



Atlanta Children's Shelter, Inc.

FINANCIAL STATEMENTS

December 31, 2021 with Comparative totals for 2020

REPORT

1	Independent Auditors' Report.....
3	FINANCIAL STATEMENTS Statements of Financial Position.....
4	Statements of Activities.....
5	Statements of Functional Expenses.....
7	Statements of Cash Flows.....
8	Notes to Financial Statements.....

Page



REPORT





Carr, Riggs & Ingram, LLC
404 Summit Boulevard NE
Suite 800
Atlanta, GA 30319
770.394.8000
770.451.2873 (fax)
CRIPA.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Atlanta Children's Shelter, Inc.

Opinion

We have audited the accompanying financial statements of Atlanta Children's Shelter, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Atlanta Children's Shelter, Inc. as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our ethical responsibilities in accordance with the 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 audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

Report on Summarized Comparative Information

We have previously audited the Organization's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 22, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

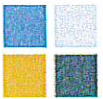
Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Atlanta, Georgia
July 26, 2022



FINANCIAL STATEMENTS



Atlanta Children's Shelter, Inc.
Statements of Financial Position

<i>December 31,</i>	2021	2020
	Total	Comparative Total
Assets		
Current assets		
Cash and cash equivalents	\$ 1,920,577	\$ 1,511,213
Restricted cash	298,859	210,935
Contributions receivable	126,176	108,248
Investments	3,162,568	2,825,697
Prepaid expenses	48,186	18,540
Total current assets	5,556,366	4,674,633
Non-current assets		
Property and equipment, net	471,039	501,816
Total assets	\$ 6,027,405	\$ 5,176,449
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 4,591	\$ 19,122
Accrued expenses	25,284	24,654
Total current liabilities	29,875	43,776
Net assets		
Without donor restrictions	5,698,671	4,921,738
With donor restrictions	298,859	210,935
Total net assets	5,997,530	5,132,673
Total liabilities and net assets	\$ 6,027,405	\$ 5,176,449

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

Atlanta Children's Shelter, Inc.
Statements of Activities

For the years ended December 31, **2021** **2020**

	Without Donor Restrictions	With Donor Restrictions	Comparative Total
Revenues, gains and support			
Contributions	\$ 1,200,661	\$ 148,001	\$ 1,348,662
Grants	-	244,325	371,300
Special events	463,422	-	381,139
In-kind donations	199,080	-	238,627
Investment income, net	343,085	-	232,723
Paycheck Protection Program Loan Forgiveness	-	-	161,275
Miscellaneous income	1,005	-	1,005
Net assets released from restrictions	304,402	(304,402)	-
Total revenues, gains and support	2,511,655	87,924	2,599,579
Expenses			
Program services	1,336,374	-	1,336,374
Supporting services	-	-	1,455,162
Management and general	186,292	-	186,292
Fundraising	212,056	-	212,056
Total expenses	1,734,722	-	1,734,722
Change in net assets	776,933	87,924	864,857
Net assets at beginning of year	4,921,738	210,935	5,132,673
Net assets at end of year	\$ 5,698,671	\$ 298,859	\$ 5,997,530

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

Atlanta Children's Shelter, Inc.
Statement of Functional Expenses

For the year ended December 31, 2021

	Program Services	Management and General	Fundraising	Total
Personnel Expenses				
Salaries	\$ 512,989	\$ 112,384	\$ 115,361	\$ 740,734
Employee benefits	143,618	30,342	39,022	212,982
Payroll taxes	37,985	8,947	9,088	56,020
Retirement plan	8,458	1,304	1,263	11,025
Total personnel expenses	703,050	152,977	164,734	1,020,761
Other Expenses				
In-kind rent	160,243	12,747	9,105	182,095
Direct client services	135,810	-	-	135,810
Contract services	120,199	98	70	120,367
Depreciation	60,770	-	-	60,770
Utilities	39,976	3,132	2,237	45,345
IT services and supplies	35,110	2,662	1,902	39,674
Dues and fees	10,510	5,841	4,708	21,059
Equipment, maintenance and repairs	12,763	589	6,235	19,587
Insurance	14,343	3,151	659	18,153
Accounting and legal fees	14,520	1,155	825	16,500
Special events	-	-	11,534	11,534
Telecommunications	9,032	718	513	10,263
Miscellaneous	5,537	1,473	1,273	8,283
Training	609	-	7,021	7,630
Office supplies	2,936	690	827	4,453
Food and food supplies	4,350	-	-	4,350
Travel	2,650	-	-	2,650
Printing	2,133	49	312	2,494
Postage	1,833	142	101	2,076
Board expenses	-	868	-	868
Total other expenses	633,324	33,315	47,322	713,961
Total expenses	\$ 1,336,374	\$ 186,292	\$ 212,056	\$ 1,734,722

