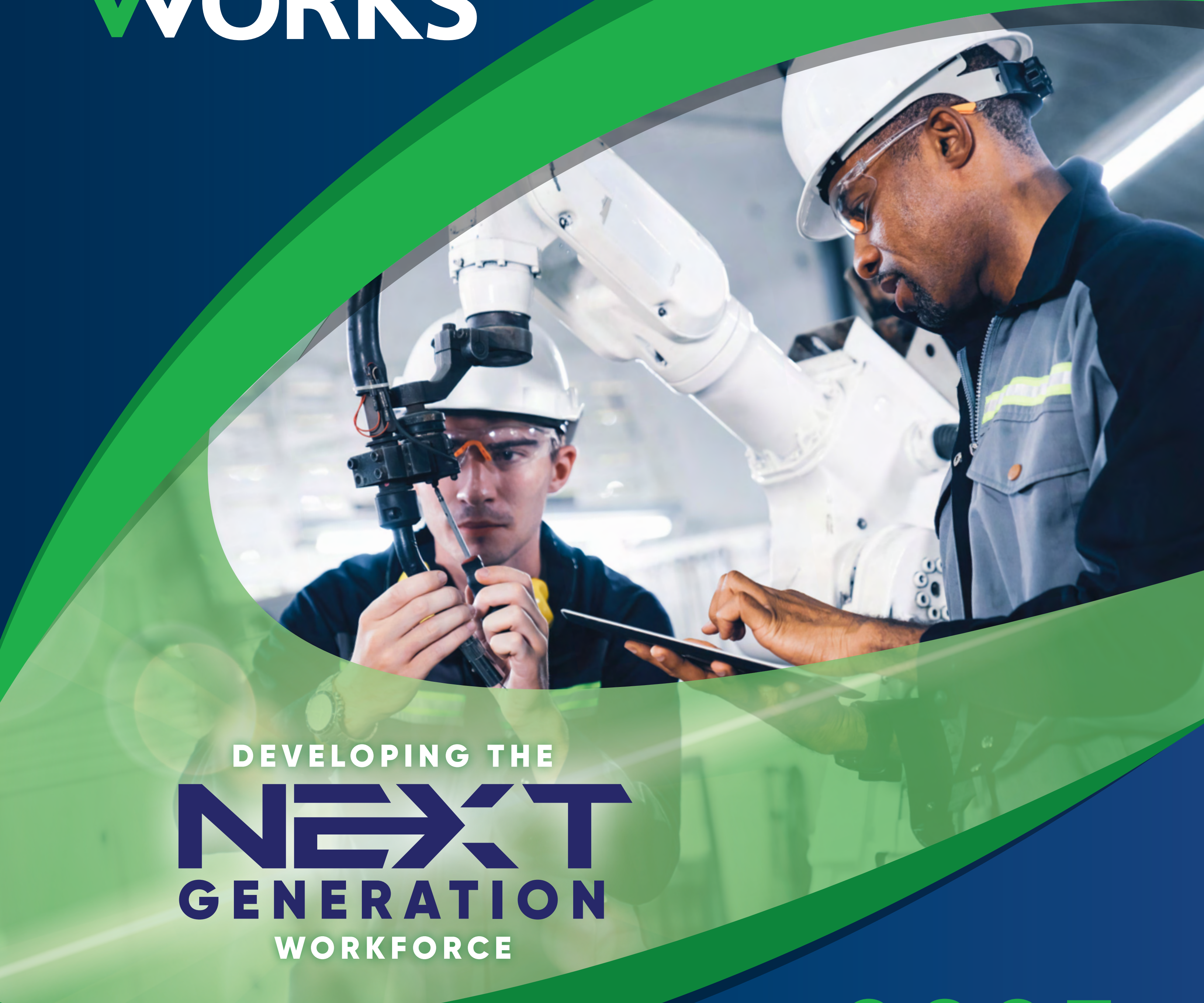
CINCINNATI WORKS



DEVELOPING THE NEXT GENERATION WORKFORCE

2023 ANNUAL IMPACT REPORT

LETTER FROM TIANAY AMAT

President & CEO of Cincinnati Works

Dear Friends and Supporters,

As we reflect on the remarkable journey of Cincinnati Works, I am filled with gratitude and pride for the strides we have made in our mission to eliminate poverty through employment. It is both an honor and a privilege to serve as the President and CEO of this extraordinary organization.

For over two decades, Cincinnati Works has been at the forefront of empowering individuals to thrive in our ever-evolving workforce. Our commitment to collaboration and compassion has been the driving force behind our efforts to create lasting change in our community.

