

Financial Statements

**DBWPC, Inc. d/b/a Delores Barr Weaver Policy Center
(A Not for Profit Corporation)**

December 31, 2021 and 2020

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INDEPENDENT AUDITOR'S REPORT

To Management and the Board of Directors
DBWPC, Inc. d/b/a Delores Barr Weaver Policy Center, Inc.
Jacksonville, Florida

Opinion

We have audited the accompanying financial statements of DBWPC, Inc. d/b/a Delores Barr Weaver Policy Center, Inc. (a non-for-profit 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 statements referred to above present fairly, in all material respects, the financial position of DBWPC, Inc. d/b/a Delores Barr Weaver Policy Center, Inc. as of December 31, 2021 and 2020, and the changes in its net assets and their 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. 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 DBWPC, Inc. d/b/a Delores Barr Weaver Policy Center, Inc. and to meet our other 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 DBWPC, Inc. d/b/a Delores Barr Weaver Policy Center, Inc. ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 general accepted auditing standards, we:

- Exercise professional judgement 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 including 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 DBWPC, Inc. d/b/a Delores Barr Weaver Policy Center, Inc. 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 DBWPC, Inc. d/b/a Delores Barr Weaver Policy Center, Inc. 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.

Masters, Smith & Wisby P.A.

Certified Public Accountants
Jacksonville, Florida

November 9, 2022

DBWPC, Inc. d/b/a DELORES BARR WEAVER POLICY CENTER
(A NOT FOR PROFIT CORPORATION)
STATEMENTS OF FINANCIAL POSITION

	December 31	
	2021	2020
<u>ASSETS</u>		
Cash and cash equivalents	\$ 1,708,369	\$ 1,836,357
Accounts receivable	80,983	98,333
Prepaid expenses	34,261	6,565
Property and equipment	74,280	87,132
Total Assets	\$ 1,897,893	\$ 2,028,387
 <u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accrued liabilities	\$ 44,610	\$ 26,891
Paycheck protection program loan	-	352,900
Net Assets:		
Without donor restrictions	1,709,430	1,476,989
With donor restrictions	143,853	171,607
Total Net Assets	1,853,283	1,648,596
Total Liabilities and Net Assets	\$ 1,897,893	\$ 2,028,387

See notes to financial statements

DBWPC, Inc. d/b/a DELORES BARR WEAVER POLICY CENTER
(A NOT FOR PROFIT CORPORATION)
STATEMENTS OF ACTIVITIES

	Years Ended December 31	
	2021	2020
Changes in Net Assets Without Donor Restrictions		
Revenue and support:		
Foundation and trust grants	\$ 280,565	\$ 434,138
Public and corporate support	156,991	88,747
Program services	877,629	828,839
Special events	7,737	182,499
Other income	3,134	3,096
Investment income	3,742	2,779
In-kind	29,140	30,311
Paycheck protection program loan forgiveness	662,400	-
	2,021,338	1,570,409
Net assets released from restrictions	174,254	132,906
	2,195,592	1,703,315
Expenses:		
Program Services		
Research	143,977	182,583
Advocacy	51,052	135,656
Training and technical assistance	64,116	65,953
Model programing	1,006,780	1,150,462
Supporting Services		
Management and general	455,112	389,152
Fundraising	242,114	206,723
	1,963,151	2,130,529
Change in net assets without donor restrictions	232,441	(427,214)
Changes in Net Assets With Donor Restrictions		
Foundation and trust grants	146,500	186,668
Net assets released from restrictions	(174,254)	(132,906)
	(27,754)	53,762
Change in Net Assets	204,687	(373,452)
Net Assets, Beginning of Year	1,648,596	2,022,048
Net Assets, End of Year	\$ 1,853,283	\$ 1,648,596

See notes to financial statements

DBWPC, Inc. d/b/a DELORES BARR WEAVER POLICY CENTER
(A NOT FOR PROFIT CORPORATION)
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2021

