash and equity securities. The Organization places its cash and deposits with credit-worthy, high-quality financial institutions and attempts to keep its various accounts under FDIC limits at all times.

9. Retirement Plan

Effective October 2022, the Organization amended their 401(k) retirement plan with an incentive match of 50% for each employee dollar contributed up to 6% of pay. The plan is available to all employees over 21 years of age on their first day of employment.

Prior to the amendment, the Organization offered a 401(k) retirement plan with an incentive match of 50% for each employee dollar contributed up to 4% of pay. The plan had a six-year graded vesting schedule. The plan is available to all employees over 21 years of age who have been employed for at least six months.

Employer contributions for 2022 and 2021 were \$9,505 and \$10,506, respectively.

BROADSCOPE DISABILITY SERVICES, INC.
Greenfield, Wisconsin

Notes to Financial Statements
December 31, 2022 and 2021
(Continued)

10. Contributed Nonfinancial Assets

Contributed nonfinancial assets of goods and services are recorded as revenue and expenses at their fair value. Contributed services are reported in the financial statements for voluntary donations of professional services when those services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and typically would be purchased if not provided by donation. The amounts reflected in the accompanying financial statements as contributed nonfinancial assets are offset by like amounts included as contributed nonfinancial asset expense. The statement of activities includes the following contributed nonfinancial services recognized by category for the years ended December 31:

<u>Type</u>	<u>2022</u>	<u>2021</u>	<u>Utilization in Activities</u>	<u>Donor Restrictions</u>
Donated goods	\$ 12,400	\$ 5,550	Fundraising	None
Printing services	4,670	1,393	Fundraising	None
Accounting services	5,000	---	Respite	None
Total	\$ 22,070	\$ 6,943		

The Organization used the following valuation techniques and inputs to recognize contributed nonfinancial assets:

Accounting and printing services – Valued at the estimated fair value based on retail rates for similar services.

Donated goods – Valued at the estimated fair value based on retail rates for similar items.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization in the furtherance of its exempt purpose. The values of these services are not recorded in the financial statements.

11. Net Assets with Donor Restrictions

The following schedule summarizes activity and balances related to net assets with donor restrictions, and the purposes to which they are restricted:

<u>Restricted to expenditure for specified purpose:</u>	<u>Restricted Balance 01/01/22</u>	<u>Current Period Contributions</u>	<u>Expended or Released</u>	<u>Restricted Balance 12/31/22</u>
Greatest Needs Fund	\$ 9,706	\$ ---	\$ ---	\$ 9,706
Employment Services	10,000	20,000	(20,000)	10,000
Respite	17,000	5,000	(17,000)	5,000
Socialization programs	13,978	7,500	(13,978)	7,500
Total	\$ 50,684	\$ 32,500	\$ (50,978)	\$ 32,206

12. Concentrations

Approximately 66% and 61% of the Organization's support for the years ended December 31, 2022 and 2021 came from the CLTS Waiver program, respectively.

13. Contingencies

The Organization has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

14. Reclassifications

Certain reclassifications have been made to the 2021 financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.



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

Board of Directors
Broadscope Disability Services, Inc.
Greenfield, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Wisconsin DHS Audit Guide*, the financial statements of Broadscope Disability Services, Inc. ("the Organization"), which comprise the statement of financial position as of December 31, 2022, and the related statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 14, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the *Wisconsin DHS Audit Guide*.

Purpose of this Report

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

April 14, 2023
Milwaukee, Wisconsin

BROADSCOPE DISABILITY SERVICES

Greenfield, Wisconsin

Schedule of Expenditures of Federal and State Awards and Fee-for-Service Contracts

Year Ended December 31, 2022

<u>Contractor/Pass-Through Contractor/Program Title</u>	<u>Contract Number</u>	<u>Assistance Listing Number or CARS #</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Fee-for-Service Revenue</u>	<u>Amounts Provided to Subrecipients</u>
US Department of Health and Human Services						
Passed through Milwaukee County Department of Health and Human Services						
Social Services Block Grant	40-22927-100	93.667	\$ 20,715	\$ ---	\$ ---	\$ ---
Temporary Assistance for Needy Families	40-22927-100	93.558	11,010	---	---	---
Total passed through US Department of Health and Human Services			31,725	---	---	---
Wisconsin Department of Health Services						
Passed through Milwaukee County Department of Health and Human Services						
Basic County Allocation - Employment Options	40-22927-100	435.561	---	118,275	---	---
Total passed through Milwaukee County Department of Health and Human Services			---	118,275	---	---
Waukesha County Department of Health and Human Services						
CLTS - Waiver Program	-	-	---	---	2,912,333	---
Respite	-	-	---	---	38,359	---
Total passed through Waukesha County Department of Health and Human Services			---	---	2,950,692	---
IRIS	-	-	---	---	219,073	---
My Choice Family Care						
My Choice Family Care	-	-	---	---	235,667	---
Independent Care Health Plan						
iCare	-	-	---	---	15,335	---
Community Care Inc.						
Community Care	-	-	---	---	218,655	---
Wisconsin Division of Vocational Rehabilitation						
DVR	-	-	---	---	29,290	---
Total expenditures			<u>\$ 31,725</u>	<u>\$ 118,275</u>	<u>\$ 3,668,712</u>	<u>\$ ---</u>

