

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Audited Financial Statements

Year Ended December 31, 2020

(With Summarized Totals for the
Year Ended December 31, 2019)

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Independent Auditors' Report

To the Board of Directors
Life Navigators, Inc.
Wauwatosa, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of Life Navigators, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Life Navigators, Inc. as of December 31, 2020, 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.

Report on Summarized Comparative Information

We have previously audited Life Navigators, Inc.'s financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated April 28, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of program revenues and expenses, schedule of expenditures of federal and other awards, settlement of Department of Health Services ("DHS") cost reimbursement awards, and reserve supplemental schedules are presented for purposes of additional analysis as required by the *Wisconsin DHS Audit Guide*, 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2021 on our consideration of Life Navigators, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Life Navigators, Inc.'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 Life Navigators, Inc.'s internal control over financial reporting and compliance.



March 9, 2021
Milwaukee, Wisconsin

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Statements of Financial Position
December 31, 2020 and 2019

ASSETS		<u>2020</u>	<u>2019</u>
Current Assets:			
Cash	\$	273,656	\$ 37,158
Investments		1,434,413	1,079,277
Accounts receivable - net		205,140	138,392
Promises to give - current		40,000	132,000
Prepaid expenses		27,669	34,722
Total current assets		<u>1,980,878</u>	<u>1,421,549</u>
Property and Equipment:			
Land		44,400	44,400
Building and improvements		1,576,366	1,558,704
Furniture and equipment		149,150	143,348
Less: Accumulated depreciation		(391,434)	(346,707)
Net property and equipment		<u>1,378,482</u>	<u>1,399,745</u>
Other Assets:			
Greater Milwaukee Foundation investments		225,181	200,717
Promises to give - noncurrent, net		19,904	38,986
Total other assets		<u>245,085</u>	<u>239,703</u>
Total assets	\$	<u>3,604,445</u>	\$ <u>3,060,997</u>
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts payable	\$	18,299	\$ 20,872
Accrued payroll and payroll taxes		78,090	72,379
Accrued vacation		65,838	56,553
Funds held for others		5,197	6,126
Line of credit		-	20,000
Total current liabilities		<u>167,424</u>	<u>175,930</u>
Total liabilities		167,424	175,930
Net Assets:			
Without donor restriction:			
Operating		3,121,936	2,513,114
Board designated for endowment		151,193	135,171
Total without donor restriction		<u>3,273,129</u>	<u>2,648,285</u>
With donor restriction:			
Purpose restrictions		103,988	65,546
Time-restricted for future periods		59,904	171,236
Total with donor restriction		<u>163,892</u>	<u>236,782</u>
Total net assets		<u>3,437,021</u>	<u>2,885,067</u>
Total liabilities and net assets	\$	<u>3,604,445</u>	\$ <u>3,060,997</u>

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

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Statement of Activities
For the Year Ended December 31, 2020
With Summarized Totals For the Year Ended December 31, 2019

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total 2020</u>	<u>Total 2019</u>
Support and Revenue:				
Contributions and donations	\$ 261,288	\$ 50,000	\$ 311,288	\$ 266,570
Building debt campaign	-	-	-	139,759
In-kind contributions	48,193	-	48,193	35,654
Legacies and bequests	12,313	-	12,313	7,743
Federated fund-raising	30,851	-	30,851	38,550
Contribution - PPP	299,766	-	299,766	-
Milwaukee County Department of Health & Human Services - grants	136,043	-	136,043	180,831
Milwaukee County Department of Aging - grant	30,600	-	30,600	30,150
Milwaukee County Department of Health & Human Services - guardianship	67,559	-	67,559	66,524
Milwaukee County Department of Aging - guardianship	30,953	-	30,953	7,728
My Choice Family Care - care management	1,347,850	-	1,347,850	1,012,558
Milwaukee County Disability Services Division - court comp. evaluations	24,250	-	24,250	25,750
City of Wauwatosa CDBG - grant	49,402	-	49,402	-
Special Event revenue	254,206	-	254,206	363,170
Less: Direct benefit to donor	(29,361)	-	(29,361)	(65,281)
Program service fees	115,531	-	115,531	78,646
Pooled trust distributions	12,315	-	12,315	66,577
Miscellaneous revenue	847	-	847	6,209
Investment income	32,807	221	33,028	37,011
Less: Investment fees	(13,589)	(326)	(13,915)	(9,707)
Realized and unrealized gains	139,828	8,547	148,375	197,814
Satisfaction of restrictions	131,332	(131,332)	-	-
Net support and revenue	2,982,984	(72,890)	2,910,094	2,486,256
Expenses:				
Program Services:				
Disability Resource Center	-	-	-	43,484
Advocacy	298,790	-	298,790	302,494
Self-Advocacy Independence Trust Pool	84,490	-	84,490	110,299
Trust Program	114,219	-	114,219	99,430
Guardianship	114,761	-	114,761	95,047
Intergenerational Family Support	87,512	-	87,512	51,266
Care Management Unit	1,357,826	-	1,357,826	1,109,387
Court Comprehensive Evaluations	25,265	-	25,265	27,746
Total program services	2,082,863	-	2,082,863	1,839,153
Management and general	90,489	-	90,489	109,041
Fund-raising	184,788	-	184,788	168,778
Total expenses	2,358,140	-	2,358,140	2,116,972
Net increase (decrease) in net assets	624,844	(72,890)	551,954	369,284
Net assets at beginning of year	2,648,285	236,782	2,885,067	2,515,783
Net assets at end of year	\$ 3,273,129	\$ 163,892	\$ 3,437,021	\$ 2,885,067

