WOMEN'S BUSINESS DEVELOPMENT CENTER

Financial Statements and
Independent Auditor's Report

For the Year Ended June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Women's Business Development Center

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Women's Business Development Center ("WBDC")**, a nonprofit organization, which comprise the statement of financial position as of June 30, 2023, 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 WBDC as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the WBDC'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 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.

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 WBDC'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 WBDC's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited the WBDC's 2022 financial statements, and we expressed an unmodified audit opinion on those financial statements in our report dated March 6, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Illinois Grant Accountability and Transparency Act Consolidated Year-End Financial Report on page 29 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Illinois Grant Accountability and Transparency Act Consolidated Year-End Financial Report and the schedule of expenditures of federal awards are 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 February 15, 2024, on our consideration of the WBDC'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 solely 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 the effectiveness of the WBDC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the WBDC's internal control over financial reporting and compliance.

Prado & Renteria

Chicago, Illinois
February 15, 2024

WOMEN'S BUSINESS DEVELOPMENT CENTER
STATEMENT OF FINANCIAL POSITION
As of June 30, 2023
(with summarized comparative totals for 2022)

	2023	2022
ASSETS		
Cash	$ 33,020,020	$ 5,080,851
Contributions Receivable, Net of Reserve of $20,000 and $10,000, respectively	572,300	202,650
Government Grants Receivable	1,100,855	1,421,964
Miscellaneous Receivables	31,023	8,353
Certificate of Deposit	102,164	100,904
Prepaid Expenses	100,503	65,213
Notes Receivable - Microloans, Net of Reserve of $82,500 and $107,000, respectively	62,871	115,533
Property and Equipment, Net	17,019	45,391
Operating Lease Right-of-Use Assets	528,976	-
Security Deposit	7,838	7,838
TOTAL ASSETS	35,543,569	7,048,697
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts Payable	122,495	434,791
Accrued Expenses	385,048	11,000
Accrued Payroll and Related Taxes	150,062	138,512
Accrued Compensated Absences	85,556	107,743
Government Advance	27,299,323	49,393
Deferred Rent	-	82,717
Operating Lease Liability	594,683	-
Total Liabilities	28,637,167	824,156
Net Assets		
Without Donor Restrictions		
Board-Designated	3,839,079	3,705,445
Undesignated	2,213,747	1,511,782
With Donor Restrictions	853,576	1,007,314
Total Net Assets	6,906,402	6,224,541
TOTAL LIABILITIES AND NET ASSETS	$ 35,543,569	$ 7,048,697

The accompanying Notes are an integral part of these Financial Statements.

WOMEN'S BUSINESS DEVELOPMENT CENTER
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023
(with summarized comparative totals for 2022)

	Without donor restrictions	With donor restrictions	2023	2022
REVENUES AND SUPPORT				
Public Support				
Contributions of Cash and Other Financial Assets	$ 942,350	$ 1,909,319	$ 2,851,669	$ 2,223,571
Contributions of Nonfinancial Assets	15,214	-	15,214	49,123
Grants - Governmental Agencies	-	9,918,727	9,918,727	6,241,025
Grants - Governmental PPP Loan Forgiveness	-	-	-	571,362
Total Public Support	957,564	11,828,046	12,785,610	9,085,081
Other Revenue				
Seminars	46,628	-	46,628	17,762
Fees from Women's Business Owners	1,413,531	-	1,413,531	1,314,570
Fee Income from National Certification Organization	241,400	-	241,400	163,855
Loan Fees	-	-	-	1,556
Interest and Dividend Income	407,192	-	407,192	2,410
Program Interest	24,380	-	24,380	16,309
Total Other Revenue	2,133,131	-	2,133,131	1,516,462
Net Assets Released from Restrictions	11,981,784	(11,981,784)	-	-
TOTAL REVENUES AND SUPPORT	15,072,479	(153,738)	14,918,741	10,601,543
EXPENSES				
Program Services	13,333,687	-	13,333,687	8,224,341
Management and General	594,874	-	594,874	699,688
Fundraising	308,319	-	308,319	306,382
TOTAL EXPENSES	14,236,880	-	14,236,880	9,230,411
CHANGE IN NET ASSETS	835,599	(153,738)	681,861	1,371,132
NET ASSETS, Beginning of Year	5,217,227	1,007,314	6,224,541	4,853,409
NET ASSETS, End of Year	$ 6,052,826	$ 853,576	$ 6,906,402	$ 6,224,541

The accompanying Notes are an integral part of these Financial Statements.