	Program Services					Fundraising	Total
	Research	Advocacy	Training and Technical Assistance	Model Programming	Management and General		
Salaries & wages	\$ 99,478	\$ 10,231	\$ 38,233	\$ 697,444	\$ 238,130	\$ 133,086	\$ 1,216,602
Payroll taxes	7,938	787	2,877	58,309	21,832	10,077	101,820
Stipends/fellowships	3,000	-	-	6,750	-	800	10,550
Retirement plan contribution	3,608	121	880	19,958	7,352	3,700	35,619
Other employee benefits	13,091	760	4,047	104,490	36,533	11,254	170,175
	<u>127,115</u>	<u>11,899</u>	<u>46,037</u>	<u>886,951</u>	<u>303,847</u>	<u>158,917</u>	<u>1,534,766</u>
Contract services	7,670	38,061	14,524	20,667	41,749	38,105	160,776
Occupancy	2,122	380	265	29,421	28,387	2,334	62,909
Depreciation	-	-	-	-	12,852	-	12,852
Telephone & technology management	3,635	116	1,208	18,701	35,472	12,767	71,899
Insurance	3,194	559	399	20,758	3,392	3,513	31,815
Professional, legal & accounting	-	-	-	-	12,200	-	12,200
Travel, meetings, & special events	-	-	-	10,671	-	382	11,053
Meals	-	37	-	291	423	1,769	2,520
Training	-	-	-	280	1,255	-	1,535
Memberships & dues	125	-	-	-	3,471	-	3,596
Licenses & fees	-	-	-	202	1,472	1,809	3,483
Office & supplies	116	-	662	5,220	3,402	4,103	13,503
Printing & copying	-	-	916	805	5,654	1,688	9,063
Special needs	-	-	105	12,813	1,536	16,727	31,181
Total Expenses	<u>\$ 143,977</u>	<u>\$ 51,052</u>	<u>\$ 64,116</u>	<u>\$ 1,006,780</u>	<u>\$ 455,112</u>	<u>\$ 242,114</u>	<u>\$ 1,963,151</u>

See notes to financial statements

DBWPC, Inc. d/b/a DELORES BARR WEAVER POLICY CENTER
(A NOT FOR PROFIT CORPORATION)
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2020

	Program Services					Total
	Research	Advocacy	Training and Technical Assistance	Model Programming	Management and General	
Expenses:						
Salaries & wages	\$ 130,884	\$ 24,652	\$ 10,723	\$ 793,924	\$ 215,859	\$ 1,303,161
Payroll taxes	10,409	1,986	868	59,218	17,239	99,805
Stipends/fellowships	1,125	-	-	9,250	-	10,375
Retirement plan contribution	4,844	804	421	22,579	6,735	40,040
Other employee benefits	19,391	3,232	1,065	122,540	28,784	194,846
	<u>166,653</u>	<u>30,674</u>	<u>13,077</u>	<u>1,007,511</u>	<u>268,617</u>	<u>1,648,226</u>
Contract services	6,425	100,728	48,751	66,227	11,038	248,147
Occupancy	2,792	762	513	16,279	39,161	62,299
Depreciation	-	-	-	-	14,400	14,400
Telephone & technology management	5,014	764	792	30,567	8,151	52,859
Insurance	690	188	188	3,824	990	6,570
Professional, legal & accounting					31,605	31,605
Travel, meetings, & special events	371	2,421	1,599	9,840	223	14,908
Meals		72	215	49	609	961
Training		-	186	247	3,599	4,032
Marketing		-	-	-	-	-
Memberships & dues	384	-	-	-	1,338	1,794
Licenses & fees	-	-	-	202	2,372	4,491
Office & supplies	80	-	101	3,777	2,363	22,112
Postage						-
Charitable donations	-	-	-	-	-	-
Printing & copying	175	48	530	1,086	4,688	7,273
Special needs	-	-	-	10,853	-	10,853
Total Expenses	<u>\$ 182,583</u>	<u>\$ 135,656</u>	<u>\$ 65,953</u>	<u>\$ 1,150,462</u>	<u>\$ 389,152</u>	<u>\$ 2,130,529</u>

