YOUNG ADULT INSTITUTE, INC. AND AFFILIATES

Seeing beyond disability.

CONSOLIDATED FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
(Together with Independent Auditors' Report)

YEARS ENDED JUNE 30, 2024 AND 2023

YOUNG ADULT INSTITUTE, INC. AND AFFILIATES

CONSOLIDATED FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
(Together with Independent Auditors' Report)

YEARS ENDED JUNE 30, 2024 AND 2023

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CBIZ CPAs

INDEPENDENT AUDITORS' REPORT

The Board of Trustees of
Young Adult Institute, Inc. and Affiliates
New York, NY

Opinion

We have audited the consolidated financial statements of Young Adult Institute, Inc. d/b/a YAI ("YAI") and its Affiliates: The Manhattan Star Academy ("MSA"), The International Academy of Hope ("IHOPE"), Premier HealthCare, Inc. ("PHC") and the International Institute for People with Disabilities of Puerto Rico, Inc. ("IIPD-PR") (YAI and its Affiliates are collectively referred to as the "Agency"), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Agency as of June 30, 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"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Agency 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 Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated financial statements.

CBIZ CPAs P.C.
685 Third Avenue
New York, NY 10017

Phone: 212.503.8800
cbizcpas.com

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency'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.

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating supplementary information (shown on pages 18 and 19) as of and for the year ended June 30, 2024, is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and the change in net assets of the individual organizations and is not a required part of the consolidated 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 consolidated financial statements. The supplementary information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

CBIZ CPAs P.C.[1]

New York, NY
November 27, 2024

YOUNG ADULT INSTITUTE, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2024 AND 2023

	2024	2023
ASSETS		
Cash and cash equivalents (Notes 2D and 12)	$ 1,853,703	$ 1,858,215
Short-term investments (Notes 2E and 5)	10,049,595	11,379,987
Government receivables, net (Notes 2F and 4)	47,856,519	40,931,196
Tuition receivables, net (Note 2F)	39,726,437	29,397,151
Other receivables (Notes 2F and 2I)	2,712,609	2,409,172
Prepaid expenses and other assets	6,237,272	6,789,045
Property and equipment, net (Notes 2H, 6 and 7)	55,860,306	59,094,859
Right-of- use asset (Note 8)	160,080,968	168,757,301
Debt service reserve (Note 2N)	3,348,563	3,604,533
TOTAL ASSETS	$ 327,725,972	$ 324,221,459
LIABILITIES		
Accounts payable and accrued expenses	$ 23,675,211	$ 18,432,481
Accrued salary	10,190,486	9,431,622
Accrued vacation	4,085,774	3,847,139
Accrued pension (Note 13)	3,062,853	2,542,942
Other liabilities (Notes 9D and 14)	10,397,111	15,093,427
Due to funding sources (Note 9B)	954,455	1,216,791
Refundable advances (Note 10)	10,958,165	2,387,575
Notes and mortgages payable (Note 7)	69,994,460	71,680,874
Lease liability (Note 8)	168,705,157	175,610,074
TOTAL LIABILITIES	302,023,672	300,242,925
COMMITMENTS AND CONTINGENCIES (Note 9)		
NET ASSETS (Note 2C)		
Net assets without donor restrictions		
Net invested in property and equipment	14,381,108	13,972,620
Available for operations	9,591,951	8,348,130
Total net assets without donor restrictions	23,973,059	22,320,750
Net assets with donor restrictions (Note 11)	1,729,241	1,657,784
TOTAL NET ASSETS	25,702,300	23,978,534
TOTAL LIABILITIES AND NET ASSETS	$ 327,725,972	$ 324,221,459

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

YOUNG ADULT INSTITUTE, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	For the Year Ended June 30, 2024			For the Year Ended June 30, 2023		
	Without Donor Restrictions	With Donor Restrictions	Total 2024	Without Donor Restrictions	With Donor Restrictions	Total 2023
Operating Revenue and Support:						
Medicaid and service fees (Notes 2G, 2K and 14)	$ 224,449,732	$ -	$ 224,449,732	$ 215,624,708	$ -	$ 215,624,708
Government grants (Note 2G)	15,343,824	-	15,343,824	17,268,229	-	17,268,229
Medicare and client fees (Notes 2G and 14)	18,247,065	-	18,247,065	13,764,009	-	13,764,009
Tuition (Notes 2G and 14)	45,867,117	-	45,867,117	37,773,988	-	37,773,988
Other revenues (Note 2K)	4,062,954	-	4,062,954	5,048,812	-	5,048,812
Contributions (Note 2I)	1,150,312	280,317	1,430,629	893,160	547,310	1,440,470
Special events (net of direct costs of $52,587 and $43,615)	127,715	-	127,715	74,364	-	74,364
Investment activity (Note 5)	289,220	-	289,220	401,384	-	401,384
Net assets released from restrictions (Note 2C)	208,860	(208,860)	-	296,028	(296,028)	-
Total Operating Revenue and Support	309,746,799	71,457	309,818,256	291,144,682	251,282	291,395,964
Operating Expenses:						
Program Services:						
Residential services	156,529,354	-	156,529,354	153,097,854	-	153,097,854
Day and community services	57,881,753	-	57,881,753	61,012,988	-	61,012,988
Clinical services	23,987,595	-	23,987,595	21,268,419	-	21,268,419
Educational services	34,027,458	-	34,027,458	28,298,417	-	28,298,417
Employment services	2,266,831	-	2,266,831	2,440,744	-	2,440,744
Total Program Services	274,692,991	-	274,692,991	266,118,422	-	266,118,422
Supporting Services:						
Management and general	33,831,524	-	33,831,524	31,820,758	-	31,820,758
Fundraising	1,061,115	-	1,061,115	1,131,293	-	1,131,293
Total Supporting Services	34,892,639	-	34,892,639	32,952,051	-	32,952,051
Total Operating Expenses	309,585,630	-	309,585,630	299,070,473	-	299,070,473
Change In Net Assets From Operations	161,169	71,457	232,626	(7,925,791)	251,282	(7,674,509)
Non-Operating Activities						
Other non-operating activities (Note 9D)	1,491,140	-	1,491,140	72,509	-	72,509
Total Non-Operating Activities	1,491,140	-	1,491,140	72,509	-	72,509
CHANGE IN NET ASSETS	1,652,309	71,457	1,723,766	(7,853,282)	251,282	(7,602,000)
Net Assets - Beginning of Year	22,320,750	1,657,784	23,978,534	30,174,032	1,406,502	31,580,534
NET ASSETS - END OF YEAR	$ 23,973,059	$ 1,729,241	$ 25,702,300	$ 22,320,750	$ 1,657,784	$ 23,978,534

