

**ADVOCAP, INC.**

**FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITORS'  
REPORT**

**DECEMBER 31, 2024 AND 2023**

# ADVOCAP, INC.

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Management  
ADVOCAP, Inc.  
Fond du Lac, Wisconsin

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the accompanying financial statements of ADVOCAP, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, 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 accompanying financial statements present fairly, in all material respects, the financial position of ADVOCAP, Inc. as of December 31, 2024 and 2023, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Wisconsin Department of Administration Audit Guide*. 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 ADVOCAP, 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 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.

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 ADVOCAP, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are 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 GAAS and *Government Auditing Standards* and the *Wisconsin Department of Administration Audit Guide* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards* and the *Wisconsin Department of Administration Audit Guide*, 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 ADVOCAP, 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 ADVOCAP, 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 audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on page 33 and pages 44 through 59, as listed in the table of contents, and the accompanying *Schedule of Expenditures of Federal and State Awards*, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and State Single Audit Guidelines* issued by the Wisconsin Department of Administration, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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* and the *Wisconsin Department of Administration Audit Guide*, we have also issued our report dated May 22, 2025 on our consideration of ADVOCAP, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of ADVOCAP, 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* and the *Wisconsin Department of Administration Audit Guide* in considering ADVOCAP, Inc.'s internal control over financial reporting and compliance.

*Hankins Ash CPAs, LLP*

Green Bay, Wisconsin  
May 22, 2025

## **FINANCIAL STATEMENTS**

**ADVOCAP, INC.**  
STATEMENTS OF FINANCIAL POSITION

<u>ASSETS</u>	DECEMBER 31,	
	2024	2023
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,634,512	\$ 1,312,814
Beneficial interest in community foundations	77,491	69,990
Accounts receivable:		
Funding sources and programs	2,072,746	1,504,300
Other	999	1,320
Inventory	711,135	687,663
Prepaid expenses	164,805	156,473
<b>TOTAL CURRENT ASSETS</b>	<b>4,661,688</b>	<b>3,732,560</b>
<b>PROPERTY AND EQUIPMENT</b>		
Property and equipment, at cost	10,083,937	9,972,180
Less: accumulated depreciation	7,187,513	6,949,531
<b>NET PROPERTY AND EQUIPMENT</b>	<b>2,896,424</b>	<b>3,022,649</b>
<b>OTHER ASSETS</b>		
Investment in subsidiary	11,256	11,256
Loans receivable:		
Housing loans	4,696,823	4,828,046
Allowance for credit losses, housing loans	(73,296)	(71,127)
Low-income entrepreneurs	250,418	231,440
Allowance for credit losses, low-income entrepreneurs	(24,351)	(15,364)
Auto loans	385,211	377,192
Allowance for credit losses, auto loans	(90,354)	(96,083)
<b>TOTAL OTHER ASSETS</b>	<b>5,155,707</b>	<b>5,265,360</b>
<b>TOTAL ASSETS</b>	<b>\$ 12,713,819</b>	<b>\$ 12,020,569</b>

The accompanying notes are an integral part of these statements.

**ADVOCAP, INC.**  
STATEMENTS OF FINANCIAL POSITION - Continued

<u>LIABILITIES AND NET ASSETS</u>	DECEMBER 31,	
	2024	2023
<b>CURRENT LIABILITIES</b>		
Line of credit	\$ 102,048	\$ 102,048
Current maturities:		
Long-term obligations	164,093	269,634
Accounts payable	365,390	315,741
Accrued liabilities:		
Payroll and payroll taxes	719,297	663,138
Other	140,400	127,632
Deferred revenue	652,185	45,119
Program advances	623,628	602,172
	<u>2,767,041</u>	<u>2,125,484</u>
<b>TOTAL CURRENT LIABILITIES</b>		
<b>NONCURRENT LIABILITIES</b>		
Long-term obligations	485,805	518,958
Deferred loans payable	139,970	207,470
Housing loan liability	1,541,428	1,658,721
	<u>2,167,203</u>	<u>2,385,149</u>
<b>TOTAL NONCURRENT LIABILITIES</b>		
<b>TOTAL LIABILITIES</b>	<u>4,934,244</u>	<u>4,510,633</u>
<b>NET ASSETS</b>		
Without donor restrictions	1,690,888	1,597,316
With donor restrictions	6,088,687	5,912,620
	<u>7,779,575</u>	<u>7,509,936</u>
<b>TOTAL NET ASSETS</b>		
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 12,713,819</u>	<u>\$ 12,020,569</u>

The accompanying notes are an integral part of these statements.

**ADVOCAP, INC.**  
STATEMENTS OF ACTIVITIES

	YEAR ENDED DECEMBER 31,					
	2024			2023		
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE						
Government awards	\$ -	\$ 14,192,477	\$ 14,192,477	\$ -	\$ 13,037,747	\$ 13,037,747
Program	-	290,680	290,680	-	270,787	270,787
Other services	434,325	-	434,325	449,329	-	449,329
Corporate funds	82,991	-	82,991	79,675	-	79,675
Interest income	27,163	64,033	91,196	21,805	57,638	79,443
Change in beneficial interests	7,501	-	7,501	7,790	-	7,790
Contributions	85,793	435,377	521,170	13,352	505,177	518,529
Commodities	-	1,718,553	1,718,553	-	995,239	995,239
Forgiveness of deferred loans payable	67,500	-	67,500	35,000	-	35,000
In-kind donations	523,254	-	523,254	297,967	-	297,967
Gain on disposal of property and equipment	-	-	-	17,000	-	17,000
Net assets released from restriction	16,525,053	(16,525,053)	-	14,931,939	(14,931,939)	-
<b>TOTAL REVENUE</b>	<b>17,753,580</b>	<b>176,067</b>	<b>17,929,647</b>	<b>15,853,857</b>	<b>(65,351)</b>	<b>15,788,506</b>
EXPENSES						
Program	16,377,285	-	16,377,285	14,437,898	-	14,437,898
Management and general	1,282,723	-	1,282,723	1,334,756	-	1,334,756
<b>TOTAL EXPENSES</b>	<b>17,660,008</b>	<b>-</b>	<b>17,660,008</b>	<b>15,772,654</b>	<b>-</b>	<b>15,772,654</b>
CHANGE IN NET ASSETS	93,572	176,067	269,639	81,203	(65,351)	15,852
NET ASSETS AT BEGINNING OF YEAR	1,597,316	5,912,620	7,509,936	1,516,113	5,977,971	7,494,084
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 1,690,888</b>	<b>\$ 6,088,687</b>	<b>\$ 7,779,575</b>	<b>\$ 1,597,316</b>	<b>\$ 5,912,620</b>	<b>\$ 7,509,936</b>

The accompanying notes are an integral part of these statements.

**ADVOCAP, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2024**

	<u>PROGRAM</u>	<u>MANAGEMENT AND GENERAL</u>	<u>TOTAL</u>
Personnel	\$ 7,072,957	\$ 1,012,695	\$ 8,085,652
Professional services	8,075	74,805	82,880
Office operations	585,465	63,423	648,888
Facilities	793,336	89,894	883,230
Travel	107,707	6,269	113,976
Training and development	99,114	16,206	115,320
Participant expenses	1,390,595	12,090	1,402,685
Subcontractors	2,460,820	-	2,460,820
Program materials	1,208,646	-	1,208,646
Vehicle operation	237,268	-	237,268
Tools and equipment	66,571	6,659	73,230
Credit loss expense - loans	89,381	-	89,381
Miscellaneous	15,543	682	16,225
Commodities	1,718,553	-	1,718,553
In-kind	523,254	-	523,254
	<u>523,254</u>	<u>-</u>	<u>523,254</u>
<b>TOTAL EXPENSES</b>	<b><u>\$ 16,377,285</u></b>	<b><u>\$ 1,282,723</u></b>	<b><u>\$ 17,660,008</u></b>

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

**ADVOCAP, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2023**

	<u>PROGRAM</u>	<u>MANAGEMENT AND GENERAL</u>	<u>TOTAL</u>
Personnel	\$ 6,801,825	\$ 1,047,402	\$ 7,849,227
Professional services	7,718	98,346	106,064
Office operations	651,124	72,122	723,246
Facilities	762,058	86,200	848,258
Travel	90,702	6,640	97,342
Training and development	65,758	6,680	72,438
Participant expenses	803,127	10,486	813,613
Subcontractors	2,079,688	-	2,079,688
Program materials	1,379,916	-	1,379,916
Vehicle operation	228,876	-	228,876
Tools and equipment	66,513	6,688	73,201
Credit loss expense - loans	128,073	-	128,073
Miscellaneous	79,314	192	79,506
Commodities	995,239	-	995,239
In-kind	297,967	-	297,967
	<u>297,967</u>	<u>-</u>	<u>297,967</u>
<b>TOTAL EXPENSES</b>	<b><u>\$ 14,437,898</u></b>	<b><u>\$ 1,334,756</u></b>	<b><u>\$ 15,772,654</u></b>

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

**ADVOCAP, INC.**  
**STATEMENTS OF CASH FLOWS**

	YEAR ENDED DECEMBER 31,	
	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 269,639	\$ 15,852
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	365,511	370,707
Change in value in beneficial interest in community foundations	(7,501)	(7,790)
Credit loss expense - housing loans	2,169	53,393
Credit loss expense - low-income entrepreneurs	23,095	5,687
Credit loss expense - auto loans	64,117	68,993
Forgiveness of note payable	(67,500)	(35,000)
Equity in net (gain) loss of subsidiary	-	(74)
(Gain) loss on disposal of property and equipment	-	(17,000)
Change in assets and liabilities:		
(Increase) decrease in operating assets		
Accounts receivable	(568,125)	225,989
Inventory	(23,472)	(75,427)
Prepaid expenses	(8,332)	26,576
Increase (decrease) in operating liabilities		
Accounts payable	49,649	61,021
Accrued liabilities	68,927	(93,958)
Deferred revenue	607,066	(15,590)
Program advances	21,456	94,243
Housing loan liability	(63,368)	(99,950)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>733,331</b>	<b>577,672</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(239,286)	(433,887)
Proceeds from sale of property and equipment	-	17,000
Housing loans issued	(155,405)	(213,077)
Collection and recoveries of housing loans	232,703	157,148
Loans to low-income entrepreneurs issued	(176,712)	(31,100)
Collection of loans to low-income entrepreneurs	143,626	55,303
Auto loans issued	(207,820)	(211,716)
Collection of auto loans	129,955	108,427
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<b>(272,939)</b>	<b>(551,902)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from line of credit	200,000	-
Repayment of line of credit	(200,000)	-
Proceeds from long-term debt	50,000	50,000
Repayment of long-term debt	(188,694)	(174,355)
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<b>(138,694)</b>	<b>(124,355)</b>

The accompanying notes are an integral part of these statements.

**ADVOCAP, INC.**  
STATEMENTS OF CASH FLOWS - Continued

	YEAR ENDED DECEMBER 31,	
	2024	2023
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	321,698	(98,585)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,312,814	1,411,399
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 1,634,512</u></b>	<b><u>\$ 1,312,814</u></b>
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</u>		
Cash paid during the year for interest	\$ 47,411	\$ 39,139
<u>NON-CASH DISCLOSURE OF SUPPLEMENTAL INFORMATION</u>		
Forgiveness of home loan receivable	\$ 53,925	\$ 2,130,876

The accompanying notes are an integral part of these statements.

**ADVOCAP, INC.**  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

**NOTE 1 - Nature of Organization and Significant Accounting Policies**

**Nature of Organization** - ADVOCAP, Inc. (the "Organization"), a community action agency, is organized under the laws of the State of Wisconsin as a nonprofit corporation. The Organization is organized exclusively for charitable purposes; its mission is to create opportunities for people and communities to reduce poverty and increase self-sufficiency. The Organization's support comes primarily from federal and state government awards.

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

**Basis of Presentation** - The accompanying financial statements are prepared in accordance with the accounting principles generally accepted in the United States of America (U.S. GAAP) as codified by the Financial Accounting Standards Board (FASB).

The Organization is required to report information regarding its net assets and its activities based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor or certain grantor restrictions.

*Net Assets With Donor Restrictions* - Net assets subject to donor or certain grantor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**Cash and Cash Equivalents** - The Organization's cash and cash equivalents consists of cash on deposit with financial institutions. For purposes of the statements of cash flows, the Organization considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**Accounts Receivable** - Receivables are stated at the amount management expects to collect from outstanding balances. Management estimates expected credit losses using a model that incorporates historical loss experience, current conditions, and reasonable forecasts of future economic factors. If the financial condition of the Organization's customers were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, the Organization provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Organization has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Management believes all receivables are collectible, accordingly, no allowance has been recorded.

**Grants Receivable** - The Organization receives government grants that are on a reimbursement basis. Grants receivable include claims made on the grant for the current year spending. Management believes the balance in grants receivable is fully collectible as of December 31, 2024 and 2023.

**ADVOCAP, INC.**  
NOTES TO FINANCIAL STATEMENTS - Continued  
DECEMBER 31, 2024 AND 2023

**NOTE 1 - Nature of Organization and Significant Accounting Policies - Continued**

**Inventory** - Inventory is stated at the lower of cost or net realizable value determined by the first-in, first-out method.

**Property and Equipment -**

Nongrant award property and equipment - All acquisitions of property and equipment in excess of \$2,500 purchased with nongrant funds are generally capitalized, while all expenditures for repairs and maintenance that do not materially prolong the useful lives of assets are expensed. Purchased property and equipment is recorded and is carried at cost. Donated property and equipment is recorded at the approximate fair value at the date of the donation. Depreciation is computed using the straight-line method based on the following estimated useful lives:

Buildings and improvements	10-30 years
Vehicles	5 years
Equipment	3-15 years

Grant award equipment - For internal purposes, in accordance with grant award budgets approved by funding sources, equipment purchased with grant award funds is charged to expense in the period of purchase instead of being capitalized as an asset and depreciated over its useful life. As a result, the equipment expenses reflected in the *Supplemental Schedule of Expenditures of Federal and State Awards and Other Financial Assistance* include the cost of equipment purchased or leased during the year, while in the financial statements, it is shown in accordance with U.S. GAAP.