WOMEN'S BUSINESS DEVELOPMENT CENTER
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2023
(with summarized comparative totals for 2022)

	Emerging Business	Established Business	Access to Capital	Child Care	Certification	Conferences	Veterans Program	Total Program Services	Management and General	Fundraising	**2023 Total**	**2022 Total**
Salaries and Related Expenses												
Salaries	$ 346,801	$ 1,221,279	$ 788,695	$ 117,421	$ 486,466	$ 52,062	$ 5,800	$ 3,018,524	$ 169,910	$ 197,079	$ 3,385,513	$ 3,115,139
Group Benefits	40,162	142,981	69,124	14,259	76,936	6,787	648	350,897	22,983	22,440	396,320	365,225
Employees' Savings 401k Plan	9,294	33,405	15,843	3,295	17,883	1,432	260	81,412	4,796	5,200	91,408	79,873
Payroll Taxes	25,388	90,070	43,858	8,777	49,166	3,715	651	221,625	12,721	14,304	248,650	240,568
Total Salaries and Related Expenses	421,645	1,487,735	917,520	143,752	630,451	63,996	7,359	3,672,458	210,410	239,023	4,121,891	3,800,805
Advertising and Promotional	2,092	7,487	3,751	817	4,139	350	42	18,678	1,084	1,185	20,947	32,306
Amortization and Depreciation	3,880	14,502	5,058	1,373	8,108	593	106	33,620	2,007	2,187	37,814	60,171
Provision for Uncollectible Accounts	-	20,700	50,528	-	-	-	-	71,228	-	-	71,228	10,000
Provision for Uncollectible Microloans, net of Recoveries	-	-	(67,879)	-	-	-	-	(67,879)	-	-	(67,879)	15,000
Bank and Credit Card Charges	11,035	40,667	17,471	3,893	20,727	1,687	292	95,772	6,133	6,131	108,036	77,548
Conferences, Trainings and Meetings	4,393	23,150	11,050	1,522	8,696	73,973	84	122,868	18,219	2,592	143,679	38,975
Equipment Rental, Repairs and Maintenance	1,195	4,482	1,581	424	2,530	186	33	10,431	5,805	677	16,913	13,579
Grant Award Expense	-	36,000	7,295,084	-	-	-	-	7,331,084	-	-	7,331,084	2,486,946
Insurance	4,279	15,676	6,555	1,513	8,450	657	116	37,246	2,176	2,401	41,823	32,449
Loan Origination Fees	-	-	1,680	-	-	-	-	1,680	-	-	1,680	3,165
Occupancy	36,644	106,281	45,291	9,798	77,540	4,548	542	280,644	14,195	15,416	310,255	335,243
Office Expense	3,010	12,484	4,437	1,067	6,162	1,087	59	28,306	4,075	1,761	34,142	45,070
Postage and Shipping	318	1,906	515	632	646	169	6	4,192	335	180	4,707	4,543
Printing	393	4,887	947	117	1,123	1,784	7	9,258	934	185	10,377	5,433
Professional Fees	5,723	21,011	7,496	2,037	13,579	921	146	50,913	211,608	3,252	265,773	245,619
Program Supplies	-	6,631	-	-	-	-	-	6,631	209.00	-	6,840	8,644
Services - Center	14,060	75,633	29,665	4,946	27,272	45,877	298	197,751	35,633	7,707	241,091	303,638
Services - Technology	18,388	82,735	44,957	6,540	41,996	6,958	403	201,977	11,569	10,282	223,828	178,491
Services - Client	52,473	282,908	723,159	7,221	66,779	9,441	405	1,142,386	64,821	11,322	1,218,529	1,439,898
Subscription and Dues	1,550	5,782	1,198	302	1,675	140	17	10,664	906	487	12,057	12,925
Telephone	2,676	10,589	4,629	946	5,070	440	53	24,403	2,118	1,485	28,006	24,635
Travel	3,346	23,110	5,713	1,324	15,278	544	61	49,376	2,637	2,046	54,059	55,328
Total	$ 587,100	$ 2,284,356	$ 9,110,406	$ 188,224	$ 940,221	$ 213,351	$ 10,029	$ 13,333,687	$ 594,874	$ 308,319	$ 14,236,880	$ 9,230,411

The accompanying Notes are an integral part of these Financial Statements.