DBWPC, Inc. d/b/a DELORES BARR WEAVER POLICY CENTER
(A NOT FOR PROFIT CORPORATION)
STATEMENTS OF CASH FLOWS

Cash Flows from Operating Activities:	Years Ended December 31	
	2021	2020
Change in net assets	\$ 204,687	\$ (373,452)
Adjustments to reconcile change in net assets to net cash flows from operations		
Depreciation	12,852	14,400
Loss on disposal of property and equipment	-	2,874
Forgiveness of paycheck protection program loan	(662,400)	-
Changes in operating assets and liabilities:		
Accounts receivable	17,350	(59,921)
Prepaid expenses	(27,696)	(296)
Accrued liabilities	17,719	(30,671)
Net Cash Flows from Operating Activities	(437,488)	(447,065)
Cash Flows from Investing Activities:		
Purchase of property and equipment	-	(11,937)
Net Cash Flows from Investing Activities	-	(11,937)
Cash Flows from Financing Activities:		
Paycheck protection program loan	309,500	352,900
Net Cash Flows from Financing Activities	309,500	352,900
Net Change in Cash and Cash Equivalents	(127,988)	(106,102)
Cash and Cash Equivalents, Beginning of Year	1,836,357	1,942,459
Cash and Cash Equivalents, End of Year	<u>\$ 1,708,369</u>	<u>\$ 1,836,357</u>

See notes to financial statements

DBWPC, Inc. d/b/a DELORES BARR WEAVER POLICY CENTER
(A NOT FOR PROFIT CORPORATION)

NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020

A. Nature of Activities and Significant Accounting Policies:

Nature of Activities

DBWPC, Inc. d/b/a Delores Barr Weaver Policy Center, (the "Policy Center"), was incorporated in Florida on August 24, 2012 as a tax exempted 501(c)(3) corporation. The Policy Center's mission is to be the "Voice for Girls". The Policy Center engages communities, organizations and individuals through quality research, community organizing, advocacy, training and model programming to advance the rights of girls and young women, especially those in the justice and child protection systems.

Basis of Accounting and presentation

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

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board's (FASB) Accounting Standard Codification for Financial Statements of Not-for-Profit Organizations (ASC 958).

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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Policy Center considers all highly liquid short-term investments with an original maturity of three months or less to be cash equivalents.

The Policy Center maintains cash balances at high quality financial institutions located in Jacksonville, Florida, which at times, may exceed Federal Deposit Insurance Corporation (FDIC) limits. The Center monitors the creditworthiness of these institutions and has not experienced, nor does it anticipate, any loss of funds in these accounts. Cash balances exceeded FDIC insured limits by \$1,206,953 and \$1,345,730 at December 31, 2021 and 2020, respectively.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. During the years ended December 31, 2021 and 2020 the Policy Center recorded bad debt expense of \$-0- and \$2,342, respectively. The allowance for doubtful balance was \$-0- at December 31, 2021 and 2020.

DBWPC, Inc. d/b/a DELORES BARR WEAVER POLICY CENTER
(A NOT FOR PROFIT CORPORATION)

NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020

A. Nature of Activities and Significant Accounting Policies (continued):

Grants and contributions

Grants and contributions received are recorded as with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Grants and contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restriction depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Investments

Investments in marketable securities with readily determinable fair values are reported at their fair values on the statement of financial position. Realized and unrealized gains and losses, as well as interest and dividend income are included as a component of unrestricted support and revenue. At December 31, 2021 and 2020 there were no investments in marketable securities.

Property and Equipment

Property, improvements, equipment and donated assets are capitalized if their fair value is greater than or equal to \$1,000. Depreciation is computed using primarily the straight-line method over the estimated useful lives of 5 to 20 years.

Gifts In-Kind and Donated Services

Gifts In-kind and donated services are recognized as contributions in accordance with *FASB ASC 958-605-25*, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. However, individuals may volunteer their time on behalf of the Policy Center, but these services do not meet the criteria for recognition as contributed services. No amounts have been reflected in the financial statements for volunteer time for the years ended December 31, 2021 and 2020, respectively.

Tax Status

The Policy Center has received a tax determination letter dated November 26, 2012 exempting the Organization from Federal income tax under Section 501(c) (3) of the Internal Revenue Code of 1986, as amended, and classified by the Internal Revenue Service as other than a private foundation. The Policy Center takes tax positions which it feels adhere to the laws established by the taxing authorities. The Policy Center does not believe it has taken any uncertain tax positions which would subject it to penalties or interest; therefore, none have been accrued in the accompanying financial statements.

DBWPC, Inc. d/b/a DELORES BARR WEAVER POLICY CENTER
(A NOT FOR PROFIT CORPORATION)

NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020

A. **Nature of Activities and Significant Accounting Policies (continued):**

Expense Allocation

The costs of providing program services, management and fund-raising activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Program service costs that can be directly identified with a program are charged to the appropriate program, costs that can be directly identified as fund-raising are charged to fund-raising expense. Supporting services, including administration and senior management costs are allocated to programs, management and general and fund raising based on estimates of time spent on those activities.