The equipment acquired is owned by the Organization while used in the program for which it was purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the equipment purchased with grant funds and, therefore, its disposition, as well as the ownership of any proceeds there from, is subject to funding source regulations.

**Valuation of Long-Lived Assets** - U.S. GAAP requires that long-lived assets and certain identifiable intangible assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Management reviews all material assets annually for possible impairment. If such assets are considered to be impaired, the impairment recognized is measured as the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. No assets are considered to be impaired at December 31, 2024 and 2023.

**Loans Receivable** - The Organization grants loans to individuals and small businesses. Loans receivable are stated at unpaid principal balances, less an allowance for credit losses. Interest on loans is recognized over the term of the loan and is calculated using the simple interest method on principal amounts outstanding.

**ADVOCAP, INC.**  
NOTES TO FINANCIAL STATEMENTS - Continued  
DECEMBER 31, 2024 AND 2023

**NOTE 1 - Nature of Organization and Significant Accounting Policies - Continued**

**Allowance for Credit Losses** - The allowance for credit losses is maintained at a level which, in management's judgment, is adequate to absorb potential losses inherent in the loan portfolio. The amount of the allowance is based on management's evaluation of the collectability of the loan portfolio, including the nature of the portfolio, credit concentrations, and trends in historical loss experience, specific impaired loans, and economic conditions. The allowance is generally determined based on historical losses. Adjustments to historical loss information are made for differences in current loan-specific risk characteristics, such as changes in unemployment rates, local economic conditions, or other relevant factors available at the time of management's examination. The allowance is increased by a provision for credit losses, which is charged to expense and reduced by charge-offs, net of recoveries. Because of uncertainties inherent in the estimation process, management's estimate of credit losses inherent in the loan portfolio and the related allowance may change in the near term. However, the amount of the change that is reasonably possible cannot be estimated.

The allowance for credit losses on notes is measured on a collective (pool) basis when similar risk characteristics exist. Loans that do not share risk characteristics are evaluated on an individual basis. Loans evaluated individually are not included in the collective evaluation. When the Organization determines that bankruptcy is probable, or when the borrower is experiencing financial difficulty at the reporting date and repayment is expected to be provided substantially through the operation or sale of the company, credit losses are based on the fair value of the expected collections.

Expected credit losses are estimated over the contractual term of the loans, adjusted for expected prepayments when appropriate. The contractual term excludes expected extensions and modifications unless the following applies: extension options are included in the original or modified contract at the reporting date and are not unconditionally cancellable by the Organization.

**Deferred Revenue** - Payments received during the year for future services are deferred and recognized as income when the performance obligations are met.

**Grant Awards/Program Advances** - Grants are recorded as invoiced to the funding sources. Revenue is recognized in the accounting period when the related expenses are incurred. Amounts received or receivable in excess of expenses are reflected as unearned revenue.

**Contribution Recognition** - Contributions are recognized when received or unconditionally pledged. Conditional contributions and promises to give, are recognized as revenue when the barriers to entitlement are overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets is removed. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions.

Contributions restricted by donors are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. Contributions that are not restricted by the donor are reported as an increase in net assets without donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

**ADVOCAP, INC.**  
NOTES TO FINANCIAL STATEMENTS - Continued  
DECEMBER 31, 2024 AND 2023

**NOTE 1 - Nature of Organization and Significant Accounting Policies - Continued**

**Grant Recognition** - Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award:

Grant awards that are contributions - Grants awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized as revenue when the award is received. Amounts received in which conditions have not been met are reported as a refundable advance liability.

Grant awards that are exchange transactions - Exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. Revenue is recognized when control of the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as a contract liability.

**In-Kind Contributions** - The Organization records the value of donated goods when there is an objective basis to measure the value. Donated goods are reflected as in-kind donation revenue in the accompanying statements of activities.

Donated services are recognized as contributions if the services a) create or enhance nonfinancial assets or b) require specialized skills that are performed by people with those skills and would otherwise be purchased by the Organization.

Numerous volunteers have donated significant amounts of time to the Organization, the value of these donated services is not recognized in the accompanying financial statements because they do not meet the criteria for recognition.

**Purchase of Service Contracts** - Revenue received under purchase of service contracts with government agencies can be subsequently adjusted upon review of the Organization's audited financial statements by the government agency. Historically, such adjustments have been immaterial and are recorded in the year of adjustment.

**Functional Allocation of Expenses** - The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting activities benefited. Those expenses include shared staff, office operating, space, travel, training, and other, which are allocated on management's estimates of time and usage.

**Advertising Costs** - Advertising costs are expensed as incurred and totaled \$32,081 and \$24,130 for the years ended December 31, 2024 and 2023, respectively.

**Use of Estimates** - Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**ADVOCAP, INC.**  
NOTES TO FINANCIAL STATEMENTS - Continued  
DECEMBER 31, 2024 AND 2023

**NOTE 1 - Nature of Organization and Significant Accounting Policies - Continued**

**Tax Status** - The Organization is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRS). However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for charitable contribution deductions and has been classified as an organization other than a private foundation. The Organization is also exempt from state taxation. The Organization has also been granted exemption from property taxes in six local municipalities.

**Accounting for Uncertainty in Income Taxes** - U.S. GAAP requires management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would be sustained upon examination by a taxing authority. Management has analyzed the tax positions taken by the Organization and has concluded that as of December 31, 2024 and 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions, however, there are currently no audits in progress for any tax period. The Organization will recognize future accrued interest and penalties related to unrecognized tax benefits in income tax expense if incurred.

**Reclassifications** - Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation of current year's financial statements.

**Subsequent Events** - The Organization evaluated subsequent events through May 22, 2025, the date which the financial statements were available to be issued.

**NOTE 2 - Concentration of Cash and Credit Risk**

The Organization may have deposits with a financial institution at times during the year that exceed the Federal Deposit Insurance Corporation (FDIC) insurance threshold of \$250,000. The amount of the accounting loss that the Organization would have incurred had the financial institution not been able to return monies in excess of \$250,000 amounted to \$0 and \$1,759 as of December 31, 2024 and 2023, respectively. The Organization has sufficient collateral in place to eliminate this credit risk.

**NOTE 3 - Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at December 31:

	<u>2024</u>	<u>2023</u>
Cash	\$ 1,634,512	\$ 1,312,814
Accounts receivable	<u>2,073,745</u>	<u>1,505,620</u>
Total financial assets available within one year	3,708,257	2,818,434
Less amounts not available to be used within one year:		
Net assets with donor restrictions	<u>1,812,902</u>	<u>1,680,802</u>
Total financial assets available to management for general expenditure within one year	<u>\$ 1,895,355</u>	<u>\$ 1,137,632</u>

**ADVOCAP, INC.**  
NOTES TO FINANCIAL STATEMENTS - Continued  
DECEMBER 31, 2024 AND 2023

**NOTE 3 - Liquidity and Availability - Continued**

*Liquidity Management*

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

To help manage unanticipated liquidity needs, the Organization has committed lines of credit totaling \$802,500, which it could draw upon.

**NOTE 4 - Beneficial Interest in Community Foundations**

In 2005, the Organization transferred \$7,500 to the Oshkosh Area Community Foundation and \$10,000 to the Community Foundation for the Fox Valley Region, Inc. In 2006, the Organization transferred \$10,000 to the Fond du Lac Area Foundation. The balance of these funds were \$77,491 and \$69,990 as of December 31, 2024 and 2023, respectively.

The Foundations are to distribute the funds to the Organization as the Organization requests the funds. The Foundations have variance powers over the funds. The Foundations have power to modify any restriction or condition on the distribution of funds if, in their sole judgment, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or become inconsistent with the charitable needs of the Organization or the Foundation. The beneficial interests are recognized in the accompanying statements of financial position and are valued at fair market value.

**NOTE 5 - Fair Value Measurements**

The Organization has determined the fair value of certain assets and liabilities in accordance with the provisions of U.S. GAAP, which provides a framework for measuring fair value under generally accepted accounting principles.

U.S. GAAP defines fair value as the exchange price that would be received for an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. U.S. GAAP requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. U.S. GAAP also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels.

Level 1 inputs consist of quoted prices in active markets for identical assets that the reporting organization has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset. Level 3 inputs are unobservable inputs related to the asset.

The asset's fair value measurement within the fair value hierarchy is based on the lowest of any input that is significant to the fair value measurement. The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of December 31, 2024 and 2023.

**ADVOCAP, INC.**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 5 - Fair Value Measurements - Continued**

*Beneficial interest in Community Foundations:* Investments held with a community foundation are valued at fair value based on the closing price for securities listed on a securities exchange, the closing bid or asking price for over-the-counter securities not listed on a securities exchange, or at cost or obtained from an independent pricing service for securities not listed or traded on any exchange or on the over-the-counter market. The custodian of the investments in the community foundation also has the ability to determine the fair value of securities not listed or traded on any exchange or on the over-the-counter market based on available information.

The methods described above may produce a fair value calculation that may be indicative of net realizable value or reflective of future fair values. Furthermore, while 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 sets forth by level within the fair value hierarchy the Organization's assets at fair value on a recurring basis as of December 31, 2024 and 2023:

	<u>FAIR VALUE</u>	<u>QUOTED PRICES IN ACTIVE MARKETS FOR IDENTICAL ASSETS (LEVEL 1)</u>	<u>SIGNIFICANT OTHER OBSERVABLE INPUTS (LEVEL 2)</u>	<u>SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)</u>
<u>December 31, 2024</u>				
Beneficial interest in Community Foundations	<u>\$ 77,491</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,491</u>
<u>December 31, 2023</u>				
Beneficial interest in Community Foundations	<u>\$ 69,990</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,990</u>

The following is a reconciliation of activity for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs) as of December 31:

Beneficial interest in Community Foundations

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 69,990	\$ 62,200
Investment return	7,501	7,790
Balance, end of year	<u>\$ 77,491</u>	<u>\$ 69,990</u>

**NOTE 6 - Inventory**

Inventory consists of the following as of December 31:

	<u>2024</u>	<u>2023</u>
Jobs in progress – Weatherization	\$ 642,437	\$ 624,935
Jobs in progress – Housing Rehab	11,500	11,500
Material inventory	57,198	51,228
<b>TOTAL INVENTORY</b>	<b><u>\$ 711,135</u></b>	<b><u>\$ 687,663</u></b>

**ADVOCAP, INC.**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 7 - Contract Conditions - Nonfederal Share**

Head Start Program

Included in the Head Start Program contract conditions is a provision that the Full-Year, Part-Day Head Start Programs receive a nonfederal share equal to 25% of the total federal expenditures. In 2024 and 2023, the Organization requested waivers which decreased the requirement match to \$575,812 and \$730,136, respectively.

	December 31, 2024		
	Federal Expenditures	Non Federal Required	Non Federal Received
Full-Year and Part-Day Head Start	\$ 3,254,206	\$ 575,812	\$ 575,812
	December 31, 2023		
	Federal Expenditures	Non Federal Required	Non Federal Received
Full-Year and Part-Day Head Start	\$ 3,150,877	\$ 730,136	\$ 730,136

WISCAP Jobs and Business Development Program

Included in the WISCAP Jobs and Business Development Program contract conditions is a provision that the Organization obtain a cash match with a combination of nonfederal and nonstate funds. The Organization satisfied this requirement as follows:

	Grant Expenditures	Match Required	Match Earned
Contract period 01/01/24 – 12/31/24	\$ 49,700	\$ 24,850	\$ 24,850
	Grant Expenditures	Match Required	Match Earned
Contract period 01/01/23 – 12/31/23	\$ 29,000	\$ 14,500	\$ 14,500

The match funds for 2024 and 2023 consisted of \$24,850 and \$14,500 of loan funds, respectively.

Winnebago County Nutrition Program

Included in the Winnebago County Nutrition Program contract conditions is a provision that the Organization meet in-kind matching requirements. The Organization met the requirements for 2024 and 2023 as follows:

	Grant Expenditures	Match Required	Match Earned
Contract period 01/01/24 – 12/31/24	\$ 1,271,900	\$ 143,000	\$ 143,000
	Grant Expenditures	Match Required	Match Earned
Contract period 01/01/23 – 12/31/23	\$ 1,271,900	\$ 143,000	\$ 143,000

**ADVOCAP, INC.**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 7 - Contract Conditions - Nonfederal Share - Continued**

SBA Microloan Grant Program

Included in the U.S. Small Business Administration (SBA) Microloan Grant Program contract conditions is a provision that the Organization obtain a nonfederal share of federal expenditures depending on the contract and a provision that the Organization maintain a loan loss reserve equal to 15% of the principal balance of loans granted to borrowers by the Organization. The loan loss reserve funds are required to be segregated in a bank account separate from the Organization's other cash accounts. The contract requirements were satisfied as follows for the grant periods:

	<u>Total Federal Contract</u>	<u>Federal Expenditures</u>	<u>Non Federal Required</u>	<u>Non Federal Received</u>
SBA Technical Assistance SBAOCAML230457	\$ 45,288	\$ 22,626	\$ 9,520	\$ -
SBA Technical Assistance SBAOCAML240621	\$ 36,397	\$ 8,169	\$ 7,090	\$ 1,591
Principal balance of loans to borrowers				\$ 135,765
Loan loss reserve required				\$ 20,365
Loan loss reserve maintained				\$ 51,584

WETAP Auto Loan Program

Included in the WETAP Auto Loan Program contract conditions is a provision that the Organization receive a nonfederal share equal to 85% of the total federal expenditures.

