



THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Audited Financial Statements

Year Ended December 31, 2024

With Summarized Totals for the Year Ended December 31, 2023

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Audited Financial Statements

Year Ended December 31, 2024

With Summarized Totals for the Year Ended December 31, 2023

Table of Contents

	<u>Page(s)</u>
Independent Auditors' Report	1 - 3
Financial Statements:	
Statements of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statements of Cash Flows	7
Notes to Financial Statements	8 - 17
Supplementary Information:	
Schedule of Functional Revenue Without Donor Restrictions and Expenses	18 - 19
DHS Cost Reimbursement Award Schedule	20
Schedule of Expenditures of Federal and State Government Awards	21
Notes to Schedule of Expenditures of Federal and State Government Awards	22
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 Department of Health Services Audit Guide</i>	23 - 24
Schedule of Findings and Responses	25 - 26



Independent Auditors' Report

To the Board of Directors
The Cathedral Center, Inc.
Milwaukee, Wisconsin

Opinion

We have audited the accompanying financial statements of The Cathedral Center, Inc. (a non profit organization) ("Organization"), which comprise the statement of financial position as of December 31, 2024, and the related statement 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, 2024, 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.

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.

Report on Summarized Comparative Information

We have previously audited The Cathedral Center, Inc.'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 11, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023 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 accompanying schedule of functional revenue without donor restrictions and expenses, schedule of expenditures of federal and state awards and the DHS cost reimbursement award schedule, as required by the Wisconsin Department of Health Services Audit Guide, 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 a report dated April 16, 2025 on our consideration of the Organization's internal control over financial reporting and 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 and reporting compliance and the results of that testing, and not to provide an opinion on the 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 Organization's internal control over financial reporting and compliance.

April 16, 2025
Milwaukee, Wisconsin

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Statements of Financial Position
December 31, 2024 and 2023

Assets:	2024	2023
Current Assets:		
Cash and cash equivalents	\$ 601,869	\$ 1,421,062
Certificates of deposit	519,438	---
Investments	2,019,231	1,198,783
Contributions receivable	16,258	16,605
Grants receivable, net	70,280	91,302
Promises to give, net	50,000	104,000
Prepaid expenses	10,706	11,666
Total current assets	3,287,782	2,843,418
Property and Equipment:		
Furniture and equipment	31,626	31,626
Leasehold improvements	43,140	43,140
Total property and equipment	74,766	74,766
Less: Accumulated depreciation and amortization	(40,166)	(35,180)
Net property and equipment	34,600	39,586
Other Assets:		
Operating lease right of use asset	279,382	55,050
Total assets	\$ 3,601,764	\$ 2,938,054
Liabilities and Net Assets:		
Current Liabilities:		
Accounts payable	\$ 27,896	\$ 50,458
Accrued payroll and related liabilities	149,344	117,347
Deferred revenue	---	21,291
Conditional advance	57,341	---
Operating lease liability, current portion	80,104	58,976
Total current liabilities	314,685	248,072
Noncurrent Liabilities:		
Operating lease liability, net of current portion	200,765	---
Total liabilities	515,450	248,072
Net Assets:		
Without donor restrictions:		
Board-designated	500,000	---
Undesignated	1,725,856	1,510,944
Total without donor restrictions	2,225,856	1,510,944
With donor restrictions	860,458	1,179,038
Total net assets	3,086,314	2,689,982
Total liabilities and net assets	\$ 3,601,764	\$ 2,938,054

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

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Statement of Activities
For the Year Ended December 31, 2024
(With Summarized Totals for the Year Ended December 31, 2023)