Today, more than ever, the need to address poverty is urgent. With over one in four people in Cincinnati facing poverty, our work is not merely about job placement, but about ensuring job retention and advancement for all. We believe in the potential of every individual living in poverty and are dedicated to helping them achieve economic self-sufficiency through meaningful employment.

At Cincinnati Works, our core values serve as the guiding principles that shape everything we do. From striving for excellence to celebrating the successes of our Members, each of our values reflects our unwavering commitment to our mission and the individuals we serve.

Our coaching program, which has been the backbone of Cincinnati Works for 28 years, has empowered thousands of individuals to reach their full potential. Through personalized support and skill-building, we equip our Members with the tools they need to succeed in the workplace and beyond.

Our partnerships with nearly 80 employers and other non-profit agencies have been instrumental in creating a comprehensive support system for our Members. Together, we address the various challenges they may face, ensuring they have the resources and support needed to overcome obstacles and achieve their goals.

I am proud to share that our efforts have resulted in significant impact. We have served over 8,000 of our neighbors, and over 70 percent of our Members who secure employment through our programs are able to hold their jobs for a year or more.

But our work is far from over. Cincinnati Works is more than just an organization; it is a community of individuals dedicated to ending poverty in our region. Together, with your support, we will continue to empower individuals, transform lives, and build a future where economic self-sufficiency is within reach for all.

Thank you for your unwavering support and for being a part of our mission. Together, we can make a lasting impact on our community and create a brighter future for everyone.

With gratitude,

Tianay

Tianay Amat
President and CEO

Tianay Amat was appointed the President & CEO of Cincinnati Works on May 10, 2022. She brings more than 20 years of experience as a teacher and administrator to the role, and most recently served as Interim Superintendent of Cincinnati Public Schools.

OUR WORK

The centerpiece of our work has always been one-on-one coaching. Our specific programs have evolved to meet the ever-changing needs of our Members, but our mission and vision have remained the same.

We invest in the staff, technology and partnerships that allow us to connect in multiple ways: at our office in downtown Cincinnati, on the jobsites of local employers, and in the community. Our goal is to meet our Members where they are, with the services they need, when they need us.

Professional Development
soft-skills training

1-on-1 Coaching
to pursue career and financial goals

Employment Support
pre-employment connections,
post-employment services

OUR IMPACT

11,500+
total job placements*

$126.8 million
in income from those jobs*

375% ROI
As we delivered in $156.8 million in total community benefits*

17+ employers
who contract to have a Cincinnati Works coach on-site at their facility

served **1,635** Members
in all programs with 29% improving economic well-being

$566,413 in retirement contributions
made by Members in 2022 while working with a Cincinnati Works Financial Coach

80+
employer partners

*data from 2021 report by UC Economics Center

THE NEXT GENERATION LEGACY FUND

The Opportunity:

One of the most challenging issues we face as a community is poverty. Approximately 28% of Cincinnati residents lived below the poverty level in 2021, according to U.S. Census data. There is a racial gap in Cincinnati. Among white residents, this number is about 16%. Among African American residents, the number is about 40%.

For many, escaping intergenerational poverty is an uphill battle. For young adults who have grown up in poverty, transitioning from high school to the workforce can be particularly difficult. They are likely to be behind in academic achievement, physical health, and to have experienced crime. Without proper guidance and support, their potential often remains untapped, perpetuating the cycle of poverty.

28%

of the Cincinnati community is impacted by the persistent challenge of poverty

nearly **45%**

of our children live in poverty

The Solution:

The Cincinnati Works ***Young Adult Workforce Development Program***

The Next Generation Legacy Fund is dedicated to supporting Cincinnati Works, an organization with a proven track record in empowering individuals to overcome poverty. At the heart of Cincinnati Works' success is our unique combination of individualized coaching, financial wellness, tax preparation, digital literacy, and job readiness programs. These provide tailored guidance, resources, and support to individuals striving to improve their lives.

NEXT GENERATION WORKFORCE PARTNERS

The Advanced Manufacturing Industry Partnership (AMIP) is the Greater Cincinnati regional association of advanced manufacturing employers, educators and community agencies working together to ensure a robust pipeline of qualified workers. As the southwest regional industry sector partner for the Ohio Manufacturing Association, it works to alleviate occupational shortages for the industry by creating and implementing an integrated process to link current and prospective employees with educational opportunities to meet the needs for skilled talent across the Tri-state area.