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

Atlanta Children's Shelter, Inc.
Statement of Functional Expenses (Continued)

For the year ended December 31, 2020

	Program	Management	Fundraising	Total
Personnel Expenses				
Salaries	\$ 521,412	\$ 111,522	\$ 103,172	\$ 736,106
Employee benefits	162,300	30,717	35,885	228,902
Payroll taxes	41,847	9,055	7,036	57,938
Retirement plan	6,544	1,423	1,445	9,412
Total personnel expenses	732,103	152,717	147,538	1,032,358
Other Expenses				
Direct client services	269,790	-	-	269,790
In-kind rent	163,398	12,998	9,284	185,680
Contract services	76,255	-	-	76,255
Depreciation	55,129	-	-	55,129
Equipment, maintenance and repairs	40,110	2,498	7,035	49,643
Utilities	40,578	3,040	2,153	45,771
IT services and supplies	30,940	2,210	1,678	34,828
Insurance	11,777	4,933	471	17,181
Dues and fees	6,949	6,154	3,863	16,966
Accounting and legal fees	-	13,000	-	13,000
Telecommunications	9,953	792	566	11,311
Special events	-	-	9,280	9,280
Food and food supplies	6,663	-	-	6,663
Training	385	70	5,477	5,932
Office supplies	3,569	1,046	982	5,597
Miscellaneous	1,975	1,260	900	4,135
Travel	2,725	-	-	2,725
Printing	1,413	640	163	2,216
Board expenses	-	2,130	-	2,130
Postage	1,450	196	104	1,750
Total other expenses	723,059	50,967	41,956	815,982
Total expenses	\$ 1,455,162	\$ 203,684	\$ 189,494	\$ 1,848,340

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

Atlanta Children's Shelter, Inc.
Statements of Cash Flows

<i>For the years ended December 31,</i>	2021	2020
Operating Activities		
Change in net assets	\$ 864,857	\$ 990,484
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	60,770	55,129
Realized and unrealized gains on investments	(219,762)	(144,499)
Change in operating assets and liabilities:		
Contributions receivable, net	(17,928)	(4,479)
Prepaid expenses	(29,646)	27,559
Accounts payable	(14,531)	13,679
Accrued expenses	630	(20,472)
Net cash provided by operating activities	644,390	917,401
Investing Activities		
Purchases of property and equipment	(29,993)	(75,151)
Purchases of investments	(568,705)	(841,644)
Proceeds from sale of investments	451,596	550,160
Net cash used in investing activities	(147,102)	(366,635)
Net change in cash, cash equivalents and restricted cash	497,288	550,766
Cash, cash equivalents and restricted cash at beginning of year	1,722,148	1,171,382
Cash, cash equivalents and restricted cash at end of year	\$ 2,219,436	\$ 1,722,148

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

Atlanta Children's Shelter, Inc.
Notes to Financial Statements

Note 1: DESCRIPTION OF THE ORGANIZATION

Atlanta Children's Shelter, Inc. (the Organization) is a not-for-profit corporation organized exclusively for religious, charitable and/or educational purposes under Section 501(c)(3) of the Internal Revenue Code. The Organization provides loving, quality child development and support services for homeless families striving to become self-sufficient. Services are provided free of charge to homeless families with children ages one month to five years of age residing in homeless shelters in metropolitan Atlanta and surrounding areas. The Organization operates from a single leased facility in Atlanta, Georgia.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support and other income and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to the allowance for doubtful accounts, the fair value of investments, allocation of functional expenses and gifts in-kind.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

Restricted Cash

Amounts included in restricted cash represent funds that are subject to donor-imposed restrictions.