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>2024</u> <u>Total</u>	<u>2023</u> <u>Total</u>
Revenues:				
Exchange transactions:				
Program service fees	\$ 560,718	\$ ---	\$ 560,718	\$ 518,021
Administrative support	85,496	---	85,496	78,674
Total exchange transactions	<u>646,214</u>	<u>---</u>	<u>646,214</u>	<u>596,695</u>
Nonexchange transactions:				
Corporate contributions	12,696	---	12,696	6,629
Individual and religious contributions	322,078	6,500	328,578	353,114
Foundation grants	862,620	180,000	1,042,620	556,950
United Way	79,553	79,554	159,107	159,109
Government grants:				
Milwaukee County	217,997	---	217,997	217,997
City of Milwaukee	172,459	---	172,459	156,170
Hunger Task Force	45,357	---	45,357	68,671
State Shelter Subsidy grant	112,671	---	112,671	212,600
Total government grants	<u>548,484</u>	<u>---</u>	<u>548,484</u>	<u>655,438</u>
Contributed nonfinancial assets	197,929	---	197,929	199,142
Total nonexchange transactions	<u>2,023,360</u>	<u>266,054</u>	<u>2,289,414</u>	<u>1,930,382</u>
Special events:				
Revenues	119,232	---	119,232	110,515
Less: Direct benefit to donor	(6,917)	---	(6,917)	(6,952)
Net special events	<u>112,315</u>	<u>---</u>	<u>112,315</u>	<u>103,563</u>
Investment income	97,789	---	97,789	69,533
Miscellaneous revenue	3,538	---	3,538	3,336
Net assets released from restrictions	584,634	(584,634)	---	---
Net revenues	<u>3,467,850</u>	<u>(318,580)</u>	<u>3,149,270</u>	<u>2,703,509</u>
Expenses:				
Program services	2,386,428	---	2,386,428	2,292,814
Management and general	152,254	---	152,254	108,708
Fundraising	214,256	---	214,256	129,889
Total expenses	<u>2,752,938</u>	<u>---</u>	<u>2,752,938</u>	<u>2,531,411</u>
Change in net assets	714,912	(318,580)	396,332	172,098
Net assets, beginning of year	<u>1,510,944</u>	<u>1,179,038</u>	<u>2,689,982</u>	<u>2,517,884</u>
Net assets, end of year	<u>\$ 2,225,856</u>	<u>\$ 860,458</u>	<u>\$ 3,086,314</u>	<u>\$ 2,689,982</u>

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

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Statement of Functional Expenses
For the Year Ended December 31, 2024
(With Summarized Totals for the Year Ended December 31, 2023)

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Cost of Direct Benefit to Donors</u>	<u>2024 Total</u>	<u>2023 Total</u>
Expenses:						
Salaries and wages	\$ 1,323,780	\$ 90,256	\$ 121,070	\$ ---	\$ 1,535,106	\$ 1,374,072
Retirement expenses	30,930	391	586	---	31,907	27,181
Employee benefits	178,945	1,593	5,232	---	185,770	151,418
Payroll taxes	105,151	7,052	9,546	---	121,749	113,296
Professional fees	57,053	17,773	28,797	---	103,623	78,797
Specific assistance to individuals	85,608	---	---	---	85,608	58,627
Office supplies	4,072	478	138	---	4,688	6,941
Program supplies	216,966	158	70	---	217,194	245,043
Telephone	17,702	2,059	1,854	---	21,615	21,961
Postage	520	---	2,589	---	3,109	4,189
Printing and copying	250	62	796	---	1,108	11,652
Depreciation and amortization	4,886	100	---	---	4,986	7,080
Occupancy expense	146,954	12,161	9,551	---	168,666	178,066
Utilities	71,880	2,385	1,050	---	75,315	72,604
Staff recruitment	2,607	388	178	---	3,173	18,642
Staff travel	3,465	116	455	---	4,036	1,173
Staff parking	10,686	3,865	3,143	---	17,694	10,538
Conferences and meetings	2,994	1,220	2,096	---	6,310	3,343
Insurance	39,494	3,164	1,031	---	43,689	45,259
Computer support	17,876	932	918	---	19,726	21,666
Membership dues and subscriptions	7,936	4,736	8,528	---	21,200	15,175
Volunteer expense	---	89	690	---	779	513
Advertising	792	---	8,971	---	9,763	1,724
Meals, lodging and entertainment	4,133	2,932	249	---	7,314	4,888
Repairs and maintenance	36,916	344	290	---	37,550	30,385
Miscellaneous expense	176	---	---	---	176	4,117
Non-Capital fixed asset purchases	14,656	---	2,192	---	16,848	19,080
Special event expenses	---	---	4,236	6,917	11,153	10,933
Subtotal	<u>2,386,428</u>	<u>152,254</u>	<u>214,256</u>	<u>6,917</u>	<u>2,759,855</u>	<u>2,538,363</u>
Less expenses included with revenues on the statement of activities	<u>---</u>	<u>---</u>	<u>---</u>	<u>(6,917)</u>	<u>(6,917)</u>	<u>(6,952)</u>
Total expenses	<u>\$ 2,386,428</u>	<u>\$ 152,254</u>	<u>\$ 214,256</u>	<u>\$ ---</u>	<u>\$ 2,752,938</u>	<u>\$ 2,531,411</u>