Cincinnati Youth Collaborative (CYC), has been committed to increasing Greater Cincinnati high school graduation rates for over 35 years by collaborating with schools, businesses and volunteers throughout the community. Working directly with local school districts, CYC offers mentoring, work readiness, college and career success services and resource coordination to our students. Mentoring platforms are tailored to the needs of individuals, groups, and businesses. By connecting students with resources and tools for success, CYC continually proves that preparation and opportunity make all the difference in creating bright futures.

NEXT GENERATION WORKFORCE IN ACTION

Meet Chris

Chris Richard, Cincinnati Works' Good Jobs Challenge Workforce Coach, is dedicated to guiding graduates of the Good Jobs Challenge program and Cincinnati Works Members toward rewarding careers in manufacturing. Originally hailing from Cleveland, Chris relocated to Cincinnati to pursue his Bachelor of Criminal Justice Degree at the University of Cincinnati. For the past eight years, he has served as a 2nd Lieutenant in the National Guard. Chris was drawn to Cincinnati Works by his profound desire to assist others, particularly young adults, in securing employment and laying the foundation for successful careers. He finds immense fulfillment in witnessing our Members receive job offers after diligently preparing and training.

Meet Frederick

Frederick Moore is a Cincinnati Works Member with an inspiring journey. After his professional basketball career overseas, Frederick returned to Cincinnati to be closer to his family. Eager to secure meaningful employment, he sought assistance from Cincinnati Works. Under the guidance of his coach, Chris, Frederick landed a position at Monti as a quality control inspector following an impressive interview. Within a remarkable three-month period, he earned not just one but two promotions, first to a higher role in quality control and then to managing sales accounts. Despite his career successes, Frederick remains committed to his personal development, continuing to meet with his coach weekly.

Meet Kevin

Kevin is a testament to resilience and determination, having emerged as a standout from the Good Jobs Challenge program's inaugural cohort. Graduating from North College Hill High School, he completed Tooling U training in June 2023, seamlessly transitioning into the role of a quality technician at Monti. Despite enduring profound personal loss within his family in the early stages of his employment, Kevin remained steadfast in his commitment to professional growth. Beyond his career aspirations, Kevin has ambitions of securing his own place and furthering his education, a testament to his steadfast determination and drive for a brighter future.

MEET THE BOARD

Board of Trustees

Chair
Dave Herche
Enerfab

Lead Director
Lee Stautberg
Dinsmore

Treasurer
Thuy T. Kolik
Lightlight Youth & Family Services

Secretary
Gerron McKnight
Gilman Partners

Members
Tianay Amat
Cincinnati Works

Jim Benedict
Government Strategies

Dan Best
TQL

Brian Carley
Clubessential LLC

Eric Lanter
JP Morgan & Chase

Tom Gilman
Gilman Partners

Dana Glasgo
Cincinnati Career Coach

Tom Hardy
Unity Financial Life Insurance

Danyele Harris-Thompson
Kao Corporation

Ian Owens
Bahl & Gaynor Investment Counsel

Dave Phillips
Cincinnati Works Co-Founder

Liane Phillips
Cincinnati Works Co-Founder

Greg Purdon
Grote Enterprises LLC

Dillon Ruby
Jeff Ruby Culinary Entertainment

Mike Schott
Built to Lead

James Strayhorn
Bright Star Community Church

Carol Walker
Kroger

Young Professionals Board

Members
Ian Owens | Chair
Bahl & Gaynor Investment Counsel

Barrett Albrecht
Phillips Edison

Sam Anderson
NetJets

Austin Baker
Cintas

Amanda Changet
American Heart Association

Dylan Grueninger
David J. Joseph

Aaron Hinton
Cincinnati Public Schools

Jeff Hochwalt
TQL

Chris Kober
CTQ Partners

Will Lampkin
E.W. Scripps

Eric Richelsen
Woodline Partners

Brigid Ryan
Fifth Third Bank

Hannah Scott
Fifth Third Bank

Michelle Stark
Fifth Third Bank

David Stewart
KMK Law

Michael Vassar
Baird

Joe Weaver
UBS Wealth Management

Carrie Worthy
Sage Software Inc.

Caroline Trennepohl
TQL

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Cincinnati Works, Inc.

