



SUPPORT KANSAS CITY, INC.

FINANCIAL STATEMENTS

Years Ended December 31, 2020 and 2019





Mayer Hoffman McCann P.C.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors

SUPPORT KANSAS CITY, INC.

We have audited the accompanying financial statements of Support Kansas City, Inc., which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial positions of Support Kansas City, Inc. as of December 31, 2020 and 2019, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Mayer Hoffman McCann P.C." in a cursive script.

Kansas City, Missouri
July 28, 2021



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SUPPORT KANSAS CITY, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2020 and 2019

| | 2020 | 2019 |
|---|-------------|-------------|
| <u>ASSETS</u> | | |
| CURRENT ASSETS | | |
| Cash | \$ 535,885 | \$ 335,137 |
| Accounts receivable, net of allowance | 169,336 | 133,003 |
| Grants receivable | 7,500 | 95,000 |
| Prepaid expenses and other assets | 7,975 | 5,322 |
| TOTAL CURRENT ASSETS | 720,696 | 568,462 |
| Property and equipment, at cost, less accumulated depreciation | 11,633 | 37,561 |
| TOTAL ASSETS | \$ 732,329 | \$ 606,023 |
| <u>LIABILITIES</u> | | |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 49,903 | \$ 27,861 |
| Accrued liabilities | 36,835 | 13,463 |
| Deferred revenue | 1,426 | 2,000 |
| Current portion of paycheck protection program loan | 219,750 | - |
| Current portion of deferred rent | 1,144 | 1,144 |
| Current portion of capital lease obligations | 2,754 | 2,754 |
| TOTAL CURRENT LIABILITIES | 311,812 | 47,222 |
| LONG-TERM LIABILITIES | | |
| Paycheck protection program loan | 43,950 | - |
| Deferred rent | 2,100 | 2,100 |
| Capital lease obligations | 128 | 2,881 |
| TOTAL LONG-TERM LIABILITIES | 46,178 | 4,981 |
| TOTAL LIABILITIES | 357,990 | 52,203 |
| <u>NET ASSETS</u> | | |
| NET ASSETS | | |
| Net assets without donor restrictions | 283,098 | 232,169 |
| Net assets with donor restrictions | 91,241 | 321,651 |
| TOTAL NET ASSETS | 374,339 | 553,820 |
| TOTAL LIABILITIES AND NET ASSETS | \$ 732,329 | \$ 606,023 |

See Notes to Financial Statements

SUPPORT KANSAS CITY, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Years Ended December 31, 2020 and 2019

| | 2020 | 2019 |
|---|-------------------|-------------------|
| NET ASSETS WITHOUT DONOR RESTRICTIONS | | |
| REVENUES AND SUPPORT | | |
| Client support program fees | \$ 1,133,452 | \$ 1,180,458 |
| Grants and contributions | 79,039 | 74,126 |
| In-kind donations | 54,956 | 38,166 |
| Other income | 1,119 | 19,500 |
| Net assets released from restrictions | 445,410 | 472,422 |
| TOTAL REVENUES AND SUPPORT | 1,713,976 | 1,784,672 |
| EXPENSES | | |
| Client support programs | 1,133,554 | 1,263,947 |
| Supporting services | | |
| Administration | 425,830 | 441,908 |
| Fundraising | 59,588 | 35,888 |
| Total supporting services | 485,418 | 477,796 |
| TOTAL EXPENSES | 1,618,972 | 1,741,743 |
| OTHER EXPENSES | | |
| Moving expenses | 30,566 | - |
| Loss on disposal of assets | 13,509 | 848 |
| TOTAL OTHER EXPENSES | 44,075 | 848 |
| CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS | 50,929 | 42,081 |
| NET ASSETS WITH DONOR RESTRICTIONS | | |
| Grants and contributions | 215,000 | 302,000 |
| Net assets released from restrictions | (445,410) | (472,422) |
| CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS | (230,410) | (170,422) |
| CHANGES IN NET ASSETS | (179,481) | (128,341) |
| NET ASSETS, BEGINNING OF YEAR | 553,820 | 682,161 |
| NET ASSETS, END OF YEAR | \$ 374,339 | \$ 553,820 |