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

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 396,332	\$ 172,098
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:		
Depreciation and amortization	4,986	7,080
Realized and unrealized gains	(41,487)	(52,547)
Change in assets and liabilities:		
Contributions receivable	347	(2,527)
Grants receivable, net	21,022	61,683
Promises to give, net	54,000	(54,000)
Prepaid expenses	960	(6,037)
Operating lease assets and liabilities	(2,439)	(3,831)
Accounts payable	(22,562)	6,869
Accrued payroll and related liabilities	31,997	28,561
Deferred revenue	(21,291)	21,291
Conditional advance	57,341	(27,367)
Total adjustments	<u>82,874</u>	<u>(20,825)</u>
Net cash and cash equivalents provided by operating activities	<u>479,206</u>	<u>151,273</u>
Cash Flows from Investing Activities:		
Purchase of certificates of deposit	(519,438)	---
Purchase of investments	(2,063,961)	(444,060)
Proceeds from sale of investments	1,285,000	202,927
Net cash and cash equivalents used by investing activities	<u>(1,298,399)</u>	<u>(241,133)</u>
Net decrease in cash and cash equivalents	(819,193)	(89,860)
Cash and cash equivalents, beginning of year	<u>1,421,062</u>	<u>1,510,922</u>
Cash and cash equivalents, end of year	<u>\$ 601,869</u>	<u>\$ 1,421,062</u>
Supplemental disclosures:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ <u>94,029</u>	\$ <u>96,021</u>
Noncash Items:		
ROU assets obtained in exchange for new operating lease liabilities	\$ <u>309,444</u>	\$ <u>---</u>

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

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2024

1. Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

The Cathedral Center, Inc. ("Organization") seeks to end homelessness for women and families in Milwaukee County.

The Organization accomplishes its mission by focusing efforts in three primary areas. See below for descriptions of these programs for the year ended December 31, 2024:

Emergency Shelter: As part of a community wide effort to end homelessness, the Organization offers emergency shelter for up to 28 individual women and 8 families with children each night, as well as additional overflow beds during extreme weather or unusual need.

Friendship House: Through a compassionate and committed partnership with the Friendship House, the Organization provides emergency housing services and clinical case management support to an additional 8 families and 4 women each night at the Friendship House location.

Community Case Management: The Organization's Community Case Management Program utilizes the Flexible Housing approach, with the goals of preventing and ending homelessness, and creating housing stability. The Community Case Management Program serves unaccompanied women, and families with children, who are at risk of becoming homeless or experiencing a housing crisis.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a capital campaign reserve.

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 resource be maintained in perpetuity. The Organization has no net assets that are subject to perpetuity.

Income Taxes

The Organization is a nonprofit organization which is tax-exempt under Section 501(c)(3) of the Internal Revenue Code.

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2024
(Continued)

1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)

The Organization has implemented accounting for uncertainty in income taxes in accordance with U.S. GAAP. This standard describes a recognition threshold and measurement attributable 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 disclosure required. Management of the Organization evaluates the uncertain tax positions taken, if any, and consults with outside counsel as deemed necessary. The Organization recognizes interest and penalties, if any, related to unrecognized tax liabilities in income tax expense.

Cash and Cash Equivalents

The Organization considers all checking, savings and money market accounts and all other highly liquid debt instruments purchased with an original maturity of three months or less to be cash and cash equivalents.

Certificates of Deposit

The Organization carries certificates of deposit at cost basis plus accrued interest. Total certificates of deposit are classified on the statements of financial position as current assets, as they can be redeemed at any time with a nominal penalty.

Contributions Receivable

Contributions receivable consists primarily of non-exchange contributions received by the Organization shortly after year-end. Management believes all amounts to be collectible as of December 31, 2024.

Grants Receivable

Grants receivable are reported at contract values, less an allowance for uncollectible accounts. Management determines the need for an allowance for doubtful accounts based on experience relative to the possibility of collection. Management believes all amounts to be collectible as of December 31, 2024.

Investment Valuation and Income Recognition

U.S. GAAP provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under U.S. GAAP are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

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.

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2024
(Continued)

1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Investment Valuation and Income Recognition (Continued)

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Realized gains and losses and unrealized appreciation and depreciation of the Organization's assets are reported in the statement of activities.