WOMEN'S BUSINESS DEVELOPMENT CENTER
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2023
(with summarized comparative totals for 2022)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	$ 681,861	$ 1,371,132
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided by (Used) In Operating Activities:		
Depreciation and Amortization	37,814	60,171
Amortization of Operating Lease-Right-of-Use Asset	220,522	-
Amortization of Deferred Rent	-	44,572
Provision for Uncollectible Microloans, Net of Loan Recovery	(24,500)	15,000
Provision for Uncollectible Accounts	71,228	10,000
Forgiveness of PPP Loan	-	(571,362)
(Increase) Decrease in Operating Assets:		
Contributions Receivable	(440,878)	927,565
Government Grants Receivable	321,109	(880,614)
Miscellaneous Receivables	(22,670)	5,639
Prepaid Expenses	(35,290)	(18,529)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(312,296)	332,977
Accrued Expenses	374,048	(696,500)
Awards Payable	-	(180,000)
Accrued Payroll and Related Taxes	11,550	46,613
Accrued Compensated Absences	(22,187)	15,209
Government Advance	27,249,930	(29,701)
Operating Lease Liability	(237,532)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	27,872,709	452,172
CASH FLOWS FROM INVESTING ACTIVITIES		
Microloans Made	-	(66,556)
Collections of Microloans	77,162	109,842
Purchases of Property and Equipment	(9,442)	-
Deposits in Certificate of Deposit	(1,260)	(252)
NET CASH PROVIDED BY INVESTING ACTIVITIES	66,460	43,034
NET INCREASE IN CASH	27,939,169	495,206
CASH, Beginning of Year	5,080,851	4,585,645
CASH, End of Year	$ 33,020,020	$ 5,080,851

Supplemental cash flows information related to leases is as follows:

	2023	2022
Cash paid for amount included in the measurement of lease liability:		
Operating cash flows from operating lease	$ 237,532	$ -

The accompanying Notes are an integral part of these Financial Statements.

NOTE 1 – NATURE OF ACTIVITIES

The Women's Business Development Center (WBDC) is a 37-year-old economic development organization, incorporated in 1986 as an Illinois not-for-profit corporation. Its founders believed that business ownership was the critical path for women's economic empowerment and self-sufficiency. During the ensuing years, the WBDC has responded to shifting Chicagoland demographics and community needs, which has expanded its mission and focus to serve other underserved populations and communities. Its mission today is to support and accelerate business development and growth, targeting women and serving all diverse entrepreneurs, in order to strengthen their participation in, and impact on, the economy.

The WBDC is headquartered in Chicago, Illinois, with offices in Aurora, Richton Park, and the Little Village neighborhood. It also serves a nine-state Midwest region as a third-party certifier of Women Business Enterprises (WBE's) as part of the Women's Business Enterprise National Council (WBENC). The WBDC territory is inclusive of Illinois, Wisconsin, Minnesota, Iowa, Kansas, Missouri, Nebraska, North Dakota, and South Dakota. Its major markets, in which it has offices and staff, are Chicago, Milwaukee, Twin Cities, Kansas City, and St. Louis.

The WBDC provides a range of programs and services for successive stages of the business life cycle, including:

- Individualized advising
- Specialized curricula and workshops
- Procurement and matchmaking opportunities
- Government contracting assistance
- Financial education, debt and equity placement, and direct lending
- Women's business enterprise (WBE) certification

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting:

WBDC's financial statements are prepared in accordance with accounting principles generally accepted in United States of America (GAAP).

Net assets:

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets available to finance the general operations of WBDC. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of WBDC, the environment in which it operates and the purposes specified in its Articles of Incorporation. Voluntary resolutions by the Board of Directors to designate a portion of WBDC's net assets without donor restrictions for specified purposes do not result in restricted funds. Since designations are voluntary and may be reversed by the Board of Directors at any time, designated net assets are included under the caption "net assets without donor restrictions."