See Notes to Financial Statements

SUPPORT KANSAS CITY, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended December 31, 2020 and 2019

| <i>Year ended December 31, 2020</i> | <u>Client Support Programs</u> | <u>Administration</u> | <u>Fundraising</u> | <u>Total All Funds</u> |
|---|------------------------------------|-----------------------|--------------------|----------------------------|
| Personnel costs | \$ 839,413 | \$ 339,990 | \$ 46,120 | \$ 1,225,523 |
| Professional services | 92,317 | 13,282 | - | 105,599 |
| Program costs and materials | 59,493 | - | - | 59,493 |
| Client reimbursable costs | 23,780 | - | - | 23,780 |
| Technology | 38,242 | 14,757 | 2,010 | 55,009 |
| Facility and operations | 62,345 | 24,058 | 3,276 | 89,679 |
| Office expenses | 7,340 | 5,123 | 386 | 12,849 |
| Marketing | - | - | 7,303 | 7,303 |
| Bad debt | 1,243 | 25,000 | - | 26,243 |
| TOTAL EXPENSES BEFORE DEPRECIATION | 1,124,173 | 422,210 | 59,095 | 1,605,478 |
| Depreciation | 9,381 | 3,620 | 493 | 13,494 |
| TOTAL FUNCTIONAL EXPENSES | \$ 1,133,554 | \$ 425,830 | \$ 59,588 | \$ 1,618,972 |

| <i>Year ended December 31, 2019</i> | <u>Client Support Programs</u> | <u>Administration</u> | <u>Fundraising</u> | <u>Total All Funds</u> |
|---|------------------------------------|-----------------------|--------------------|----------------------------|
| Personnel costs | \$ 960,675 | \$ 345,050 | \$ 30,197 | \$ 1,335,922 |
| Professional services | 144,246 | 19,244 | - | 163,490 |
| Program costs and materials | 32,344 | 6,402 | 432 | 39,178 |
| Client reimbursable costs | 20,636 | 5 | - | 20,641 |
| Technology | 39,954 | 20,110 | 877 | 60,941 |
| Facility and operations | 47,549 | 38,268 | 1,513 | 87,330 |
| Office expenses | 2,733 | 2,440 | 216 | 5,389 |
| Marketing | - | 6,167 | 2,286 | 8,453 |
| Bad debt | 4,159 | - | - | 4,159 |
| TOTAL EXPENSES BEFORE DEPRECIATION | 1,252,296 | 437,686 | 35,521 | 1,725,503 |
| Depreciation | 11,651 | 4,222 | 367 | 16,240 |
| TOTAL FUNCTIONAL EXPENSES | \$ 1,263,947 | \$ 441,908 | \$ 35,888 | \$ 1,741,743 |

See Notes to Financial Statements

SUPPORT KANSAS CITY, INC.

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2020 and 2019

| | 2020 | 2019 |
|---|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Changes in net assets | \$ (179,481) | \$ (128,341) |
| Adjustments to reconcile changes in net assets to net cash flows from operating activities: | | |
| Depreciation | 13,494 | 16,240 |
| Loss on disposal of property and equipment | 13,509 | 848 |
| Decrease (increase) in operating assets: | | |
| Accounts receivable, net | (36,333) | (34,604) |
| Grants receivable | 87,500 | 170,177 |
| Pledges receivable | - | (551) |
| Prepaid expenses | (2,653) | 525 |
| Increase (decrease) in operating liabilities: | | |
| Accounts payable | 22,042 | (4,312) |
| Accrued liabilities | 23,372 | (54,728) |
| Deferred revenue | (574) | (3,333) |
| Deferred rent | - | (3,427) |
| | (59,124) | (41,506) |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property and equipment | (1,075) | (3,785) |
| Proceeds from sale of fixed assets | - | 1,225 |
| | (1,075) | (2,560) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Paycheck protection program loan proceeds | 263,700 | - |
| Capital lease payments | (2,753) | (2,632) |
| | 260,947 | (2,632) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | | |
| NET CHANGES IN CASH | 200,748 | (46,698) |
| CASH, BEGINNING OF YEAR | 335,137 | 381,835 |
| CASH, END OF YEAR | \$ 535,885 | \$ 335,137 |
| UNRESTRICTED | \$ 403,444 | \$ 99,910 |
| RESTRICTED | 132,441 | 235,227 |
| CASH AND RESTRICTED CASH, END OF YEAR | \$ 535,885 | \$ 335,137 |

See Notes to Financial Statements

SUPPORT KANSAS CITY, INC.

NOTES TO FINANCIAL STATEMENTS

(1) Summary of significant accounting policies

Nature of operations - Support Kansas City, Inc. (the "Organization") is a not-for-profit corporation that provides administrative support services to small and medium-sized not-for-profit organizations in the Greater Kansas City area. Administrative support services include accounting, database management, payroll processing, fund development, project management, special event services and board and strategy development.

Basis of accounting - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

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

Cash - For purposes of the statement of cash flows, cash is considered to be cash on hand and cash in operating bank accounts.