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.

The following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used at December 31, 2024.

Government Bonds: Valued by utilizing a yield-based matrix system to arrive at an estimated market value.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Property and Equipment and Depreciation and Amortization

Property and equipment are recorded at cost for items having a useful life of more than one year and an acquisition cost of \$5,000 or more. Furniture and equipment are depreciated using the straight-line method over the related asset's estimated useful life. Leasehold improvements are depreciated using the straight-line method over the lesser of the related asset's estimated useful life or expected stay at the leased property.

Depreciation and amortization expense amounted to \$4,986 for the year ended December 31, 2024.

Deferred Revenue

Deferred revenue consists of advance payments received for program service fees. Revenue will be recognized over the periods to which the services are provided. Deferred revenue as of December 31, 2023 amounted to \$21,291.

Conditional Advance

Conditional advance liabilities represent advance payments received on conditional federal contracts. Revenue will be recognized over the periods to which conditions are substantially met.

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2024
(Continued)

1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Leases

The Organization leases office space and determines if an arrangement is a lease at inception. Operating leases are included in operating lease right of use (ROU) assets, current operating lease liabilities, and long-term operating lease liabilities on the Organization's statement of financial position. Finance leases are included as finance lease right of use (ROU) assets, current finance lease liabilities, and long-term finance lease liabilities on the Organization's statement of financial position. The Organization does not have any finance leases.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on a short-term basis.

The weighted-average discount rate is based on the discount rate implicit in the lease. The Organization has elected the option to use the discount rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The Organization has applied the discount rate option to its leases.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

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 or over a period of time consist of the following:

- **Program service fees** – The Organization jointly offers programs at the Friendship House, a separate nonprofit organization, for transitional living services. The two organizations jointly established three programs to serve the needs of women and women with children and families. The Organization is responsible for managing, supervising and providing various services related to the programs including marketing, human resources, financial services, supervision and other administrative functions. Friendship House approves the program budget, which includes a monthly administrative fee. Fee for service revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for the various services. Fee for service revenue is billed the month the services are provided. Revenue is recognized as the performance obligations are satisfied. Performance obligations are considered to be satisfied at the time the services are performed.
- **Administrative support** – recognized when the Organization provides support at a point in time.

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2024
(Continued)

1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Revenue from non-exchange transactions consists of the following:

- **Corporate, individual, and religious contributions of cash, foundation grants, United Way, and promises to give** - 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. Unconditional contributions expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized at prime interest rate and is reported as contribution revenue. Conditional contributions depend on the occurrence of a specified future and uncertain event to bind the donor and are recognized as assets and revenue when the conditions are substantially met, and the gift becomes unconditional.
- **Government grants** – Federal and state contracts are conditional upon the incurrence of allowable qualifying expenses. Revenue is recorded as allowable qualifying expenses incur.

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

- **Special event revenue** – The direct benefit to donors is recognized as revenue as an exchange transaction, while the remaining is recognized as a non-exchange contribution.

Contributed Nonfinancial Assets

Contributions of non-cash goods and services are stated at their fair value in the period received. Donated goods and services meeting recognition criteria under U.S. GAAP are recorded as support and an expense or additions to property and equipment. The Organization does not monetize any contributed nonfinancial assets unless otherwise noted, contributed nonfinancial assets did not have donor restrictions.

Advertising

Advertising costs are expensed as incurred. Advertising costs were \$9,763 for the year ended December 31, 2024.

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.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2024
(Continued)

1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Allocation of Functional Expenses

The Organization allocates costs to program, management and general or fundraising. Program costs are those associated with carrying out the mission; management and general are those for management of the Organization including accounting, office expense, budgeting or board of director costs; and fundraising costs are those attributed to the solicitation of contributions. Whenever possible, the Organization charges costs directly to program, management and general or fundraising. The expenses that are allocated include salaries and wages, employee benefits, payroll taxes, 401(k) retirement plan contributions, supplies, printing and postage which are allocated on the basis of actual time and effort. Occupancy expenses are allocated on a square foot basis.

Comparative Information

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 U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Subsequent Events

Management has evaluated subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed (April 16, 2025). There were no subsequent events that require recognition or disclosure.