Atlanta Children's Shelter, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions Receivable

Contributions receivable are stated at unpaid balances, less an allowance for doubtful receivables. Contributions receivable are not recognized in the financial statements until the conditions are substantially met or explicitly waived by the donor. Unconditional contributions receivable that are expected to be collected within one year are recorded at net realizable value. The Organization had no unconditional contributions receivable that were expected to be collected in more than one year at December 31, 2021 or 2020.

The Organization provides for doubtful receivables equal to the estimated collection losses that will be incurred in the collection of all receivables. The estimated losses are based on historical collection experience coupled with a review of the current status of all receivables. Management considers all outstanding accounts receivable to be fully collectible at December 31, 2021 and 2020.

Investments

The Organization reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the Statements of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statements of Activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Property and Equipment

All acquisitions of property and equipment in excess of \$500 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

Net Assets

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets (continued)

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Revenue Recognition

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

Special events revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. The Organization recognizes special events revenue equal to the fair value of direct benefits to donors when the special event takes place. The contribution element is recognized immediately, unless there is a right of return if the special event does not take place.

The Organization recognizes revenues on grants based upon the date the services are completed.

Donated Assets

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to salaries, taxes and employee benefits are allocated based on actual percentages of time spent in each functional area. Expenses related to rent and upkeep of the facility are allocated across functional areas based on a square footage basis.

Income Taxes

Under section 501(c)(3) of the Internal Revenue Code, the Organization is exempt from taxes on income other than unrelated business income. The Organization had no unrelated business income for the years ended December 31, 2021 and 2020.

The Organization utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of December 31, 2021 and 2020, the Organization has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements.

Atlanta Children's Shelter, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassifications

Certain reclassifications were made to prior year balances to conform with current year presentation. The reclassifications had no effect on previously reported net income or net assets.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, July 26, 2022, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Accounting Guidance Not Yet Adopted

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This ASU specifies requirements for the recognition and initial measurement of contributions and disclosure requirements for contributed services. The ASU is effective for fiscal years beginning after June 15, 2021. Early adoption is permitted. The Organization is currently evaluating the full effect that the adoption of this standard will have on the financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled Leases. Under the guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. For nonpublic entities, the standard is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Organization is currently evaluating the impact of the guidance on its financial statements.

Atlanta Children's Shelter, Inc.
Notes to Financial Statements

Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY

The Organization maintains its financial assets primarily in cash and cash equivalents and investments to provide liquidity to ensure funds are available as the Organization's expenditures come due. The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

<i>December 31,</i>	
2021	2020
Total assets at year end	\$ 6,027,405
Less non-financial assets	\$ 5,176,449
Prepaid expenses and other assets	(18,540)
Property and equipment, net	(471,039)
Total financial assets at year-end	5,508,180
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions	(298,859)
Restricted by donor with purpose restrictions	(210,935)
Undesignated investments not intended to be liquidated within one year	(3,162,568)
Total amounts not available to be used within one year	(3,461,427)
Financial assets available to meet cash needs for general expenditures within one year	\$ 2,046,753
	\$ 1,619,461

The Organization is principally supported by its contributions received. The goal of the Organization is to maintain available financial assets to meet its next 90 days of operating expenses.

Atlanta Children's Shelter, Inc.
Notes to Financial Statements

Note 4: INVESTMENTS

Investments in marketable securities consist of the following:

<i>December 31, 2021</i>	Cost	Market Value
Mutual funds and equity securities	\$ 1,159,631	\$ 1,679,644
Bonds and other fixed income securities	1,415,278	1,482,924
Total investments in marketable securities	\$ 2,574,909	\$ 3,162,568
<hr/>		
<i>December 31, 2020</i>	Cost	Market Value
Mutual funds and equity securities	\$ 1,145,343	\$ 1,477,648
Bonds and other fixed income securities	1,298,636	1,348,049
Total investments in marketable securities	\$ 2,443,979	\$ 2,825,697

Note 5: PROPERTY AND EQUIPMENT

The components of property and equipment at December 31, 2021 and 2020, are as follows:

<i>December 31,</i>	Estimated Useful Lives (years)	2021	2020
Leasehold improvements	7-20	\$ 1,315,035	\$ 1,315,035
Furniture and fixtures	5-7	94,368	85,664
Vehicles	5	27,023	27,023
Software	5	144,577	124,310
		1,581,003	1,552,032
Less accumulated depreciation		(1,109,964)	(1,050,216)
Property and equipment, net		\$ 471,039	\$ 501,816

Depreciation expense for the years ended December 31, 2021 and 2020 was approximately \$61,000 and \$55,000, respectively.