	<u>Federal Expenditures</u>	<u>Non Federal Required</u>	<u>Non Federal Received</u>
Contract period 01/01/24 – 12/31/24			
Operating project	\$ 103,359	\$ 103,359	\$ 103,359
Capital project	291,286	72,822	72,822
	<u>\$ 394,645</u>	<u>\$ 176,181</u>	<u>\$ 176,181</u>

Program for Investment in Microentrepreneurs (PRIME)

Included in the Program for Investment in Microentrepreneurs contract conditions is a provision that the Organization provide matching support from nonfederal sources at the rate of 50%:

	<u>Total Federal Contract</u>	<u>Federal Expenditures</u>	<u>Non Federal Required</u>	<u>Non Federal Received</u>
PRIME SBAOCAPR230110	\$ 224,000	\$ 197,317	\$ 112,000	\$ 112,000
PRIME SBAOCAPR240153	\$ 225,000	\$ 14,024	\$ 112,500	\$ 43,520

**ADVOCAP, INC.**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 8 - Property and Equipment**

A summary of property and equipment is as follows as of December 31:

	<u>2024</u>	<u>2023</u>
Land	\$ 867,227	\$ 676,887
Buildings	1,105,167	1,105,167
Rental properties	1,731,759	1,731,759
Donated building	15,813	15,813
Building improvements	4,195,877	4,159,094
Building improvements – transitional housing project	182,838	182,838
Vehicles	1,395,741	1,395,741
Equipment	<u>589,515</u>	<u>704,881</u>
	\$ 10,083,937	\$ 9,972,180
Less: accumulated depreciation	<u>(7,187,513)</u>	<u>(6,949,531)</u>
<b>NET PROPERTY AND EQUIPMENT</b>	<b><u>\$ 2,896,424</u></b>	<b><u>\$ 3,022,649</u></b>

Depreciation expense amounted to \$365,511 and \$370,707 for the years ended December 31, 2024 and 2023, respectively.

Included in the summary of property and equipment is the appraised value of a residence in Oshkosh, Wisconsin, donated to the Organization in 1987. The value of the building was based on an appraisal. Also included in the summary of property and equipment is the cost of moving and renovating three single family homes and one duplex. These houses were donated to the Organization during 1990 and were moved at the Organization’s expense to lots purchased by the Organization. The capitalized value represents the cost of purchasing land, moving, and rehabilitating the houses. The housing project moving costs represent costs incurred which were necessary in order to relocate the homes to their present location and to renovate them to a livable condition. The Organization is renting the houses to low income families.

**NOTE 9 - Investment in Subsidiary**

The financial statements include the Organization’s investment in one wholly-owned subsidiary (Community Opportunity Enterprises, Inc.) carried on the equity method. The financial statement of the subsidiary has not been consolidated because of immateriality. The investment in subsidiary totaled \$11,256 as of December 31, 2024 and 2023.

**NOTE 10 - Loans Receivable - Housing Loans**

The Organization received a grant from the State of Wisconsin – Department of Local Affairs and Development to make non-interest bearing deferred payment loans to income eligible applicants for home improvements under the Housing Revolving Loan Fund. The grant ended on June 30, 1981. All funds were either loaned to eligible applicants or spent for administrative costs. The loans are to be repaid to the Organization either when ownership of the property is transferred or when the property ceases to be the applicant’s principal residence. Repayments of deferred loans are to be used for making additional deferred payment loans or to support housing-related activities (if the Organization is no longer sponsoring the deferred payment loan program).

**ADVOCAP, INC.**  
NOTES TO FINANCIAL STATEMENTS - Continued  
DECEMBER 31, 2024 AND 2023

**NOTE 10 - Loans Receivable - Housing Loans - Continued**

The Organization's Home Ownership Program began in 1991 and has received Housing Cost Reduction Initiative (HCRI) grants from the State of Wisconsin, Department of Administration, and Division of Housing in order to provide down-payment assistance to eligible new home buyers. The current HCRI grants end on December 31, 2024. The Organization administers the funds by making a deferred non-interest bearing loan which is to be repaid to the Organization at the end of a 15-year period or when the home ceases to be the borrower's principal residence. Repaid loans are to be used to promote affordable housing programs for low to moderate-income people.

In addition, the Organization's Home Ownership Program has received federal HOME Homebuyer and rehabilitation funds from the State of Wisconsin, Department of Administration, and Division of Housing in order to provide rehabilitation funds to eligible project homeowners. The current HOME grants ends on December 31, 2024. The Organization administers the funds by making a deferred non-interest bearing loan, which is to be repaid to the Organization when the subject property ceases to be the loan recipient's principal place of residence. Repaid loans under this program need to be returned to the funding source. Therefore, the Organization has a liability of \$1,541,428 and \$1,658,721 at December 31, 2024 and 2023, respectively.

During 2023, the Organization approved the forgiveness of HOME rehab loans that are over 15 years old. The total amount forgiven in 2023 was \$ \$2,202,072.

A summary of the loan program since inception is as follows as of December 31:

	<u>2024</u>	<u>2023</u>
Loans issued	\$ 15,842,793	\$ 15,687,389
Loans repaid	(6,782,752)	(6,550,049)
Loans defaulted	(2,107,222)	(2,107,222)
Loans forgiven	<u>(2,255,997)</u>	<u>(2,202,072)</u>
Loans outstanding	4,696,822	4,828,046
Less: allowance for credit losses	<u>(73,296)</u>	<u>(71,127)</u>
<b>LOANS RECEIVABLE, NET</b>	<b><u>\$ 4,623,526</u></b>	<b><u>\$ 4,756,919</u></b>

Below is a summary of the changes in the allowance for credit losses for the year ended December 31:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 71,127	\$ 145,804
Credit loss expense	2,169	(3,481)
Loans charged-off	-	(71,196)
Recoveries	<u>-</u>	<u>-</u>
<b>Balance, end of year</b>	<b><u>\$ 73,296</u></b>	<b><u>\$ 71,127</u></b>

**ADVOCAP, INC.**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 10 - Loans Receivable - Housing Loans - Continued**

Detail of the loan programs since inception is as follows:

DECEMBER 31, 2024					
	Housing Revolving Loan Fund	Buyer Downpayment Assistance	Owner Rehabilitation Assistance	Other	Brookside Senior Village
Loans issued	\$ 222,793	\$ 2,790,888	\$ 10,104,870	\$ 275,713	\$ 192,000
Loans repaid	(149,670)	(1,517,526)	(4,774,444)	(125,212)	-
Loans defaulted	(73,123)	(244,254)	(1,699,628)	(90,217)	-
Loans forgiven	-	(10,912)	(2,184,801)	(60,284)	-
Loans outstanding	\$ -	\$ 1,018,196	\$ 1,445,997	\$ -	\$ 192,000
DECEMBER 31, 2024 - Continued					
	Berlin Senior Village	Riverside Senior, LLC	Marion Manor	Jefferson Street Apartments, LLC	Total
Loans issued	\$ 649,196	\$ 487,929	\$ 507,554	\$ 611,850	\$ 15,842,793
Loans repaid	(110,427)	-	(105,473)	-	(6,782,752)
Loans defaulted	-	-	-	-	(2,107,222)
Loans forgiven	-	-	-	-	(2,255,997)
Loans outstanding	\$ 538,769	\$ 487,929	\$ 402,081	\$ 611,850	4,696,822
Less: allowance for credit losses					(73,296)
<b>LOANS RECEIVABLE, NET</b>					<b>\$ 4,623,526</b>

DECEMBER 31, 2023					
	Housing Revolving Loan Fund	Buyer Downpayment Assistance	Owner Rehabilitation Assistance	Other	Brookside Senior Village
Loans issued	\$ 222,793	\$ 2,697,653	\$ 10,095,570	\$ 275,713	\$ 192,000
Loans repaid	(149,670)	(1,419,141)	(4,665,853)	(125,212)	-
Loans defaulted	(73,123)	(244,254)	(1,699,628)	(90,217)	-
Loans forgiven	-	(10,912)	(2,130,876)	(60,284)	-
Loans outstanding	\$ -	\$ 1,023,346	\$ 1,599,213	\$ -	\$ 192,000
DECEMBER 31, 2023 - Continued					
	Berlin Senior Village	Riverside Senior, LLC	Marion Manor	Jefferson Street Apartments, LLC	Total
Loans issued	\$ 636,569	\$ 477,519	\$ 495,543	\$ 594,029	\$ 15,687,389
Loans repaid	(93,574)	-	(96,599)	-	(6,550,049)
Loans defaulted	-	-	-	-	(2,107,222)
Loans forgiven	-	-	-	-	(2,202,072)
Loans outstanding	\$ 542,995	\$ 477,519	\$ 398,944	\$ 594,029	4,828,046
Less: allowance for credit losses					(71,127)
<b>LOANS RECEIVABLE, NET</b>					<b>\$ 4,756,919</b>

**ADVOCAP, INC.**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 10 - Loans Receivable - Housing Loans - Continued**

The Organization has an established methodology to determine the adequacy of the allowance for credit losses that assesses the risks and losses inherent in the Organization's portfolio. For purposes of determining the allowance for credit losses, the Organization segments certain loans in its portfolio by loan type. The Organization's housing loans are segmented into the following pools: housing revolving loan fund, buyer down payment assistance, owner rehabilitation assistance, and other housing loan portfolios. The Organization also considers these segments to be classes of loans receivable based on the associated risks within those segments. Each class of loan requires significant judgment to determine the estimation method that fits the credit risk characteristics of its portfolio segment. The Organization uses internally developed models in this process. Management must use judgment in establishing additional input metrics for the modeling processes.

A historical loss percentage is applied to each class of loans. The same historical loss percentage time frames are used for all classes. These time frames are based on historical loss experience modeling and other quantitative techniques over the loss emergence period. As of December 31, 2024 and 2023, the historical loss time frame for each class was ten years. As of December 31, 2024, the Organization expects that the markets in which it operates will experience a similar economic conditions and marginal increases in the unemployment rate, over the next two years. Management adjusted the historical loss experience for these expectations. No reversion adjustments were necessary, as the starting point for the Organization's estimate was a cumulative loss rate covering the expected contractual term of the portfolio.

The total allowance for home ownership program loans reflects management's estimate of credit losses inherent in the loan portfolio at the balance sheet date. The Organization considers the allowance for home ownership program credit losses of \$73,296 and \$71,127 adequate to cover credit losses inherent in the home ownership program loan portfolio, as of December 31, 2024 and 2023, respectively.

The following tables present the changes in the allowance for credit losses for buyer down payment assistance, owner rehabilitation assistance, and other loan programs. As of December 31, 2024 and 2023, there is no allowance associated with any other housing loan programs.

	DECEMBER 31, 2024				
	Buyer	Owner			
	Downpayment Assistance	Rehabilitation Assistance	Marion Manor	Other	Total
Balance, beginning of year	\$ 71,127	\$ -	\$ -	\$ -	\$ 71,127
Credit loss expense	2,169	-	-	-	2,169
Loans charged-off	-	-	-	-	-
Recoveries	-	-	-	-	-
<b>Balance, end of year</b>	<b><u>\$ 73,296</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 73,296</u></b>

**ADVOCAP, INC.**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 10 - Loans Receivable - Housing Loans - Continued**

	DECEMBER 31, 2023				
	Buyer	Owner			
	Downpayment Assistance	Rehabilitation Assistance	Marion Manor	Other	Total
Balance, beginning of year	\$ 126,931	\$ -	\$ -	\$ 18,873	\$ 145,804
Provision (credit) for loan losses	(44,892)	-	-	41,411	(3,481)
Loans charged-off	(10,912)	-	-	(60,284)	(71,196)
Recoveries	-	-	-	-	-
<b>Balance, end of year</b>	<b><u>\$ 71,127</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 71,127</u></b>

The Organization does not have any home ownership program loans that are considered past due as payments are not contractually due until ownership of the property is transferred. The Organization does not have any loans that are considered impaired. In addition, all home ownership program loans are non-interest bearing and as such there are no loans that are considered to be in non-accrual status.

**NOTE 11 - Loans Receivable - Low-Income Entrepreneurs**

The Organization received funding from the U.S. Small Business Administration (SBA) under the Microloan Program to make loans to eligible small businesses in the State of Wisconsin. The loans to small businesses bear interest at rates ranging from 6.00% to 8.00% and are due in varying monthly installments of principal and interest ranging from 5 to 7 years from origination date.

A summary of the loan program is as follows as of December 31:

	2024	2023
Balance, beginning of year	\$ 216,076	\$ 241,329
Loans issued	176,712	31,100
Loans repaid	(142,370)	(40,989)
Loans outstanding, end of year	250,418	231,440
Less: allowance for credit losses	(24,351)	(15,364)
<b>LOANS RECEIVABLE, NET</b>	<b><u>\$ 226,067</u></b>	<b><u>\$ 216,076</u></b>

The Organization has an established methodology to determine the adequacy of the allowance for credit losses that assesses the risks and losses inherent in the Organization's portfolio. For purposes of determining the allowance for credit losses, the Organization considers all loans to be the same class as they have similar risk characteristics. This loan class requires significant judgment to determine the estimation method that fits the credit risk characteristics of its portfolio. The Organization uses internally developed models in this process. Management must use judgment in establishing additional input metrics for the modeling processes.

A historical loss percentage is applied to this class of loans using a historical loss percentage time frame. The time frame used is based on historical loss experience modeling and other quantitative techniques over the loss emergence period. As of December 31, 2024 and 2023, the historical loss time frame for each class was three years. As of December 31, 2024, the Organization expects that the markets in which it operates will experience a similar economic conditions and marginal increases in the unemployment rate, over the next two years. Management adjusted the historical loss experience for these expectations.