2. Liquidity and Availability

Financial assets available for general expenditure and other current contractual obligations, that is, without donor or other restrictions limiting their use, within one year of financial position date, comprise the following as of December 31, 2024:

Cash and cash equivalents	\$ 601,869
Certificates of deposit	519,438
Investments	2,019,231
Contributions receivable	16,258
Grants receivable, net	70,280
Promises to give, net	<u>50,000</u>
Total financial assets	3,277,076
Less amounts not available to be used within one year for obligations:	
Net assets with board designations	(500,000)
Net assets with donor restrictions	(860,458)
Plus: Net assets with time restrictions to be met within one year	<u>50,000</u>
Financial assets available to meet obligations within one year	\$ <u>1,966,618</u>

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2024
(Continued)

2. Liquidity and Availability (Continued)

The Organization receives contributions restricted by donors and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. In addition, the Organization has a line of credit available to meet immediate cash needs. See Note 7 for information on the line of credit.

3. Investments

The Organization had investments of \$2,019,231 as of December 31, 2024, which consist solely of government bonds. These bonds are categorized as a level 2 investment and are recorded at fair value, which is in accordance with the requirements of U.S. GAAP.

Investment income as of December 31, 2024 is summarized as follows:

Interest income	\$ 56,302
Realized and unrealized gain	<u>41,487</u>
Investment income	\$ <u>97,789</u>

4. Promises to Give

The Organization has a \$50,000 promise to give balance from one donor as of December 31, 2024. The promises to give are expected to be collected in 2025, therefore no discount was necessary. Management believes all amounts to be collectible, therefore no allowance was necessary. There were no conditional promises to give as of December 31, 2024.

5. Grants Receivable

Grants receivable consists of the following as of December 31, 2024:

<u>Source</u>	
City of Milwaukee	\$ 5,349
United Way	39,025
Milwaukee County	18,166
Hunger Task Force	<u>7,740</u>
Total	\$ <u>70,280</u>

6. Leases

The Organization leases space used for programming under an agreement which terminated on June 30, 2024. The Organization renewed this lease on July 1, 2024.

In addition, the Organization leases office space under an agreement which terminated on September 30, 2024. The Organization renewed this lease on October 1, 2024.

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2024
(Continued)

6. Leases (Continued)

The components of occupancy expense were as follows for the year ending December 31, 2024:

Operating lease cost	\$	96,421
Contributed rent		<u>72,245</u>
Total	\$	<u>168,666</u>

The following summarizes the weighted average remaining lease term and discount rates as of December 31, 2024:

Weighted Average Remaining Lease Term	
Operating leases	4.08 years
 Weighted Average Discount Rate	
Operating leases	4.52%

The maturities of operating lease liabilities as of December 31, 2024 are as follows:

<u>Years Ending December 31:</u>	<u>Operating</u>
2025	\$ 90,714
2026	60,177
2027	61,682
2028	63,224
2029	<u>32,001</u>
Total undiscounted cash flows	307,798
Less: present value discount	<u>(26,929)</u>
Total lease liabilities	\$ <u>280,869</u>

7. Line of Credit

The Organization has a \$200,000 revolving line of credit, which was not drawn on and has a balance of \$0 as of December 31, 2024. Interest on the line of credit is payable monthly at an interest rate of the prime rate as published in The Wall Street Journal. The interest rate was 7.5% as of December 31, 2024. The line of credit matures on June 30, 2025. The line of credit is secured by all assets of the Organization.

8. Net Assets Without Donor Restrictions – Board Designated

Board-designated funds are restricted for the following purposes as of December 31, 2024:

Capital campaign	\$	<u>500,000</u>
------------------	----	----------------

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2024
(Continued)

9. Net Assets With Donor Restrictions

Net assets with donor restriction consist of the following as of December 31, 2024:

Subject to passage of time	\$	50,000
Subject to purpose restriction:		
Case management (Also subject to time restriction)		29,554
Day one fund		558,404
Children and family program		20,000
Shelter services (Including \$36,000 time restriction)		116,000
Capital campaign		80,000
Washer/Dryer		6,500
Total subject to purpose restriction		810,458
 Total net assets with donor restriction	 \$	 860,458

10. Special Events

Special event activities are reported by their natural classification in the statement of activities. Gross special event revenues and expenses are as follows for the year ended December 31, 2024:

Revenue:		
Non-exchange contributions	\$	112,315
Exchange direct benefit to donor		6,917
Total revenue		119,232
Expenses:		
Direct benefit to donors		(6,917)
Incidental benefits		(4,236)
Total expense		(11,153)
Special events, net	\$	108,079