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

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Statement of Functional Expenses
For the Year Ended December 31, 2020
With Summarized Information for the Year Ended December 31, 2019

	<u>Program</u>	<u>Management and General</u>	<u>Fund-raising</u>	<u>Cost of Direct Benefit to Donor</u>	<u>Total 2020</u>	<u>Total 2019</u>
Expenses:						
Salaries	\$ 1,493,816	\$ 59,232	\$ 77,768	\$ -	\$ 1,630,816	\$ 1,367,514
Employee benefits	167,388	7,197	6,255	-	180,840	157,689
Payroll tax expense	105,063	3,945	4,969	-	113,977	95,154
Professional fees	51,616	1,424	28,096	-	81,136	137,639
Office supplies	7,895	171	959	-	9,025	7,477
Postage and shipping	5,357	146	263	-	5,766	7,392
Occupancy	48,241	1,331	1,933	-	51,505	55,032
Depreciation	42,238	1,148	1,342	-	44,728	44,441
Equipment rental and maintenance	36,870	1,032	1,224	-	39,126	40,807
Printing and publications	5,029	78	15,209	-	20,316	17,231
Travel	12,905	302	712	-	13,919	31,062
Conferences, conventions and meetings	9,841	184	540	-	10,565	12,455
Insurance	37,944	762	2,138	-	40,844	18,967
Client support	6,566	29	5	-	6,600	13,873
Bad debt expense	-	2,000	-	-	2,000	-
Bank and investment fees	-	5,215	-	-	5,215	7,686
In-kind expense	12,202	-	18,329	-	30,531	35,654
Interest expense	-	500	-	-	500	7,321
Special projects/expansion	14,125	-	-	-	14,125	-
Special event expenses	-	-	22,743	29,361	52,104	100,855
Miscellaneous	25,767	5,793	2,303	-	33,863	24,004
Total functional expenses	<u>2,082,863</u>	<u>90,489</u>	<u>184,788</u>	<u>29,361</u>	<u>2,387,501</u>	<u>2,182,253</u>
Less expenses included with revenues on the statement of activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,361)</u>	<u>(29,361)</u>	<u>(65,281)</u>
Total expenses included in the expense section of the statement of activities	2,082,863	90,489	184,788	-	2,358,140	2,116,972
Administrative allocation	87,774	(90,489)	2,715	-	-	-
Total expenses after allocation	<u>\$ 2,170,637</u>	<u>\$ -</u>	<u>\$ 187,503</u>	<u>\$ -</u>	<u>\$ 2,358,140</u>	<u>\$ 2,116,972</u>

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

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Statements of Cash Flows
Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 551,954	\$ 369,284
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	44,728	44,441
Realized and unrealized gains	(148,375)	(197,814)
In-kind contribution of property and equipment	(17,662)	-
Change in assets and liabilities:		
Accounts receivable	33,252	(30,568)
Promises to give	11,082	(88,282)
Prepaid expenses	7,053	(25,438)
Accounts payable	(2,573)	812
Accrued payroll and payroll taxes	5,711	19,737
Accrued vacation	9,285	16,555
Funds held for others	(929)	(4,305)
Net cash provided by operating activities	<u>493,526</u>	<u>104,422</u>
Cash Flows from Investing Activities:		
Proceeds from investment sales	536,272	1,207,538
Purchases of investments	(767,497)	(1,091,107)
Purchase of property and equipment	(5,803)	-
Net cash provided (used) by investing activities	<u>(237,028)</u>	<u>116,431</u>
Cash Flows from Financing Activities:		
Proceeds from line of credit	65,000	176,000
Payments on line of credit	(85,000)	(199,000)
Payment on construction loan	-	(253,808)
Net cash used by financing activities	<u>(20,000)</u>	<u>(276,808)</u>
Change in cash	236,498	(55,955)
Cash at beginning of year	<u>37,158</u>	<u>93,113</u>
Cash at end of year	<u>\$ 273,656</u>	<u>\$ 37,158</u>
Supplementary Information:		
Interest paid	<u>\$ 500</u>	<u>\$ 7,321</u>

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

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2020 and 2019

1. Nature of Organization

The mission of Life Navigators, Inc., (“Organization”) a nonprofit organization, is to improve the quality of life for individuals with developmental and related disabilities, their families and the community through information, education, advocacy and life planning programs. Life Navigators, Inc. is supported primarily through donor contributions, program fees and contracts.