Opinion
We have audited the accompanying financial statements of Cincinnati Works, Inc. (a not-for-profit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cincinnati Works, Inc. as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Cincinnati Works, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Cincinnati Works, Inc.'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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Cincinnati Works, Inc.'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 Cincinnati Works, Inc.'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 audits.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
March 5, 2024

Statements of Financial Position
December 31, 2023 and 2022

		2023	2022
Assets:			
Cash and cash equivalents	$	1,167,815	685,362
Investments		2,509,857	2,167,133
Accounts receivable		240,157	651,284
Contributions receivable, net		1,610,284	1,120,474
Prepaid expenses and other assets		31,799	31,742
Furniture and equipment, net		102,639	144,844
Operating right-of-use assets		675,649	898,076
Total assets	$	6,338,200	5,698,915
Liabilities and net assets			
Liabilities:			
Accounts payable	$	4,983	29,693
Accrued expenses		51,158	49,767
Lease liabilities		694,829	910,676
Total liabilities		750,970	990,136
Net assets:			
Without donor restrictions		2,340,604	2,367,344
With donor restrictions		3,246,626	2,341,435
Total net assets		5,587,230	4,708,779
Total liabilities and net assets	$	6,338,200	5,698,915

Statements of Activities
Years Ended December 31, 2023 and 2022

		2023	2022
Changes in net assets without donor restrictions			
Revenues, gains and other support:			
Contributions and grants	$	1,391,505	1,452,645
Investment return, net		356,190	(399,509)
Contributed goods and services		158,157	134,569
Employer fees		888,175	855,893
Other income		48,153	39,711
Net assets released from restrictions		1,821,724	1,946,050
Total revenues and other support		4,663,904	4,029,359
Expenses:			
Workforce development		2,115,520	2,039,187
Workforce connection		922,944	1,149,439
Transportation		-	37,015
Total program services		3,038,464	3,225,641
Management and general		1,121,050	1,156,008
Fundraising		531,130	422,764
Total support services		1,652,180	1,578,772
Total expenses		4,690,644	4,804,413
Change in net assets without donor restrictions		(26,740)	(775,054)
Changes in net assets with donor restrictions			
Revenues and other support:			
Other contributions and grants		2,726,915	2,104,840
Net assets released from restrictions		(1,821,724)	(1,946,050)
Change in net assets with donor restrictions		905,191	158,790
Change in net assets		878,451	(616,264)
Net assets, beginning of year		4,708,779	5,325,043
Net assets, end of year	$	5,587,230	4,708,779

Statement of Functional Expenses
Year Ended December 31, 2023

		Program					
		Workforce Development	Workforce Connection	Total	Management and General	Fundraising	Total Expenses
Salaries, wages and benefits	$	1,755,184	804,849	2,560,033	806,064	304,119	3,670,216
Occupancy and utilities		164,617	33,840	198,457	165,458	27,378	391,293
Equipment and supplies		42,318	18,617	60,935	12,798	12,892	86,625
Professional services		49,809	23,239	73,048	94,198	63,732	230,978
Direct job seeker and advancement		79,428	13,936	93,364	-	-	93,364
Marketing		8,956	6,347	15,303	340	82,416	98,059
Bad debt expense		-	-	-	-	11,339	11,339
Other		15,208	22,116	37,324	42,192	29,254	108,770
	$	2,115,520	922,944	3,038,464	1,121,050	531,130	4,690,644

Statement of Functional Expenses
Year Ended December 31, 2022

		Program						
		Workforce Development	Workforce Connection	Transportation	Total	Management and General	Fundraising	Total Expenses
Salaries, wages and benefits	$	1,669,296	982,756	19,863	2,671,915	739,340	261,350	3,672,605
Occupancy and utilities		130,195	79,125	2,525	211,845	164,133	20,249	396,227
Equipment and supplies		43,903	17,049	-	60,952	15,952	5,012	81,916
Professional services		76,413	17,307	-	93,720	187,522	78,217	359,459
Direct job seeker and advancement		95,155	21,917	-	117,072	-	-	117,072
Marketing		8,212	7,902	-	16,114	488	38,224	54,826
Bad debt expense		-	-	-	-	-	15,000	15,000
Other		16,013	23,383	14,627	54,023	48,573	4,712	107,308
	$	2,039,187	1,149,439	37,015	3,225,641	1,156,008	422,764	4,804,413

1. NATURE OF OPERATIONS:

Cincinnati Works, Inc. (the "Organization") is a not-for-profit corporation serving the Greater Cincinnati community, whose mission is to partner with all willing and capable people living in poverty to assist them in advancing to economic self-sufficiency through employment. The Organization's revenue and other support are derived principally from contributions and grants.

The Organization serves the Greater Cincinnati community through its Workforce Development programs that provide job seekers with soft skills, access to employers, and lifetime coaching to be successful, promotable employees.