11. Contributed Nonfinancial Assets

Contributed nonfinancial assets of non-cash supplies and services are recorded as revenue and expenses at their fair value. The amounts reflected in the accompanying financial statements are offset by like amounts included in expenses, receivables or as additions to property and equipment. The statement of activities includes the following contributed nonfinancial assets recognized by category for the year ended December 31, 2024:

<u>Type</u>	<u>Revenue Recognized</u>	<u>Utilization in Program/Activities</u>	<u>Classification on Statement of Activities</u>
Rent	\$ 72,245	Programming	Contributed nonfinancial assets
Meals:			
	68,574	Programming	Contributed nonfinancial assets
	6,627	Programming	Hunger Task Force
Total meals	75,201		
Supplies	49,280	Programming	Contributed nonfinancial assets
Legal services	7,830	Administration	Contributed nonfinancial assets
Total revenue	\$ 204,556		

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2024
(Continued)

11. Contributed Nonfinancial Assets (Continued)

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

Rent – Building space, located in Milwaukee, Wisconsin, is valued at the estimated fair value based on a recent rental agreement.

Meals and supplies – Valued at the estimated fair value based on retail rates for similar goods.

Legal services – Valued at the estimated fair value based on retail rates for similar services.

There were no donor restrictions on any of the contributed nonfinancial assets received for the year ended December 31, 2024.

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 accounting principles generally accepted in the United States of America.

12. Concentrations

The Organization's financial instruments that are exposed to concentrations of credit risk consist primarily of cash. The Organization maintains its cash with two financial institutions. The total cash balances of the Organization are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 per depositor, per bank. The Organization held cash throughout the year which, at times, may have exceeded the balance insured by the FDIC. The Organization monitors such credit risk and has not experienced any losses related to such risks.

Approximately 19% of the Organization's net revenue was derived from one donor for the year ended December 31, 2024. Approximately 18% of the Organization's net revenue was derived from program service fees from the Friendship House for the year ended December 31, 2024.

13. Financial Awards from Grantors

Financial awards from federal, state and local governments in the form of grants are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions.

14. Risks and Uncertainties

The Organization invests in various investment securities. Investment securities are exposed to various risks of loss such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect investment balances and the amounts reported in the statements of financial position.

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Schedule of Functional Revenue Without Donor Restrictions and Expenses
For the Year Ended December 31, 2024
(With Summarized Totals for the Year Ended December 31, 2023)

	<u>Program</u>					<u>2024</u>	<u>2023</u>
	<u>Shelter</u>	<u>Case Management</u>	<u>Friendship House</u>	<u>Management and General</u>	<u>Fundraising</u>		
Revenues:							
Exchange transactions:							
Program service fees	\$ ---	\$ ---	\$ 560,718	\$ ---	\$ ---	\$ 560,718	\$ 518,021
Administrative support	---	---	85,496	---	---	85,496	78,674
Total exchange transactions	---	---	646,214	---	---	646,214	596,695
Nonexchange transactions:							
Government grants:							
Milwaukee County	217,997	---	---	---	---	217,997	217,997
City of Milwaukee	172,459	---	---	---	---	172,459	156,170
Hunger Task Force	45,357	---	---	---	---	45,357	68,671
State Shelter Subsidy grant	112,671	---	---	---	---	112,671	212,600
Total government grants	548,484	---	---	---	---	548,484	655,438
Foundation grants	4,000	60,000	---	---	798,620	862,620	301,950
Corporate contributions	---	---	---	---	12,696	12,696	6,629
Individual and religious contributions	40,948	---	100	---	281,030	322,078	353,114
United Way	---	79,553	---	---	---	79,553	79,555
Contributed nonfinancial assets	174,205	14,449	---	9,275	---	197,929	199,142
Total nonexchange transactions	767,637	154,002	100	9,275	1,092,346	2,023,360	1,595,828
Special events:							
Revenues	---	---	---	---	119,232	119,232	110,515
Less: Direct benefit to donor	---	---	---	---	(6,917)	(6,917)	(6,952)
Net special events	---	---	---	---	112,315	112,315	103,563
Investment return - net	---	---	---	---	97,789	97,789	69,533
Miscellaneous revenue	---	---	---	---	3,538	3,538	3,336
Net assets released from restrictions	---	584,634	---	---	---	584,634	334,554
Total revenue (carried forward)	<u>\$ 767,637</u>	<u>\$ 738,636</u>	<u>\$ 646,314</u>	<u>\$ 9,275</u>	<u>\$ 1,305,988</u>	<u>\$ 3,467,850</u>	<u>\$ 2,703,509</u>

See independent auditors' report.