Atlanta Children's Shelter, Inc.
Notes to Financial Statements

Note 6: NET ASSETS

A summary of net assets with donor restrictions follows:

	<i>December 31,</i>	
	2021	2020
Purpose restricted		
Capital improvements	\$ 68,742	\$ 87,500
Childcare expenses	96,750	61,807
Social services expenses	73,367	11,628
Salary bonuses	60,000	50,000
Total net assets with donor restrictions	\$ 298,859	\$ 210,935

Note 7: FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets' inputs, other than quoted prices, that are:
- Observable; or
- Can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020. All have been valued using Level 1 inputs.

Corporate bonds and other fixed income securities: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. The bonds and securities are deemed to be actively traded.

Atlanta Children’s Shelter, Inc.
Notes to Financial Statements

Note 7: FAIR VALUE MEASUREMENTS (Continued)

Mutual funds and equity securities: Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily Net Asset Value (NAV) and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Assets and liabilities measured at fair value on a recurring basis, are summarized for the years ended December 31, 2021 and 2020:

<u>December 31, 2021</u>	Level 1	Level 2	Level 3	Total
Mutual funds and equity securities	\$ 2,325,826	\$ -	\$ -	\$ 2,325,826
Bonds and other fixed income securities	836,742	-	-	836,742
Total investments at fair value	\$ 3,162,568	\$ -	\$ -	\$ 3,162,568
<hr/>				
<u>December 31, 2020</u>	Level 1	Level 2	Level 3	Total
Mutual funds and equity securities	\$ 2,108,560	\$ -	\$ -	\$ 2,108,560
Bonds and other fixed income securities	717,137	-	-	717,137
Total investments at fair value	\$ 2,825,697	\$ -	\$ -	\$ 2,825,697

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets. For the years ended December 31, 2021 and 2020, there were no significant transfers in or out of Levels 1, 2 or 3.

Note 8: CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash deposits with financial institutions at December 31, 2021 and 2020 in excess of federally insured limits of \$198,535 and \$321,772 respectively.

Note 9: IN KIND DONATIONS

The Organization operates in leased facilities that are under lease until November 13, 2031.

The landlord is providing these facilities without charge. These financial statements have reported an in-kind donation and in-kind rent expense of approximately \$182,000 and \$186,000 for the years ended 2021 and 2020, respectively. As a condition of the lease, the landlord designates three members of the Organization's Board.

Donations of goods are recorded as support at their estimated fair value at the time of donation. Unless specified otherwise by the donor, these donations are reported as unrestricted in the statement of activities. During the year ended December 31, 2021 and 2020, the Organization recognized donations of goods of approximately \$17,000 and \$53,000, respectively.

Note 10: 403(b) TAX SHELTERED ANNUITY

The Organization maintains a tax-deferred annuity plan under Section 403(b) of the Internal Revenue Code (the Plan). Employees become eligible to participate in the Plan on the first day of the month after they are hired. Participants can defer up to 10% of their salary, on which the Organization can elect on an annual basis to match up to 3% for all employees. All full-time employees are eligible to enroll in the Plan. Employees are fully vested and eligible for employer match only after one year of service in which at least 1,000 hours are served. Contributions to the Plan are made by employees through salary deferral. During the years ended December 31, 2021 and 2020, the Organization made matching contributions of approximately \$11,000 and \$9,000, respectively.

Note 11: PAYMENT PROTECTION PROGRAM

In April 2020, in response to the global pandemic, the Organization applied for and received a \$161,275 loan through the Paycheck Protection Program under the CARES Act. The Organization applied for and received forgiveness of \$161,275 of the debt and recorded the amount as contribution revenue during 2020.

Note 12: UNCERTAINTIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant impact on the operating activities and results of the Organization. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.