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

YOUNG ADULT INSTITUTE, INC. AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024
(With Comparative Totals for the Year Ended June 30, 2023)

	Program Services						Supporting Services				
	Residential Services	Day and Community Services	Clinical Services	Educational Services	Employment Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total 2024	Total 2023
Salaries	$ 102,107,758	$ 30,341,658	$ 13,899,175	$ 21,255,479	$ 1,748,911	$ 169,352,981	$ 11,157,133	$ 479,094	$ 11,636,227	$ 180,989,208	$ 177,409,326
Payroll taxes and benefits (Note 13)	21,611,280	6,440,929	2,399,268	4,189,548	373,667	35,014,692	2,358,547	102,771	2,461,318	37,476,010	36,181,421
Total Personnel Costs	123,719,038	36,782,587	16,298,443	25,445,027	2,122,578	204,367,673	13,515,680	581,865	14,097,545	218,465,218	213,590,747
Contracted services	2,244,127	701,008	1,513,963	1,461,300	6,345	5,926,743	1,667,064	1,500	1,668,564	7,595,307	9,560,120
Professional fees	208,268	130,204	693	639,211	-	978,376	1,911,201	20,523	1,931,724	2,910,100	3,294,420
Program supplies	3,703,451	2,206,456	477,549	383,570	2,146	6,773,172	23,976	-	23,976	6,797,148	7,156,304
Food	3,291,709	73,844	64	14,558	149	3,380,324	6,601	-	6,601	3,386,925	3,224,558
Transportation	2,549,311	8,489,837	58,125	3,897	54,157	11,155,327	65,529	726	66,255	11,221,582	10,069,710
Office and equipment expense	1,146,393	275,312	184,554	230,649	3,820	1,840,728	857,981	63,640	921,621	2,762,349	2,713,789
Staff development and expenses	463,815	215,948	54,529	248,053	2,758	985,103	720,283	462	720,745	1,705,848	1,288,551
Occupancy (Note 8)	4,240,068	5,320,635	2,012,673	2,946,349	12,944	14,532,669	6,527,245	-	6,527,245	21,059,914	17,300,931
Repairs and maintenance	3,193,781	1,017,355	583,048	941,688	338	5,736,210	810,484	-	810,484	6,546,694	6,098,459
Insurance	3,088,532	1,186,878	553,052	106,172	34,302	4,968,936	919,401	69	919,470	5,888,406	5,300,567
Utilities	2,112,398	583,705	115,984	248,032	4,592	3,064,711	114,688	-	114,688	3,179,399	2,876,186
Telephone	554,134	248,040	213,736	9,006	4,599	1,029,515	326,004	600	326,604	1,356,119	1,317,857
Information technology	990,843	316,749	1,051,626	65,084	14,299	2,438,601	2,420,663	4,060	2,424,723	4,863,324	5,256,831
Depreciation and amortization (Notes 2H and 6)	3,303,149	238,020	129,842	358,860	3,804	4,033,675	953,636	-	953,636	4,987,311	4,698,328
Interest	1,686,369	90,036	2,971	-	-	1,779,376	2,586,444	-	2,586,444	4,365,820	4,135,303
Bad debt	31,110	3,633	736,646	920,723	-	1,692,112	-	-	-	1,692,112	574,498
Miscellaneous	2,858	1,506	97	5,279	-	9,740	404,644	440,256	844,900	854,640	656,929
Sub-total	156,529,354	57,881,753	23,987,595	34,027,458	2,266,831	274,692,991	33,831,524	1,113,701	34,945,225	309,638,216	299,114,088
Direct cost of special events	-	-	-	-	-	-	-	(52,586)	(52,586)	(52,586)	(43,615)
TOTAL EXPENSES	$ 156,529,354	$ 57,881,753	$ 23,987,595	$ 34,027,458	$ 2,266,831	$ 274,692,991	$ 33,831,524	$ 1,061,115	$ 34,892,639	$ 309,585,630	$ 299,070,473

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

YOUNG ADULT INSTITUTE, INC. AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	Program Services						Supporting Services			
	Residential Services	Day and Community Services	Clinical Services	Educational Services	Employment Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total 2023
Salaries	$ 99,621,415	$ 33,213,745	$ 12,315,847	$ 17,785,382	$ 1,847,554	$ 164,783,943	$ 12,028,043	$ 597,340	$ 12,625,383	$ 177,409,326
Payroll taxes and benefits (Note 13)	20,514,408	6,834,605	2,204,854	3,520,816	378,168	33,452,851	2,596,603	131,967	2,728,570	36,181,421
Total Personnel Costs	120,135,823	40,048,350	14,520,701	21,306,198	2,225,722	198,236,794	14,624,646	729,307	15,353,953	213,590,747
Contracted services	4,254,425	1,027,289	1,677,838	935,380	8,606	7,903,538	1,495,314	161,268	1,656,582	9,560,120
Professional fees	161,258	100,749	12,930	812,076	-	1,087,013	2,203,455	3,952	2,207,407	3,294,420
Program supplies	3,560,960	2,678,920	530,886	343,459	3,862	7,118,087	37,768	449	38,217	7,156,304
Food	3,167,386	45,246	26	8,827	51	3,221,536	3,022	-	3,022	3,224,558
Transportation	2,429,520	7,383,656	64,902	1,533	65,360	9,944,971	122,791	1,948	124,739	10,069,710
Office and equipment expense	1,057,486	393,628	163,407	222,085	5,537	1,842,143	805,871	65,775	871,646	2,713,789
Staff development and expenses	354,240	219,558	43,512	114,919	7,998	740,227	546,021	2,303	548,324	1,288,551
Occupancy (Note 8)	3,895,655	5,554,212	1,351,227	2,837,066	62,246	13,700,406	3,600,525	-	3,600,525	17,300,931
Repairs and maintenance	2,783,228	1,010,056	616,820	714,980	3,100	5,128,184	970,275	-	970,275	6,098,459
Insurance	2,734,951	1,007,292	497,716	102,899	33,691	4,376,549	922,246	1,772	924,018	5,300,567
Utilities	1,948,546	492,516	100,409	238,103	4,115	2,783,689	92,497	-	92,497	2,876,186
Telephone	593,419	247,886	177,566	9,090	6,312	1,034,273	283,102	482	283,584	1,317,857
Information technology	977,926	438,741	1,015,994	45,561	10,230	2,488,452	2,766,064	2,315	2,768,379	5,256,831
Depreciation and amortization (Notes 2H and 6)	3,155,140	246,953	186,395	355,669	3,908	3,948,065	750,263	-	750,263	4,698,328
Interest	1,850,462	106,024	-	-	-	1,956,486	2,178,817	-	2,178,817	4,135,303
Bad debt	32,361	1,460	308,088	232,589	-	574,498	-	-	-	574,498
Miscellaneous	5,068	10,452	2	17,983	6	33,511	418,081	205,337	623,418	656,929
Sub-total	153,097,854	61,012,988	21,268,419	28,298,417	2,440,744	266,118,422	31,820,758	1,174,908	32,995,666	299,114,088
Direct cost of special events	-	-	-	-	-	-	-	(43,615)	(43,615)	(43,615)
TOTAL EXPENSES	$ 153,097,854	$ 61,012,988	$ 21,268,419	$ 28,298,417	$ 2,440,744	$ 266,118,422	$ 31,820,758	$ 1,131,293	$ 32,952,051	$ 299,070,473