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Net Assets without donor restrictions - Continued

WBDC's Board-designated net assets without donor restrictions as of June 30, 2023 and 2022 consist of an operating reserve, loan fund and technology reserve. The Board designated that any remaining loan principal after the expiration of grants of loan funds should continue to be used to make loans in the future. Board-designated unrestricted net assets as of June 30, 2023 and 2022 are as follows:

	2023	2022
Operating reserve	$ 2,500,000	$ 2,500,000
Loan fund	1,189,079	1,105,445
Technology reserve	150,000	100,000
Total board-designated	$ 3,839,079	$ 3,705,445

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 the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Recent accounting pronouncements:

Effective July 1, 2022 WBDC adopted ASU 2016-02, *Leases (Topic 842)* using the modified retrospective transition method. This guidance requires a lessee to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, in its balance sheet. The guidance also expands the required quantitative and qualitative disclosures surrounding leases. WBDC elected the package of practical expedients to not reassess: (1) whether any expired or existing contracts are or contain leases, (2) lease classification for any expired or existing leases and (3) initial direct costs for any existing leases. In addition, WBDC elected to use hindsight to determine the lease terms of existing leases and assess impairment of right-of-use assets at the adoption date.

The adoption of this standard resulted in the recognition of operating lease right-of-use assets of $744,815 and operating lease liabilities of $827,532 at July 1, 2022.

WBDC elected to apply the provisions of Topic 842, Leases at July 1, 2022 through a cumulative-effect adjustment. As a result, comparative information for the prior period has not been adjusted and is reported under the accounting standards that were in effect for the prior period under Topic 840, Leases.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Cash:

Cash consists of cash and other highly liquid investments with an original maturity of three months or less when purchased.

Contribution and grants receivable:

Contribution and grants receivable include unconditional promises to give. All unconditional promises to give are expected to be collected during the succeeding year; therefore, no present value discount was applied to the balance. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the appropriate receivable. The WBDC provides an allowance, as needed, for estimated uncollectible contributions based on an analysis of specific donor history and experience. It is the WBDC's policy to charge off uncollectible contributions receivable when management determines that the receivable will not be collected. The allowance for uncollectible accounts was $20,000 and $10,000 at June 30, 2023 and 2022, respectively.

Property and equipment and related depreciation and amortization:

Leasehold improvements and purchased office equipment are recorded at cost. Donated property and equipment are recorded at their estimated fair value at the date of donation. Major additions and improvements of $5,000 or more are capitalized while replacements, maintenance and repairs, which do not improve or extend the lives of the respective assets, are expensed currently. Depreciation is computed over the estimated useful lives of the related assets using the straight-line method. Amortization of leasehold improvements is computed over the lesser of the useful life of the improvement or the life of the lease using the straight-line method.

Management reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended June 30, 2023 and 2022.

Fair value of financial instruments:

<u>Cash and certificate of deposit</u>

Cash and certificate of deposit are recorded at carrying value which approximates fair value.

<u>Investments</u>

Investments are recorded at fair value in the accompanying financial statements. Fair value is determined based on the fair value measurement principles prescribed by the Financial Accounting Standard Board.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Government advance:

Government grants received for which qualifying expenses have not yet been incurred as of June 30 are recorded as government advance.

Leases accounted for under Topic 842, *Leases*:

WBDC determines whether a contract is a lease at the contract's inception. Identified leases are subsequently measured, classified, and recognized at lease commencement as either a finance lease or an operating lease. Right-of-use assets and lease liabilities are recognized at the commencement date of the lease based on the estimated present value of lease payments to be made over the lease term. WBDC's lease terms may include options to extend or terminate the lease when it is reasonably certain that WBDC will exercise the option. The lease payments are discounted to present value using a discount rate based on a term commensurate with the lease terms at the lease commencement date. WBDC elected to use a risk-free discount rate for all classes of underlying assets. The weighted-average discount rate applied to calculate the lease liability as of June 30, 2023, was 2.84%. The portion of payments on operating lease liabilities related to interest, along with the amortization of the related right-of-use assets, is recognized as operating lease cost. Operating lease cost is recognized on a straight-line basis over the lease term.

WBDC elected to treat the lease and non-lease components of a lease as a single lease component for all classes of underlying assets.

Contributed goods and services:

Contributed goods are reflected as contributions at their fair value at date of donation and are reported as without donor restrictions unless explicit donor stipulations specify how donated assets must be used. WBDC recognizes the fair value of contributed services received if such services a) create or enhance nonfinancial assets or b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed.

Contributed goods are not sold and goods and services are only utilized by WBDC. There were no donor restrictions for contributed goods and services during the years ended June 20, 2023 and 2022. The fair value of the contributed supplies was based on estimates of wholesale values that would be received for selling for similar products in the United States. Contributed consulting services recognized comprise professional services from consultants advising WBDC on various program and technology matters. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar program and technology matters. The fair value of the airline vouchers was based on market value for similar airline travel. The fair value of the contributed rent was based on recent comparable rental prices. Contributed professional fees consist of consulting services from

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Contributed goods and services - Continued

attorneys advising the WBDC on various matters related to workshops. Contributed professional fees are valued at estimated fair value using standard industry pricing for similar legal services.