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Schedule of Functional Revenue Without Donor Restrictions and Expenses
For the Year Ended December 31, 2024
(With Summarized Totals for the Year Ended December 31, 2023)

	<u>Program</u>					<u>Fundraising</u>	<u>2024 Total</u>	<u>2023 Total</u>
	<u>Shelter</u>	<u>Case Management</u>	<u>Friendship House</u>	<u>Management and General</u>				
Total revenue (brought forward)	\$ 767,637	\$ 738,636	\$ 646,314	\$ 9,275	\$ 1,305,988	\$ 3,467,850	\$ 2,703,509	
Expenses:								
Salaries and wages	687,609	193,517	442,654	90,256	121,070	1,535,106	1,374,072	
Retirement expenses	18,560	4,297	8,073	391	586	31,907	27,181	
Employee benefits	91,379	37,824	49,742	1,593	5,232	185,770	151,418	
Payroll taxes	54,566	15,431	35,154	7,052	9,546	121,749	113,296	
Professional fees	38,508	4,153	14,392	17,773	28,797	103,623	78,797	
Specific assistance to individuals	21,255	52,504	11,849	---	---	85,608	58,627	
Office supplies	2,317	914	841	478	138	4,688	6,941	
Program supplies	198,382	1,246	17,338	158	70	217,194	245,043	
Telephone	5,677	4,291	7,734	2,059	1,854	21,615	21,961	
Postage	---	---	520	---	2,589	3,109	4,189	
Printing and copying	126	93	31	62	796	1,108	11,652	
Depreciation	3,889	997	---	100	---	4,986	7,080	
Rent expense	101,759	45,195	---	12,161	9,551	168,666	178,066	
Utilities	53,687	15,452	2,741	2,385	1,050	75,315	72,604	
Staff recruitment	902	576	1,129	388	178	3,173	18,642	
Staff travel	1,417	1,552	496	116	455	4,036	1,173	
Staff parking	5,221	5,430	35	3,865	3,143	17,694	10,538	
Conferences and meetings	1,648	953	393	1,220	2,096	6,310	3,343	
Insurance	23,641	7,602	8,251	3,164	1,031	43,689	45,259	
Computer support	6,304	3,436	8,136	932	918	19,726	21,666	
Membership dues and subscriptions	4,147	1,961	1,828	4,736	8,528	21,200	15,175	
Volunteer expense	---	---	---	89	690	779	513	
Advertising	---	---	792	---	8,971	9,763	1,724	
Meals, lodging and entertainment	2,886	39	1,208	2,932	249	7,314	4,888	
Repairs and maintenance	20,521	1,274	15,121	344	290	37,550	30,385	
Miscellaneous expense	76	---	100	---	---	176	4,117	
Non-Capital fixed asset purchases	8,753	292	5,611	---	2,192	16,848	19,080	
Special event expenses	---	---	---	---	4,236	4,236	3,981	
Total expenses	<u>1,353,230</u>	<u>399,029</u>	<u>634,169</u>	<u>152,254</u>	<u>214,256</u>	<u>2,752,938</u>	<u>2,531,411</u>	
Change in net assets	\$ <u>(585,593)</u>	\$ <u>339,607</u>	\$ <u>12,145</u>	\$ <u>(142,979)</u>	\$ <u>1,091,732</u>	\$ <u>714,912</u>	\$ <u>172,098</u>	

See independent auditors' report.

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

DHS Cost Reimbursement Award Schedule
Year Ended December 31, 2024

Program:		Housing Focused Shelter
Contract Number:		40-22668-500
Award Amount	\$	217,997
Award Period		1/1/24 - 12/31/24
Period of Award Within Audit Period		1/1/24 - 12/31/24
<hr/>		
Revenues:		
DHS revenue received	\$	217,997
Expenses:		
Salaries		873,630
Employee benefits		129,203
Payroll taxes		84,968
Professional fees		53,879
Supplies		81,494
Telephone		9,679
Occupancy		186,778
Equipment costs		14,597
Printing & publications		218
Employee travel		2,969
Conferences, conventions and meetings		2,601
Specific assistance to individuals		49,878
Membership dues		6,107
Allocated costs		137,139
Client transportation		20,450
Total expenses		<u>1,653,590</u>
Less: program revenue and other offsets to costs		<u>(877,223)</u>
Deficiency of Revenues over Expenses	\$	<u><u>(558,370)</u></u> *

* This is a separate DHS balance and will not equal net shelter revenues and expenses from previous schedule

See independent auditors' report.