**ADVOCAP, INC.**  
NOTES TO FINANCIAL STATEMENTS - Continued  
DECEMBER 31, 2024 AND 2023

**NOTE 11 - Loans Receivable - Low-Income Entrepreneurs - Continued**

The Organization does not have any low-income entrepreneur loans that are considered past due. The Organization does not have any loans that are considered impaired. No any low-income entrepreneur loans were placed on nonaccrual status during the years ended December 31, 2024 and 2023.

The following table presents the changes in the allowance for credit losses for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 15,364	\$ 9,534
Credit loss expense	23,095	11,517
Loans charged-off	(14,108)	(5,687)
<b>Balance, end of year</b>	<b><u>\$ 24,351</u></b>	<b><u>\$ 15,364</u></b>

**NOTE 12 - Loans Receivable - Auto Loans**

The Organization operates the Work N Wheels Program to help employed, eligible individuals and families obtain or repair a vehicle for work related need when public transportation is not a viable option. A summary of the loan program is as follows as of December 31:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 377,192	\$ 377,528
Loans issued	207,820	211,716
Loans repaid	(129,955)	(108,427)
Loans charged off	(69,846)	(103,625)
Loans outstanding, end of year	385,211	377,192
Less: allowance for credit losses	(90,354)	(96,083)
<b>LOANS RECEIVABLE, NET</b>	<b><u>\$ 294,857</u></b>	<b><u>\$ 281,109</u></b>

In 2018, the Organization determined an allowance for loan losses was necessary. In the past, the Organization had the ability to disable the vehicle if payments were delinquent. Also, the Organization has not incurred losses from this program in the past as the loans are fully collateralized by the vehicle and the Organization was able to repossess the vehicle using a locator placed on the vehicle. Due to changes in State law, the ability to disable the vehicle and include a locator is no longer possible. Because of these changes, management determined an allowance for loan losses was necessary.

Management reviews the outstanding loans and the payment history to determine the individual loans that require an allowance for loan loss.

Beginning in 2023, a historical loss percentage is applied to this class of loans using a historical loss percentage time frame. The time frame used is based on historical loss experience modeling and other quantitative techniques over the loss emergence period. The historical loss time frame for each class was three years. The Organization expects that the markets in which it operates will experience a similar economic conditions and marginal increases in the unemployment rate, over the next two years. Management adjusted the historical loss experience for these expectations. No reversion adjustments were necessary, as the starting point for the Organization's estimate was a cumulative loss rate covering the expected contractual term of the portfolio.

**ADVOCAP, INC.**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 12 - Loans Receivable - Auto Loans - Continued**

The Organization does not have any auto loans that are considered past due. The Organization does not have any loans that are considered impaired. In addition, all auto loans are non-interest bearing and as such there are no loans that are considered to be in non-accrual status.

The following table presents the changes in the allowance for credit losses for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 96,083	\$ 69,203
Provision for credit losses	64,117	130,505
Loans charged-off	(69,846)	(103,625)
<b>Balance, end of year</b>	<b><u>\$ 90,354</u></b>	<b><u>\$ 96,083</u></b>

**NOTE 13 - Program Advances**

Program advances represents unexpended funds received as of December 31, 2024 and 2023. The program advance is either funds owed to funding sources or is approved for use in ongoing or future programs. The program advance balance consists of the following as of December 31:

<u>Program</u>	<u>2024</u>	<u>2023</u>
Work 'n' Wheels	\$ 1,036	\$ 1,036
Centurytel Foundation, Volunteer Services	-	1,991
SBA Microloan	18,000	18,000
Weatherization	604,592	581,145
<b>TOTAL PROGRAM ADVANCES</b>	<b><u>\$ 623,628</u></b>	<b><u>\$ 602,172</u></b>

The weatherization inventory advance received from the Department of Administration (DOA) for the purpose of purchasing material for the Weatherization Program is recorded as a liability under program advances. There was no balance as of December 31, 2024 and 2023.

**NOTE 14 - Line of Credit**

As of December 31, 2024 and 2023, the Organization has a \$450,000 line of credit agreement with National Exchange Bank and Trust which bears interest at prime rate as published by the Wall Street Journal, not to be less than 3.95%. The interest rate as of December 31, 2024 and 2023 was 7.50% and 8.50%, respectively. The line of credit expired on July 15, 2024 and was renewed through July 15, 2026. The line of credit is collateralized by all existing and future security agreements, mortgages, and deposit accounts between Lender and Borrower, and between any other person or entity providing collateral security for Borrower's obligations. There was no balance outstanding on this line of credit as of December 31, 2024 and 2023.

**ADVOCAP, INC.**  
NOTES TO FINANCIAL STATEMENTS - Continued  
DECEMBER 31, 2024 AND 2023

**NOTE 14 - Line of Credit - Continued**

The Organization has another line of credit beginning December 2022 for \$352,500. The line of credit expired on December 1, 2024 and was renewed through December 31, 2026. The interest rate is equal to the prime rate as published by the Wall Street Journal, not to be less than 5.75%. The interest rate as of December 31, 2024 and 2023 was 7.50% and 8.50%, respectively. The line of credit is collateralized by all existing and future security agreements, mortgages, and deposit accounts between Lender and Borrower, and between any other person or entity providing collateral security for Borrower's obligations. The outstanding balance on this line of credit was \$102,048 as of December 31, 2024 and 2023.

**NOTE 15 - Long-Term Obligations**

The Wisconsin Department of Health Services' Allowable Cost Policy Manual states that interest is an allowable expense incurred for space costs and equipment purchases. Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), states that interest is an unallowable expense, except for interest on debt incurred after September 29, 1995 to acquire or replace capital assets, which is allowable under certain conditions.

The interest expense of buildings was allocated to benefiting programs based on square footage of space occupied by benefiting programs. That portion of interest allocable to other programs subject to the Uniform Guidance was paid for by the Organization's Community Service Block Grant (CSBG) and corporate funds. This support from the CSBG program is an allowable expense under the CSBG work plan submitted to and approved by the State of Wisconsin – Department of Health and Family Services. The total amount of interest incurred and charged to expense during 2024 and 2023 was \$47,411 and \$39,139, respectively.

Unless otherwise noted below, all loans are secured by the individual property for which the mortgage was issued or receivables arising from loans made under the SBA Microloan Program.

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**ADVOCAP, INC.**  
NOTES TO FINANCIAL STATEMENTS - Continued  
DECEMBER 31, 2024 AND 2023

**NOTE 15 - Long-Term Obligations - Continued**

The Organization's long-term obligations are as follows as of December 31:

	Interest Rate	Date of Maturity	2024	2023
<u>National Exchange Bank and Trust</u>				
Note payable	5.75%	3/1/2024	\$ -	\$ 91,998
Note payable	8.25%	3/1/2029	77,028	-
Note payable	6.99%	8/1/2025	47,261	112,662
Note payable	4.95%	5/1/2026	58,512	100,188
Note payable	5.00%	4/5/2031	30,631	34,691
Note payable	7.50%	9/1/2026	150,871	159,685
<u>U.S. Small Business Administration</u>				
Note payable*	0.00%	12/22/2024	-	12,561
Note payable*	0.00%	12/13/2027	38,673	51,564
Note payable*	0.00%	4/6/2030	37,778	44,861
Note payable*	0.00%	10/7/2032	91,682	48,640
<u>United States Department of Agriculture</u>				
Note payable	2.00%	12/31/2032	56,811	65,691
Note payable	2.00%	12/31/2036	60,651	66,051
Total long-term obligations			649,898	788,592
Less: current maturities			(164,093)	(269,634)
<b>LONG-TERM OBLIGATIONS, LESS CURRENT MATURITIES</b>			<b><u>\$ 485,805</u></b>	<b><u>\$ 518,958</u></b>

\*These funds are used to provide micro loans to eligible small businesses. The note payable is non-interest bearing as long as the average micro loan balance is less than \$10,000. As of December 31, 2024 and 2023, the average balance of micro loans was less than \$10,000, therefore, no interest was charged in relation to these notes.

Aggregate maturities of long-term obligations for the five years and thereafter following December 31, 2024 are as follows:

2025	\$ 164,093
2026	224,039
2027	70,909
2028	59,227
2029	44,299
Thereafter	87,331
Total	<u>\$ 649,898</u>

The Organization is in compliance with all loan covenants.

**ADVOCAP, INC.**  
NOTES TO FINANCIAL STATEMENTS - Continued  
DECEMBER 31, 2024 AND 2023

**NOTE 16 - Deferred Loans Payable**

The Organization has entered into agreements to obtain financing for its housing rehabilitation program through deferred loans. Unless otherwise stated below, interest and principal payments on the loans payable to the cities of Fond du Lac, Menasha, Neenah, and Oshkosh are deferred indefinitely. All loans are collateralized by mortgages on rental properties. The Organization also entered into an agreement with the Redevelopment Authority of the City of Fond du Lac. The loan was deferred for ten years and was forgiven in 2024. The deferred loans payable balance is comprised of the following as of December 31:

<u>Description</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>2024</u>	<u>2023</u>
Note payable - City of Oshkosh	Deferred	8/24/2027	\$ 12,858	\$ 12,858
Note payable - City of Oshkosh	Deferred	8/1/2028	11,910	11,910
Note payable - City of Fond du Lac Redevelopment Authority	Deferred	Forgivable 2024	-	67,500
Note payable - City of Oshkosh	Deferred	Deferred	35,202	35,202
Note payable - City of Neenah	Deferred	Deferred	20,000	20,000
Note payable - City of Oshkosh	Deferred	Deferred	15,000	15,000
Note payable - City of Menasha	Deferred	Deferred	15,000	15,000
Note payable - City of Oshkosh	Deferred	Deferred	15,000	15,000
Note payable - City of Oshkosh	Deferred	Deferred	15,000	15,000
Total deferred loans payable			<u>139,970</u>	<u>207,470</u>
Less: current maturities			<u>-</u>	<u>-</u>
<b>DEFERRED LOANS PAYABLE, LESS CURRENT MATURITIES</b>			<b><u>\$ 139,970</u></b>	<b><u>\$ 207,470</u></b>

Aggregate maturities of deferred loans payable for the five years and thereafter following December 31, 2024 are as follows:

2025	\$ -
2026	-
2027	12,858
2028	11,910
2029	-
Thereafter	<u>115,202</u>
Total	<u>\$ 139,970</u>

**ADVOCAP, INC.**  
**NOTES TO FINANCIAL STATEMENTS - Continued**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 17 - Net Assets**

Net assets with donor restrictions are restricted for the following purposes or periods as of December 31:

	2024	2023
Subject to expenditure for specified purpose:		
Loan programs	\$ 3,603,023	\$ 3,595,383
Government grants and programs	2,243,121	2,141,181
Benefit of low to moderate income individuals	242,543	176,056
<b>TOTAL NET ASSETS WITH DONOR RESTRICTIONS</b>	<b>\$ 6,088,687</b>	<b>\$ 5,912,620</b>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31:

	2024	2023
Satisfaction of purposes restrictions:		
Government grants and programs	\$ 16,491,540	\$ 14,760,880
Benefit of low to moderate income individuals	33,513	171,059
<b>TOTAL RESTRICTIONS RELEASED</b>	<b>\$ 16,525,053</b>	<b>\$ 14,931,939</b>

**NOTE 18 - Defined Contribution Pension Plan**

The Organization has a 401k retirement plan covering substantially all employees. Employer contributions to the plan are at the discretion of the Board of Directors. During 2024 and 2023, employer contributions were \$254,164 and \$244,729, respectively, representing 5% of gross wages of eligible employees.

**NOTE 19 - In-Kind Donations**

The value of donated goods and services included as in-kind contributions in the financial statements and the corresponding expenses or assets are as follows for the years ended December 31:

	2024	2023
Materials	\$ 5,037	\$ 21,291
Transportation/vehicle expenses	18,200	567
Professional services	500,017	276,109
<b>TOTAL IN-KIND DONATIONS</b>	<b>\$ 523,254</b>	<b>\$ 297,967</b>

The Organization receives contributed professional services and transportation/vehicle services that are reported using current rates for similar types of services.

Contributed materials received by the Organization are recorded as in-kind contribution revenue with a corresponding increase to in-kind expense. Donated materials are valued at the wholesale prices that would be received for selling similar products.

All contributed services and materials were utilized by the Organization's programs and supporting services. There were no donor-imposed restrictions associated with the donated services and materials.

**ADVOCAP, INC.**  
NOTES TO FINANCIAL STATEMENTS - Continued  
DECEMBER 31, 2024 AND 2023

**NOTE 20 - Risks and Uncertainties**

The Organization's beneficial interest in Community Foundations are exposed to various risks, such as interest rate, and 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 reasonably possible that changes in risks in the near term could materially affect the amounts reported in the statements of financial position and the statements of activities.

**NOTE 21 - Commitments and Contingencies**

The Organization is periodically involved in various legal actions and claims that arise as a result of events that occur in the normal course of operations. The ultimate resolution of these actions is not expected to have a material adverse effect on the Organization's financial position.

The Organization distributes federal and state funds to various other not-for-profit agencies as subrecipients. Although the Organization has committed to distributing funds, the distributions are contingent upon the Organization receiving the funding from Federal and State agencies. If the initial funding is not received from the Federal and State agencies, the Organization would not be obligated to distribute any funds to the subrecipient organizations.

SunStarr Real Estate Group, LLC has given the Organization the right of first refusal to purchase the Brookside Senior Village upon the expiration of the 15-year compliance period for the Federal Home Loan Bank – Affordable Housing Program and tax-credit programs.

**NOTE 22 - Related Parties**

A member of the Organization's board of directors is employed at a financial institution the Organization uses for banking services. Also, several members of the Organization's management and members of the Board of Directors reside on the board for organizations from which ADVOCAP, Inc. receives funding or does business with. Lastly, the Organization's Executive Director is on the Board of United Community Services, Inc. from which the Organization rents its Neenah office building.