YOUNG ADULT INSTITUTE, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 1,723,766	$ (7,602,000)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	4,987,311	4,698,328
Non-cash interest expense	341,462	362,555
Unrealized gain on short-term investments	(467,854)	(513,279)
Realized loss on short-term investments	439,961	428,681
Bad debt	1,692,112	574,498
Net accretion of operating leases	1,771,416	1,323,666
Subtotal	10,488,174	(727,551)
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Government receivables	(8,617,435)	(8,829,326)
Tuition receivables	(10,329,286)	(1,302,618)
Other receivables	(303,437)	2,275,947
Prepaid expenses and other assets	551,773	1,569,465
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	5,242,730	5,172,124
Accrued salary	758,864	(2,203,058)
Accrued vacation	238,635	138,582
Accrued pension	519,911	95,784
Other liabilities	(4,696,316)	224,298
Due to funding sources	(262,336)	(543,192)
Refundable advances	8,570,590	(9,275,873)
Net Cash Provided by (Used in) Operating Activities	2,161,867	(13,405,418)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(1,752,758)	(4,715,175)
Purchases of short-term investments	(217,982)	(8,501,302)
Proceeds from sale of short-term investments	1,576,267	21,840,525
Increase in debt service reserve	255,970	(49,149)
Net Cash (Used in) Provided by Investing Activities	(138,503)	8,574,899
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes and mortgages	8,710,000	7,516,239
Principal repayments of notes and mortgages	(10,737,876)	(7,431,346)
Net Cash (Used in) Provided by Financing Activities	(2,027,876)	84,893
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,512)	(4,745,626)
Cash and Cash Equivalents - Beginning of Year	1,858,215	6,603,841
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 1,853,703	$ 1,858,215
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest	$ 4,024,358	$ 3,772,748

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

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

The Young Adult Institute, Inc. d/b/a YAI ("YAI") is organized under the Not-for-Profit Corporation Law of New York State and was incorporated in 1964. YAI has been granted exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code. YAI has an equivalent exemption at the state and local levels.

YAI serves people of all ages with intellectual and developmental disabilities in a variety of community settings and at home through state-of-the-art programs that help to build skills, expand opportunities, and support community living. YAI's many programs and direct services benefit thousands of individuals and their families daily throughout the New York metropolitan area. YAI is funded primarily by Medicaid. YAI has over 300 programs and direct services that benefit over 21,000 individuals and their families daily throughout the New York metropolitan area and California.

YAI is part of a network of independent agencies, collectively known as the YAI Network. The network provides programs and support for people with intellectual and developmental disabilities throughout New York, New Jersey and California. YAI is the sole corporate member of these agencies which have been included in the consolidated financial statements (collectively, the “Agency”). Further descriptions follow:

- YAI is the sole corporate member of Premier Healthcare, Inc. (“PHC”). PHC is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. PHC has an equivalent exemption at the state and local levels. PHC is an outpatient diagnostic and treatment center offering health care services to the general public with a specialty in medical services for people with intellectual and developmental disabilities and their families in many sites throughout the New York City area. PHC is a quality health care practice providing outpatient clinic services which include: primary health, pediatrics, internal medicine, dentistry, nutrition, audiology, neurology, podiatry, psychiatry, physical therapy, occupational therapy, ophthalmology, speech pathology and psychology. PHC’s primary source of revenue is patient service fees received from Medicaid, Medicare and other third-party payors.

- Effective July 1, 2019, YAI became the sole corporate member of The Manhattan Star Academy (“MSA”). MSA is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. MSA offers a continuum of care for school-age children with a diverse range of diagnoses, including developmental delays, autism spectrum disorders and speech language disorders.

- Effective July 1, 2019, YAI became the sole corporate member of The International Academy of Hope (“IHOPE”). IHOPE is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. IHOPE provides educational and related services to children, adolescents, and young adults from ages 5 years to 21 years old, who have sustained acquired brain injuries or other brain-based disorders who cannot be served in their local school systems.

- YAI is the sole corporate member of the International Institute for People with Disabilities of Puerto Rico, Inc. (“IIPD-PR”), which was incorporated in 1998 under the Not-for-Profit Corporation Law of the Commonwealth of Puerto Rico. IIPD-PR has been granted exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has a similar exemption at the state and local levels. IIPD-PR’s mission is to create employment opportunities for people with disabilities. By providing competitive employment opportunities for persons with disabilities, IIPD-PR demonstrated a commitment to independence, community inclusion and productivity for people with special needs. IIPD-PR had no programmatic operations during the fiscal years ended June 30, 2024 and 2023.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ***Basis of Accounting and Use of Estimates -*** The Agency’s consolidated financial statements have been prepared on the accrual basis of accounting. The Agency adheres to accounting principles generally accepted in the United States of America (“U.S. GAAP”). The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

B. ***Basis of Consolidation -*** The Agency’s accompanying consolidated financial statements include the activities of: YAI; PHC; MSA; IHOPE; and IIPD-PR. YAI has consolidated these entities pursuant to U.S. GAAP due to its financial interest and control over them. All material intercompany transactions and balances have been eliminated upon consolidation.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. ***Basis of Net Asset Presentation -*** The Agency maintains its net assets under the following two classes:

Without donor restrictions – represents resources available for support of the Agency's operations over which the Board of Trustees has discretionary control as well as investment in property, plant and equipment.