See Independent Auditors' Report and
Notes to Schedule of Expenditures of Federal and State Awards and
Fee-for-Service Contracts

BROADSCOPE DISABILITY SERVICES, INC.
Greenfield, Wisconsin

Notes to Schedule of Federal and State Awards and Fee-for-Service Contracts
Year Ended December 31, 2022

1. Basis of Presentation

The accompanying "Schedule of Federal and State Awards and Fee-for-Service Contracts" ("Schedule") includes the government award and contract activity of the Organization under programs of the federal and state government for the year ended December 31, 2022. The information in this schedule is presented in accordance with the requirements of the *Wisconsin DHS Audit Guide*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements. All federal and state awards received directly from federal and state agencies as well as federal and state financial awards passed through other agencies are included on the schedule.

2. Summary of Significant Accounting Policies

The Organization is considered a contractor and not a subrecipient in each of the fee-for-service contracts.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Broadscope Disability Services, Inc. has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance and the Wisconsin State Single Audit Guide.

BROADSCOPE DISABILITY SERVICES, INC.
Greenfield, Wisconsin

Summary Schedule of Prior Audit Findings
Year Ended December 31, 2022

There were no prior year audit findings.

BROADSCOPE DISABILITY SERVICES, INC.
Greenfield, Wisconsin

Schedule of Findings and Responses
Year Ended December 31, 2022

Section I. Summary of Auditors' Results

Financial Statements

- | | |
|----------------------------------------------------------------------------------------------------------------------------|------------|
| 1. Type of auditors' report issued on whether the financial statements audited were prepared in accordance with U.S. GAAP: | Unmodified |
| 2. Internal control over financial reporting: | |
| A. Significant deficiency(ies) identified? | None noted |
| B. Material weaknesses identified? | No |
| 3. Noncompliance material to financial statements? | None noted |

DHS Awards

- | | |
|------------------------------------------------------------------|------------|
| 4. Internal control over major program: | |
| A. Significant deficiency(ies) identified? | None noted |
| B. Material weaknesses identified? | No |
| 5. Any audit findings disclosed that are required to be reported | None noted |
| 6. Identification of major DHS programs: | |

Name of DHS Program

Milwaukee County Department of Health and Human Services – Employment Options

Section II. Financial Statement Findings

No matters were reported

Section III. DHS Award Findings and Questioned Costs

No matters were reported

BROADSCOPE DISABILITY SERVICES, INC.
Greenfield, Wisconsin

Schedule of Findings and Responses
Year Ended December 31, 2022
(Continued)

Section IV. Other Issues

1. Does the auditors' report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern?

No

2. Does the audit report show audit issues (i.e., material noncompliance, nonmaterial noncompliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with *Government Auditing Standards*:

Department of Health Services

No

3. Was a Management Letter or other document conveying audit comments issued as a result of this audit?

No

4. Name and signature of partner

Patrick G. Hoffert, CPA

5. Date of Report

April 14, 2023

BROADSCOPE DISABILITY SERVICES
Greenfield, Wisconsin

Schedule of Revenues and Expenses by Program - Without Donor Restriction
Year Ended December 31, 2022
With Summarized Totals For the Year Ended December 31, 2021