## **SUPPLEMENTARY INFORMATION**

**ADVOCAP, INC.**  
**RECONCILIATION OF SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**AND OTHER FINANCIAL ASSISTANCE (NON-GAAP)**  
**AND STATEMENT OF ACTIVITIES (GAAP)**  
**YEAR ENDED DECEMBER 31, 2024**

	Schedule of Federal and State Awards and Other Financial Assistance	Housing Loan Allowance	Low-Income Entrepreneur Loan Allowance	Auto Loan Allowance	Fixed Asset Adjustment	In-Kind Contribution Adjustment	Deferred Revenue Adjustment	Fresh Start Homes Adjustment	Prepaid Expense Adjustment	Other Adjustments	Advance Adjustment	Change in Net Assets of Subsidiary	Statement of Activities
Total revenues	\$ 17,929,188	\$ -	\$ -	\$ -	\$ -	\$ (215,811)	\$ 149,782	\$ -	\$ -	\$ 1	\$ 66,487	\$ -	\$ 17,929,647
Total expenses	17,856,978	2,169	8,987	(5,729)	595	(215,811)	-	-	12,815	4	-	-	17,660,008
Excess of revenues over expense	72,210	(2,169)	(8,987)	5,729	(595)	-	149,782	-	(12,815)	(3)	66,487	-	269,639
Changes in net assets - Subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-
Net assets, January 1, 2023	6,445,220	(71,127)	(15,364)	(96,083)	882,018	-	152,080	11,500	25,630	(1)	176,063	-	7,509,936
Net assets, December 31, 2024	\$ 6,517,430	\$ (73,296)	\$ (24,351)	\$ (90,354)	\$ 881,423	\$ -	\$ 301,862	\$ 11,500	\$ 12,815	\$ (4)	\$ 242,550	\$ -	\$ 7,779,575

**REPORTS ON COMPLIANCE  
AND  
INTERNAL CONTROLS**



**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 ADMINISTRATION AUDIT GUIDE**

To the Board of Directors and Management  
ADVOCAP, Inc.  
Fond du Lac, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Wisconsin Department of Administration Audit Guide*, the financial statements of ADVOCAP, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, 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 May 22, 2025.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered ADVOCAP, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ADVOCAP, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of ADVOCAP, Inc.'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 organization'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 ADVOCAP, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the *Wisconsin Department of Administration 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 Department of Administration Audit Guide* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Hankins Ash CPAs, LLP*

Green Bay, Wisconsin  
May 22, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND  
STATE SINGLE AUDIT GUIDELINES**

To the Board of Directors and Management  
ADVOCAP, Inc.  
Fond du Lac, Wisconsin

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited ADVOCAP, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of ADVOCAP, Inc.'s major federal and state programs for the year ended December 31, 2024. ADVOCAP, Inc.'s major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, ADVOCAP, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2024.

***Basis for Opinion on Each Major Federal and State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of ADVOCAP, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of ADVOCAP, Inc.'s compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

## ***Auditors' Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, *State Single Audit Guidelines*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding ADVOCAP, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of ADVOCAP, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of ADVOCAP, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

### ***Report on Internal Control over Compliance***

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

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

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

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

*Hawkins Ash CPAs, LLP*

Green Bay, Wisconsin  
May 22, 2025

**ADVOCAP, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED DECEMBER 31, 2024**

**FEDERAL EXPENDITURES**

Source of Contract Funds: Grantor agency Pass-Through agency <u>Program or Cluster Title</u>	Assistance Listing <u>Number</u>	Pass-Through Entity Identifying <u>Number</u>	Federal <u>Expenditures</u>	Subrecipient Pass-Through <u>Expenditures</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
Wisconsin Department of Health Services				
Food Distribution Cluster				
TEFAP (Administrative Costs)	10.568	435100-G22-143180-290	\$ 35,388	\$ -
TEFAP (Food Commodities)	10.569	435100-G20-143180-090	<u>1,718,553</u>	-
Total Food Distribution Cluster			1,753,941	-
Wisconsin Department of Public Instruction				
Child and Adult Food Program - Head Start	10.558	20-6803	168,877	-
Rural Microentrepreneur Assistance Program - Direct	10.870		<u>8,490</u>	-
Total U.S. Department of Agriculture			<u>1,931,308</u>	-
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
City of Oshkosh and Neenah				
Community Development Block Grant - ARP - Entitlement Grants Cluster	14.218	None	<u>90,570</u>	-
Community Development Block Grant	14.228	None	<u>7,000</u>	-
Wisconsin Department of Administration				
Emergency Solutions Grant Program	14.231	EHH 2023/2024 and 2024/2025	227,267	95,338
City of Appleton				
Emergency Solutions Grant Program	14.231	EHH 2023/2024 and 2024/2025	63,292	-
WIBOSCOC				
Emergency Solutions Grant Program	14.231	None	<u>22,981</u>	-
Total Emergency Solutions Grant Program			<u>313,540</u>	<u>95,338</u>
Wisconsin Department of Administration				
Home Investment Partnerships Program	14.239	TBRA 22-24 and TBRA 23-25	<u>820,999</u>	-
WIBOSCOC				
Supportive Services Youth Homelessness	14.276	2022/2023 DV RRH and 2023/2024 DV RRH	<u>28,387</u>	-
Continuum of Care Program	14.267	2022/2023 DV RRH and 2023/2024 DV RRH	199,252	-
City of Appleton				
Continuum of Care Program	14.267	None	66,131	-
Continuum of Care Program - Direct	14.267		<u>514,002</u>	-
Total Continuum of Care Program			<u>779,385</u>	-
Total U.S. Department of Housing and Urban Development			<u>2,039,881</u>	<u>95,338</u>

**ADVOCAP, INC.**  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS - Continued  
YEAR ENDED DECEMBER 31, 2024

Source of Contract Funds: Grantor agency Pass-Through agency <u>Program or Cluster Title</u>	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Subrecipient Pass-Through Expenditures
<b>U.S. DEPARTMENT OF TREASURY</b>				
Wisconsin Department of Administration				
Wisconsin Emergency Rental Assistance Program	21.023	None	<u>322,872</u>	-
Wisconsin Help for Homeowners Program	21.026	None	<u>73,826</u>	<u>3,713</u>
City of Oshkosh				
Coronavirus SLFRF	21.027	None	274,157	23,231
WISCAP				
Coronavirus SLFRF - WEDC Workforce Innovation Grant	21.027	None	<u>97,764</u>	-
Total Coronavirus SLFRF			<u>371,921</u>	<u>23,231</u>
Total U.S. Department of Treasury			<u>768,619</u>	-
<b>U.S. DEPARTMENT OF JUSTICE</b>				
Project Aspire Transitional Housing Assistance - Direct	16.736	None	<u>186,604</u>	<u>11,977</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
Wisconsin Department of Transportation				
Transit Service Program Cluster				
Job Access and Reverse Commute Program	20.516	None	394,645	-
New Freedom Program	20.521	None	<u>37,116</u>	-
Total Transit Service Program Cluster			<u>431,761</u>	-
Total U.S. Department of Transportation			<u>431,761</u>	-
<b>SMALL BUSINESS ADMINISTRATION</b>				
Microloan Grant Program - Direct	59.046	None	30,794	-
Program for Investment in Microentrepreneurs (PRIME) - Direct	59.050	None	<u>211,341</u>	-
Total Small Business Administration			<u>242,135</u>	-
<b>U.S. DEPARTMENT OF ENERGY</b>				
Wisconsin Department of Administration				
Weatherization Assistance for Low-Income Persons	81.042	WX2223.01 and WX2324.01	<u>1,182,445</u>	-
Total U.S. Department of Energy			<u>1,182,445</u>	-
<b>U.S. DEPARTMENT OF LABOR</b>				
WISCAP				
National Dislocated Worker Grant	17.277	None	<u>266,930</u>	-
Total U.S. Department of Labor			<u>266,930</u>	-

**ADVOCAP, INC.**  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS - Continued  
YEAR ENDED DECEMBER 31, 2024

Source of Contract Funds: Grantor agency Pass-Through agency <u>Program or Cluster Title</u>	Assistance Listing <u>Number</u>	Pass-Through Entity Identifying <u>Number</u>	Federal <u>Expenditures</u>	Subrecipient Pass-Through <u>Expenditures</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Winnebago County				
Aging Cluster				
Winnebago County Nutrition Home Delivered and Congregate Meals	93.044	None	67,539	-
Winnebago County Nutrition Home Delivered and Congregate Meals	93.045	None	392,781	-
Winnebago County Nutrition Home Delivered and Congregate Meals	93.053	None	<u>59,083</u>	-
Total Aging Cluster			<u>519,403</u>	-
Wisconsin Department of Administration				
Low Income Home Energy Assistance	93.568	WX2223.01 and WX2324.01	586,991	-
Wisconsin Department of Health Services				
Wraparound Supportive Services	93.647	437004-G20-0001511-000-01	<u>30,604</u>	-
Head Start - Direct	93.600		<u>3,254,206</u>	-
Wisconsin Department of Children and Families				
477 Cluster				
Skills Enhancement-TANF	93.558	437004-G20-0001511-000-01	41,913	-
Community Services Block Grant	93.569	437004-G20-0001511-000-01	348,088	-
Child Care Counts Stabilization	93.575	437004-G20-0001511-000-01	<u>160,282</u>	-
Total 477 Cluster			<u>550,283</u>	-
Total U.S. Department of Health and Human Services			<u>4,941,487</u>	-
<b>CORPORATION FOR NATIONAL COMMUNITY SERVICE</b>				
Retired and Senior Volunteer Program - Direct	94.002	None	198,652	-
Foster Grandparent Program - Direct	94.011	None	<u>243,897</u>	-
Total Corporation for National Community Service			<u>442,549</u>	-
Total Expenditures of Federal Awards			<u>\$ 12,433,719</u>	<u>\$ 134,259</u>

**ADVOCAP, INC.**  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS - Continued  
YEAR ENDED DECEMBER 31, 2024

**STATE EXPENDITURES**

Source of Contract Funds: Grantor agency Pass-Through agency <u>Program or Cluster Title</u>	State ID Number	Pass-Through Entity Identifying Number	State Expenditures	Subrecipient Pass-Through Expenditures
<b>WISCONSIN DEPARTMENT OF HEALTH SERVICES</b>				
Retired Senior Volunteer Program	435.560390	None	\$ 26,221	\$ -
State Foster Grandparent Program	435.560450	None	36,521	-
WISCAP				
Job and Business Development	Unknown	None	49,700	-
Winnebago County				
Senior Meals	435.560330	None	9,859	-
Congregate Meals	435.560355	None	119,469	-
Home Delivered Meals	435.560360	None	<u>41,870</u>	-
Total Wisconsin Department of Health Services			<u>283,640</u>	<u>-</u>
<b>WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION</b>				
Head Start Supplemental Funds	255.327	None	<u>66,862</u>	<u>-</u>
<b>WISCONSIN DEPARTMENT OF ADMINISTRATION</b>				
Shelter Subsidy Grant	Unknown	None	23,996	-
HCRI Homeowner Loan Program and Administration	Unknown	None	574	-
Public Benefits - Weatherization	505.371	None	<u>1,496,031</u>	<u>-</u>
Total Wisconsin Department of Administration			<u>1,520,601</u>	<u>-</u>
<b>WISCONSIN DIVISION OF ENERGY</b>				
Home Energy Assistance Program	505.371	None	<u>731,899</u>	<u>-</u>
<b>WISCONSIN DEPARTMENT OF CHILDREN AND FAMILIES</b>				
Skills Enhancement	437.1750	None	<u>13,969</u>	<u>-</u>
Total Expenditures of State Awards			<u>\$ 2,616,971</u>	<u>\$ -</u>

**ADVOCAP, INC.**  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2024

**NOTE 1 - Basis of Presentation**

The accompanying "Schedule of Expenditures of Federal and State Awards" includes the federal and state award activity of ADVOCAP, Inc. The information in this schedule is presented in accordance with the Uniform Guidance and the *State Single Audit Guidelines*. Because the schedule presents only a selected portion of the operations of ADVOCAP, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of ADVOCAP, Inc.

**NOTE 2 - Summary of Significant Accounting Policies**

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the *State Single Audit Guidelines*, wherein certain types of expenditures are not allowable and are limited as to reimbursement.

**NOTE 3 - Oversight Agency**

The Federal oversight agency for ADVOCAP, Inc. is the U.S. Department of Health Services.

**NOTE 4 - Nonmonetary Assistance**

Nonmonetary assistance is reported in the schedule of federal and state awards at the fair market value of the commodities received and used.

**NOTE 5 - 10% De Minimis Cost Rate**

Elected not to use.