Advertising and Marketing

Advertising and marketing costs are expensed as incurred. Advertising and marketing expenses for the years ended December 31, 2021 and 2020 were \$-0-.

Subsequent Events

The Policy Center has evaluated subsequent events through November 9, 2022, the date the financial statements were available to be issued.

B. **Restrictions on Assets:**

Net assets with donor restrictions are related to funds provided by certain donors to be used for specified activities. As of December 31, 2021, and 2020 these net assets were \$143,853 and \$171,607, respectively.

C. **Conditional Promises to Give and Support:**

The Policy Center was the recipient of a three-year unrestricted grant, beginning in 2013, totaling \$6,621,646 from the Delores Barr Weaver Fund (DBWF) through The Community Foundation for Northeast Florida as beneficiary. Due to the nature of the grant arrangement between the three parties, these funds were a conditional promise to give and as such funds are recorded when received by the Policy Center. Yearly allocations were as follows; year one \$2,116,010, year two \$2,200,310, year three \$2,305,326. All funds for this grant have been received.

For 2016, the Delores Barr Weaver Fund through The Community Foundation for Northeast Florida committed to fully fund the Policy Center's operating budget for the first six months of the year. The Fund matched, dollar for dollar, all funds raised by the Policy Center between October 15, 2015 and October 14, 2016, up to one quarter of the Policy Center's annual operating budget. Under this arrangement, the DBWF provided \$2,378,296 of unrestrictive support for the year ended December 31, 2016.

**DBWPC, Inc. d/b/a DELORES BARR WEAVER POLICY CENTER
(A NOT FOR PROFIT CORPORATION)**

**NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020**

C. Conditional Promises to Give and Support (continued):

For the year ended December 31, 2018, the Delores Barr Weaver Fund through the Community Foundation for Northeast Florida provided the Center with unrestricted support of \$1,000,000.

For 2019 and 2020 the Delores Barr Weaver Fund through the Community Foundation promised an unrestricted gift of \$1,325,000, of which \$900,000 was paid in 2019 and \$425,000 was paid in 2020.

For 2021 the Delores Barr Weaver Fund through the Community Foundation promised and paid an unrestricted gift of \$210,000.

The Center has received long-term pledges from various donors to provide yearly unrestricted gifts as follows:

Years Ending December 31	Amount
2022	\$ 26,850
2023	25,750
2024	16,850
2025	12,850
2026	10,850
Thereafter	6,000
Total	\$ 99,150

D. Property and Equipment:

	December 31	
	2021	2020
Property and equipment consist of the following:		
Leasehold improvements	\$91,337	\$ 91,337
Computer equipment	24,737	30,237
Furniture and fixtures	48,646	48,646
	164,720	170,220
Less, accumulated depreciation	90,440	83,088
	\$74,280	\$ 87,132

Depreciation expense for 2021 and 2020 was \$12,852 and \$14,400, respectively. For the year ended December 31, 2020, the Center recorded a loss on the disposal of property and equipment of \$2,874.

**DBWPC, Inc. d/b/a DELORES BARR WEAVER POLICY CENTER
(A NOT FOR PROFIT CORPORATION)**

**NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020**

E. Liquidity and Availability of Financial Assets:

It is the policy of the organization to manage its financial assets, so they are available when needed to meet its general expenditures, liabilities and other obligations as they become due.

The Organization's financial assets available within one year from the statement of Financial Position date available for general expenditures are:

	December 31	
	2021	2020
Cash and cash equivalents	\$1,708,369	\$1,836,357
Accounts receivable	80,983	98,333
	1,789,352	1,934,690
Financial assets at year-end		
Less those unavailable for general expenditures within one year, due to:		
Donor restricted	143,583	171,607
	\$1,645,769	\$ 1,763,083
Financial assets available to meet cash needs for general expenditure within one year		

F. Concentrations:

Support and Revenue

The Policy Center received 10% and 24% , respectively, of its support in 2021 and 2020 from one donor; the Delores Barr Weaver Fund through the Community Foundation for Northeast Florida.