During the year ended June 30, 2023, contributed goods and services were allocated as follows:

Year ended June 30, 2023	Program services	Management and general	Fundraising	Total
Supplies	$ 235	$ -	$ -	$ 235
Consultants	4,979	-	-	4,979
Airline Vouchers	10,000	-	-	10,000
Total	$ 15,214	$ -	$ -	$ 15,214

During the year ended June 30, 2022, contributed goods and services were allocated as follows:

Year ended June 30, 2022	Program services	Management and general	Fundraising	Total
Occupancy	$ 500	$ -	$ -	$ 500
Professional Fees	-	-	2,000	2,000
Consultants	11,623	-	-	11,623
Airline Vouchers	35,000	-	-	35,000
Total	$ 47,123	$ -	$ 2,000	$ 49,123

WBDC receives services from a large number of volunteers who give significant amounts of their time to WBDC but do not meet the criteria for financial statement recognition. During each of fiscal years 2023 and 2022, management estimates the Organization received approximately 1,489 and 2,142 hours of volunteer services valued at $96,650 and $143,350, respectively.

Contributions Recognition:

WBDC recognizes contributions when cash, securities or other assets, and 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Functional allocation of expenses:

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. All expenses except for provision for uncollectible microloans, loan origination fees and program supplies were allocated on the basis of estimates of time and effort. Certain costs directly attributable to one program or supporting function are charged directly to that function.

Use of estimates:

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

Comparative totals from prior years:

The 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 GAAP. Accordingly, such information should be read in conjunction with WBDC's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

Reclassification:

Certain amounts from prior year have been reclassified in order to conform to the current year's presentation.

NOTE 3 – REVENUE FROM CONTRACTS WITH CUSTOMERS

Performance obligations:

The Organization's revenue is primarily derived from services to business owners, seminars, fees from Women's business enterprise (WBE) certification, and fees for loan administration. There is no variable consideration with these revenue streams.

The Organization charges a fee for selected seminars. The transaction price is the price of attending the seminars and revenue is earned at the point in time when the seminar is held.

NOTE 3 – REVENUE FROM CONTRACTS WITH CUSTOMERS - Continued

Performance obligations: Continued

The Organization is a third-party certifier of the Women's Business Enterprise (WBE) certification for businesses owned, operated and controlled by women in the United States. The transaction price is the certification fee and is earned at the time the application is submitted to the Organization.

The Organization receives a fee from WBENC, a National Certification Organization (NCO) for work done throughout the year as a Regional Partner Organization (RPO), Midwest Region. The three performance obligations are processing certifications, marketing the certification program, and marketing special events of the NCO. The transaction price consists of two components. A fixed fee and a performance-based fee calculated using the NCO's annual budget. The fixed fee is immaterial to the financial statements as a whole. The performance-based fee consists of WBDC's proportionate share of a revenue pool allocated among the fourteen RPOs. WBDC's share of the performance-based fee is not determinable until such time as WBDC is informed by the NCO. Revenue is earned when payment is received.

Disaggregation of revenue:

Revenue from contracts with customers disaggregated by category for the year ended June 30, 2023 and 2022 is as follows:

Years ended June 30,	2023	2002
Seminars	$ 46,628	$ 17,762
Fees from Women's Business Owners	1,413,531	1,314,570
Fee Income from National Certification Organizations	241,400	163,855
Total revenue	$ 1,701,559	$ 1,496,187

Contract balances:

There were no accounts receivable or contract assets related to revenue from contracts with customers at June 30, 2023 and 2022.

Contract liabilities consist of revenue from seminars received by June 30 that will be earned after June 30. Contract liabilities were $0 at June 30, 2023 and 2022, respectively.

Significant judgements:

Significant judgements are required to be made by management to determine the appropriate approach to applying revenue recognition criteria. Significant judgement was also required when determining whether revenue from contracts with customers was earned at a point in time or over time.

NOTE 4 – TAX STATUS

WBDC is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes pursuant to Section 501(a) of the Code. In addition, the IRS has determined that WBDC is not a private foundation within the meaning of Section 509(a) of the Code.