With donor restrictions – represents assets resulting from contributions and other inflows of assets whose use by the Agency is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of the Agency pursuant to those stipulations. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

D. ***Cash and Cash Equivalents -*** The Agency classifies cash equivalents as highly liquid financial instruments with maturities of three months or less when acquired, except for those short-term investments managed by investment managers as part of the Agency's investment strategies and the debt service reserve. Program participant funds included in cash and cash equivalents amounted to approximately $461,000 and $580,000 for the years ended June 30, 2024 and 2023, respectively. Such amounts are also included as a liability in the accompanying consolidated financial statements.

E. ***Short-term Investments and Fair Value Measurements -*** Short-term investments are carried at fair value. Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described in Note 5.

F. ***Allowance for Credit Losses -*** The Agency determines whether an allowance for credit losses should be provided for government receivable and tuition receivable. Such estimate is based on management's assessment of the aged basis of its receivables, current economic conditions, historical experience, and collections subsequent to year end. The Agency has adopted Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 326, *Financial Instruments – Credit Losses,* in its consolidated financial statements for the year ended June 30, 2024. Management anticipates that the historic loss rates will be consistent during the next fiscal year and concluded that no adjustments to their methodology or inputs are required.

The Agency calculated the allowance for credit losses as follows as of June 30:

	Allowance for government receivable		Allowance for tuition receivable	
	2024	2023	2024	2023
Balance, beginning of year	$ 2,822,186	$ 2,830,983	$ 1,586,424	$ 1,478,660
Credit losses expenses for the period	29,135	32,528	662,631	163,238
Write-offs during period	(11,564)	(41,325)	-	(55,474)
Balance, end of year	$ 2,839,757	$ 2,822,186	$ 2,249,055	$ 1,586,424

The Agency has not established an allowance for credit losses for other receivables as of both June 30, 2024 and 2023.

G. Revenue Recognition - The Agency records Medicaid revenue based on established rates multiplied by the number of units of service provided. Government grants are recorded as revenues to the extent that expenses have been incurred for the purposes specified by the grantors. Tuition is derived from contracts with customers and recognized during the school year upon exchange of contracted services. To the extent amounts received exceed amounts spent, the Agency records a liability due to funding sources. Other revenue includes management programmatic services provided to other network agencies. Such revenue is recorded based on the support service agreement. Medicaid and tuition are accounted for under ASC Topic 606. Government grants are accounted for under Accounting Standards Updated ("ASU") 2018-08 and amounted to $15,343,824 and $17,268,229 for the years ended June 30, 2024 and 2023, respectively. For the years ended June 30, 2024 and 2023 the Agency received conditional grants and contracts from government agencies in the aggregate amounts of approximately $6.1 million and $6 million, respectively. Such grants have not been recognized in the accompanying consolidated financial statements as they are for future periods and will be recognized when contract barriers are overcome.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. ***Property and Equipment -*** Property and equipment is stated at cost less accumulated depreciation or amortization. These amounts do not purport to represent replacement or realizable values. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. Leasehold improvements are amortized over the lesser of the useful lives of the improvements or the term of the applicable lease. Property and equipment is capitalized by the Agency provided its cost is $5,000 or more and its useful life is greater than one year.

I. ***Contributions -*** Unconditional contributions amounting to $647,552 and $679,755 as of June 30, 2024 and 2023, respectively, including promises to give cash and other assets, are reported at their fair value on the date the contribution is received. The Agency reports gifts of cash and other assets as net assets with donor restrictions if they are received with donor stipulations that limit their use. When a restriction expires, that is when a stipulated time restriction ends or purpose of restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Contributions are accounted for under ASU 2018-08. Conditional contributions pertaining to future years are disclosed when material.

J. ***Functional Expenses -*** The costs of providing program and supporting services of the Agency have been summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, expenses that are not directly charged to program and supporting services are allocated among program and supporting services. The expenses that are allocated include occupancy and maintenance, which are allocated on a square footage basis, as well as payroll taxes and benefits, which are allocated on the basis of estimates of time and effort.

K. ***Prior Period Revenue -*** There are occasions when funding source reimbursements for prior years are adjusted in the current year. Such adjustments may be due to retroactive rate adjustments, funding source audit findings, additional monies available over and above original contract amounts, rate appeal results, etc. Included in Medicaid (loss) revenue and tuition revenue for the years ended June 30, 2024 and 2023 is approximately $420,000 and ($59,000), respectively, and $62,000 and $0, respectively, of prior year revenues relating to such adjustments.

L. ***Leases -*** The Agency reports leases in accordance with ASU No. 2016-02, *Leases* (Topic 842). This standard requires the recognition of lease assets and lease liabilities on the consolidated statements of financial position and the disclosure of key information about leasing arrangements. The recognition, presentation, and measurement of lease related items in the consolidated financial statements will depend on whether the lease is classified as a finance or operating lease.

M. ***Bond Issuance Costs*** **-** Bond issuance costs consist of financing costs which are amortized over the life of the bond. The amortization is on the straight-line method which does not differ materially from the effective interest rate method.

N. ***Debt Service Reserve*** **-** Under the terms of the Dormitory Authority of the State of New York ("DASNY"), the Agency is required to deposit with the bond trustee an amount to be held in a debt service reserve fund, which will be utilized to satisfy the last payment required on the mortgage, or can be used prior to that point under the direction of DASNY to make any loan payments due by reason of default or other causes spelled out in the loan agreement. The debt service reserve is carried at market value in the accompanying consolidated statements of financial position.

O. ***Operating Measure*** - The Agency includes in its definition of operations all revenues and expenses that are an integral part of its program and supporting activities. Changes in Supplemental Pension Plan and Trust and Life Insurance Plan and Trust are recognized as non-operating activities.