2. Summary of Significant Accounting Policies

Basis of Accounting

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

Basis of Presentation

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

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

Net assets with donor restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Organization has no net assets that are subject to perpetuity.

Cash

The Organization considers all checking and savings accounts and all other highly liquid debt instruments purchased with an original maturity of three months or less to be cash, excluding amounts whose use is limited or restricted, and amounts held in the investment accounts.

Accounts Receivable and Promises to Give

Accounts receivable and promises to give are recorded at contract value. Management has determined all to be fully collectible; therefore, no allowance for doubtful accounts is considered necessary. It is the policy of the Organization to write off doubtful amounts directly to expense when deemed uncollectible.

Promises to give are recorded at their estimated fair value, less an appropriate present value discount.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2020 and 2019
(Continued)

2. Summary of Significant Accounting Policies (Continued)

Investments

Under U.S. GAAP, investments in marketable securities with readily determinable fair value and all investments in debt securities are valued at their fair value in the statements of financial position. Unrealized gains and losses are included in the change of net assets on the statement of activities.

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

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

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

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

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

Stocks, other and exchange traded funds: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at net asset value of shares held by the Organization at year-end

Bonds: Valued at net asset value of bond holdings held by the Organization at year-end

Held by the Greater Milwaukee Foundation: Valued at the net asset value provided by the trust for investments held by the trust at year-end.

Property and Equipment

The Organization's policy is to capitalize all property and equipment costing over \$5,000. Property and equipment are capitalized at cost or at fair value if donated and depreciated over their estimated useful lives using the straight-line method. The cost and related accumulated depreciation of property and equipment are removed from asset accounts upon disposal. Expenditures for maintenance and repairs are charged to operations as incurred. Depreciation expense for 2020 and 2019 was \$44,728 and \$44,441, respectively.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2020 and 2019
(Continued)

2. Summary of Significant Accounting Policies (Continued)

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.

Revenue Recognition

The Organization recognizes revenue based on the existence or absence of an exchange transaction. The Organization recognizes revenue from exchange transactions when it satisfies a performance obligation by providing a service to a customer or member or by transferring control over a product to a customer or member. Revenue from performance obligations satisfied at a point in time consists of the following:

- **Fee for service contracts** – recognized as performance obligations are met

Revenue from non-exchange transactions consist of the following:

- **Contributions of cash 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. Contributions that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as revenue and net assets without donor restriction. 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.
- **Federal and state contracts** – Federal and state contracts are conditional upon the incurrence of allowable qualifying expenses. Revenue is recorded as allowable qualifying expenses are incurred.

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.

In-Kind Contributions

Contributions of in-kind assets and services are recorded at their fair market value in the period received. These contributions are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. During 2020, the Organization received \$12,202 of in-kind donations to support the Organization's programs, \$18,329 of other in-kind donations to support its fundraising function and \$17,662 of in-kind building improvements. During 2019, the Organization received \$23,272 of in-kind donations to support the Organization's programs and \$12,382 of other in-kind donations to support its fundraising function.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2020 and 2019
(Continued)

2. Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on the functional basis in the statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimate of appropriate level of employee full-time equivalents worked within that program.

Subsequent Events

Management has evaluated subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed (March 9, 2021). There were no subsequent events that required recognition or disclosure.

Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been recorded in the financial statements. Life Navigators, Inc. is not considered to be a private foundation by the IRS.

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

Comparative Financial Information

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2020 and 2019
(Continued)

3. 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 the statement of financial position date, comprise of the following at December 31:

	<u>2020</u>	<u>2019</u>
Cash	\$ 273,656	\$ 37,158
Investments	1,434,413	1,079,277
Greater Milwaukee Foundation investments	225,181	200,717
Pledges receivable - current	40,000	132,000
Accounts receivables, net	<u>205,140</u>	<u>138,392</u>
Total financial assets	2,178,390	1,587,544
Less amounts not available to be used within one year for general expenditures:		
Restricted by donor with time or purpose restrictions	(143,988)	(197,796)
Assets pledged as collateral on line of credit	-	(20,000)
Funds held for others	(5,197)	(6,126)
Board designation – endowment fund for long-term investing	<u>(151,193)</u>	<u>(135,171)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>1,878,012</u>	\$ <u>1,228,451</u>

The Organization's endowment fund consists of funds designated by the board. The Organization does not intend to take distributions from the fund.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Refer to the statements of cash flows which identifies the sources and uses of the Organization's cash for the years ended December 31, 2020 and 2019.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2020 and 2019
(Continued)

4. Investments

The following summarizes the classification of investments by classification and method of valuation in accordance with U.S. GAAP:

<u>Description</u>	<u>Fair Value Measurement at Reporting Date Using</u>			
	<u>Total</u>			
	<u>12/31/20</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
Cash held in investment account	\$ 54,930	\$ 54,930	\$ -	\$ -
Stocks	263,977	263,977	-	-
Mutual funds:				
Foreign large growth	30,576	30,576	-	-
Large growth	118,315	118,315	-	-
Large value	202,950	202,950	-	-
Mid-cap blend	95,867	95,867	-	-
Mid-cap growth	78,122	78,122	-	-
Mid-cap value	98,748	98,748	-	-
Pacific/Asia ex-Japan	24,476	24,476	-	-
Short-term bond	263,441	263,441	-	-
Ultrashort bond	203,011	203,011	-	-
Total	<u>\$ 1,434,413</u>	<u>\$ 1,434,413</u>	<u>\$ -</u>	<u>\$ -</u>
Investments held by the Greater Milwaukee Foundation	<u>\$ 225,181</u>	<u>\$ -</u>	<u>\$ 225,181</u>	<u>\$ -</u>

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2020 and 2019
(Continued)

4. Investments (continued)

<u>Description</u>	<u>Fair Value Measurement at Reporting Date Using</u>			
<u>Total</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	
<u>12/31/19</u>				
Cash held in investment account	\$ 18,079	\$ 18,079	\$ -	\$ -
Stocks	232,363	232,363	-	-
Exchange traded funds	20,963	20,963	-	-
Mutual funds:				
Large growth	114,172	114,172	-	-
Large value	112,040	112,040	-	-
Mid-cap blend	72,367	72,367	-	-
Mid-cap growth	72,671	72,671	-	-
Mid-cap value	65,781	65,781	-	-
Intermediate core bond	48,587	48,587	-	-
Ultrashort bond	175,825	175,825	-	-
Bonds	<u>146,429</u>	<u>-</u>	<u>146,429</u>	<u>-</u>
Total	\$ <u>1,079,277</u>	\$ <u>932,848</u>	\$ <u>146,429</u>	\$ <u>-</u>
Investments held by the Greater Milwaukee Foundation	\$ <u>200,717</u>	\$ <u>-</u>	\$ <u>200,717</u>	\$ <u>-</u>

The fair value of Level 2 bonds is measured using quoted market prices for similar assets in active markets.

The statement of activities includes \$148,375 and \$197,814 in realized and unrealized gains for 2020 and 2019, respectively.

The investment objective of the Organization is to meet or exceed an absolute total annualized rate of return of 8-10%. On an annual basis, approximately 5% of the market value of the investment trust, as determined on June 30 of the previous year, is budgeted toward operating support. This is an internally imposed restriction; the full investment balance is available for use.

The Organization's investments are exposed to various risks of loss, such as interest rate, market and credit risks. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the values of investments, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the financial statements.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2020 and 2019
(Continued)

5. Promises to Give

Promises to give was discounted to present value using a discount rate of 0.48% and 1.69% for years ended December 31, 2020 and 2019, respectively. Unconditional promises are expected to be realized in the following periods:

	<u>2020</u>	<u>2019</u>
In one year or less	\$ 40,000	\$ 132,000
Between one year and five years	20,000	40,000
Less: Present value discount	(96)	(1,014)
Net promises to give	<u>\$ 59,904</u>	<u>\$ 170,986</u>

6. State Unemployment Reserve

The Organization has an irrevocable standby letter of credit as a reserve for state unemployment. The letter of credit expires on December 31, 2022 and has an available balance of \$18,400. As of December 31, 2020 and 2019, there was no outstanding balance on the letter of credit.

7. Employee Retirement Plan

The Organization sponsors a 403(b) savings plan in which Life Navigators, Inc. will match one-half of the employee's voluntary contribution up to six percent of annual compensation for all eligible employees. The Organization's contribution in 2020 and 2019 was \$24,699 and \$19,520, respectively.

8. Line of Credit

The Organization has a variable interest rate line of credit in the amount of \$150,000 from Associated Bank to enable it to meet expenses while awaiting grant disbursements. The Organization agreed to secure this line of credit with collateral defined as the Organization's investments and general business assets. The line matures on June 12, 2023 and accrues interest at 1.0 percentage point above index with a minimum of 4.25%. The interest rate was 4.25% and 5.75% at December 31, 2020 and 2019, respectively. The line had an outstanding balance of \$0 and \$20,000 at December 31, 2020 and 2019 and interest expense of \$500 and \$796 for the years ended December 31, 2020 and 2019, respectively.

9. Paycheck Protection Program

During 2020, the Organization received loan proceeds in the amount of \$299,766 under the Paycheck Protection Program ("PPP") from the Small Business Administration ("SBA"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") provides for loans to qualifying organizations for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying organization. The loan and accrued interest are forgivable after 24 weeks, as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels.