Workforce Connection is a fee-based service that assists local employers and their employees to improve employee retention through the use of on-site employment coaches that facilitate job retention services, work supports, education and training.

The Organization provided fee-based transportation services to assist its members to reach employer partner locations that lie beyond traditional bus lines. This program was discontinued in 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of presentation
The financial statements of the Organization are presented on the accrual basis of accounting. Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

With donor restrictions – Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization, or the passage of time. Certain net assets are subject to donor-imposed stipulations that must be maintained in perpetuity by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general purposes.

Adoption of new accounting standard
The Organization adopted Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, on January 1, 2023. Topic 326 modifies the measurement of expected credit losses on certain financial instruments. The Organization adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Organization's financial statements but did change how the allowance for credit losses is determined. Allowance for credit losses is not material to the financial statements.

Revenue recognition
Contributions, including certain grants from foundations, corporations, and government agencies, are recorded in the appropriate net asset class when the promise to give is received. For grants where the receipt of payment is conditional, revenue is recognized as contractual services are performed and the eligible expenses are incurred. When a donor stipulated time or purpose restriction ends, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Gifts and investment income with donor-imposed restrictions for which the restriction is met in the same period are recorded as with donor restriction and then released from restriction.

Contributions to be received after one year are discounted at a rate commensurate with the risk involved. Amortization of the discount is recorded as additional contribution revenue. Allowance is made for uncollectible contributions based upon management's judgment and the creditworthiness of the donor. No allowance was deemed necessary in 2023 or 2022.

The Organization records contributed social worker and information technology services. Contributed services are recognized at the estimated fair value based upon rates provided by the donor or similar services and are only recorded if they create or enhance non-financial assets or require specialized services. For the years ended December 31, 2023 and 2022, contributed services did not have donor-imposed restrictions.

The Organization's revenue from contracts with customers are included in employer fees on the statements of activities and consists of revenue earned for ongoing services provided to other organizations related to coaching and mentoring. Contracts typically have short durations and are considered to be earned over a period of time. Revenue is earned and billed when the performance obligation of the contract is completed. The Organization's accounts receivable at January 1, 2022 was $508,374.

Use of estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents
The Organization considers all liquid investments with original maturities of three months or less to be cash equivalents. The Organization maintains cash in deposit accounts, which, at times, may exceed federally ensured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash. Cash in excess of federally insured limits is approximately $646,000 and $128,000 on December 31, 2023 and 2022, respectively.

Accounts receivable
Accounts receivable are stated at the original invoiced amount less an allowance for credit losses. On a periodic basis, the Organization evaluates its receivables and establishes an allowance for credit losses, based on a history of past write-offs and collections and current credit conditions. The Organization believes all receivables are fully collectible at December 31, 2023 and 2022.

Investments
Investments in marketable and debt securities with readily determinable fair values are reported at their fair values in the statements of financial position. Dividends, interest income, realized gains and losses on security transactions, unrealized holding gains or losses on investments and investment expenses are included as investment return on the statements of activities.

Furniture and equipment
The Organization's policy is to capitalize furniture and equipment purchased or donated having a cost in excess of $1,000. All items are recorded at cost less accumulated depreciation. Computer equipment, software and licenses are depreciated on a straight-line basis over a three-year period. Furniture is depreciated on a straight-line basis over a five-year period.

Income taxes
The Organization is exempt from federal income tax under Internal Revenue Code (the "Code") section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated business income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Functional allocation of expenses
The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Certain costs have been allocated among the benefited programs and supporting services based on direct identification, time studies and other methods. The following functional expense categories are allocated based on monthly time studies: salaries, wages and benefits, occupancy and utilities, equipment and supplies, marketing, and other expenses.

Concentration of credit risk
Concentrations within revenue and receivables exist when an individual donor equals or exceeds 10% of total contribution revenue and receivables, respectively. During 2023, three donors accounted for 47% of total contribution revenue and two donors accounted for 49% of total contributions receivable. During 2022, two donors accounted for 32% of total contribution revenue and four donors accounted for 72% of total contributions receivable.

Subsequent events
The Organization evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements considered events through March 5, 2024, the date on which the financial statements were available to be issued.