ADVOCAP, INC.  
SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS AND OTHER FINANCIAL ASSISTANCE  
For the Year Ended December 31, 2024

	DESIGNATED										
	Department of Agriculture (USDA)										
	10.433	10.569	10.558		10.568			10.769			
	Housing Preservation Loan Program	Commodity Food Distribution	USDA Reimbursement Head Start		The Emergency Food Assistance Program (TEFAP)			Rural Business Enterprise Grant Revolving Loan	Rural Business Development Grants		
Total	(1)	(2)	(3)	10.558 Subtotal	2023/2024 (4)	2024/2025 (5)	10.568 Subtotal	(6)	(7)	10.769 Subtotal	
<b>Revenues:</b>											
Government awards	\$ 14,268,726	\$ -	\$ -	\$ 168,877	\$ 168,877	\$ 23,314	\$ 12,074	\$ 35,388	\$ -	\$ -	\$ -
Program income	792,611	-	-	-	-	-	-	-	-	-	-
Other services	-	-	-	-	-	-	-	-	-	-	-
Corporate funds	9,885	-	-	-	-	-	-	-	-	-	-
Investment return	95,447	-	-	-	-	-	-	-	-	3,540	3,540
Contributions	304,901	-	-	-	-	-	-	-	-	-	-
Commodities	1,718,553	-	1,718,553	-	-	-	-	-	-	-	-
In-Kind Revenue	739,065	-	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>17,929,188</b>	<b>-</b>	<b>1,718,553</b>	<b>168,877</b>	<b>168,877</b>	<b>23,314</b>	<b>12,074</b>	<b>35,388</b>	<b>-</b>	<b>3,540</b>	<b>3,540</b>
<b>Expenses:</b>											
Personnel Costs	7,994,800	-	-	73,042	73,042	9,106	7,134	16,240	-	-	-
Professional Services	82,880	-	-	-	-	124	44	168	-	-	-
Office Operating Expenses	636,069	-	-	-	-	555	259	814	-	-	-
Facilities	830,464	-	-	-	-	4,946	1,727	6,673	-	-	-
Travel	113,976	-	-	-	-	270	457	727	-	-	-
Training	115,320	-	-	-	-	54	13	67	-	-	-
Participant and Volunteer Expenses	1,503,348	-	-	-	-	14	3	17	-	-	-
Subcontractors	2,651,160	-	-	34,554	34,554	7,877	2,433	10,310	-	-	-
Program Materials	1,208,646	-	-	96,444	96,444	364	4	368	-	-	-
Vehicle Operation	138,022	-	-	-	-	2	-	2	-	-	-
Tools and Equipment	34,305	-	-	-	-	-	-	-	-	-	-
Other	90,370	-	-	-	-	2	-	2	-	-	-
Commodities	1,718,553	-	1,718,553	-	-	-	-	-	-	-	-
In-Kind	739,065	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>17,856,978</b>	<b>-</b>	<b>1,718,553</b>	<b>204,040</b>	<b>204,040</b>	<b>23,314</b>	<b>12,074</b>	<b>35,388</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess of Revenues (Expenses)	72,210	-	-	(35,163)	(35,163)	-	-	-	-	3,540	3,540
<b>Total Net Assets – January 1, 2024</b>	<b>6,445,225</b>	<b>42,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,874</b>	<b>112,230</b>	<b>141,104</b>
Funds Transferred	-	-	-	35,163	-	-	-	-	-	(178)	(178)
Change in Net Assets - Subsidiary	-	-	-	-	-	-	-	-	-	-	-
<b>Net Assets – Designated</b>	<b>6,517,435</b>	<b>42,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,874</b>	<b>115,592</b>	<b>144,466</b>
Net Assets – Undesignated	-	-	-	-	-	-	-	-	-	-	-
<b>Total Net Assets – December 31, 2024</b>	<b>\$ 6,517,435</b>	<b>\$ 42,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 28,874</b>	<b>\$ 115,592</b>	<b>\$ 144,466</b>

ADVOCAP, INC.  
 SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS AND OTHER FINANCIAL ASSISTANCE - Continued  
 For the Year Ended December 31, 2024

DESIGNATED										
USDA	Department of Housing and Urban Development (HUD)									
10.870	14.218	14.228	14.231					14.239		
RMAP Loan and Tech Assist. Funds (8)	City of Oshkosh CDBG ARP Funds (9)	Community Development Block Grant Funds (10)	WIDOA HUD EHH Grant 2023/2024 (11)	WIDOA HUD EHH Grant 2024/2025 (12)	City of Appleton HUD EHH Grant 2023/2024 (13)	City of Appleton HUD EHH Grant 2024/2025 (14)	WIBOSCOC WinnebagoLand Housing Assistance Program 2024/2025 (15)	14.231 Subtotal	HOME/CHBR Rehabilitation Programs Administration (16)	WIDOA Tenant-Based Rental Assistance Program 22-24 (17)
\$ 8,490	\$ 90,570	\$ 7,000	\$ 173,780	\$ 53,487	\$ 36,625	\$ 26,667	\$ 22,981	\$ 313,540	\$ -	\$ 409,961
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
2,535	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
<u>11,025</u>	<u>90,570</u>	<u>7,000</u>	<u>173,780</u>	<u>53,487</u>	<u>36,625</u>	<u>26,667</u>	<u>22,981</u>	<u>313,540</u>	<u>-</u>	<u>409,961</u>
8,490	-	-	71,661	38,159	31,129	13,642	12,817	167,408	4,407	34,347
-	-	-	903	328	223	78	28	1,560	248	528
-	-	-	4,680	2,924	1,437	572	645	10,258	585	534
2,646	-	-	6,923	1,882	980	426	404	10,615	217	212
-	-	-	933	518	168	111	260	1,990	7	932
-	-	-	305	88	135	33	-	561	26	54
-	-	-	16,106	8,148	11,552	14,969	8,531	59,306	8	336,247
-	-	-	97,155	1,879	897	213	281	100,425	146	645
-	90,570	7,000	1	34	1	10	13	59	-	-
-	-	-	11	5	5	1	2	24	1	3
-	-	-	-	-	-	-	-	-	-	-
67	-	-	11	-	4	-	-	15	1	1
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
<u>11,203</u>	<u>90,570</u>	<u>7,000</u>	<u>198,689</u>	<u>53,965</u>	<u>46,531</u>	<u>30,055</u>	<u>22,981</u>	<u>352,221</u>	<u>5,646</u>	<u>373,503</u>
(178)	-	-	(24,909)	(478)	(9,906)	(3,388)	-	(38,681)	(5,646)	36,458
-	-	-	-	-	-	-	-	-	-	-
178	-	-	24,909	478	9,906	3,388	-	38,681	5,646	(36,458)
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ADVOCAP, INC.  
 SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS AND OTHER FINANCIAL ASSISTANCE - Continued  
 For the Year Ended December 31, 2024

DESIGNATED									
Department of Housing and Urban Development (HUD)									
14.239			14.267						
WIDOA Tenant-Based Rental Assistance Program 23-25 (18)	RHD HOME Loan Program (19)	14.239 Subtotal	HUD Continuum of Care Program WI0004L5I002215 (20)	HUD Continuum of Care Program WI0004L5I002316 (21)	HUD Continuum of Care Program WI0147L5I002208 (22)	HUD Continuum of Care Program WI0164L5I002207 (23)	HUD Continuum of Care Program WI0146L5I002208 (24)	WIBOSCOC DV RRH Project 2023/2024 (25)	WIBOSCOC DV RRH Project 2024/2025 (26)
\$ 411,038	\$ -	\$ 820,999	\$ 56,039	\$ 25,420	\$ 224,780	\$ 102,993	\$ 104,770	\$ 118,139	\$ 37,979
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	52,869	52,869	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
<u>411,038</u>	<u>52,869</u>	<u>873,868</u>	<u>56,039</u>	<u>25,420</u>	<u>224,780</u>	<u>102,993</u>	<u>104,770</u>	<u>118,139</u>	<u>37,979</u>
20,390	-	59,144	32,570	11,124	126,317	56,480	69,131	52,641	9,832
530	-	1,306	350	166	1,307	546	1,219	534	166
560	-	1,679	1,311	504	5,965	3,195	3,062	2,022	425
241	-	670	741	253	6,179	2,228	1,885	1,390	295
386	-	1,325	123	234	1,315	2,107	736	500	253
40	-	120	118	32	419	251	241	124	-
352,907	-	689,162	17,994	8,277	44,481	38,779	26,950	39,918	18,934
715	-	1,506	793	198	2,951	1,508	1,508	1,255	177
5	-	5	1	7	24	14	24	-	7
1	-	5	5	1	16	10	9	9	1
-	-	-	-	-	-	-	-	-	-
2	-	4	4	-	9	6	5	6	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
<u>375,777</u>	<u>-</u>	<u>754,926</u>	<u>54,010</u>	<u>20,796</u>	<u>188,983</u>	<u>105,124</u>	<u>104,770</u>	<u>98,399</u>	<u>30,090</u>
35,261	52,869	118,942	2,029	4,624	35,797	(2,131)	-	19,740	7,889
-	2,067,674	2,067,674	-	-	-	-	-	-	-
(35,261)	-	(66,073)	(2,029)	(4,624)	(35,797)	2,131	-	(19,740)	(7,889)
-	-	-	-	-	-	-	-	-	-
-	2,120,543	2,120,543	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 2,120,543</u>	<u>\$ 2,120,543</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>				

ADVOCAP, INC.  
 SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS AND OTHER FINANCIAL ASSISTANCE - Continued  
 For the Year Ended December 31, 2024

DESIGNATED									
Department of Housing and Urban Development (HUD)									
14.267							14.276	14.905	
WIBOSCOC Supportive Services for Coordinated Entry 2023/2024 (27)	WIBOSCOC Supportive Services for Coordinated Entry 2024/2025 (28)	WIBOSCOC Supportive Services for Coord. Entry DV Only 2023/2024 (29)	WIBOSCOC Supportive Services for Coord. Entry DV Only 2024/2025 (30)	City of Appleton Continuum of Care Rapid Rehousing Program (31)	City of Appleton Continuum of Care Rapid Rehousing Expansion Program (32)	14.267 Subtotal	WIBOSCOC Supportive Services Youth Homelessness 2023/2024 (33)	Lead Hazard Reduction Loan Program (34)	
\$ 16,828	\$ 16,959	\$ 5,602	\$ 3,745	\$ 48,691	\$ 17,440	\$ 779,385	\$ 28,387	\$ -	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
<u>16,828</u>	<u>16,959</u>	<u>5,602</u>	<u>3,745</u>	<u>48,691</u>	<u>17,440</u>	<u>779,385</u>	<u>28,387</u>	<u>-</u>	
19,421	18,668	7,322	4,223	35,150	9,425	452,304	31,292	-	
98	91	30	14	248	77	4,846	62	-	
779	947	360	178	1,471	394	20,613	1,720	-	
365	327	160	73	992	207	15,095	1,065	-	
19	36	8	-	156	80	5,567	110	-	
88	-	36	-	118	30	1,457	126	-	
21	2	8	1	13,546	17,446	226,357	31	-	
454	430	226	70	815	212	10,597	857	-	
-	7	-	2	7	2	95	1	-	
5	1	1	-	5	1	64	5	-	
-	-	-	-	-	-	-	-	-	
1	2	1	-	3	1	38	4	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
<u>21,251</u>	<u>20,511</u>	<u>8,152</u>	<u>4,561</u>	<u>52,511</u>	<u>27,875</u>	<u>737,033</u>	<u>35,273</u>	<u>-</u>	
(4,423)	(3,552)	(2,550)	(816)	(3,820)	(10,435)	42,352	(6,886)	-	
-	-	-	-	-	-	-	-	5,982	
4,423	3,552	2,550	816	3,820	10,435	(42,352)	6,886	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	5,982	
-	-	-	-	-	-	-	-	-	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,982</u>	

ADVOCAP, INC.  
 SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS AND OTHER FINANCIAL ASSISTANCE - Continued  
 For the Year Ended December 31, 2024

DESIGNATED											
Dept. of Justice	Dept. of Labor			Department of Transportation				Dept. of Treasury			
16.736	17.258, 17.259		17.277	20.516	20.516		20.521	21.023	21.026		
Office on Violence Against Women Project Aspire (35)	17.278 WISCAP WIOA-Funded Extension of JBD Activities (36)		WISCAP National Dislocated Worker Grant QUEST (37)	WI Dept of Transp. WETAP Program Capital (38)	WI Dept of Transp. WETAP Program Operating (39)	WINR Loan Program (40)	20.516 Subtotal	WI Dept of Transp. Section 5310 Program (41)	Wisconsin Emergency Rental Assistance Program (42)	WIDOA Wisconsin Help for Homeowners Program (43)	
\$ 186,604	\$ -	\$ 266,930	\$ 291,286	\$ 103,359	\$ -	\$ 394,645	\$ 37,116	\$ 322,872	\$ 73,826		
-	-	-	-	-	-	-	-	-	-		
-	-	-	-	-	-	-	-	-	-		
-	-	-	-	-	-	-	-	-	-		
-	-	-	-	-	-	-	-	-	-		
-	-	-	46,986	18,200	-	65,186	35,526	-	-		
<u>186,604</u>	<u>-</u>	<u>266,930</u>	<u>338,272</u>	<u>121,559</u>	<u>-</u>	<u>459,831</u>	<u>72,642</u>	<u>322,872</u>	<u>73,826</u>		
79,951	49,118	227,218	-	222,523	-	222,523	32,804	273,024	62,129		
489	-	377	-	508	-	508	198	3,497	661		
4,030	146	11,708	-	8,947	-	8,947	1,707	16,909	3,012		
3,159	324	9,651	-	6,412	-	6,412	1,242	13,677	1,381		
616	2,733	3,683	-	2,130	-	2,130	46	4,124	63		
810	-	904	-	1,431	-	1,431	142	3,798	305		
83,540	245	205	-	2,066	-	2,066	33	260	712		
13,970	-	13,020	-	5,154	-	5,154	927	7,416	5,544		
18	-	120	-	34	-	34	7	88	1		
12	-	27	-	28	-	28	6	50	10		
-	-	-	-	-	-	-	-	-	-		
9	-	17	69,845	19	-	69,864	4	29	8		
-	-	-	-	-	-	-	-	-	-		
-	-	-	46,986	18,200	-	65,186	35,526	-	-		
<u>186,604</u>	<u>52,566</u>	<u>266,930</u>	<u>116,831</u>	<u>267,452</u>	<u>-</u>	<u>384,283</u>	<u>72,642</u>	<u>322,872</u>	<u>73,826</u>		
-	(52,566)	-	221,441	(145,893)	-	75,548	-	-	-		
-	-	-	1,004,908	-	12,869	1,017,777	-	-	-		
-	52,566	-	(145,893)	145,893	-	-	-	-	-		
-	-	-	-	-	-	-	-	-	-		
-	-	-	1,080,456	-	12,869	1,093,325	-	-	-		
-	-	-	-	-	-	-	-	-	-		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,080,456</u>	<u>\$ -</u>	<u>\$ 12,869</u>	<u>\$ 1,093,325</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		