In November 2020, the SBA determined the conditions of the PPP loan had been met and therefore the loan was forgiven. The \$299,766 is recorded as Support and Revenue on the Statement of Activities for the year ended December 31, 2020. The proceeds from the PPP loan accounted for approximately 10% of the Organization's support for the year ended December 31, 2020.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2020 and 2019
(Continued)

10. Net Assets with Donor Restriction

Net assets with donor restriction are restricted for the following purposes or periods:

	<u>2020</u>	<u>2019</u>
Restricted to expenditure for specified purpose:		
Greater Milwaukee Foundation investments	\$ 73,988	\$ 65,546
Restricted for Guardianship	<u>30,000</u>	<u>-</u>
Total subject to expenditure for passage of time	103,988	65,546
Restricted for passage of time:		
Promises to give, net	59,904	170,986
Restricted for future use	<u>-</u>	<u>250</u>
Total subject to expenditure for passage of time	<u>59,904</u>	<u>171,236</u>
Total net assets with donor restriction	<u>\$ 163,892</u>	<u>\$ 236,782</u>

The Organization's governing board has designated from net assets without donor restrictions, net assets for the following purposes:

	<u>2020</u>	<u>2019</u>
Greater Milwaukee Foundation investments	\$ <u>151,193</u>	\$ <u>135,171</u>

11. Quasi-Endowment Fund

In December 2015, the Organization's board of directors approved of the Life Navigators Endowment Fund with an initial fund amount of \$100,000. The fund is a general endowment to support the mission of the Organization for years to come. Since that amount resulted from an internal designation and is not donor-restricted, it is classified and reported as board designated without donor restriction.

The Life Navigators Endowment Fund is being held at the Greater Milwaukee Foundation. The Organization utilizes the investment policies described in Note 4 when managing the endowment fund. The Organization has no current plans to take a distribution from the endowment fund.

A reconciliation of the Organization's endowment activities are as follows:

	<u>Without Donor Restriction</u>
Balance, December 31, 2018	\$ 120,199
Investment income	1,010
Realized and unrealized loss	15,525
Administration fees	<u>(1,563)</u>
Balance, December 31, 2019	\$ 135,171
Investment income	809
Realized and unrealized gain	16,927
Administration fees	<u>(1,714)</u>
Balance, December 31, 2020	<u>\$ 151,193</u>

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2020 and 2019
(Continued)

12. Greater Milwaukee Foundation Investments

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

13. Amounts Held for Others

The Organization is a fiscal agent for the school districts participating in the Independence Place North Project. Participating school districts submit payment to the Organization. In turn, the Organization submits payments to cover costs for rent, utility and petty cash as needed. The Organization performs this fiscal agent service for an annual administration fee of 8%.

14. Disaggregated Revenue

The Organization's revenue, disaggregated by type, consists of the following for the years ending December 31:

	<u>2020</u>	<u>2019</u>
Exchange:		
Fee for service:		
My Choice Family Care – care management	\$ 1,347,850	\$ 1,012,558
Guardianship program	98,512	74,252
Court comprehensive evaluations	24,250	25,750
Program service fees	115,531	78,646
Total exchange revenue	<u>1,586,143</u>	<u>1,191,206</u>
Non-exchange:		
Federal and state grants	216,045	210,981
Contributions	311,288	406,329
Legacies and bequests	12,313	7,743
Federated fund-raising	30,851	38,550
Contribution - PPP	299,766	-
Investment income (loss), net	167,488	225,118
Pooled trust distributions	12,315	66,577
Miscellaneous income	847	6,209
Total non-exchange	<u>1,050,913</u>	<u>961,507</u>
In-kind revenue	48,193	35,654
Special events	224,845	297,889
Total revenue	<u>\$ 2,910,094</u>	<u>\$ 2,486,256</u>

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to the Financial Statements
Years Ended December 31, 2020 and 2019
(Continued)

15. Special Events

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

	<u>2020</u>	<u>2019</u>
Revenue:		
Non-exchange contributions	\$ 224,845	\$ 297,889
Exchange direct benefit to donor	29,361	65,281
Total revenue	<u>254,206</u>	<u>363,170</u>
Expenses:		
Direct benefit to donors	(29,361)	(65,281)
Incidental benefits	(22,743)	(35,574)
Total expense	<u>(52,104)</u>	<u>(100,855)</u>
Special events, net	<u>\$ 202,102</u>	<u>\$ 262,315</u>

16. Concentrations

Cash is maintained at financial institutions and, at times, balances may exceed federally insured limits. The Organization's bank accounts were insured by the Federal Deposit Insurance Corporation up to \$250,000 as of December 31, 2020 and 2019. The Organization has never experienced any losses related to these balances.

Approximately 10% and 13% of the Organization's support for the years ended December 31, 2020 and 2019 came from Milwaukee County contracts, respectively. Approximately 46% and 41% of the Organization's support for the years ended December 31, 2020 and 2019 came from the My Choice Family Care – Care Management program, respectively.