Statements of Cash Flows
Years Ended December 31, 2023 and 2022

		2023	2022
Cash flows from operating activities:			
Change in net assets	$	878,451	(616,264)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:			
Discount on contributions receivable		2,808	8,676
Depreciation		87,092	90,410
Contributed property		(31,300)	-
Amortization of operating right-of-use assets		222,427	219,530
Change in operating lease liabilities		(215,847)	(206,930)
Net realized and unrealized (gain) loss on investments		(294,454)	400,069
Loss (gain) on disposal of fixed assets		3,210	(6,076)
Bad debt expense		11,339	15,000
Changes in assets and liabilities:			
Accounts receivable		411,127	(142,910)
Contributions receivable		(503,957)	(218,247)
Prepaid expenses and other assets		(57)	20,384
Accounts payable		(24,710)	13,774
Accrued expenses		1,391	10,626
Net cash provided (used) by operating activities		547,520	(411,958)
Cash flows from investing activities:			
Purchases of investments		(2,249,670)	(1,845,992)
Sales and maturities of investments		2,201,400	1,657,999
Purchases of furniture and equipment		(16,797)	(30,194)
Proceeds from sale of fixed assets		-	34,520
Net cash used by investing activities		(65,067)	(183,667)
Net change in cash and cash equivalents		482,453	(595,625)
Cash and cash equivalents at beginning of year		685,362	1,280,987
Cash and cash equivalents at end of year	$	1,167,815	685,362
Supplemental cash flow disclosures of non-cash activities:			
Right-of-use assets obtained in exchange for operating lease liabilities	$	-	1,117,606

3. CONTRIBUTIONS RECEIVABLE, NET:

Contributions receivable at December 31 consisted of the following:

	2023	2022
Due within one year	$ 1,284,277	863,326
Due in one to five years	339,667	268,000
	1,623,944	1,131,326
Less unamortized discount at 4.23% and 4.41%	13,660	10,852
	$ 1,610,284	1,120,474

4. FURNITURE AND EQUIPMENT:

Furniture and equipment consist of the following at December 31:

	2023	2022
Furniture	$ 160,777	144,911
Software	168,383	188,145
Equipment	113,621	120,426
	442,781	453,482
Less accumulated depreciation	340,142	308,638
Furniture and equipment, net	$ 102,639	144,844

5. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions exist for the following purposes as of December 31:

	2023	2022
Subject to the passage of time	$ 354,333	194,500
Subject to expenditures for specific purpose:		
Workforce Development	1,081,916	707,372
Workforce Connection	150,625	300,625
Other	624,286	103,472
	2,211,160	1,305,969
Investment held in perpetuity	1,035,466	1,035,466
Total net assets with donor restrictions	$ 3,246,626	2,341,435

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the passage of time. A summary of restrictions satisfied is as follows for the years ending December 31:

	2023	2022
Time restriction expired	$ 351,167	185,750
Satisfaction of purpose restrictions:		
Workforce Development	1,248,201	1,222,678
Workforce Connection	150,000	373,549
Transportation	-	3,903
Other	72,356	160,170
	1,821,724	1,760,300
Total net assets released from donor restrictions	$ 1,821,724	1,946,050

6. FAIR VALUE MEASUREMENTS:

Generally accepted accounting principles establish a 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 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 for the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. 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.

Fair value methods and assumptions on investments consisting of cash and cash equivalents, fixed income and mutual funds are valued on Level 1 inputs.

The preceding methods described may provide 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 methods are 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.

The following table presents the Organization's assets at December 31, 2023 that are measured at fair value on a recurring basis and are categorized using the fair value hierarchy:

	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments:				
Cash and cash equivalents	$ 83,112	83,112	-	-
Fixed income funds	682,399	682,399	-	-
Equity funds:				
Large cap global and domestic	1,502,160	1,502,160	-	-
Small and mid-cap domestic	86,166	86,166	-	-
Developing international	156,020	156,020	-	-
	$ 2,509,857	2,509,857	-	-

The following table presents the Organization's assets at December 31, 2022 that are measured at fair value on a recurring basis and are categorized using the fair value hierarchy:

	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments:				
Cash and cash equivalents	$ 61,030	61,030	-	-
Fixed income funds	727,489	727,489	-	-
Equity funds:				
Large cap global and domestic	928,957	928,957	-	-
Small and mid-cap domestic	228,490	228,490	-	-
Developing international	149,829	149,829	-	-
Emerging markets	71,338	71,338	-	-
	$ 2,167,133	2,167,133	-	-

7. ENDOWMENT FUNDS:

Financial Accounting Standards Board (FASB) guidance requires that the net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The Organization's endowment consists of funds established to provide income to support operations. Its endowment includes donor-restricted funds.

The Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as perpetually restricted net assets (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in perpetually restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: the duration and preservation of the fund; the purposes of the Organization and the donor-restricted endowment fund; general economic conditions; the possible effect of inflation and deflation; the expected total return from income and the appreciation of investments; other resources of the Organization and the investment policies of the Organization.

Return objectives and risk parameters
The Organization has adopted investment and spending policies for endowment assets that attempt to provide for long-term growth of principal without undue exposure to risk. The return objective shall be accomplished using a balanced strategy of equity, fixed income securities, mutual funds and cash equivalents. The performance objectives will be measured against appropriate industry benchmarks such as the MSCI ACWI Net Index, Bloomberg Barclay's Global Aggregate Index and Bank of America 91-day Treasury Bill Index.

Strategies employed for achieving objectives
To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

Spending policy and how the investment objectives relate to spending policy
The Organization has a policy to allow management the flexibility to draw a maximum of 4.5% of its endowment funds' average fair value over the trailing 12 quarters. The formula is applied to the twelve calendar quarters ending June 30 prior to the December 31, year end in question. During 2023, the Organization made the first draw from the endowment of $18,914.

Changes in endowment assets are as follows for the years ended December 31:

	2023	2022
Endowment assets at beginning of year	$ 935,630	1,108,614
Net investment return	150,659	(172,984)
Appropriation of endowment assets for expenditure	(18,914)	-
Endowment assets at end of year	$ 1,067,375	935,630

Endowment assets that are permanently restricted at December 31, 2023 and 2022 are $1,035,466. As of December 31, 2022, the Organization's permanent endowment was in a deficit position of $99,836.

8. OFFICE LEASES:

The Organization leases office space under a noncancelable operating lease which is subject to terms of renewal and escalation clauses. Since the Organization's lease does not provide an implicit interest rate to determine the present value of lease payments, management uses the risk-free rate available at the lease commencement which was 1.37%. The Organization recognized an operating lease right-of-use asset and related lease liability of $1,081,614 at January 1, 2022. The lease ends December 31, 2026 and provides the option to renew two three-year periods. Due to the changing needs of the community the Organization serves, it is unknown at this time if the renewal options will be exercised. The Organization has elected to implement the practical expedient of not separating lease components from nonlease components.

The Organization leases office equipment under a noncancelable operating lease which will terminate November 15, 2025. Based on an estimated discount rate of 1.37%, the Organization recognized an operating lease right-of-use asset and related lease liability of $35,992 at January 1, 2022.

Rent expense for 2023 and 2022 totaled $233,293. The Organization's weighted average remaining lease term at December 31, 2023 is 2.97 years.

The following is a schedule of future minimum lease payments for the years ended December 31:

2024	$ 233,153
2025	236,806
2026	236,880
	708,839
Present value discount	(14,010)
Total lease liabilities	$ 694,829

During 2023 and 2022, a former board member subleased certain office space and reimbursed the Organization for this and certain other office expenses totaling $4,214 and $7,795, respectively.

9. RETIREMENT PLAN:

The Organization has a defined contribution plan (the "Plan") covering substantially all employees. Under the terms of the Plan, the Organization has the discretion to make contributions to the Plan. In addition, employees may elect to participate in the salary deferral portion of the Plan. Participants vest in employer contributions at a rate of 33.3% each year and are fully vested after three years. During 2023 and 2022, employer contributions totaled $134,054 and $148,115, respectively.

10. LIQUIDITY:

The goal of the Organization is generally to maintain financial assets to meet at least 90 days of operating expenses. The Organization is substantially supported by contributions and grants and invests excess cash in short-term investment accounts to earn interest.

Notes to the Financial Statements
December 31, 2023 and 2022

The following table presents the financial assets available to meet cash needs for general expenditures within one year at December 31:

	2023	2022
Financial assets:		
Cash and cash equivalents	$ 1,167,815	685,362
Investments	2,509,857	2,167,133
Accounts receivable	240,157	651,284
Contributions receivable, current	1,284,277	863,326
Financial assets available at year-end	5,202,106	4,367,105
Less those unavailable for general expenditures within one year due to:		
Contributions receivable with purpose restrictions	513,000	250,000
Donor restricted endowment	1,035,466	1,035,466
Cash with donor restrictions	653,518	229,722
	2,201,984	1,515,188
Financial assets available to meet cash needs for general expenditures within one year	$ 3,000,122	2,851,917

11. CONDITIONAL CONTRIBUTIONS:

As of December 31, 2023, the Organization has an outstanding balance of approximately $22,000 related to cost reimbursement grants with contract terms spanning multiple fiscal years. No amounts have been recognized during 2023 as the conditions have not been satisfied.