P. ***Recently Adopted Accounting Standards*** **-** FASB ASU No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments,* was adopted for the year ended June 30, 2024. This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts.

NOTE 3 – LIQUIDITY AND AVAILABILITY

The financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the consolidated statements financial position date, include the following as of June 30:

	2024	2023
Cash and cash equivalents	$ 1,853,703	$ 1,858,215
Short-term investments	10,049,595	11,379,987
Government receivables, net	47,856,519	40,931,196
Tuition receivables, net	39,726,437	29,397,151
Other receivables	2,712,609	2,409,172
Total Financial Assets	102,198,863	85,975,721
Less: Program participant funds	(18,032)	(174,220)
Less: Net assets with donor restrictions	(1,729,241)	(1,657,784)
	$ 100,451,590	$ 84,143,717

The Agency strives to maintain liquid financial assets sufficient to cover expenditures. Revenue from funders are expected to cover most expenses. Financial assets are available to fund any programs or supporting services with unanticipated shortfalls. In addition, as noted in Note 7, the Agency has multiple lines of credit totaling a maximum drawdown of $33 million.

NOTE 4 – GOVERNMENT RECEIVABLES

Government receivables consist of the following as of June 30:

	2024	2023
Due from Medicaid	$ 34,739,560	$ 30,837,107
Due from the State of New York	5,932,516	8,108,048
Due from the City of New York	491,174	561,705
Due from other sources	9,533,026	4,246,522
	50,696,276	43,753,382
Less: allowance for doubtful accounts	(2,839,757)	(2,822,186)
	$ 47,856,519	$ 40,931,196

NOTE 5 – SHORT-TERM INVESTMENTS AND FAIR VALUE MEASUREMENTS

Short-term investments consist of the following as of June 30:

	2024	2023
Money market funds	$ 919,135	$ 885,600
Mutual funds	4,750,784	4,912,592
Corporate securities	1,541,717	1,622,908
Government securities	1,588,357	3,385,495
Other securities	1,249,602	573,392
	$ 10,049,595	$ 11,379,987

Investment activity consists of the following for the years ended June 30:

	2024	2023
Interest	$ 261,327	$ 316,786
Realized loss	(439,961)	(428,681)
Unrealized gain	467,854	513,279
	$ 289,220	$ 401,384

NOTE 5 – SHORT-TERM INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

The fair value hierarchy defines three levels as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Valuations based on observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs. The Agency has no Level 3 investments.

In determining fair value, the Agency utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value. Fair value of these investments is determined by management through the investment managers. Level 1 instrument valuations are obtained from real-time quotes in active exchange markets involving identical assets. Corporate bonds, U.S., Money market funds, Government bonds and multi-strategy investments are designated as Level 2 instruments and valuations are obtained from similar market or model derived valuations in which all significant inputs are observable or can be derived primarily from or corroborated with observable market data (credit risk/grade, maturities, etc.).

Financial assets carried at fair value as of June 30, 2024 are classified in the table as follows:

	Level 1	Level 2	Total
Short-term investments:			
Money market funds	$ 479,421	$ 439,714	$ 919,135
Mutual funds	4,750,784	-	4,750,784
Corporate securities	1,469,728	71,989	1,541,717
Government securities	1,359,427	228,930	1,588,357
Other securities	187,168	1,062,434	1,249,602
Total short-term investments	8,246,528	1,803,067	10,049,595
Debt Service Reserve Fund:			
U.S. Treasury bills	3,348,563	-	3,348,563
	$ 11,595,091	$ 1,803,067	$ 13,398,158

Financial assets carried at fair value as of June 30, 2023 are classified in the table as follows:

	Level 1	Level 2	Total
Short-term investments:			
Money market funds	$ 449,205	$ 436,395	$ 885,600
Mutual funds	4,912,592	-	4,912,592
Corporate securities	1,534,428	88,480	1,622,908
Government securities	3,169,175	216,320	3,385,495
Other securities	383,421	189,971	573,392
Total short-term investments	10,448,821	931,166	11,379,987
Debt Service Reserve Fund:			
U.S. Treasury bills	3,604,533	-	3,604,533
	$ 14,053,354	$ 931,166	$ 14,984,520

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of June 30:

	2024	2023	Estimated Useful Lives
Land	$ 13,614,251	$ 13,089,251	
Buildings and building improvements	79,050,819	76,737,112	15-25 years
Leasehold improvements	41,885,622	37,303,942	5-25 years
Furniture and equipment	25,200,131	24,470,184	3-10 years
Construction in progress	518,408	6,915,981	
	160,269,231	158,516,470	
Less: accumulated depreciation and amortization	(104,408,925)	(99,421,611)	
	$ 55,860,306	$ 59,094,859	

Depreciation and amortization expense amounted to $4,987,314 and $4,698,328 for the years ended June 30, 2024 and 2023, respectively. Construction in progress consists of construction at new locations and various renovations with a combined additional estimated cost of completion of approximately $250,000 and estimated completion dates during fiscal year 2025.

NOTE 7 – NOTES AND MORTGAGES PAYABLE

	2024	2023
A. YAI has entered into various loan agreements with the DASNY and NYC Build. The loans carry interest rates ranging from 1.57% to 5.65% per annum, payable in semi-annual installments and have maturity dates ranging from August 2018 through June 2048. The loans are collateralized by YAI's underlying real property.	$ 43,074,999	$ 37,564,668
B. YAI has available as of June 30, 2024 and 2023 a $3 million and $10 million line of credit, respectively, with a bank for the acquisition and renovation of program sites. Upon receipt of New York State prior property approvals, the funds drawn down on this line of credit are subsequently converted into notes. As of June 30, 2024, there were no notes executed. The notes bear an interest rate of prime resulting in a rate of approximately 7.5% as of June 30 2023. The notes are collateralized by real property and mature in April 2026. The outstanding balance as of November 27, 2024 amounted to approximately $330,000.	-	6,946,845
C. The Agency has available as of June 2024 and 2023 a $30 million and $28 million working capital line of credit, respectively, with a bank carrying an interest rate of prime, which as of June 30, 2024 was 7.96%. The loan is collateralized by YAI's accounts receivable and matures in April 2024. The outstanding balance as of November 27, 2024 amounted to approximately $28.7 million.	28,670,000	27,970,000
D. Notes Payable for various equipment purchases at interest rate ranging from 5% to 7% with maturity dates in 2025.	201,609	1,003,732
	71,946,608	73,485,245
less: unamortized debt issuance costs	(1,952,148)	(1,804,371)
Notes and mortgages payable, net	$ 69,994,460	$ 71,680,874

Most of the loans have provisions for loan covenants, and the Agency is in compliance for the period ended June 30, 2024 but was not in compliance for the period ended June 30, 2023, for which the Agency received a covenant waiver. For the years ended June 30, 2024 and 2023, the amortization of debt issuance costs was $341,462 and $362,555, respectively.