The Policy Center received 39% and 44%, respectively, of its support in 2021 and 2020 from governmental contracts.

G. Retirement Plan:

The Policy Center participates in a qualified deferred compensation plan under Section 401(k) of the Internal Revenue Code. Under the plan employees may elect to defer a portion of their salary, subject to IRS limits. Employees are eligible to make elective deferrals and to participate in any employer discretionary contributions on their date of hire. The Policy Center makes safe harbor matching contribution on employee deferrals up to 4% of gross wages. Total employer contributions made in 2021 and 2020 totaled \$35,619 and \$40,041, respectively.

DBWPC, Inc. d/b/a DELORES BARR WEAVER POLICY CENTER
(A NOT FOR PROFIT CORPORATION)

NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020

H. Office Lease:

The Policy Center leases its headquarters in Jacksonville, FL under a lease agreement expiring in December of 2024. Total rental payments escalate 3% per year and the lease contains two 5-year renewal options.

Total rent expense under these agreements was \$47,909 and \$46,898 for the years ended December 2021 and 2020, respectively and is included as a component of occupancy expenses on the statement of functional expenses

Future minimum lease payments are as follows below:

<u>Years Ending December 31</u>	<u>Amount</u>
2022	54,237
2023	55,864
2024	57,540
Total	<u>\$ 167,640</u>

I. Board Restricted Cash and Net Assets:

The Policy Center's Board of Directors on January 29, 2014 approved a motion to place voluntary restrictions on its unrestricted net assets to fund; (a) development and communication infrastructure (b) a three-month operating reserve and (c) the establishment of a board designated endowment fund. These funds have been segregated by the Policy Center and are not subject to any donor or other outside restrictions. At December 31, 2021 and 2020 the Policy Center had in separate bank deposit accounts a total of \$803,754 and \$824,942 for operating reserves and \$603,244 and \$603,184 for the board designated endowment, respectively. These amounts are included as a component of cash and cash equivalents on the statement of financial position.

J. Endowments:

A gift designated for the Policy Center was made to the Community Foundation for Northeast Florida during the year ended December 31, 2017. This permanent gift, known as the Joan A. Van Vleck Justice for Girls Endowment was established to fund the research and production of the Justice for Girls Report Card every five years beginning in the year 2022. Also, an existing endowment at the Community Foundation for Northeast Florida, the Joan Amery Van Vleck Fellowship Fund was re-designated to benefit the Center for general operating support with a focus on research.

At December 31, 2021 and 2020 the Joan A. Van Vleck Justice for Girls Endowment had a balance of \$738,000 and \$652,680, respectively, At December 31, 2021 and 2020 the Joan Amery Van Vleck Fellowship Fund had a balance of \$152,899 and \$137,594, respectively. All amounts relating to these funds are excluded from the accompanying financial statements.

DBWPC, Inc. d/b/a DELORES BARR WEAVER POLICY CENTER
(A NOT FOR PROFIT CORPORATION)

NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020

K. Commitments and Contingencies:

Paycheck Protection Program Loan

The novel strain of the coronavirus (Covid-19) in the United States has caused widespread economic disruptions in nearly every sector of the economy. In order to alleviate some of the financial hardships associated with the disease, a Paycheck Protection Program (PPP) loan was created by the federal government under the CARES act. The Center took part in the PPP and received a loan of \$352,900 on June 1, 2020 with an interest rate of 1% with payments of principal and interest beginning October 7, 2020 through maturity on January 1, 2021. Due to the subsequent passage of the Paycheck Protection Program Flexibility Act of 2020 this note has been modified to allow deferral of principal and interest up to 10 months after the borrower's covered period which is 24 weeks from the date of the loan. Under the program, the Center can qualify for full forgiveness of the balance should they adhere to certain expense and personnel level guidelines. On June 7, 2021, management was notified by its lender that this loan was forgiven in its entirety.

In February of 2021, the Center applied for and received a second draw from PPP for \$309,500 under essentially the same terms as the first draw. On August 23, 2021, management was notified by its lender that this loan was forgiven in its entirety.

L. Legal Settlement

During 2020 the Center settled a suit brought by a former employee for \$200,000 of which \$185,000 was reimbursed by insurance, the remaining \$15,000 is included in professional, legal and accounting expense in the statement of functional expenses for the year ended December 31, 2020.