12. RELATED PARTY TRANSACTIONS:

One member of the Board of Trustees is an owner of a professional service firm that provided services to the Organization during 2023 and 2022. Management believes that the services provided are at arms'-length. During 2023 and 2022, the Organization paid $13,750 and $74,375 for these services, respectively.

Our Mission

Cincinnati Works will partner with all willing and capable people living in poverty to assist them in advancing to economic self-sufficiency through employment.

Our Vision

We will lead the effort to eliminate poverty in our community.

Our Values

As a non-profit with a mission of ending poverty in our region, we are guided by core values that inform our people, programs, and partnerships.

- Work for the WOW!
- Own the future
- Ring the bell
- Keep standards high
- See the U in humanity

Diversity, Equity, & Inclusion

At Cincinnati Works, we are committed to fostering, cultivating, and preserving a diverse, equitable and inclusive environment for our Members, Staff and Board. Together we are building an inclusive culture that encourages, supports and celebrates the diverse perspectives and voices of our Members, Staff and Board. This inspires us to try new things, take smart risks, speak openly and be bold in our words and actions in support of CW's mission to eliminate poverty.

MEET THE TEAM

Administration

Tianay Amat
President & CEO

Maria Keri
Chief Financial Officer

Samantha Dewald
Senior Project Manager

Brooke Beiting
Sr. Project Manager
Marketing & Communications

Susan Roschke
Grants & Donor Data Manager

Human Resources

Mary Bennett Brown
Chief Human Resource Officer

Danyete Foulks-Young
Director of Human Resources &
Professional Development

Alex Brown
Learning & Development Manager

External Relations

Teddy Gumbleton
Interim Chief Development Officer

Vanessa Kurtzer
Director of Development

Workforce Connection

Ross Turpeau
Chief Workforce Officer

Kristina Johnson
Director of Workforce & Coaching

Nikki Hollis
Director of Employment Services

Karla Dunn
Workforce Coach Supervisor

Al'Taa Jackson
Employment Services Coordinator

DaJisha Hubbard
Workforce Coach

Verna Johnson-Shearer
Workforce Coach

Sonja Black
Workforce Coach

Meghan Garvis
Workforce Coach

Nigeal Payne
Workforce Coach

Leniese Fuqua
Workforce Coach

JoAnn Owens
Workforce Coach

Chris Richard
AMIP Workforce Coach

Kerstyn Evans
Next Generation Workforce Recruiter

Programs & Operations

Calista Hargrove
Chief Strategy Officer

Leslie Kish
Director of Operational Excellence

Lisa Mauthe
Director of Financial Wellness

Rayshun Holt
Director of Fair Chance Works

Jacque Edmerson
Director of Clinical Services

Terri Wilson
Trauma Informed Care Manager

Stephanie Price
CW Partnership Supervisor

Ken Wilson
Community Engagement Coordinator

Glenna Parks
Career Center Coordinator

Shannon Brotherton
Member Services Coordinator

Amanda Lail
Northeast Community Coordinator

Heath Parks
Information Systems & Salesforce
Manager

Rhonda Donahue
Continuous Improvement Coordinator

Mitch Morris
Phoenix Program Coordinator

Davinn Knight
Phoenix Program Outreach Worker

Mitchell Morris Jr.
Phoenix Program Outreach Worker

Charles Williams
Phoenix Program Outreach Worker

Peter Beck
Financial Coach/Tax Perpetration

Jason Fishburn
Financial Coach

John Hollis
Financial Coach

Brineia Carrier
Financial Coach

Ricardo Montanez
Financial Coach

Twan Staley
Financial Coach

Nina Vogt
POAH Financial Coach

DEVELOPING THE

NEXT GENERATION WORKFORCE

2023 ANNUAL IMPACT REPORT

CINCINNATI WORKS

JOIN US IN THE FIGHT AGAINST POVERTY

Cincinnati Works is launching the Next Generation Legacy Fund to invest in a brighter future for Cincinnati and our community. We have received a $500,000 matching gift towards our goal. This legacy campaign will raise the necessary funds to build upon our mission of eliminating poverty, improving our Members' outcomes, and providing additional support for our excellent staff. Your contribution will absolutely help to support our campaign as you will be ensuring our quest to create a poverty-free community.

Scan to *donate now!*

CINCINNATI WORKS
A job is just the beginning

Cincinnati Works
708 Walnut Street
Cincinnati, OH 45202

info@cincinnatiworks.org

(513) 744-WORK