NOTE 7 – NOTES AND MORTGAGES PAYABLE (Continued)

Required future annual principal payments are payable as follows for the years ending June 30:

2025	$ 3,101,609
2026	30,515,000
2027	1,940,000
2028	2,010,000
2029	2,085,000
Thereafter	32,294,999
	$ 71,946,608

NOTE 8 – RIGHT OF USE ASSET AND LIABILITY

The Agency has operating lease agreements, and annual future minimum rentals payable for real and personal property principally under long-term operating leases expiring at varying dates through 2061 for facilities (which include payment of property taxes, insurance maintenance costs and rental payments) and for copying/printing equipment. The Agency assesses whether an arrangement qualifies as a lease at inception and only reassesses its determination if the terms and conditions of the arrangement are changed

As of June 30, 2024 and 2023, the right-of-use ("ROU") asset had a balance of $160,080,968 and $168,705,157, respectively, and the lease liability totaled $168,705,158 and $175,610,074, respectively, as shown in the consolidated statements of financial position. The lease liabilities were calculated utilizing the Agency's incremental borrowing rate of 3.25% for leases in effect at the initial adoption date of July 1, 2020, and the Agency's incremental borrowing rate ranging from 2.6% to 5.37% on the effective date of each lease from July 1, 2021 through June 30, 2024. For the year ended June 30, 2024, the weighted average of the remaining lease term is 180 months, and the weighted-average discount rate is 3.28%. For the year ended June 30, 2023, the weighted average of the remaining lease term is 365 months, and the weighted-average discount rate is 3.3%.

Future minimum payments for non-cancelable operating leases for the next five years ending after June 30, 2024 and thereafter are as follows:

	Operating Leases
2025	$ 16,954,729
2026	13,517,213
2027	11,805,465
2028	11,079,972
2029	11,107,656
Thereafter	227,592,865
Total lease payments	292,057,900
Less: Present value discount	(123,352,743)
	$ 168,705,157

Rent expense amounted to the following for the years ended June 30:

	2024	2023
Real property	$ 19,881,920	$ 16,052,075
Vehicles and equipment	2,402,148	1,936,316

NOTE 9 – COMMITMENTS AND CONTINGENCIES

A. The Agency believes it has no uncertain tax positions as of June 30, 2024 and 2023 in accordance with ASC Topic 740, "Income Taxes," which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

NOTE 9 – COMMITMENTS AND CONTINGENCIES (Continued)

B. The Agency receives a significant portion of its revenue for services provided from third-party reimbursement through government agencies and Medicaid. These revenues are based on predetermined rates based on cost reimbursement principles and are subject to audit and retroactive adjustment by the government. The Agency, when appropriate, records an estimated liability to governmental agencies for any excess reimbursement over allowable costs and underspending of interim rates. As of June 30, 2024 and 2023, due to funding sources represents and overpayments from the 2016-2023 fiscal years for the Agency's programs. Such amounts are expected to be recouped by the funding sources.

C. The Agency is subject to legal proceedings and claims which have arisen in the ordinary course of its business and which have not been fully adjudicated. Management does not believe there will be a material adverse effect upon the financial position of the Agency.

D. During the years ended June 30, 2024 and 2023, YAI recorded the liabilities for a Supplemental Pension Plan and Trust and Life Insurance Plan and Trust in excess of the assets of the plan for certain previous employees pursuant to a legal settlement. The obligation amounted to approximately $6.5 million and $10 million, respectively, and is included in other liabilities in the consolidated statements of financial position. The change in present value calculation of such liabilities (using discount rate of 6% and social security life expectancy table) are reported as other non-operating activities in the consolidated statements of activities.

NOTE 10 – REFUNDABLE ADVANCES

Refundable advances include funds that were received by the Agency under government grants and contracts for which the Agency has not yet met the grant conditions. Should these conditions not be met, these funds would then be due back to the governmental funding sources. As of June 30, 2024 and 2023, refundable advances amounted to approximately $11 million and $2.4 million, respectively, in the accompanying consolidated statements of financial position.

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS

The Agency's net assets with donor restrictions as of June 30, 2024 and 2023 consist of amounts restricted by donor for staff scholarships, technology improvement and program recreation.

	2024	2023
Grants and purpose restricted funds	$ 1,719,241	$ 1,647,784
Fund held in perpetuity	10,000	10,000
	$ 1,729,241	$ 1,657,784

During the years ended June 30, 2024 and 2023, the Agency released net assets with donor restrictions of $208,860 and $296,028, respectively, by satisfying donor-imposed purpose and passage of time restrictions.

NOTE 12 – CONCENTRATION

Cash and cash equivalents that potentially subject the Agency to a concentration of credit risk include bank accounts that exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limits. Cash accounts are insured up to $250,000 per depositor, per insured financial institution. As of June 30, 2024 and 2023, there was approximately $1.2 million and $1.1 million, respectively, of cash and cash equivalents held by one bank that exceeded FDIC limits.

NOTE 13 – RETIREMENT PLAN

On January 1, 2019, the Agency adopted the YAI Network Affiliates 403(b) Plan. All common law employees are eligible to make salary reduction contributions into the plan. Employees who complete 1,000 hours of service during the plan year and are employed on the last day of the plan year are eligible for employer matching contributions. The employer matching contribution will be equal to 50% of the first 6% of the employee compensation deferral made to the plan for periods on or after July 1, 2019, and for the years ended June 30, 2024 and 2023, amounted to approximately $2.1 million and $1.7 million, respectively. As of June 30, 2024 and 2023, the employer matching contribution liability was $2.9 million and $2.5 million, respectively.