WBDC has adopted the requirements for accounting for uncertain tax positions and management has determined that WBDC was not required to record a liability related to uncertain tax positions as of June 30, 2023 and 2022.

WBDC is no longer subject to examination by the Internal Revenue Service for years prior to 2020.

NOTE 5 – LIQUIDITY AND AVAILABILITY

WBDC strives to maintain liquid financial assets sufficient to cover six months of general expenditures. Financial assets in excess of daily cash requirements are invested in certificates of deposit, money market funds and other short-term investments. The following table reflects WBDC's financial assets as of June 30, 2023 and 2022, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of contractual restrictions.

June 30,	2023	2022
Financial Assets at year-end:		
Cash & certificates of deposit	$ 33,122,184	$ 5,181,755
Contribution and miscellaneous receivable	603,323	212,650
Government receivable	1,100,855	1,421,964
Notes receivable - microloans, net	62,871	115,533
Total financial assets	34,889,233	6,931,902
Less amounts not available to use within one year		
Notes receivable - microloans	25,342	60,258
Net assets with donor restrictions	-	25,000
Financial assets available to meet general expenditures within one year	$ 34,863,891	$ 6,846,644

WBDC regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. WBDC monitors liquidity by reviewing monthly financial statements, preparing monthly budgetary projections, and monitoring cash and receivables.

NOTE 5 – LIQUIDITY AND AVAILABILITY - Continued

In addition to financial assets available to meet general expenditures over the next 12 months, WBDC operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

WBDC's governing board has designated a portion of its resources without donor restrictions for other purposes. These board designated net assets remain available and may be spent at the discretion of the Board.

NOTE 6 – PROPERTY AND EQUIPMENT

The components of property and equipment were as follows:

	June 30, 2023	June 30, 2022
Computers	$ 137,956	$ 174,956
Furniture and Fixtures	14,821	75,800
Equipment	-	33,359
Leasehold Improvements	105,201	105,201
	257,978	389,316
Less accumulated depreciation and amortization	(240,959)	(343,925)
Property and equipment, net	$ 17,019	$ 45,391

NOTE 7 – CONCENTRATION OF CREDIT RISK

WBDC maintains its cash balances in bank accounts which, at times, may exceed federally-insured limits. Management believes that WBDC is not exposed to any significant credit risk on cash.

NOTE 8 – NOTES RECEIVABLE - MICROLOANS

WBDC provides access to capital to support the growth of women owned businesses. The notes receivable-microloans balance includes loan principal plus fees and consists of seven promissory notes ranging from $8,700 to $51,315. The interest rates range from 3% to 12% and maturity dates through January of 2026. Notes expected to be collected in one year and up to five years are recorded at net realizable value because that amount, although not equivalent to the present value of estimated future cash flows, results in a reasonable estimate of fair value. The allowance for uncollectible microloans is $82,500 and $107,000 at June 30, 2023 and 2022, respectively.

NOTE 9 – LINE OF CREDIT

The Organization has a revolving credit facility evidenced by a promissory note that is restricted for providing small business loans. The note allows for borrowings up to $500,000 and bears interest at 2.52% per annum. Under the terms of the note, the Organization is obligated to make interest only payments to the Lender on outstanding balances beginning on January 1, 2020 and continuing on the

NOTE 9 – LINE OF CREDIT- Continued

first day of each April, July, October and January thereafter to and including July 1, 2024. A final payment of all outstanding principal and unpaid interest is due at maturity, September 25, 2024. There were no advances on the note as of June 30, 2023.

The note is collateralized by all assets of the Organization up to the outstanding amount of the loan and is subject to various covenants. The Lender's security interest in the collateral remains until all of the indebtedness has been paid and satisfied in full by the Organization. Thereafter, the Lender shall release its security interest in the Organization's collateralized assets.

NOTE 10 – PAYCHECK PROTECTION PROGRAM LOANS

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act, commonly referred to as the CARES Act, was signed into law. One component of the CARES Act was the Paycheck Protection Program (PPP) which provides businesses with funding to maintain their payroll and cover applicable overhead. The PPP was implemented by the Small Business Administration (SBA) with support from the Department of the Treasury. In March 2021, the Organization applied for and received a second PPP loan in the amount of $571,362 (PPP 2). The Organization has accounted for the PPP 2 loan under the debt model. During the year ended June 30, 2022, the Organization applied for and received forgiveness of the entire PPP 2 loan balance. The loan forgiveness of $571,362 is recorded as grants – governmental PPP loan forgiveness on the statement of activities.