	Independent <u>Living</u>	Representative <u>Payee</u>	<u>Respite Care</u>	<u>Employment</u>	Total Program <u>Services</u>	Fundraising and <u>Development</u>	General and <u>Administrative</u>	2022 <u>Total</u>	2021 <u>Total</u>
Public Support and Grant Revenue:									
Milwaukee County grant	\$ ---	\$ ---	\$ ---	\$ 150,000	\$ 150,000	\$ ---	\$ ---	\$ 150,000	\$ 185,726
COP/CIP	---	---	2,912,333	---	2,912,333	---	---	2,912,333	2,360,503
Waukesha County	---	---	38,359	---	38,359	---	---	38,359	48,006
State of Wisconsin:									
Division of Vocational Rehabilitation	---	---	---	29,290	29,290	---	---	29,290	25,685
Care Wisconsin	---	---	---	---	---	---	---	---	257
My Choice Family Care	27,163	469	168,649	39,386	235,667	---	---	235,667	187,513
Community Care	24,634	110,744	48,244	35,033	218,655	---	---	218,655	213,596
Independent Care Health Plan	---	---	14,369	966	15,335	---	---	15,335	11,830
IRIS	71,769	---	108,728	38,576	219,073	---	---	219,073	212,975
Other grants	25,000	---	20,497	---	45,497	---	---	45,497	95,764
Private pay	13,261	2,787	937	---	16,985	---	---	16,985	10,094
Contributions	---	---	---	---	---	169,077	---	169,077	140,185
Fiscal agent fee revenue	---	---	238,438	---	238,438	---	---	238,438	231,156
Contributed nonfinancial assets	---	---	5,000	---	5,000	17,070	---	22,070	6,943
Special events revenue	---	---	---	---	---	84,566	---	84,566	99,662
Less: Direct benefit to donor	---	---	---	---	---	(42,138)	---	(42,138)	(28,848)
Public support and grant revenue:	161,827	114,000	3,555,554	293,251	4,124,632	228,575	---	4,353,207	3,801,047
Other Revenue									
Investment income (loss), net	---	---	---	---	---	(127,592)	---	(127,592)	81,015
Other revenue	1,146	13,654	50	71	14,921	11,117	---	26,038	23,089
Total other revenue	1,146	13,654	50	71	14,921	(116,475)	---	(101,554)	104,104
Net assets released from restrictions	---	---	---	---	---	50,978	---	50,978	10,500
Total revenue	162,973	127,654	3,555,604	293,322	4,139,553	163,078	---	4,302,631	3,915,651
Expenses:									
Salaries and wages	164,010	73,360	157,083	186,223	580,676	95,949	65,141	741,766	740,646
Employee benefits	17,296	9,196	49,529	22,667	98,688	11,344	8,147	118,179	77,525
Payroll taxes	11,834	5,328	11,592	13,448	42,202	7,200	4,953	54,355	54,587
Amortization of right of use asset	---	---	---	---	---	---	1,236	1,236	---
Conferences and seminars	15,610	---	26	1,042	16,678	368	485	17,531	6,366
Contributed nonfinancial assets	---	---	5,000	---	5,000	17,070	---	22,070	6,943
Depreciation	425	234	425	573	1,657	276	191	2,124	1,429
Equipment rental and maintenance	1,930	1,061	1,929	2,662	7,582	5,085	352	13,019	8,883
Fiscal agent payroll taxes	---	---	263,377	---	263,377	---	---	263,377	176,098
Fiscal agent Quickbook fees	---	---	4,442	---	4,442	---	---	4,442	6,380
Fiscal agent salaries	---	---	2,583,969	---	2,583,969	---	---	2,583,969	2,053,789
Interest on financing right of use lease	3	2	4	4	13	2	1	16	---
License and fees	---	---	8,576	---	8,576	6,899	2,409	17,884	15,522
Marketing activities	---	---	---	---	---	451	---	451	---
Miscellaneous	57	48	4,792	78	4,975	537	386	5,898	1,081
Occupancy	12,856	7,071	12,856	17,355	50,138	8,356	5,785	64,279	60,973
Postage and shipping	1,098	623	2,190	1,491	5,402	2,214	494	8,110	6,987
Printing and publications	175	141	175	780	1,271	864	79	2,214	1,302
Professional fees	18,731	10,302	189,450	25,287	243,770	18,081	8,429	270,280	179,754
Repairs and maintenance	7,342	4,038	7,342	9,912	28,634	4,773	3,304	36,711	36,344
Special event	---	---	---	---	---	25,224	---	25,224	21,742
Specific assistance	2,414	11,356	291,665	---	305,435	---	---	305,435	302,787
Subscriptions and membership	121	67	121	210	519	154	499	1,172	561
Supplies	796	---	554	925	2,275	359	283	2,917	3,404
Telephone	1,535	1,986	4,175	5,481	13,177	1,127	691	14,995	13,389
Travel	10,257	38	5,019	13,107	28,421	199	131	28,751	17,965
Expenses before allocation	266,490	124,851	3,604,291	301,245	4,296,877	206,532	102,996	4,606,405	3,794,457
Allocation:									
Administration	22,659	12,360	22,660	30,897	88,576	14,420	(102,996)	---	---
Total expenses	289,149	137,211	3,626,951	332,142	4,385,453	220,952	---	4,606,405	3,794,457
Change in net assets	\$ (126,176)	\$ (9,557)	\$ (71,347)	\$ (38,820)	\$ (245,900)	\$ (57,874)	\$ ---	\$ (303,774)	\$ 121,194

See Independent Auditors' Report

BROADSCOPE DISABILITY SERVICES

Greenfield, Wisconsin

DHS Cost Reimbursement Award Schedule

For the Audit Period Ended December 31, 2022

	<u>Employment Options</u>
Award amount	\$ 150,000
Award period	1/1/2022 - 12/31/2022
Period of award within audit period	1/1/2022 - 12/31/2022
A. Expenditures reported to DHS or revenue received	\$ 150,000
B. Total operating costs of award	
Employee Salaries and Wages	189,170
Employee Fringe Benefits	16,654
Payroll Taxes	16,841
Rent or Occupancy	24,524
Professional Services	21,504
Employee Travel	10,065
Conferences, Meetings or Education	2,454
Supplies	957
Telephone	5,648
Equipment	2,066
Postage and Shipping	1,459
Printing and Publications	457
Allocated Administrative Costs	28,039
Total Operating Costs of Award	<u>319,838</u>
C. Less disallowed costs	---
D. Less program revenue and other offsets to costs	<u>(143,251)</u>
E. Total allowable costs	<u>176,587</u>
F. Gain or (Loss) = Line A - Line E	<u><u>\$ (26,587)</u></u>

See Independent Auditors' Report