ADVOCAP, INC.  
 SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS AND OTHER FINANCIAL ASSISTANCE - Continued  
 For the Year Ended December 31, 2024

DESIGNATED										
Dept. of Energy	Department of Health and Human Services (DHHS)									
81.042	93.044	93.045	93.053	93.558	93.568			93.569	93.575	
81.042	Winn Cnty Home Delivery & Congregate Meals (53)	Winn Cnty Home Delivery & Congregate Meals (54)	Winn Cnty Home Delivery & Congregate Meals (55)	WIDCF Skills Enhancement TANF (56)	WIDOA LIEAP Weatherization WX2324.01 (57)	WIDOA LIEAP Weatherization WX2425.01 (58)	WIDOA Wisconsin Home Energy Assistance Program WHEAP 25.131 (59)	93.568 Subtotal	Community Services Block Grant (60)	WIDCF Child Care Counts Stabilization (61)
\$ 1,182,445	\$ 67,539	\$ 392,781	\$ 59,083	\$ 41,913	\$ 340,624	\$ 240,125	\$ 6,242	\$ 586,991	\$ 348,088	\$ 160,282
-	9,648	55,813	8,722	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	6,211	36,120	5,433	-	-	-	-	-	-	-
<u>1,182,445</u>	<u>83,398</u>	<u>484,714</u>	<u>73,238</u>	<u>41,913</u>	<u>340,624</u>	<u>240,125</u>	<u>6,242</u>	<u>586,991</u>	<u>348,088</u>	<u>160,282</u>
670,974	46,753	271,896	40,900	13,731	131,500	76,360	4,964	\$ 212,824	22,149	160,282
2,727	473	2,752	414	12	3,009	2,832	18	5,859	3,071	-
45,227	4,135	24,048	3,617	396	8,400	4,264	688	13,352	6,782	-
25,839	2,230	12,972	1,951	664	6,108	2,357	315	8,780	4,923	-
5,474	1,022	5,945	894	6	151	47	11	209	1,131	-
22,928	348	2,023	304	33	521	196	16	733	1,585	-
671	193	1,122	169	26,901	982	49	4	1,035	1,788	-
295,603	1,657	9,636	1,450	168	176,442	135,556	216	312,214	2,353	-
112,861	31,644	184,030	27,682	-	13,474	18,447	9	31,930	1,304	-
97	2,570	14,946	2,248	1	32	6	1	39	1,383	-
-	148	861	130	-	-	-	-	-	362	-
44	7	38	6	1	5	11	-	16	98	-
-	-	-	-	-	-	-	-	-	-	-
-	6,211	36,120	5,433	-	-	-	-	-	-	-
<u>1,182,445</u>	<u>97,391</u>	<u>566,389</u>	<u>85,198</u>	<u>41,913</u>	<u>340,624</u>	<u>240,125</u>	<u>6,242</u>	<u>586,991</u>	<u>46,929</u>	<u>160,282</u>
-	(13,993)	(81,675)	(11,960)	-	-	-	-	-	301,159	-
-	30,553	36,431	8,268	-	-	-	-	-	-	-
-	(16,560)	45,244	3,692	-	-	-	-	-	(301,159)	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ADVOCAP, INC.  
 SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS AND OTHER FINANCIAL ASSISTANCE - Continued  
 For the Year Ended December 31, 2024

DESIGNATED											
Department of Health and Human Services (DHHS)						Other State and Local Funds					
93.600			93.647		94.002	94.011		255.327	435.560330		435.560355
Head Start Full-Year/ Part Day 05CH012448-01 (62)	Head Start Training & Technical Assistance 05CH012448-01 (63)	93.600 Subtotal	Wraparound Supportive Services Project 90EAH0015-01 (64)	CFNCS RSVP Program (65)	CFNCS Foster Grandparent Program (66)	Total Federal Funds	Wisconsin DPI Head Start Program (67)	State passthrough to Winnebago County Senior Meal Program (68)	State passthrough to Winnebago County Title 3C1 Congregate Meal Program (69)		
\$ 3,193,731	\$ 60,475	\$ 3,254,206	\$ 30,604	\$ 198,652	\$ 243,897	\$ 10,715,166	\$ 66,862	\$ 9,859	\$ 119,469		
-	-	-	-	-	-	74,183	-	2,836	34,372		
-	-	-	-	-	-	-	-	-	-		
-	-	-	-	-	-	58,944	-	-	-		
-	-	-	-	-	-	-	-	-	-		
-	-	-	-	-	-	1,718,553	-	-	-		
<u>521,390</u>	<u>-</u>	<u>521,390</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>669,866</u>	<u>-</u>	<u>907</u>	<u>10,986</u>		
<u>3,715,121</u>	<u>60,475</u>	<u>3,775,596</u>	<u>30,604</u>	<u>198,652</u>	<u>243,897</u>	<u>13,236,712</u>	<u>66,862</u>	<u>13,602</u>	<u>164,827</u>		
2,485,591	6,142	2,491,733	26,680	125,689	115,398	6,165,498	63,034	6,824	82,700		
27,643	-	27,643	41	1,180	1,183	61,581	158	69	837		
219,846	-	219,846	2,438	15,394	12,606	437,747	620	604	7,315		
221,610	500	222,110	645	5,494	3,204	371,397	465	326	3,946		
41,902	1,086	42,988	194	5,637	2,539	90,419	310	149	1,808		
21,202	39,251	60,453	96	5,283	2,925	107,492	-	51	615		
26,457	-	26,457	9	34,802	101,398	1,340,932	-	28	341		
99,684	-	99,684	484	4,880	2,799	1,229,672	-	242	2,931		
80,097	13,496	93,593	15	242	1,816	680,005	1,655	4,619	55,975		
34,895	-	34,895	2	31	18	56,487	620	375	4,546		
4,821	-	4,821	-	-	-	6,322	-	22	262		
2,989	-	2,989	-	20	11	73,308	-	1	12		
-	-	-	-	-	-	1,718,553	-	-	-		
<u>521,390</u>	<u>-</u>	<u>521,390</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>669,866</u>	<u>-</u>	<u>907</u>	<u>10,986</u>		
<u>3,788,127</u>	<u>60,475</u>	<u>3,848,602</u>	<u>30,604</u>	<u>198,652</u>	<u>243,897</u>	<u>13,009,279</u>	<u>66,862</u>	<u>14,217</u>	<u>172,274</u>		
(73,006)	-	(73,006)	-	-	-	227,433	-	(615)	(7,447)		
-	-	-	-	-	-	3,349,789	-	-	-		
73,006	-	73,006	-	-	-	(170,906)	-	615	7,447		
-	-	-	-	-	-	-	-	-	-		
-	-	-	-	-	-	3,406,316	-	-	-		
-	-	-	-	-	-	-	-	-	-		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,406,316</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		

ADVOCAP, INC.  
 SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS AND OTHER FINANCIAL ASSISTANCE - Continued  
 For the Year Ended December 31, 2024

DESIGNATED									
Other State and Local Funds									
435.560360	435.560390				Wisconsin	Wisconsin	Wisconsin DOE	Wisconsin DOE	Wisconsin
State passthrough to Winnebago County Title 3C-2 Home Meal Program (70)	Wisconsin Retired Senior Volunteers (71)	Wisconsin Foster Grandparent Program (72)	Wisconsin DCF Skills Enhancement (73)	Wisconsin DOA Shelter Subsidy (74)	Wisconsin DOA Weatherization Public Benefits WX2324.01 (75)	Wisconsin DOA Weatherization Public Benefits WX2425.01 (76)	Wisconsin DOE Home Energy Assistance Program Furnace Program 2023/2024 (77)	Wisconsin DOE Home Energy Assistance Program Furnace Program 2024/2025 (78)	Wisconsin Home Energy Assistance Program Water Program 2023/2024 (79)
\$ 41,870	\$ 26,221	\$ 36,521	\$ 13,969	\$ 23,996	\$ 687,908	\$ 808,123	\$ 241,602	\$ 141,517	\$ 247,896
12,046	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
3,850	-	-	-	-	-	-	-	-	-
<u>57,766</u>	<u>26,221</u>	<u>36,521</u>	<u>13,969</u>	<u>23,996</u>	<u>687,908</u>	<u>808,123</u>	<u>241,602</u>	<u>141,517</u>	<u>247,896</u>
28,983	23,542	32,258	8,488	-	262,362	318,344	21,814	9,943	17,817
293	68	239	147	-	3,280	2,461	1,063	357	276
2,564	1,164	1,725	447	-	19,446	26,894	1,302	558	3,831
1,383	31	1,236	1,052	-	8,284	9,874	761	314	698
634	21	135	400	-	2,138	2,483	22	10	22
216	-	109	27	-	1,499	(470)	84	21	86
120	1,150	61	3,245	23,996	2,773	2,351	26	5	19
1,027	-	735	162	-	318,194	364,654	215,931	130,061	223,984
19,617	-	16	-	-	43,774	47,547	-	10	-
1,593	-	4	1	-	15,697	19,485	598	238	1,161
92	-	-	-	-	10,436	14,458	-	-	-
4	245	3	-	-	25	42	1	-	2
-	-	-	-	-	-	-	-	-	-
3,850	-	-	-	-	-	-	-	-	-
<u>60,376</u>	<u>26,221</u>	<u>36,521</u>	<u>13,969</u>	<u>23,996</u>	<u>687,908</u>	<u>808,123</u>	<u>241,602</u>	<u>141,517</u>	<u>247,896</u>
(2,610)	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
2,610	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ADVOCAP, INC.  
 SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS AND OTHER FINANCIAL ASSISTANCE - Continued  
 For the Year Ended December 31, 2024

DESIGNATED										
Other State and Local Funds										
Wisconsin Home Energy Assistance Program Water Program 2024/2025 (80)	Wisconsin Home Energy Assistance Program A/C Program 2023/2024 (81)	Wisconsin Home Energy Assistance Program A/C Program 2024/2025 (82)	HCRI Homeowner Loan Program (83)	HCRI Homeowner Loan Program Admin (84)	WI DHS WISCAP JBD Funds GPR (85)	Local Winnebago County Senior Nutrition Program (86)	Local Winnebago County Transportation Program (87)	Local Head Start School District Funds (88)	Oshkosh Area United Way GED (89)	Oshkosh Area United Way Skills (90)
\$ 36,781	\$ 62,634	\$ 1,469	\$ 3,250	\$ 574	\$ 49,700	\$ 581,299	\$ 45,000	\$ 234,040	\$ -	\$ -
-	-	-	-	-	-	167,243	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	1,839	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	13,000	13,200
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	53,456	-	-	-	-
<u>36,781</u>	<u>62,634</u>	<u>1,469</u>	<u>5,089</u>	<u>574</u>	<u>49,700</u>	<u>801,998</u>	<u>45,000</u>	<u>234,040</u>	<u>13,000</u>	<u>13,200</u>
3,692	3,480	945	-	4,746	35,257	402,394	38,694	184,801	11,285	949
86	6	2	-	14	1,461	4,073	274	1,001	-	-
326	247	68	-	432	5,669	35,591	2,876	27,557	811	23
126	133	43	-	229	3,482	19,197	1,427	12,710	300	52
3	2	1	-	346	393	8,798	403	225	-	-
9	10	3	-	27	524	2,994	161	917	-	1
2	3	1	-	8	177	1,661	37	249	604	12,171
32,290	58,598	406	-	153	2,678	14,261	1,035	6,000	-	4
3	-	-	-	1	31	272,357	82	286	-	-
244	154	-	-	1	18	22,119	7	38	-	-
-	-	-	-	-	-	1,275	-	248	-	-
-	1	-	-	1	10	56	4	8	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	53,456	-	-	-	-
<u>36,781</u>	<u>62,634</u>	<u>1,469</u>	<u>-</u>	<u>5,958</u>	<u>49,700</u>	<u>838,232</u>	<u>45,000</u>	<u>234,040</u>	<u>13,000</u>	<u>13,200</u>
-	-	-	5,089	(5,384)	-	(36,234)	-	-	-	-
-	-	-	1,276,754	-	-	-	-	-	-	-
-	-	-	-	5,384	-	36,234	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	1,281,843	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,281,843</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ADVOCAP, INC.  
 SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS AND OTHER FINANCIAL ASSISTANCE - Continued  
 For the Year Ended December 31, 2024

DESIGNATED												
Other State and Local Funds												
Oshkosh Area United Way Nutrition (91)	Oshkosh Area United Way Bridges (92)	Fox Cities United Way Nutrition (93)	Oshkosh Kids Foundation (94)	Oshkosh Area Community Foundation Green Lake (95)	Oshkosh Area Community Foundation (96)	National Exchange Bank Foundation Contribution (97)	Associated Bank (98)	WHEDA (99)	Basic Needs Giving Partnership (100)	Other Local Grants (101)	Funds for Fines Revolving Loan Program (102)	Community Investment Program (103)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
10,000	52,115	55,793	21,516	7,760	19,300	33,513	5,000	33,750	30,000	7,142	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
<u>10,000</u>	<u>52,115</u>	<u>55,793</u>	<u>21,516</u>	<u>7,760</u>	<u>19,300</u>	<u>33,513</u>	<u>5,000</u>	<u>33,750</u>	<u>30,000</u>	<u>7,142</u>	<u>-</u>	<u>-</u>
-	-	-	19,461	-	210	161	5,000	9,414	30,000	6,991	-	-
-	1,384	-	39	-	-	-	-	2	-	-	-	-
-	30	-	802	-	-	5,179	-	32	-	-	-	-
-	33	-	636	-	-	11,117	-	19	-	-	-	-
-	-	-	14	-	-	-	-	1	-	-	-	-
-	-	-	37	-	-	-	-	5	-	-	-	-
-	50,668	-	4	7,760	16,542	10,356	-	3	-	-	-	-
-	-	-	519	-	-	6,700	-	24,274	-	-	-	-
10,000	-	55,793	-	-	2,500	-	-	-	-	151	-	-
-	-	-	4	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
<u>10,000</u>	<u>52,115</u>	<u>55,793</u>	<u>21,516</u>	<u>7,760</u>	<u>19,252</u>	<u>33,513</u>	<u>5,000</u>	<u>33,750</u>	<u>30,000</u>	<u>7,142</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	48	-	-	-	-	-	-	-
-	-	-	-	8,000	60,661	-	-	-	-	5,300	6,549	192,000
-	-	-	-	-	(48)	-	-	-	-	-	-	-
-	-	-	-	8,000	60,661	-	-	-	-	5,300	6,549	192,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>60,661</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,300</u>	<u>6,549</u>	<u>192,000</u>