Restricted cash and cash equivalents - Amounts included in restricted cash represent those required to be set aside by contractual agreement. These restricted cash amounts are reflected as assets on the statement of financial position and donor restricted funds. The restriction will lapse when the Organizations' contractual agreements expire.

Accounts receivable - Accounts receivable from clients is recorded for billed and unbilled services performed. Accounts receivable are reported net of an allowance for doubtful accounts. Unbilled work in progress is reported at net realizable value. The allowance is based upon management's estimate of the amount of receivables that will actually be collected. The estimate is based upon the examination of specific client payments, payment history and client status. Accounts receivable amounts are considered delinquent thirty days after billing. The Organization's practice for determining the allowance for doubtful accounts is based upon management's analysis of specific client accounts, however, most allowances and write-offs are a result of the customer terminating its operations.

Property and equipment - Fixed assets consist primarily of office equipment and are recorded at cost or, if donated, at fair value at the date of donation. Individual items with a cost of \$1,500 or greater and a useful life of greater than a year are generally capitalized. Depreciation is provided using straight-line methods over the estimated useful lives of the respective assets. Furniture and fixtures are generally depreciated over three to seven years while leasehold improvements are depreciated over fifteen years. Maintenance and repairs are charged to expense as incurred.

Net assets - To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, net assets are delineated into two groups according to their nature and purpose and/or time restriction:

Net assets without donor restrictions - The portion of expendable resources immediately available to support general operations.

Net assets with donor restrictions - Resources received by or unconditionally pledged to the Organization that have donor-imposed stipulations that expire with the passage of time or by the Organization expending funds for specific purposes as directed by the donor.

SUPPORT KANSAS CITY, INC.

NOTES TO FINANCIAL STATEMENTS

(1) Summary of significant accounting policies (continued)

Revenue recognition - All contribution and grant revenue is recognized in accordance with Topic 958, *Not-for-Profit Entities, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which was adopted on January 1, 2019. Under this guidance all contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as restricted contributions and increase net assets with donor restrictions.

Client support program fees are recognized in accordance with Topic 606, *Revenue from Contracts with Customers*, which was adopted on January 1, 2019 using the modified retrospective transition method. Revenue recognition is based on the five-step model: (i) identify the contract with the customer; (ii) identify the performance obligation in the contract; (iii) determine the contract price; (iv) allocate the transaction price; and (v) recognize revenue (or as) each performance obligation is satisfied. If it is determined that a contract with enforceable right and obligation does not exist, revenues are deferred until all criteria for an enforceable contract are met.

Client supporting program fee contracts are typically project-based services rendered on a stated per-unit rate per service performed. These contracts are cancelable by the clients at any time, with notice being required. The Organization applies the right to invoice practical expedient to client service revenue contracts, and recognizes revenue as invoiced, since the Organization's right to payment is for an amount that corresponds directly with the value provided to customers based on the Organization's performance to-date.

Contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are restricted for future periods or restricted by the donor are reported as restricted contributions and increase net assets with donor restrictions. Contributions received with donor-imposed conditions and restrictions that are met in the same reporting period are reported as support without donor restrictions and increase net assets without donor restrictions.

Contributed services and goods - The Organization recognizes contribution revenue and program expense for contributed goods and services at the fair value of those goods and services on the date received. Contributed services and goods consisted of \$54,956 and \$38,166 in rent discounts on the office space and contributed materials and supplies which were received during the years ended December 31, 2020 and 2019, respectively. These were included in in-kind donations revenue on the statements of activities and change in net assets and in facility and operations and office expenses on the statement of functional expenses.

Taxes - The Organization has been granted an exemption from income taxes by the Internal Revenue Service under the provisions of Section 501(c)(3) of the Internal Revenue Code. Additionally, the Organization has been classified as a Section 509(a)(3) Organization which is a supporting organization rather than a private foundation. Subsequent to year end, the Organization applied for and received approval for reclassification to a public charity under Section 509(a)(2), effective June 24, 2020. As such, no provision is made for income taxes in these statements. The Organization has adopted the standards requiring disclosure of uncertain tax positions under the ASC topic "Income Taxes." There has been no interest or penalties recognized in the financial statements related to uncertain tax positions. The Organization files its federal Exempt Organization Business Income Tax Return (Form 990) annually. The Organization is no longer subject to income tax examinations by taxing authorities for years before 2017.

Reclassification - Certain reclassifications have been made to the categorization expenses on the statement of activities and changes in net assets and functional expenses in the 2019 financial statements to conform to the 2020 presentation.