17. 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 statement of financial position.

18. Related Party

The husband of the business manager of the Organization is the president and CEO of the Organization's bookkeeping firm. The Organization paid the related party \$28,160 and \$30,580 during the years ended December 31, 2020 and 2019, respectively.

19. Commitments and Contingencies

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

LIFE NAVIGATORS, INC.

Wauwatosa, Wisconsin

Notes to the Financial Statements

Years Ended December 31, 2020 and 2019

(Continued)

20. Worldwide Pandemic

On March 11, 2020, the World Health Organization declared the spread of Coronavirus Disease (“COVID-19”) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the Organization, COVID-19 will impact various parts of its 2021 operations and financial results, including revenues, support, expenses and cash flows. Management believes the Organization is taking appropriate actions to mitigate the negative impact.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Schedule of Program Revenues and Expenses
For the Year Ended December 31, 2020
With Summarized Information for the Year Ended December 31, 2019

	Advocacy	Self-Advocacy Independence Trust Pool	Trust Program	Guardianship	Intergenerational Family Support	Care Management Unit	Court Comprehensive Evaluations	Total Program	Management and General	Fund-raising	Cost of Direct Benefit to Donor	2020 Total	2019 Total
Support and revenue:													
Contributions and donations	\$ 54,644	\$ 29,102	\$ 3,000	\$ -	\$ 25,000	\$ -	\$ -	\$ 111,746	\$ 50,918	\$ 148,624	\$ -	\$ 311,288	\$ 266,570
Building debt campaign	-	-	-	-	-	-	-	-	-	-	-	-	139,759
In-kind contributions	-	11,374	828	-	-	-	-	12,202	-	35,991	-	48,193	35,654
Legacies and bequests	-	7,138	-	-	-	-	-	7,138	-	5,175	-	12,313	7,743
Federated fund-raising	-	-	-	-	-	-	-	-	-	30,851	-	30,851	38,550
Milw. Cnty Department of Human Services grants	136,043	-	-	-	-	-	-	136,043	-	-	-	136,043	180,831
Milw. Cnty Department of Aging grant	-	-	-	-	30,600	-	-	30,600	-	-	-	30,600	30,150
Milw. Cnty Department of Human Services guardianship	-	-	-	67,559	-	-	-	67,559	-	-	-	67,559	66,524
Milw. Cnty Department of Aging guardianship	-	-	-	30,953	-	-	-	30,953	-	-	-	30,953	7,728
My Choice Family Care - care management	-	-	-	-	-	1,347,850	-	1,347,850	-	-	-	1,347,850	1,012,558
Milw. Cnty Disability Services Division court comp. evaluations	-	-	-	-	-	-	24,250	24,250	-	-	-	24,250	25,750
City of Wauwatosa CDGB grant	17,400	32,002	-	-	-	-	-	49,402	-	-	-	49,402	-
Special event revenue	-	-	-	-	-	-	-	-	-	254,206	-	254,206	363,170
Less: Direct benefit to donor	-	-	-	-	-	-	-	-	-	(29,361)	-	(29,361)	(65,281)
Program service fees	400	-	105,906	9,225	-	-	-	115,531	-	-	-	115,531	78,646
Pooled trust distributions	-	-	12,315	-	-	-	-	12,315	-	-	-	12,315	66,577
Payroll Protection Program	39,010	12,051	14,462	16,633	12,051	183,179	3,098	280,484	9,641	9,641	-	299,766	-
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	847	-	847	6,209
Investment Income	-	-	-	-	-	-	-	-	-	33,028	-	33,028	37,011
Less: Investment fees	-	-	-	-	-	-	-	-	-	(13,915)	-	(13,915)	(9,707)
Realized and unrealized gains (losses)	-	-	-	-	-	-	-	-	-	148,375	-	148,375	197,814
Total support and revenue	247,497	91,667	136,511	124,370	67,651	1,531,029	27,348	2,226,073	60,559	623,462	-	2,910,094	2,486,256
Expenses:													
Salaries	219,619	50,535	86,222	68,728	64,013	989,092	15,607	1,493,816	59,232	77,768	-	1,630,816	1,367,514
Employee benefits	26,404	5,103	5,009	11,413	6,724	110,669	2,066	167,388	7,197	6,255	-	180,840	157,689
Payroll tax expense	15,215	3,593	5,036	4,766	4,032	71,311	1,110	105,063	3,945	4,969	-	113,977	95,154
Professional fees	7,487	1,727	2,500	2,841	2,170	32,542	2,349	51,616	1,424	28,096	-	81,136	137,639
Office supplies	924	280	375	371	280	5,596	69	7,895	171	959	-	9,025	7,477
Postage and shipping	786	147	335	300	296	3,438	55	5,357	146	263	-	5,766	7,392
Occupancy	7,195	1,377	2,470	2,642	2,156	31,844	557	48,241	1,331	1,933	-	51,505	55,032
Depreciation	6,286	1,185	2,176	2,345	1,910	27,864	472	42,238	1,342	1,148	-	44,728	44,441
Equipment rental and maintenance	5,518	1,055	1,780	2,594	1,617	23,897	409	36,870	1,032	1,224	-	39,126	40,807
Printing and publications	423	568	375	156	120	3,358	29	5,029	78	15,209	-	20,316	17,231
Travel	1,678	302	588	1,143	532	8,543	119	12,905	302	712	-	13,919	31,062
Conferences, conventions and meetings	962	713	2,561	940	756	3,846	63	9,841	184	540	-	10,565	12,455
Insurance	4,194	778	1,487	11,189	1,305	18,675	316	37,944	762	2,138	-	40,844	18,967
Client support	-	4,482	520	774	100	688	2	6,566	29	5	-	6,600	13,873
Bad debt expense	-	-	-	-	-	-	-	-	2,000	-	-	2,000	-
Bank fees	-	-	-	-	-	-	-	-	5,215	-	-	5,215	7,686
In-kind expense	-	11,374	828	-	-	-	-	12,202	-	18,329	-	30,531	35,654
Interest expense	-	-	-	-	-	-	-	-	500	-	-	500	7,321
Special projects/expansion	-	753	-	1,130	565	11,300	377	14,125	-	-	-	14,125	-
Special event expenses	-	-	-	-	-	-	-	-	-	22,743	29,361	52,104	100,855
Miscellaneous	2,099	518	1,957	3,429	936	15,163	1,665	25,767	5,793	2,303	-	33,863	24,004
Total functional expenses	298,790	84,490	114,219	114,761	87,512	1,357,826	25,265	2,082,863	90,489	184,788	29,361	2,387,501	2,182,253
Administrative allocation	13,303	3,000	4,675	4,881	3,722	57,180	1,013	87,774	(90,489)	2,715	-	-	-
Total expenses after allocation	312,093	87,490	118,894	119,642	91,234	1,415,006	26,278	2,170,637	-	187,503	29,361	2,387,501	2,182,253
Less expenses included with revenues on the statement of activities	-	-	-	-	-	-	-	-	-	-	(29,361)	(29,361)	(65,281)
Total expenses included in the expense section of the statement of activities	312,093	87,490	118,894	119,642	91,234	1,415,006	26,278	2,170,637	-	187,503	-	2,358,140	2,116,972
Change in net assets	\$ (64,596)	\$ 4,177	\$ 17,617	\$ 4,728	\$ (23,583)	\$ 116,023	\$ 1,070	\$ 55,436	\$ 60,559	\$ 435,959	\$ -	\$ 551,954	\$ 369,284

