

FRIENDS OF QUARRY HILL NATURE CENTER, INC.

Financial Statements

For the Years Ended December 31, 2021 and 2020

FRIENDS OF QUARRY HILL NATURE CENTER, INC.

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### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Friends of Quarry Hill Nature Center, Inc.  
Rochester, Minnesota

#### **Opinion**

We have audited the accompanying financial statements of Friends of Quarry Hill Nature Center, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statement referred to above present fairly, in all material respects, the financial position of Friends of Quarry Hill Nature Center, Inc. as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

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

#### **Responsibilities of Management for the Financial Statements**

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

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

To the Board of Directors  
Friends of Quarry Hill Nature Center, Inc.

### **Auditor's 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 auditor's 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 misstatements 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 Friends of Quarry Hill Nature Center, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Friends of Quarry Hill Nature Center, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Alan C. Anderson Chrd*

Rochester, Minnesota

September 17, 2022

FRIENDS OF QUARRY HILL NATURE CENTER, INC.  
 Statements of Financial Position  
 December 31, 2021 and 2020

ASSETS

	2021	2020
Current assets		
Cash and cash equivalents	\$ 713,351	\$ 543,035
Accounts receivable	8,260	3,580
Employee Retention Credit receivable	34,802	34,802
Inventory	4,017	2,197
Prepaid expenses	9,657	9,474
Total current assets	770,087	593,088
Property and equipment, at cost, less accumulated depreciation of \$74,175 for 2021 and \$74,404 for 2020	4,600	6,425
Other assets		
Beneficial interest in assets held by Foundation	436,960	392,810
<b>TOTAL ASSETS</b>	<b>\$ 1,211,647</b>	<b>\$ 992,323</b>

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	\$ 7,293	\$ 10,891
Accrued wages	18,193	16,809
Unearned revenue	12,190	1,620
Total current liabilities	37,676	29,320
Net assets		
Without donor restrictions		
Undesignated	1,149,475	936,862
With donor restrictions - purpose restricted	24,496	26,141
Total net assets	1,173,971	963,003
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,211,647</b>	<b>\$ 992,323</b>

(See notes to financial statements)

FRIENDS OF QUARRY HILL NATURE CENTER, INC.

Statement of Activities

For the Year Ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
In-kind contributions	\$ 319,393	\$ -	\$ 319,393
Pandemic-related grants	126,707	69,200	195,907
Tuition/program fees	189,718	-	189,718
Donations	145,869	10,000	155,869
Reimbursements	42,549	-	42,549
Realized and unrealized gains on investments	38,239	-	38,239
Fundraisers and exhibits	19,733	-	19,733
Rentals	11,195	-	11,195
Interest and dividends	10,841	-	10,841
Merchandise sales	8,439	-	8,439
Net assets released from restrictions			
Pandemic-related programs	69,200	(69,200)	-
Program supplies/equipment	11,645	(11,645)	-
Total revenues, gains, and other support	<u>993,528</u>	<u>(1,645)</u>	<u>991,883</u>
Expenses			
Program services	669,131	-	669,131
Management and general	103,509	-	103,509
Fundraising events	8,275	-	8,275
Total expenses	<u>780,915</u>	<u>-</u>	<u>780,915</u>
Changes in net assets	212,613	(1,645)	210,968
Net assets - beginning of year	<u>936,862</u>	<u>26,141</u>	<u>963,003</u>
Net assets - end of year	<u>\$ 1,149,475</u>	<u>\$ 24,496</u>	<u>\$ 1,173,971</u>

(See notes to financial statements)

FRIENDS OF QUARRY HILL NATURE CENTER, INC.

Statement of Activities

For the Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
In-kind contributions	\$ 305,083	\$ -	\$ 305,083
Pandemic-related grants	34,802	141,700	176,502
Donations	140,608	2,350	142,958
Tuition/program fees	106,741	-	106,741
Reimbursements	41,068	-	41,068
Realized and unrealized gains on investments	28,135	-	28,135
Fundraisers and exhibits	8,319	6,740	15,059
Rentals	14,438	-	14,438
Interest and dividends	9,445	-	9,445
Merchandise sales	6,608	-	6,608
Net assets released from restrictions			
Pandemic-related programs	141,700	(141,700)	-
Program supplies/equipment	2,351	(2,351)	-
Scholarships	1,689	(1,689)	-
Total revenues, gains, and other support	<u>840,987</u>	<u>5,050</u>	<u>846,037</u>
Expenses			
Program services	1,131,177	-	1,131,177
Management and general	97,153	-	97,153
Fundraising events	9,842	-	9,842
Total expenses	<u>1,238,172</u>	<u>-</u>	<u>1,238,172</u>
Changes in net assets	(397,185)	5,050	(392,135)
Net assets - beginning of year	<u>1,334,047</u>	<u>21,091</u>	<u>1,355,138</u>
Net assets - end of year	<u>\$ 936,862</u>	<u>\$ 26,141</u>	<u>\$ 963,003</u>

(See notes to financial statements)

FRIENDS OF QUARRY HILL NATURE CENTER, INC.