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Schedule of Expenditures of Federal and State Government Awards
For the Year Ended December 31, 2024

Grantor Pass-Through Grantor Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Federal Expenditures:			
U.S. Department of Agriculture			
Passed through Hunger Task Force:			
Emergency Food Assistance Program - Noncash	10.569	N/A	\$ 6,627
U.S. Department of Housing and Urban Development:			
CDBG - Entitlement Grants Cluster			
Passed through the City of Milwaukee:			
Community Development Block Grant	14.218	CD3165052848	76,000
Passed through City of Milwaukee:			
Emergency Solutions Grant Program	14.231	CD3165052848	<u>53,800</u>
Total U.S. Department of Housing and Urban Development			<u>129,800</u>
U.S. Department of Treasury:			
Passed through the City of Milwaukee:			
COVID-19 Mitigation	21.027	N/A	42,659
U.S. Department of Homeland Security:			
Passed through Hunger Task Force:			
Emergency Food and Shelter National Board Program	97.024	N/A	<u>38,730</u>
Total federal expenditures			<u>\$ 217,816</u>
State Expenditures:			
Passed through Wisconsin Department of Administration			
State Shelter Grant Program	505.707A		\$ 112,671
Passed through Department of Health Services:			
Basic County Allocation - Emergency Shelter Care	435.561		<u>217,997</u>
Total state expenditures			<u>\$ 330,668</u>

See independent auditors' report.

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

**Notes to Schedule of Expenditures of
Federal and State Government Awards**
Year Ended December 31, 2024

1. Basis of Presentation

The accompanying schedule of expenditures of federal and state awards includes the federal and state award activity of the Organization under programs of the federal and state government for the year ended December 31, 2024. The information in this schedule is presented in accordance with the requirements of the Wisconsin Department of Health Services 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.

2. Basis of Accounting

The accompanying schedule of expenditures of federal and state awards is presented using the accrual basis of accounting; whereby, revenues are recognized when earned and expenses are recorded as liabilities when incurred.

3. Noncash Awards

The federal donated commodities in the Emergency Food Assistance Program cluster is administered by the U.S. Department of Agriculture and passed through Hunger Task Force. Transactions relating to this program are included in the Organization's basic financial statements. Food received during the year that is included in the federal expenditures are valued by the federal agency.



**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 DEPARTMENT OF HEALTH SERVICES AUDIT GUIDE**

Board of Directors
The Cathedral Center, Inc.
Milwaukee, Wisconsin

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, and the Wisconsin Department of Health Services ("DHS") Audit Guide, the financial statements of The Cathedral Center, Inc. ("Organization") (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statement of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 16, 2025.

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 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 combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention to 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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of 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 determination of financial statement amounts. 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, October 2018 version.

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 entity'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, October 2018 version*, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

April 16, 2025
Milwaukee, Wisconsin

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Schedule of Findings and Responses
Year Ended December 31, 2024

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. Material weaknesses identified | None |
| B. Significant deficiencies identified | No |
| 3. Noncompliance material to financial statements? | None noted |

DHS Awards

- | | |
|--|---------------|
| 4. Internal control over major programs: | |
| A. Significant deficiency(ies) identified? | No |
| B. Material weakness(es) identified? | None reported |
| 5. Any audit findings disclosed that are required to be reported | None noted |
| 6. Type of auditor's report issued on compliance for major programs: | Unmodified |
| 7. Identification of major DHS programs: | |

Name of DHS Program or Cluster

State of Wisconsin Department of Health Services for Outreach Services

Section II. Financial Statement Findings

No financial statement findings

Section III. State Award Findings

No matters were reported

THE CATHEDRAL CENTER, INC.
Milwaukee, Wisconsin

Schedule of Findings and Responses
Year Ended December 31, 2024

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, reportable conditions, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the Wisconsin DHS Audit Guide:

Department of Health Services

No

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

Yes

4. Name and signature of partner

Brandon Panka, CPA

5. Date of Report

April 16, 2025