NOTE 11 – LEASES

WBDC occupies office spaces in Chicago, Illinois under a lease which is due to expire February 28, 2026 and provides for base rent with three percent annual increases. In addition, the lease includes operating expenses and real estate tax increases over the base year, as defined in the lease.

WBDC also leases office space in various other cities under short-term lease agreements and one long-term lease that was due to expire July 31, 2024. The lease was terminated early effective June 30, 2023. Subsequent to year end, the WBDC entered into a new lease on August 31, 2023 for the period September 1, 2023 through December 31, 2024. Both of the long-term leases call for monthly payments of $1,100.

Future minimum lease payments under all operating agreements are as follows:

Year ended June 30,		
2024	$	11,000
2025		6,600
	$	17,600

NOTE 11 – LEASES – Continued

Future minimum operating lease liability payments are as follows:

Year ended June 30,		
2024	$	226,560
2025		233,356
2026		158,648
Total lease payments		618,564
Less present value discount		23,881
Present value of lease liability	$	594,683

The following shows the composition of occupancy expense for the years ended June 30, 2023.

Year ended June 30,		
Rent	$	89,733
Right of use asset amortization		220,522
Total	$	310,255

NOTE 12 –NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes:

	2023	2022
Access to Capital Program	$ 60,939	$ 161,600
Certification Scholarships	9,400	4,316
Childcare Education	10,312	109,278
Digital Equity and Inclusion Programming	-	15,000
Ecosystem Innovation	65,000	-
EMBA	20,500	-
Pitch Competition	6,000	2,500
ScaleUp Program	529,734	162,120
Seeds for Growth	23,000	15,000
Small Business Relief Grants	97,941	-
Supplier Diversity	30,750	37,500
Technical Assistance and Outreach	-	500,000
Total Net Assets With Donor Restrictions	$ 853,576	$ 1,007,314

NOTE 13 – RETIREMENT FUND COMMITMENTS

WBDC sponsors an employees' savings plan (the Plan) which qualifies under Section 401(k) of the Code. The plan is administered by a plan administrator. Eligibility requirements are defined by the plan. For the fiscal years ended June 30, 2023 and 2022, WBDC contributed an amount based on participants' compensation and amount of compensation deferred. Total contributions by WBDC for the fiscal years ended June 30, 2023 and 2022 were $91,408 and $79,873, respectively.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

WBDC has received funds from state and federal grants in the current year which are subject to audits by granting agencies. Management believes that any adjustments that might arise from these audits would be insignificant to WBDC's operations.

NOTE 15 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 15, 2024 the date that the financial statements were available to be issued.

Supplementary Information

WOMEN'S BUSINESS DEVELOPMENT CENTER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For Year Ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Assistance Listing Number	Contract Number	Provided to Subrecipients	Project Year	**Total**
U.S. Department of Defense					
Pass-through program from Illinois Department of Commerce & Economic Opportunity:					
Procurement Technical Assistance for Business Firms	12.002	23-601115	-	July 1, 2022 - June 30, 2023	$ 128,000
Total Procurement Technical Assistance for Business Firms					128,000
Total U.S. Department of Defense					128,000
U.S. Department of Housing and Urban Development					
Pass-through program from Cook County of Illinois:					
Community Development Block Grant Program	14.218	2204-058	-	October 1, 2022 - September 30, 2023	52,500
Total Community Development Block Grant Program					52,500
Total U.S. Department of Housing and Urban Development					52,500
U.S. Small Business Administration					
Women's Business Ownership Assistance - Chicago	59.043	SBAHQ-20-W-0022	-	September 30, 2021 - September 29, 2022	38,613
Women's Business Ownership Assistance - Aurora	59.043	SBAHQ-20-W-0021	-	September 30, 2021 - September 29, 2022	48,187
Women's Business Ownership Assistance - Chicago	59.043	SBAOEDWB220088	-	September 30, 2022 - September 29, 2023	103,768
Women's Business Ownership Assistance - Aurora	59.043	SBAOEDWB220094	-	September 30, 2022 - September 29, 2023	96,800
Total Women's Business Ownership Assistance					287,368
Pass-through programs from Illinois Department of Commerce & Economic Opportunity:					
Small Business Development Centers	59.037	21-185141	-	January 1, 2022 - December 31, 2022	152,885
COVID-19 Small Business Development Centers - CARES Act	59.037	20-543141	-	April 1, 2020 - September 30, 2022	3,254
Total Small Business Development Centers					156,139
Total U.S. Small Business Administration					443,507
United States Department of the Treasury					
Pass-through programs from Cook County of Illinois:					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds*	21.027	NT110	1,581,239	April 1 2022 - November 30, 2026	7,720,973
COVID-19 Coronavirus State and Local Fiscal Recovery Funds*	21.027	NT111	-	April 1 2022 - November 30, 2026	937,412
Pass-through programs from Illinois Department of Commerce & Economic Opportunity:					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds*	21.027	21-483012	-	July 1, 2021 - December 31, 2022	199,394
Pass-through programs from City of Chicago Department of Business Affairs & Consumer Protection:					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds*	21.027	203310	-	August 15, 2022 - August 14, 2023	166,670
Total COVID-19 Coronavirus State and Local Fiscal Recovery Funds			1,581,239		9,024,449
Total United States Department of the Treasury			1,581,239		9,024,449
Total Expenditures of Federal Awards			$ 1,581,239		$ 9,648,456