Statement of Functional Expenses  
For the Year Ended December 31, 2021

	Program Services	Management and General	Fundraising	Total
Salaries and payroll taxes	\$ 304,288	\$ 73,379	\$ 2,341	\$ 380,008
Accounting and professional fees	7,494	833	-	8,327
Community education/programs	22,147	-	-	22,147
Cost of goods sold	3,659	-	-	3,659
Custodial	2,395	-	-	2,395
Employee benefits	4,627	1,116	35	5,778
Fundraising/events	-	-	5,899	5,899
Insurance	11,202	1,245	-	12,447
Miscellaneous	3,281	365	-	3,646
Office expense and website	5,255	584	-	5,839
Rent	298,048	15,687	-	313,735
Service charges	-	10,249	-	10,249
Transfers to City of Rochester for facility	3,585	-	-	3,585
Travel/staff expenses	2,172	-	-	2,172
Total expenses before depreciation	<u>668,153</u>	<u>103,458</u>	<u>8,275</u>	<u>779,886</u>
Depreciation	978	51	-	1,029
Total expenses	<u><u>\$ 669,131</u></u>	<u><u>\$ 103,509</u></u>	<u><u>\$ 8,275</u></u>	<u><u>\$ 780,915</u></u>

(See notes to financial statements)



FRIENDS OF QUARRY HILL NATURE CENTER, INC.

Statement of Functional Expenses  
For the Year Ended December 31, 2020

	Program Services	Management and General	Fundraising	Total
Salaries and payroll taxes	\$ 246,297	\$ 68,105	\$ 2,188	\$ 316,590
Accounting and professional fees	7,357	817	-	8,174
Community education/programs	30,504	-	-	30,504
Cost of goods sold	3,086	-	-	3,086
Custodial	8,677	-	-	8,677
Employee benefits	4,291	1,186	38	5,515
Fundraising/events	-	-	7,616	7,616
Insurance	11,740	1,304	-	13,044
Miscellaneous	4,494	234	-	4,728
Office expense and website	4,877	536	-	5,413
Rent	283,853	14,942	-	298,795
Service charges	-	10,007	-	10,007
Transfers to City of Rochester for facility	523,263	-	-	523,263
Travel/staff expenses	2,314	-	-	2,314
Total expenses before depreciation	<u>1,130,753</u>	<u>97,131</u>	<u>9,842</u>	<u>1,237,726</u>
Depreciation	424	22	-	446
Total expenses	<u>\$ 1,131,177</u>	<u>\$ 97,153</u>	<u>\$ 9,842</u>	<u>\$ 1,238,172</u>

(See notes to financial statements)

FRIENDS OF QUARRY HILL NATURE CENTER, INC.  
 Statements of Cash Flows  
 For the Years Ended December 31, 2021 and 2020

	2021	2020
Cash Flows From Operating Activities		
Changes in net assets	\$ 210,968	\$ (392,135)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	1,029	446
Noncash contribution of assets	(5,658)	(6,288)
Realized and unrealized (gains) on investments	(38,239)	(28,135)
(Increase) decrease in operating assets		
Accounts receivable	(4,680)	(230)
Employee Retention Credit receivable	-	(34,802)
Inventory	(1,820)	676
Prepaid expenses	(183)	194
Increase (decrease) in operating liabilities		
Accounts payable	(3,598)	3,646
Accrued wages	1,384	(1,824)
Unearned revenue	10,570	(7,401)
Net cash provided (used) by operating activities	169,773	(465,853)
Cash Flows From Investing Activities		
Proceeds from sale of investments	5,658	6,690
Purchase of other assets	(9,760)	(3,322)
Proceeds from sale of other assets	3,849	16,600
Purchase of property and equipment	(3,699)	(5,193)
Transfers of property to City of Rochester	3,585	523,263
Other disposals of property	910	-
Net cash provided by investing activities	543	538,038
Net increase in cash and cash equivalents	170,316	72,185
Cash and cash equivalents - beginning of year	543,035	470,850
Cash and cash equivalents - end of year	\$ 713,351	\$ 543,035

(See notes to financial statements)

FRIENDS OF QUARRY HILL NATURE CENTER, INC.  
Notes to Financial Statements

1. Organization and Summary of Significant Accounting Policies

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Organization

Friends of Quarry Hill Nature Center, Inc. was formed to enhance and support the environmental education programs for students and adults at Quarry Hill Nature Center in Rochester, Minnesota. Numerous classes and activities are conducted that are open both to school children and the general public. Friends of Quarry Hill Nature Center Inc.'s major sources of revenue are tuition and program fees, contributions and grants, fundraisers and events, and reimbursements.