SUPPORT KANSAS CITY, INC.

NOTES TO FINANCIAL STATEMENTS

(1) Summary of significant accounting policies (continued)

Functional expenses - The Organization's costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Expenses that can be identified with a specific program, general and administrative functions, or fundraising efforts are allocated directly to those functional categories. Salaries and wages and related personnel costs are allocated based upon estimated time and effort. Other expenses that are common to several functions are allocated based upon the allocation of salaries and wages to those functions. Property and depreciation expenses are partially allocated using salaries and wages and are also directly allocated. Bad debt expense is classified as a program expense or administrative on the statement of functional expenses based on the nature of the associated revenue. Program costs and materials include the direct costs associated with providing specific program services, such as program disbursements (grant awards), the cost of meetings, and other related activities.

(2) Accounts receivable

Accounts receivable consisted of the following at December 31, 2020 and 2019:

| | <u>2020</u> | <u>2019</u> |
|---------------------------------|-------------------|-------------------|
| Accounts receivable | \$ 85,691 | \$ 50,383 |
| Unbilled work in progress | 83,645 | 83,620 |
| Gross accounts receivable | 169,336 | 134,003 |
| Allowance for doubtful accounts | - | (1,000) |
| Accounts receivable, net | <u>\$ 169,336</u> | <u>\$ 133,003</u> |

(3) Property and equipment

Property and equipment consisted of the following at December 31, 2020 and 2019:

| | <u>2020</u> | <u>2019</u> |
|--|------------------|------------------|
| Furniture, fixtures and equipment, at cost | \$ 50,450 | \$ 83,907 |
| Leasehold improvements | - | 7,746 |
| Total cost | 50,450 | 91,653 |
| Accumulated depreciation | (38,817) | (54,092) |
| Property and equipment, net | <u>\$ 11,633</u> | <u>\$ 37,561</u> |

The aggregate depreciation charged to operations was \$13,494 and \$16,240 for the years ended December 31, 2020 and 2019, respectively.

SUPPORT KANSAS CITY, INC.

NOTES TO FINANCIAL STATEMENTS

(4) Paycheck protection program loan

During the year ended December 31, 2020, the Organization received a Paycheck Protection Program (PPP) loan of \$263,700, granted by the Small Business Administration under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). PPP loans are considered debt, unless forgiven if the funds are used to maintain compensation costs and employee headcount, and other qualifying expenses (rent and utilities) incurred following the receipt of the funds.

The terms of the PPP loan require that the Organization utilizes the funds for the specified purposes. If the requirements for forgiveness are not met, the loan accrues interest at 1% with monthly payments of \$14,650 beginning October 10, 2020 and will mature on March 10, 2022, totaling payments of \$219,750 and \$43,950 during the years ended December 31, 2021 and 2022, respectively.

As of December 31, 2020, the Organization has included the loan payable as a liability on the statements of financial position and has not recognized any contribution revenue on the statements of activities and changes in net assets. The Organization's application for forgiveness of the loan was approved on April 10, 2021.

(5) Lease commitments

During the year ended December 31, 2020, the Organization entered into a new operating lease for office space, beginning on October 1, 2020, with escalating rent payments averaging \$4,150 per month through March 2026.

Rent expense is recorded on a straight-line basis over the life of the lease. The difference between the amount of "base rent" paid and rent expense is recorded as deferred rent in the financial statements. During the term of the lease, the Organization is also required to pay "additional rent" defined as the tenant's percentage of any increase in the landlord's operating and maintenance costs of the building over and above the amount of such costs incurred during the last full calendar year immediately preceding the date on which the Organization occupied the premises.

Rent expense for office space totaled \$77,733 and \$73,957 for the years ended December 31, 2020 and 2019, respectively. The Organization includes in-kind rent in rent expense.

Minimum future lease payments required under the operating leases are as follows:

Years Ending December 31,

| | |
|-------------------------------------|--------------------------|
| 2021 | \$ 44,118 |
| 2022 | 51,405 |
| 2023 | 52,545 |
| 2024 | 53,685 |
| 2025 | 53,685 |
| 2026 | <u>12,780</u> |
| Total minimum future lease payments | <u><u>\$ 268,218</u></u> |

The Organization leased a copier under a capital lease expiring in December 2021 during August 2017. The asset will be depreciated over its useful life. Depreciation under this capital lease is included in depreciation expense and is \$2,637 a year for the years ended December 31, 2020 and 2019, respectively.

SUPPORT KANSAS CITY, INC.