* Denotes a major program

See Independent Auditor's Report and Notes to Schedule of Expenditures of Federal Awards

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards ("Schedule") includes the federal grant activity of WBDC and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of WBDC, it is not intended to and does not present the financial position, changes in net assets or cash flows of WBDC.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

WBDC has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4 – LOANS AND LOAN GUARANTEES

WBDC did not receive loans or loan guarantees for the year ended June 30, 2023.

NOTE 5 – NON-CASH ASSISTANCE

WBDC did not receive non-cash assistance for the year ended June 30, 2023.

NOTE 6 – INSURANCE

WBDC did not receive insurance assistance to reimburse losses for the year ended June 30, 2023.

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

To the Board of Directors of
Women's Business Development Center

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of **Women's Business Development Center ("WBDC")**, a nonprofit organization, which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 15, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the WBDC's internal control over financial reporting (internal control) as a basis for designing the 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 WBDC's internal control. Accordingly, we do not express an opinion on the effectiveness of the WBDC'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 controls that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the WBDC'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*.

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* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Prado & Renteria

Chicago, Illinois
February 15, 2024

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Women's Business Development Center

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Women's Business Development Center's ("WBDC")** compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the WBDC's major federal programs for the year ended June 30, 2023. The WBDC's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, WBDC complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with 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 audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the WBDC and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the WBDC's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the WBDC's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the WBDC's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the WBDC's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 WBDC's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of WBDC's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of WBDC's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Prado & Renteria

Chicago, Illinois
February 15, 2024

WOMEN'S BUSINESS DEVELOPMENT CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

1) Type of report the auditors issued on whether the financial statements audited were prepared in accordance with GAAP:	**Unmodified**			
2) Internal control over financial reporting:				
• Material weakness(es) identified?	____	Yes	X	No
• Significant deficiency(ies) identified?	____	Yes	X	None reported
3) Noncompliance material to financial statements noted?	____	Yes	X	No

Federal Awards

1) Internal control over major federal programs:				
• Material weakness(es) identified?	____	Yes	X	No
• Significant deficiency(ies) identified?	____	Yes	X	None reported
2) Type of auditors' report issued on compliance for major federal programs:	**Unmodified**			
3) Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____	Yes	X	No

Identification of major federal programs:

CFDA Number	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B Programs: $750,000

Auditee qualified as low risk auditee?	X	Yes	____	No

WOMEN'S BUSINESS DEVELOPMENT CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

No matters were reported.

SECTION IV – PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

WOMEN'S BUSINESS DEVELOPMENT CENTER
ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR END FINANCIAL REPORT
For the Year Ended June 30, 2023

CSFA Number	Program Name	State	Federal	Other	Total
420-27-2561	Small Business Community Navigator Program	$ -	$ 199,394	$ -	$ 199,394
420-35-0069	APEX Accelerators	-	128,000	94,145	222,145
420-35-0083	Small Business Development Centers	140,000	156,139	261,425	557,564
420-45-2348	Cannabis Regulation and Tax Act Social Equity Program	32,160	-	-	32,160
	Other Grant Programs and Activities	-	9,164,923	-	9,164,923
	All Other Costs Not Allocated	-	-	4,060,694	4,060,694
	Totals	$ 172,160	$ 9,648,456	$ 4,416,264	$ 14,236,880