See Independent Auditors' Report.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Advocacy
Settlement of DHS Cost Reimbursement Award
For the Year Ended December 31, 2020

Award amount	\$	136,043
Award period		January 1, 2020 - December 31, 2020
Period of award within audit period		January 1, 2020 - December 31, 2020
A. Expenditures reported to DHS for payment	\$	136,043
B. Total cost of award		
Employee Salaries and Wages		219,619
Employee Fringe Benefits		26,404
Payroll Taxes		15,215
Rent or Occupancy		7,195
Professional Services		7,487
Employee Travel		1,678
Conferences, Meetings or Education		962
Supplies		924
Equipment		5,518
Depreciation		6,286
Postage and Shipping		786
Insurance		4,194
Printing and Publications		423
Other		2,099
Allocated Administrative Costs		<u>13,303</u>
Total Operating Costs of Award		312,093
C. Less disallowed costs		-
D. Less program revenue and other offsets to costs		<u>(111,454)</u>
E. Total allowable costs	\$	<u><u>200,639</u></u>

See Independent Auditors' Report.

LIFE NAVIGATORS, INC.

Wauwatosa, Wisconsin

GUARDIANSHIP RESERVE SUPPLEMENTAL SCHEDULE

For the Year Ended December 31, 2020

1. Total Units of Service	<u>5,011</u>
2. Allowable Expenses for Rate-based Service	<u>103,009</u>
3. Total Revenue for Rate-based Service	<u>107,737</u>
4. Excess Revenue (Deficiency) over Expenses to be applied to Reserve (Line 3 less line 2)	<u>4,728</u>

Purchaser (5a)	Revenue from Purchaser (5b)	Purchaser's Share of Total Revenue (5c)	Purchaser's Share of Excess Revenue (Deficiency) (5d)	5% Cap on Excess Reserves (5e)	Amount due to Purchaser (5f)
Milw County DHHS - Guardianship	\$ 67,559	62.71%	\$ 2,965	\$ 3,378	\$ -
Milw County Dept of Aging - Guardianship	30,953	28.73%	1,358	1,548	-
Private Pay	9,225	8.56%	405	461	-
Totals	\$ 107,737	100.00%	\$ 4,728	\$ 5,387	\$ -

See Independent Auditors' Report.