Quarry Hill Nature Center is operated under an agreement with the City of Rochester. Friends of Quarry Hill Nature Center, Inc. has its own employees. The City of Rochester owns and insures the buildings, provides upkeep and capital improvements to buildings and grounds, and pays for utility costs and daily custodial care.

Basis of Accounting

The financial statements of Friends of Quarry Hill Nature Center, Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Classification of Net Assets

Net assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

*Net assets without donor restrictions:* Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

*Net assets with donor restrictions:* Net assets subject to stipulations imposed by donors and grantors. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Organization. Certain restrictions may need to be maintained in perpetuity.

Earnings related to net assets with donor restrictions will be included in net assets without donor restrictions unless otherwise specifically required to be included in net assets with donor restrictions or by applicable state law.

FRIENDS OF QUARRY HILL NATURE CENTER, INC.  
Notes to Financial Statements (continued)

1. Organization and Summary of Significant Accounting Policies (continued)

Contributions

Contributions and revenues from special fundraising events are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence or nature of any donor restrictions.

All donor-restricted contributions are reported as increases in net assets with donor restrictions. 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 statement of activities as net assets released from restrictions.

Donated Services and Materials

Donated materials are recorded as contributions at their estimated fair market value at date of receipt. The estimated fair market value of donated services are determined and recognized in the financial statements if the services created or enhanced non-financial assets or required specialized skills specific to the service performed and would have been purchased if not provided through donations. No donated services were recognized for the years ended December 31, 2021 and 2020.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and has been classified by the Internal Revenue Service as other than a private foundation. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A).

The Organization has not been audited by the Internal Revenue Service or Minnesota Revenue, and accordingly tax returns for the past three and one-half years are open to examination.

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Organization considers all investment instruments purchased with a maturity of three months or less to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

FRIENDS OF QUARRY HILL NATURE CENTER, INC.  
Notes to Financial Statements (continued)

1. Organization and Summary of Significant Accounting Policies (continued)

Investments

Generally accepted accounting principles provide a framework for measuring fair value of investments. That framework establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). Investment return consisting of interest and dividends and realized and unrealized gains on investments are reported on the statements of net activities net of external and direct internal investment expenses.

Receivables

Receivables are stated at the amount management expects to collect from outstanding balances. Management monitors outstanding receivables and charges off to expense all amounts that are determined to be uncollectible. No interest is recognized on past due accounts. At December 31, 2021 and 2020, management considered all remaining receivables to be fully collectible; accordingly, there was no allowance for doubtful accounts.

For the years ended December 31, 2021 and 2020, the Organization recognized a receivable of \$34,802 for the Employee Retention Credit (ERC). Laws and regulations concerning government programs, including the ERC established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, are complex and subject to varying interpretations. Claims made under the CARES Act may also be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge the Organization's claim to the ERC, and it is not possible to determine the impact (if any) this would have upon the Organization.

Inventory

Inventory consists of educational and promotional materials, is valued at cost and is determined on the first-in, first-out (FIFO) basis.

Property and Equipment

Purchased equipment and vehicles in excess of \$500 are capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the

FRIENDS OF QUARRY HILL NATURE CENTER, INC.  
Notes to Financial Statements (continued)

1. Organization and Summary of Significant Accounting Policies (continued)

donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method over their estimated useful lives. Expenditures for maintenance and repairs are charged to expense as incurred.

Advertising

The Organization expenses the cost of advertising and promotions as incurred. Advertising costs charged to operations for the years ended December 31, 2021 and 2020, amounted to \$2,120 and \$2,338, respectively.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The financial statements of Friends of Quarry Hill Nature Center, Inc. report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and related expenses, accounting and professional fees, insurance, miscellaneous, office expense and website, rent, and depreciation, all of which are allocated based on estimates of time and specific costs incurred.

2. Investments

At December 31, 2021 and 2020, the Organization had no investments except for those accounted for on the statements of financial position as Beneficial Interest in Assets Held by Foundation. The following schedule summarizes the investment return and its classification in the statements of activities for the years ended December 31, 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Interest and dividends	\$ 14,690	\$ 12,298
Realized and unrealized gains	38,239	28,135
Investment fees	(3,849)	(2,853)
Total investment return	<u>\$ 49,080</u>	<u>\$ 37,580</u>

FRIENDS OF QUARRY HILL NATURE CENTER, INC.  
Notes to Financial Statements (continued)

3. Beneficial Interest in Assets Held by Foundation

The Friends of Quarry Hill Nature Center, Inc. has established a fund that is managed by the Rochester Area Foundation (Foundation) which is known as the Friends of Quarry Hill Nature Center Fund. This Fund and all future income are the property of the Foundation and are under the complete control of the Foundation. Distributions from the Fund may be made at the discretion of the Foundation Board of Trustees.