NOTES TO FINANCIAL STATEMENTS

(5) Lease commitments (continued)

Minimum future lease payments required under the capital lease are as follows:

| | | |
|-----------------------------------|----|-------|
| December 31, 2021 | \$ | 2,882 |
| Less amount representing interest | | (171) |
| Capital lease obligation | \$ | 2,711 |

The related cost and accumulated depreciation noted above is included in property and equipment as described in Note 3.

(6) Net assets with donor restrictions

Net assets with donor restrictions were available for the following purpose at December 31, 2020 and 2019:

| | 2020 | 2019 |
|---|-------------|-------------|
| Support Kansas City Capacity Building | \$ 61,511 | \$ 26,092 |
| Kansas City Cultural Competency Initiative | - | 154,886 |
| Fiscal agent services | 11,000 | - |
| Jumpstart Database Program | - | 6,000 |
| Early Childhood Capacity and Client Capacity Building | - | 64,702 |
| Board Diversity and Inclusion initiative | 18,730 | 69,971 |
| Total net assets with donor restrictions | \$ 91,241 | \$ 321,651 |

Net assets with donor restrictions released by incurring program expenses consisted of the following at December 31, 2020 and 2019:

| | 2020 | 2019 |
|---|-------------|-------------|
| Kansas City Cultural Competency Initiative | \$ 154,886 | \$ 190,680 |
| Jumpstart Database Program | 6,000 | 6,000 |
| Early Childhood Capacity and Client Capacity Building | 64,701 | 8,649 |
| Support Kansas City Capacity Building | 129,581 | 138,714 |
| Board Diversity and Inclusion initiative | 71,242 | 25,028 |
| Fiscal Agent Services | 19,000 | 13,200 |
| Future operations | - | 90,151 |
| Total releases | \$ 445,410 | \$ 472,422 |

(7) Pension plan

The Organization has established a defined contribution 401(k) retirement plan for the benefit of employees with three months of service or more who are at least 21 years old. Employees become eligible at the beginning of the month following three months of employment. Employer contributions to the plan are made at the discretion of the Organization. The Organization did not make a discretionary matching contribution on the plan during the year ended December 31, 2019. During the year ended December 31, 2020 the Organization accrued for a discretionary match of \$25,167 to be funded in 2021.

SUPPORT KANSAS CITY, INC.

NOTES TO FINANCIAL STATEMENTS

(8) Cash flow disclosures

Cash paid for interest expense amounted to \$513 and \$321 for the years ended December 31, 2020 and 2019, respectively.

The Organization maintains cash accounts in several commercial financial institutions which, at times, are in excess of federally insured limits. Management monitors the soundness of these financial institutions and feels the Organization's risk is negligible. The Organization has not experienced losses on any such accounts.

(9) Liquidity disclosure

The Organization has various sources of liquidity at its disposal. For purposes of analyzing resources available over a 12-month period, the Organization considers all expenditures related to its ongoing activities to be general expenditures. Additionally, the Organization monitors its budget and anticipates sufficient revenue to cover general expenditures over the next 12 months. Refer to the statement of cash flows which identifies the sources and uses of the Organization's cash. As of December 31, 2020 and 2019, the following financial assets could be made available within one year of the balance sheet date to meet general obligations:

The Organization had \$577,280 and \$233,464 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures at December 31, 2020 and 2019, respectively. The Organization has a practice of maintaining liquid financial assets, which consist of cash and short-term other assets, sufficient to cover 60-90 days of normal operating expenses, which average approximately \$140,000 per month. The Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

| | December 31, | |
|---|---------------------|-------------------|
| | 2020 | 2019 |
| Total financial assets available | \$ 712,721 | \$ 563,691 |
| Less: | | |
| Restricted cash to be used in operations | 132,441 | 235,227 |
| Restricted portion of grants receivable | 3,000 | 95,000 |
| Financial assets available for general expenditures over the next 12 months | <u>\$ 577,280</u> | <u>\$ 233,464</u> |

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization anticipates collecting sufficient client support program fees to cover general expenditures not covered by donor-restricted resources. The Organization considers all expenditures related to its ongoing activities to be general expenditures.

(10) Subsequent events

Management has evaluated subsequent events through July 28, 2021, which is the date the financial statements were available to be issued. The following events were identified during this evaluation that would require disclosure in the financial statements or footnotes.

The Organization's application for forgiveness of its Paycheck Protection Program (PPP) loan of \$263,700 was approved on April 10, 2021 as described in note 4.

The Organization's application for a second Paycheck Protection Program (PPP) loan of \$220,000 was approved on March 15, 2021. No other matters were identified during this evaluation for disclosure in the financial statements or footnotes.