NOTE 14 – REVENUE FROM CONTRACTS WITH CUSTOMERS

Service Contracts - The Agency receives Medicaid revenue from contracts with the New York State Office for People with Developmental Disabilities (OPWDD) to provide support and services to individuals with developmental and learning disabilities, from infants through the elderly, in a variety of community settings and at home through state-of-the-art programs that help to build skills, expand opportunities, and support community living. Revenue is reported at the amount that reflects the consideration to which the Agency expects to be entitled in exchange for providing the contracted services. These amounts are due from OPWDD, third-party payors (Medicare), individuals (Client Fees) and others, and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Service revenue is derived from contracts with customers.

Tuition revenue is reported at the amount that reflects the consideration to which the Agency expects to be entitled in exchange for providing the contracted services. Service revenue from tuition is recognized after the services are performed or after the Agency has completed its portion of the contract. Tuition is recorded as revenue in the period in which the tuition and fees relate to the school year. Deferred tuition is tuition payments committed prior to June 30, but which are applicable to the following academic year. These amounts are deferred and recognized as revenue in the fiscal year that educational services are provided. As of June 30, 2024 and 2023, approximately $489,000 and $446,000, respectively, of deferred tuition is included in other liabilities in the consolidated statements of financial position.

Generally, the Agency bills OPWDD, third-party payors, tuition and individuals after the services are performed or has completed their portion of the contract. Receivables are due in full when billed and revenue is recognized as performance obligations are satisfied.

Performance Obligations - Performance obligations are determined based on the nature of the services provided by the Agency in accordance with the contract. Revenue for performance obligations satisfied over time is recognized as the services are provided. This method depicts the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. The Agency measures the performance obligation from the beginning of the next month or day to the point when it is no longer required to provide services under the contract or has met the requirements to bill for the services provided, which is generally at the end of each month or period of time allowed based on the OPWDD stipulations.

All performance obligations relate to contracts with a duration of less than one year, therefore, there are no performance obligations or contract balances that are unsatisfied as of June 30, 2024 and 2023. The performance obligations for these contracts are completed when the service is completed and upon submission of required documentation. The Agency determines the transaction price based on established rates and contracts for services provided.

For the year ended June 30, 2024, program service fees consist of revenues for the following programs:

	Medicaid and Service fees	Medicare and Client Fees	Tuition	Total
Residential services	$ 140,080,617	$ 9,861,887	$ -	$ 149,942,504
Day and community services	65,041,427	1,094,274	-	66,135,701
Clinical services	17,879,133	7,290,904	-	25,170,037
Educational services	-	-	45,867,117	45,867,117
Employment services	1,448,555	-	-	1,448,555
	$ 224,449,732	$ 18,247,065	$ 45,867,117	$ 288,563,914

For the year ended June 30, 2023, program service fees consist of revenues for the following programs:

	Medicaid and Service fees	Medicare and Client Fees	Tuition	Total
Residential services	$ 135,688,189	$ 9,181,772	$ -	$ 144,869,961
Day and community services	57,653,414	999,241	-	58,652,655
Clinical services	20,689,326	3,582,996	-	24,272,322
Educational services	-	-	37,773,988	37,773,988
Employment services	1,593,779	-	-	1,593,779
	$ 215,624,708	$ 13,764,009	$ 37,773,988	$ 267,162,705

NOTE 15 – SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the consolidated statement of financial position through November 27, 2024, the date the consolidated financial statements were available to be issued.

YOUNG ADULT INSTITUTE, INC. AND AFFILIATES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
AS OF JUNE 30, 2024

	YAI	MSA	IHOPE	PHC	IIPD-PR	Consolidating Eliminations	Total 2024
ASSETS							
Cash and cash equivalents	$ 1,514,757	$ 67,334	$ 194,728	$ 76,884	$ -	$ -	$ 1,853,703
Short-term investments	10,049,595	-	-	-	-	-	10,049,595
Government receivables, net	42,770,589	-	-	5,085,930	-	-	47,856,519
Tuition receivables, net	-	19,419,843	20,306,594	-	-	-	39,726,437
Due from Network Agencies	11,479,646	1,811	-	-	-	(11,481,457)	-
Other receivables	2,433,019	57,230	222,360	-	-	-	2,712,609
Prepaid expenses and other assets	4,796,454	207,396	431,665	801,757	-	-	6,237,272
Property and equipment, net	52,444,901	542,240	2,268,704	604,461	-	-	55,860,306
Right-of-use asset	88,178,783	13,094,328	43,967,899	14,839,958	-	-	160,080,968
Debt service reserve	3,348,563	-	-	-	-	-	3,348,563
TOTAL ASSETS	$ 217,016,307	$ 33,390,182	$ 67,391,950	$ 21,408,990	$ -	$ (11,481,457)	$ 327,725,972
LIABILITIES							
Accounts payable and accrued expenses	$ 21,133,064	$ 289,030	$ 1,019,429	$ 1,233,688	$ -	$ -	$ 23,675,211
Accrued salary	8,701,948	475,267	724,655	288,616	-	-	10,190,486
Accrued vacation	3,430,551	207,931	246,544	200,748	-	-	4,085,774
Accrued pension	2,466,378	184,721	260,160	151,594	-	-	3,062,853
Other liabilities	9,832,227	463,632	25,830	75,422	-	-	10,397,111
Due to funding sources	954,455	-	-	-	-	-	954,455
Refundable advances	10,958,165	-	-	-	-	-	10,958,165
Notes and mortgages payable	59,242,225	3,000,000	-	7,752,235	-	-	69,994,460
Due to related party	-	4,521,827	3,093,234	9,706,460	603,524	(17,925,045)	-
Lease liability	92,976,270	14,778,033	45,075,219	15,875,635	-	-	168,705,157
TOTAL LIABILITIES	209,695,283	23,920,441	50,445,071	35,284,398	603,524	(17,925,045)	302,023,672
NET ASSETS							
Net assets (Deficit) without donor restrictions							
Net invested in property and equipment	10,965,703	542,240	2,268,704	604,461	-	-	14,381,108
Available for operations	(5,254,234)	8,882,549	14,603,441	(14,479,869)	(603,524)	6,443,588	9,591,951
Total net assets (deficit) without donor restrictions	5,711,469	9,424,789	16,872,145	(13,875,408)	(603,524)	6,443,588	23,973,059
Net assets (deficit) with donor restrictions	1,609,555	44,952	74,734	-	-	-	1,729,241
TOTAL NET ASSETS (DEFICIT)	7,321,024	9,469,741	16,946,879	(13,875,408)	(603,524)	6,443,588	25,702,300
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	$ 217,016,307	$ 33,390,182	$ 67,391,950	$ 21,408,990	$ -	$ (11,481,457)	$ 327,725,972

See independent auditors' report.