The beneficial interest in assets held by Foundation has been valued, as a practical expedient, at the fair value of the Organization's share of the Foundation's investment pool as of the measurement date. The Foundation values securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of the Foundation, which includes private placements and other securities for which prices are not readily available, are determined by the management of the Foundation and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments.

The Foundation's investments are composed of domestic and foreign equities, U.S. government obligations, large cap common stocks, and alternative investments including hedge funds, real estate and private equity funds. Financial instruments classified as Level 3 in the fair value hierarchy represent the Organization's investments in financial instruments in which management has used at least one significant unobservable input in the valuation model. The following table represents a reconciliation of the activities for Level 3 financial instruments:

Balance at January 1, 2020	\$ 377,953
Additional amounts invested in fund	6,175
Share of appreciation of fund	28,135
Disbursement from fund	(16,600)
Fees paid	<u>(2,853)</u>
Balance at January 1, 2021	392,810
Additional amounts invested in fund	9,760
Share of appreciation of fund	38,239
Fees paid	<u>(3,849)</u>
Balance at December 31, 2021	<u>\$ 436,960</u>

4. Revenue Recognition

During 2020, the Organization retrospectively adopted the provisions of FASB ASU 2014-09, *Revenue Recognition (Topic 606) – Revenue from Contracts with Customers*. Adoption of Topic 606 did not have a material effect on the financial statements and therefore did not result in a prior period adjustment. Membership fees are included with contributions in the statements of activities. Revenues from tuition and program fees are recognized when the class or program is complete and revenues from facility rentals are recognized after the rental date has passed. Amounts received for tuition, program fees, and facility rentals prior to satisfaction of the

FRIENDS OF QUARRY HILL NATURE CENTER, INC.  
Notes to Financial Statements (continued)

4. Revenue Recognition (continued)

performance obligations are recorded as unearned revenues in the statements of financial position. Unearned revenue amounted to \$12,190 and \$1,620 at December 31, 2021 and 2020, respectively.

5. Property and Equipment

Property and equipment as of December 31 consisted of the following:

	2021	2020
Minibus	\$ 42,518	\$ 42,518
Equipment	36,257	33,816
Improvements, held as temporary assets	-	4,495
Total property and equipment	78,775	80,829
Less accumulated depreciation	(74,175)	(74,404)
Net property and equipment	\$ 4,600	\$ 6,425

Depreciation expense was \$1,029 and \$446 for the years ended December 31, 2021 and 2020, respectively.

6. Paycheck Protection Program

During 2020 and 2021, the Organization was granted two loans from Think Bank for \$69,200 each, pursuant to the Paycheck Protection Program (PPP), which was established under Title 1 of the CARES Act. Under the terms of the PPP, the loans may be forgiven if the funds are used for certain qualifying expenses. Because the conditions of the PPP loans were met, the loans were recognized as revenue in the statements of activities.

7. Net Assets

The Organization had net assets with donor restrictions for the following purposes at December 31, 2021 and 2020:

	2021	2020
Scholarships	\$ 24,070	\$ 26,068
Technology/ Equipment	426	73
Totals	\$ 24,496	\$ 26,141

8. In-Kind Contribution of Facilities

The City of Rochester allows the organization to use the facilities free of charge. For 2021 and 2020, rent expense and an in-kind contribution have been recorded for \$313,735 and \$298,795, respectively. The basis used for valuing the in-kind contribution is an average of the rental rates paid by other local nonprofit organizations.



FRIENDS OF QUARRY HILL NATURE CENTER, INC.  
Notes to Financial Statements (continued)

9. Availability and Liquidity

The following represents Friends of Quarry Hill Nature Center, Inc.'s financial assets at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 713,351	\$ 543,035
Accounts and credits receivable	<u>43,062</u>	<u>38,382</u>
Total financial assets	756,413	581,417
Less amounts not available to be used within one year:		
Net assets with donor restrictions	<u>(24,496)</u>	<u>(26,141)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 731,917</u>	<u>\$ 555,276</u>

10. Employee Benefit Plan

The Friends of Quarry Hill Nature Center, Inc. has a defined contribution salary deferral plan covering substantially all employees. Under the plan, the Organization contributes a percentage of each eligible employee's salary. Plan contributions during 2021 and 2020 were \$5,778 and \$5,515, respectively.

11. Concentrations of Credit Risk

The Organization maintains cash accounts which exceed the federally insured limit of \$250,000 at times. Management believes that the Organization is not exposed to any significant credit risk on its cash accounts.

12. Evaluation of Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through September 17, 2022, the date these financial statements were available to be issued.

13. Reclassifications

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.