ADVOCAP, INC.  
 SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS AND OTHER FINANCIAL ASSISTANCE - Continued  
 For the Year Ended December 31, 2024

DESIGNATED			UNDESIGNATED			
Other State and Local Funds						
Housing Revolving Loan Fund (104)	Other State and Local Subtotal	TOTAL DESIGNATED	Sales of Services (105)	Affordable Rental Housing For Low Income People (106)	Corporate Funds (107)	TOTAL UNDESIGNATED
\$ -	3,480,560	\$ 14,195,726	\$ -	\$ -	\$ 73,000	\$ 73,000
-	216,497	290,680	19,647	482,178	106	501,931
-	-	-	-	-	-	-
-	-	-	-	-	9,885	9,885
-	1,839	60,783	7,769	-	26,895	34,664
-	302,089	302,089	-	-	2,812	2,812
-	-	1,718,553	-	-	-	-
-	<u>69,199</u>	<u>739,065</u>	-	-	-	-
-	<u>4,070,184</u>	<u>17,306,896</u>	<u>27,416</u>	<u>482,178</u>	<u>112,698</u>	<u>622,292</u>
-	1,633,589	7,799,087	8,170	186,977	566	195,713
-	17,590	79,171	390	2,550	769	3,709
-	146,113	583,860	-	43,477	8,732	52,209
-	77,874	449,271	890	380,147	156	381,193
-	18,318	108,737	107	4,778	354	5,239
-	6,926	114,418	-	902	-	902
-	134,361	1,475,293	932	214	26,909	28,055
-	1,404,839	2,634,511	10,637	6,012	-	16,649
-	514,417	1,194,422	138	50	14,036	14,224
-	66,903	123,390	-	14,632	-	14,632
-	26,793	33,115	-	1,190	-	1,190
-	415	73,723	13,630	17	3,000	16,647
-	-	1,718,553	-	-	-	-
-	<u>69,199</u>	<u>739,065</u>	-	-	-	-
-	<u>4,117,337</u>	<u>17,126,616</u>	<u>34,894</u>	<u>640,946</u>	<u>54,522</u>	<u>730,362</u>
-	(47,153)	180,280	(7,478)	(158,768)	58,176	(108,070)
17,545	1,583,087	4,916,598	9,807	(185,613)	1,704,433	1,528,627
-	52,242	(118,664)	(2,329)	344,381	(223,388)	118,664
-	-	-	-	-	-	-
17,545	1,588,176	4,978,214	-	-	-	-
-	-	-	-	-	1,539,221	1,539,221
<u>\$ 17,545</u>	<u>\$ 1,588,176</u>	<u>\$ 4,978,214</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,539,221</u>	<u>\$ 1,539,221</u>

**ADVOCAP, INC.**  
**RESERVE SUPPLEMENTAL SCHEDULE**  
**YEAR ENDED DECEMBER 31, 2024**

1. Total units of service	N/A
2. Allowable expenses for rate-based service	N/A
3. Total revenue for rate-based service	N/A
4. Excess (deficiency) revenue over expenses (line 3 minus line 2)	N/A

5. Calculation of excess reserves amount due to purchaser:

Purchaser	I.D. #	Revenue from Purchaser	Purchaser's Share of Total Revenue	Purchaser's Share of Excess Revenue (Deficiency)	5% Cap on Excess Revenue	Amount Due to the Purchaser
<u>Winnebago County:</u>						
Congregate Meals/ County Funds - Nutrition	93.045/ 93.044/93.053	\$ 519,403	\$ 519,403	\$ (94,177)	\$ 25,970	\$ -
PASS Program	County	171,198	171,198	-	8,560	-

**ADVOCAP, INC.**

**SCHEDULE OF NUTRITION AND TRANSPORTATION PROGRAMS FOR THE ELDERLY  
CHANGES IN CASH BALANCES - WINNEBAGO COUNTY, WISCONSIN  
YEAR ENDED DECEMBER 31, 2024**

	<u>Grant</u>	<u>Program Income</u>	<u>Total</u>
Cash balance on 1-1-2024			\$ 75,252
Received:			
Federal III-B	\$ 67,539	\$ 9,648	\$ 77,187
Federal III-C-1	156,633	22,257	178,890
Federal III-C-2	236,148	33,556	269,704
560422 NSIP	59,083	8,722	67,805
560330 State Senior 435-560330	9,859	2,836	12,695
560350 III-C1 435-560355	119,469	34,372	153,841
560350 III-C2 435-560360	41,870	12,046	53,916
County Funds	<u>581,299</u>	<u>167,243</u>	<u>748,542</u>
<b>TOTAL RECEIVED</b>	<b>\$ 1,271,900</b>	<b>\$ 290,680</b>	<b>\$ 1,562,580</b>
Expenditures:			
Congregate Nutrition	\$ 214,547	\$ 79,881	\$ 294,428
Home Delivered Nutrition	1,047,494	283,215	1,330,709
Senior Comm Serv (state)	<u>9,859</u>	<u>2,836</u>	<u>12,695</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,271,900</b>	<b>\$ 365,932</b>	<b>\$ 1,637,832</b>
Cash balance on 12-31-2024			\$ 0

Reconciliation to Schedule of Federal Awards:	<u>Grant</u>	<u>Program Income</u>	<u>In-Kind</u>	<u>Cash</u>
Home Delivered & Congregate (Column 53)	\$ 67,539	\$ 9,648	\$ 6,211	\$ 77,187
Home Delivered & Congregate (Column 54)	392,781	55,813	36,120	448,594
Home Delivered & Congregate (Column 55)	59,083	8,722	5,433	67,805
Home Delivered & Congregate (Column 68)	9,859	2,836	907	12,695
Home Delivered & Congregate (Column 69)	119,469	34,372	10,986	153,841
Home Delivered & Congregate (Column 70)	41,870	12,046	3,850	53,916
County Funds (Column 86)	<u>581,299</u>	<u>167,243</u>	<u>53,456</u>	<u>748,542</u>
	<u><b>\$ 1,271,900</b></u>	<u><b>\$ 290,680</b></u>	<u><b>\$ 116,963</b></u>	<u><b>\$ 1,562,580</b></u>

**ADVOCAP, INC.**  
**SCHEDULE OF EMERGENCY FURNACE ACTIVITY BY CONTRACT**  
**YEAR ENDED DECEMBER 31, 2024**

<u>Contract #</u>	<u>Prior Audit Period Cash Received</u>	<u>Current Audit Period Cash Received</u>	<u>True up Received (Paid)</u>	<u>Net Contract to date Cash Received</u>	<u>Contract to Date Expenses</u>
Emergency Furnace 2023-24	\$ 159,389	\$ 295,045	\$ -	\$ 454,434	\$ 454,435
Emergency Furnace 2024-25	\$ -	\$ 131,126	\$ -	\$ 131,126	\$ 142,986

**SCHEDULE OF WATER PROGRAM ACTIVITY BY CONTRACT**  
**YEAR ENDED DECEMBER 31, 2024**

<u>Contract #</u>	<u>Prior Audit Period Cash Received</u>	<u>Current Audit Period Cash Received</u>	<u>True up Received (Paid)</u>	<u>Net Contract to date Cash Received</u>	<u>Contract to Date Expenses</u>
Water 2023-24	\$ 29,269	\$ 250,110	\$ -	\$ 279,379	\$ 279,379
Water 2024-25	\$ -	\$ 33,788	\$ -	\$ 33,788	\$ 36,781

**ADVOCAP, INC.**  
**SETTLEMENT OF DHS COST REIMBURSEMENT AWARD**  
**YEAR ENDED DECEMBER 31, 2024**

CFDA number	10.568	10.568	435.560390	Unknown
DHS identification number	CARS # 70010	CARS # 70010	CARS # 560390	CARS # 560450
<b>Award amount</b>	\$ 40,800	\$ 45,000	\$ 26,221	\$ 36,521
<b>Award period</b>	10/1/23 - 9/30/24	10/1/24 - 9/30/25	1/1/24 - 12/31/24	1/1/24 - 12/31/24
<b>Period of award within audit period</b>	01/01/24 - 9/30/24	10/1/24 - 12/31/24	1/1/24- 12/31/24	1/1/24- 12/31/24

<b>Expenditures reported to DHS for payment</b>	\$ 23,314	\$ 12,074	\$ 26,221	\$ 36,521
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**Actual allowable cost of award**

**Program expenses**

Compensation of officers, directors, and key employees	\$ 4,380	\$ 3,992	\$ 13,808	\$ 20,702
Pension plan contributions	219	200	690	1,035
Other employee benefits	2,336	2,161	1,515	5,816
Accounting	124	44	68	239
Office operations	544	257	1,164	1,698
Occupancy	4,939	1,717	32	1,170
Travel	258	451	21	108
Conferences and conventions	36	9	-	69
Participant and volunteer	13	3	1,150	59
Subcontractors	7,877	2,433	-	735
Program materials	364	3	244	16
Vehicle operation	3	1	-	4
Tools and equipment	1	-	-	3
Total program expenses	<u>21,094</u>	<u>11,271</u>	<u>18,692</u>	<u>31,654</u>

**Management and general expenses allocated to program**

Compensation of officers, directors and key employees, allocated based on direct labor hours	1,643	562	6,685	3,376
Pension plan contributions, allocated based on direct labor hours	82	28	334	169
Other employee benefits, allocated based on direct labor hours	446	191	510	1,160
Office operations, allocated based on direct labor hours	11	2	-	27
Occupancy, allocated based on square footage of space used	7	10	-	66
Travel, allocated based on direct labor hours	12	6	-	27
Conferences and conventions, allocated based on direct labor hours	18	4	-	40
Participant and volunteer, allocated based on direct labor hours	1	-	-	2
Total management and general expenses	<u>2,220</u>	<u>803</u>	<u>7,529</u>	<u>4,867</u>
<b>Total Allowable Costs</b>	<u>\$ 23,314</u>	<u>\$ 12,074</u>	<u>\$ 26,221</u>	<u>\$ 36,521</u>

**ADVOCAP, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED DECEMBER 31, 2024**

**A. Summary of Auditors' Results**

**Financial Statements**

- |    |   |               |
|----|---|---------------|
| 1. | Type of auditors' report issued?  | Unmodified    |
| 2. | Internal control over financial reporting:  |               |
|    | a. Material weakness(es) identified?  | No            |
|    | b. Significant deficiency(ies) identified not considered to be material weaknesses? | None reported |
| 3. | Noncompliance material to the financial statements?                                 | No            |

**Federal and State Awards**

- |    |   |               |
|----|---|---------------|
| 4. | Internal control over major programs:   |               |
|    | a. Material weakness(es) identified?  | No            |
|    | b. Significant deficiency(ies) identified not considered to be material weakness(es)?   | None reported |
| 5. | Type of auditors' report issued on compliance for major programs?   | Unmodified    |
| 6. | Any audit findings disclosures that are required to be reported in accordance with the Uniform Guidance and the State Single Audit Guide? | No            |

7.	Identification of major federal programs:	<u>ALN No.</u>	<u>Amount</u>
	Home Investment Partnerships (TBRA)	14.239	\$ 820,999
	Headstart Cluster	93.600	3,254,206
	Weatherization	81.042	1,182,445
	Low Income Weatherization	93.568	586,991
	Continuum of Care	14.267	779,385

Identification of major state programs:

Wisconsin Department of Energy		
Home Energy Assistance Program	505.371	\$ 731,899
Public Benefits - Weatherization	505.371	1,496,031

- |    |  |           |
|----|--|-----------|
| 8. | Dollar threshold used to distinguish between Type A and Type B federal programs? | \$750,000 |
|    | Type A and Type B state programs?  | \$250,000 |

- |    |  |     |
|----|--|-----|
| 9. | Auditee qualified as low-risk auditee? | Yes |
|----|--|-----|

**B. Financial Statement Findings** None

**C. Federal and State Award Findings and Questioned Costs** None

**D. Prior Year Findings** None

**ADVOCAP, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued**  
**YEAR ENDED DECEMBER 31, 2024**

**E. Other Issues**

- |    |   |     |
|----|---|-----|
| 1. | Does the auditor have 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 non-compliance, reportable condition, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the <i>State Single Audit Guidelines</i> : |     |
|    | Wisconsin Department of Commerce  | No  |
|    | Wisconsin Department of Health Services   | No  |
|    | Wisconsin Department of Children and Families   | No  |
|    | Wisconsin Department of Administration  | No  |
|    | Wisconsin Community Action Program Association  | No  |
|    | Wisconsin Housing and Economic Development Authority  | No  |
|    | Winnebago County  | 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	 <hr style="border: 0.5px solid black;"/>
5.	Date of report	<hr style="border: 0.5px solid black;"/> <p style="margin: 0;">May 22, 2025</p>