LIFE NAVIGATORS, INC.

Wauwatosa, Wisconsin

COURT COMPREHENSIVE RESERVE SUPPLEMENTAL SCHEDULE

For the Year Ended December 31, 2020

1. Total Units of Service	<u>98</u>
2. Allowable Expenses for Rate-based Service	<u>23,180</u>
3. Total Revenue for Rate-based Service	<u>24,250</u>
4. Excess Revenue (Deficiency) over Expenses to be applied to Reserve (Line 3 less line 2)	<u>1,070</u>

Purchaser (5a)	Revenue from Purchaser (5b)	Purchaser's Share of Total Revenue (5c)	Purchaser's Share of Excess Revenue (Deficiency) (5d)	5% Cap on Excess Reserves (5e)	Amount due to Purchaser (5f)
Milw County DSD - Court Comprehensive Evaluations	\$ 24,250	100.00%	\$ 1,070	\$ 1,213	\$ -
Totals	\$ 24,250	100.00%	\$ 1,070	\$ 1,213	\$ -

See Independent Auditors' Report.



**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**

To the Board of Directors of
Life Navigators, Inc.

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 DHS Audit Guide, the financial statements of Life Navigators, Inc. ("Organization") (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020, 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 March 9, 2021.

Internal Control Over Financial Reporting

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

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

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

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 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* and the Wisconsin DHS Audit Guide.

Purpose of this Report

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

Reilly, Penner & Benton LLP

March 9, 2021
Milwaukee, Wisconsin

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Schedule of Expenditures of Federal and Other Awards
For the Year Ended December 31, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State CARS Number	Contract Number	Expenditures			Payments to Subrecipients
				Federal	Other	Total	
U.S. Department of Health & Human Services:							
Passed through Wisconsin Department of Health Services:							
Passed through Milwaukee County Department of Health and Human Services:							
Disability Resource Center Implementation / Advocacy	N/A	N/A	40-20466-100	\$ -	\$ 136,043	\$ 136,043	\$ -
Guardianship - 5,011 units	N/A	N/A	DSD-FFS20-466	-	67,559	67,559	-
Total passed through Milwaukee County Department Health and Human Services				<u>-</u>	<u>203,602</u>	<u>203,602</u>	<u>-</u>
Passed through Milwaukee County Department on Disability Services:							
Court Comprehensive Evaluations - 98 units	N/A	N/A	---	-	24,250	24,250	-
Passed through Milwaukee County Department on Aging:							
Family Support for Aging and Persons with Developmental Disabilities	N/A	N/A	204-419-97	-	30,600	30,600	-
Guardianship - 155 units	N/A	N/A	---	-	30,953	30,953	-
Total passed through Milwaukee County Department of Aging				<u>-</u>	<u>61,553</u>	<u>61,553</u>	<u>-</u>
U.S. Department of Housing and Urban Development:							
Passed through City of Wauwatosa:							
CDBG Entitlement Grants Cluster:							
Community Development Block Grant	14.218	N/A	CDBG-2020-479	17,400	-	17,400	-
Community Development Block Grant - COVID-19	14.218	N/A	Unknown	12,500	-	12,500	-
Community Development Block Grant - COVID-19	14.218	N/A	CDBG-2020-547	19,502	-	19,502	-
Total CDBG Entitlement Grants Cluster				<u>49,402</u>	<u>-</u>	<u>49,402</u>	<u>-</u>
Total expenditures				<u>\$ 49,402</u>	<u>\$ 289,405</u>	<u>\$ 338,807</u>	<u>\$ -</u>

See Independent Auditors' Report and
Notes to Schedule of Expenditures of Federal and Other Awards

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Notes to Schedule of Expenditures of Federal and Other Awards
December 31, 2020

1. Basis of Presentation

The accompanying "Schedule of Expenditures of Federal and Other Awards" (the Schedule) includes the federal award and fee for service activity of the Organization under programs of the federal and state government for the year ended December 31, 2020. The information in this schedule is presented in accordance with the requirements of the Wisconsin DHS Audit Guide. Fee-for-service revenue is shown on the Schedule in the "Other" column.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Summary Schedule of Prior Audit Findings
Year Ended December 31, 2020

There were no prior year findings.

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Schedule of Findings and Responses
Year Ended December 31, 2020

Section I. Summary of Auditors' Results

Financial Statements

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

DHS Awards

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

Name of DHS Program

Advocacy

Section II. Financial Statement Findings

No matters were reported

Section III. DHS Award Findings

No matters were reported

LIFE NAVIGATORS, INC.
Wauwatosa, Wisconsin

Schedule of Findings and Responses
Year Ended December 31, 2020
(Continued)

Section IV. Other Issues

1. Does the auditors' report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? No

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



Carrie A. Gindt

5. Date of Report

March 9, 2021