YOUNG ADULT INSTITUTE, INC. AND AFFILIATES
CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	YAI			Manhattan Star Academy			International Academy of Hope			Premier Healthcare, Inc.		International Institute for People with Disabilities of Puerto Rico, Inc.			Consolidated Total		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Total	Without Donor Restrictions	Total	Consolidating Eliminations	Without Donor Restrictions	With Donor Restrictions	Total 2024
Operating Revenue and Support:																	
Medicaid and service fees	$ 213,586,240	$ -	$ 213,586,240	$ -	$ -	$ -	$ -	$ -	$ -	$ 10,863,492	$ 10,863,492	$ -	$ -	$ -	$ 224,449,732	$ -	$ 224,449,732
Government grants	14,541,178	-	14,541,178	247,037	-	247,037	224,398	-	224,398	331,211	331,211	-	-	-	15,343,824	-	15,343,824
Medicare and client fees	12,831,727	-	12,831,727	-	-	-	-	-	-	5,415,338	5,415,338	-	-	-	18,247,065	-	18,247,065
Tuition	-	-	-	18,648,285	-	18,648,285	27,218,832	-	27,218,832	-	-	-	-	-	45,867,117	-	45,867,117
Other revenues	11,190,816	-	11,190,816	27,034	-	27,034	640	-	640	244,289	244,289	-	-	(7,399,825)	4,062,954	-	4,062,954
Contributions	946,408	211,209	1,157,617	92,737	-	92,737	107,784	69,108	176,892	3,383	3,383	-	-	-	1,150,312	280,317	1,430,629
Special events (net of direct costs of $52,587)	79,280	-	79,280	-	-	-	48,435	-	48,435	-	-	-	-	-	127,715	-	127,715
Investment activity	289,220	-	289,220	-	-	-	-	-	-	-	-	-	-	-	289,220	-	289,220
Net assets released from restrictions	49,467	(49,467)	-	120,703	(120,703)	-	38,690	(38,690)	-	-	-	-	-	-	208,860	(208,860)	-
Total Operating Revenue and Support	253,514,336	161,742	253,676,078	19,135,796	(120,703)	19,015,093	27,638,779	30,418	27,669,197	16,857,713	16,857,713	-	-	(7,399,825)	309,746,799	71,457	309,818,256
Operating Expenses:																	
Program Services:																	
Residential services	156,529,354	-	156,529,354	-	-	-	-	-	-	-	-	-	-	-	156,529,354	-	156,529,354
Day and community services	57,881,753	-	57,881,753	-	-	-	-	-	-	-	-	-	-	-	57,881,753	-	57,881,753
Clinical services	8,536,924	-	8,536,924	-	-	-	-	-	-	16,014,259.00	16,014,259	-	-	(563,588)	23,987,595	-	23,987,595
Educational services	-	-	-	14,347,375.00	-	14,347,375	22,820,988.00	-	22,820,988	-	-	-	-	(3,140,905)	34,027,458	-	34,027,458
Employment services	2,266,831	-	2,266,831	-	-	-	-	-	-	-	-	-	-	-	2,266,831	-	2,266,831
Total Program Services	225,214,862	-	225,214,862	14,347,375	-	14,347,375	22,820,988	-	22,820,988	16,014,259	16,014,259	-	-	(3,704,493)	274,692,991	-	274,692,991
Supporting Services:																	
Management and general	28,552,757	-	28,552,757	2,693,731	-	2,693,731	3,137,393	-	3,137,393	3,070,946	3,070,946	-	-	(3,623,303)	33,831,524	-	33,831,524
Fundraising	1,039,985	-	1,039,985	31,774	-	31,774	61,385	-	61,385	-	-	-	-	(72,029)	1,061,115	-	1,061,115
Total Supporting Services	29,592,742	-	29,592,742	2,725,505	-	2,725,505	3,198,778	-	3,198,778	3,070,946	3,070,946	-	-	(3,695,332)	34,892,639	-	34,892,639
Total Operating Expenses	254,807,604	-	254,807,604	17,072,880	-	17,072,880	26,019,766	-	26,019,766	19,085,205	19,085,205	-	-	(7,399,825)	309,585,630	-	309,585,630
Change In Net Assets From Operations	(1,293,268)	161,742	(1,131,526)	2,062,916	(120,703)	1,942,213	1,619,013	30,418	1,649,431	(2,227,492)	(2,227,492)	-	-	-	161,169	71,457	232,626
Non-Operating:																	
Non-operating activities	1,491,140	-	1,491,140	-	-	-	-	-	-	-	-	-	-	-	1,491,140.00	-	1,491,140
Total Non-Operating Activities	1,491,140	-	1,491,140	-	-	-	-	-	-	-	-	-	-	-	1,491,140	-	1,491,140
CHANGE IN NET ASSETS (DEFICIT)	197,872	161,742	359,614	2,062,916	(120,703)	1,942,213	1,619,013	30,418	1,649,431	(2,227,492)	(2,227,492)	-	-	-	1,652,309	71,457	1,723,766
Net Assets (Deficit) - Beginning of year	5,513,597	1,447,813	6,961,410	7,361,873	165,655	7,527,528	15,253,132	44,316	15,297,448	(11,647,916)	(11,647,916)	(603,524)	(603,524)	6,443,588	22,320,750	1,657,784	23,978,534
NET ASSETS (DEFICIT) - END OF YEAR	$ 5,711,469	$ 1,609,555	$ 7,321,024	$ 9,424,789	$ 44,952	$ 9,469,741	$ 16,872,145	$ 74,734	$ 16,946,879	$ (13,875,408)	$ (13,875,408)	$ (603,524)	$ (603,524)	$ 6,443,588	$ 23,973,059	$ 1,729,241	$ 25,702,300

See independent auditors' report.