

REGIONAL ACCESS PROJECT FOUNDATION
PALM DESERT, CALIFORNIA

INDEPENDENT AUDITORS' REPORT,
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

JUNE 30, 2021



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INDEPENDENT AUDITORS' REPORT

Board of Directors
Regional Access Project Foundation
Palm Desert, California

Report on the Financial Statements

We have audited the accompanying financial statements of Regional Access Project Foundation (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and 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 misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standard applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 auditor's 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.

Independent Auditors' Report
(continued)

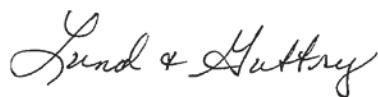
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Regional Access Project Foundation as of June 30, 2021 and the changes in net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2021, on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing on internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.



December 8, 2021

REGIONAL ACCESS PROJECT FOUNDATION

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2021

ASSETS

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
CURRENT ASSETS			
Cash and cash equivalents	\$ 2,233,811	\$ 234,093	\$ 2,467,904
Accounts receivable	42,318	-	42,318
County tax increment funding receivable	1,213,621	-	1,213,621
Prepaid expenses	5,679	-	5,679
Investments	418,763	-	418,763
Deposits	16,320	-	16,320
Property and equipment, net	2,998,877	-	2,998,877
Agency funds held for others	<u>4,156</u>	<u>-</u>	<u>4,156</u>
TOTAL ASSETS	<u>\$ 6,933,545</u>	<u>\$ 234,093</u>	<u>\$ 7,167,638</u>

LIABILITIES AND NET ASSETS

LIABILITIES			
Accounts payable	\$ 22,924	\$ -	\$ 22,924
Accrued payroll	46,118	-	46,118
Grants payable	359,336	-	359,336
Accrued grant expense	25,102	-	25,102
Tenant deposits	17,700	-	17,700
Note payable	69,101	-	69,101
Agency funds held for others	<u>4,156</u>	<u>-</u>	<u>4,156</u>
TOTAL LIABILITITES	<u>544,437</u>	<u>-</u>	<u>544,437</u>
NET ASSETS			
Without donor restrictions	6,389,108	-	6,389,108
With donor restrictions	<u>-</u>	<u>234,093</u>	<u>234,093</u>
TOTAL NET ASSETS	<u>6,389,108</u>	<u>234,093</u>	<u>6,623,201</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 6,933,545</u>	<u>\$ 234,093</u>	<u>\$ 7,167,638</u>

(The accompanying notes are an integral part of these financial statements)

REGIONAL ACCESS PROJECT FOUNDATION

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES			
County tax increment revenue	\$ 1,443,682	\$ -	\$ 1,443,682
Contributions	29,019	-	29,019
CARES grant	7,315,000	-	7,315,000
General grants	530,364	400,000	930,364
Membership	15,558	-	15,558
Investment income	13,102	-	13,102
Rental income	355,898	-	355,898
Loss on disposal of property and equipment	(4,877)	-	(4,877)
Net assets released from restrictions	<u>447,922</u>	<u>(447,922)</u>	<u>-</u>
TOTAL REVENUE	<u>10,145,668</u>	<u>(47,922)</u>	<u>10,097,746</u>
OPERATING EXPENSES			
Program services:			
Grant allocations	8,583,483	-	8,583,483
NPO Centric	586,820	-	586,820
Nonprofit rentals	<u>167,451</u>	<u>-</u>	<u>167,451</u>
Total program services	<u>9,337,754</u>	<u>-</u>	<u>9,337,754</u>
Supporting services:			
General administration	185,680	-	185,680
Non-Program rentals	83,785	-	83,785
Fundraising	<u>17,960</u>	<u>-</u>	<u>17,960</u>
Total supporting services	<u>287,425</u>	<u>-</u>	<u>287,425</u>
TOTAL OPERATING EXPENSES	<u>9,625,179</u>	<u>-</u>	<u>9,625,179</u>
INCREASE (DECREASE) IN NET ASSETS	<u>520,489</u>	<u>(47,922)</u>	<u>472,567</u>
NET ASSETS, BEGINNING OF YEAR, as previously stated	5,758,100	526,595	6,284,695
PRIOR YEAR RESTATEMENT	<u>110,519</u>	<u>(244,580)</u>	<u>(134,061)</u>
NET ASSETS, beginning of year restated	<u>5,868,619</u>	<u>282,015</u>	<u>6,150,634</u>
NET ASSETS, END OF YEAR	<u>\$ 6,389,108</u>	<u>\$ 234,093</u>	<u>\$ 6,623,201</u>

(The accompanying notes are an integral part of these financial statements)

REGIONAL ACCESS PROJECT FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	Programs					Supporting Services					Totals
	Grant Allocations	NPO Centric	Nonprofit Rentals	Program Services	General Administration	Non-Program Rentals	Fundraising	Total Support Services	Totals		
Advertising and marketing	\$ -	\$ 18,823	\$ -	\$ 18,823	\$ 1,201	\$ -	\$ -	\$ 1,201	\$ 20,024		
Bank and investment fees	-	172	-	172	5,561	-	-	5,561	5,733		
Building and occupancy	19,508	19,509	41,313	80,330	11,476	22,952	-	34,428	114,758		
Communications	1,443	1,443	3,056	5,942	849	1,698	-	2,547	8,489		
Computer services	2,024	1,214	809	4,047	16,187	-	-	16,187	20,234		
Depreciation expense	21,102	21,102	44,687	86,891	12,413	24,826	-	37,239	124,130		
Employee benefits	17,650	21,393	3,209	42,252	8,022	1,604	1,604	11,230	53,482		
Equipment lease	1,540	1,540	3,262	6,342	906	1,812	-	2,718	9,060		
Event expenses	-	37	-	37	-	-	-	-	37		
CARES grants to organizations	7,052,617	143,931	-	7,196,548	-	-	-	-	7,196,548		
General grants to organizations	1,268,278	25,883	-	1,294,161	-	-	-	-	1,294,161		
Insurance	5,034	5,034	10,658	20,726	2,961	5,922	-	8,883	29,609		
Office expenses	-	9,194	10,461	19,655	12,045	-	-	12,045	31,700		
Pass thru agency funds	-	-	-	-	14,954	-	-	14,954	14,954		
Payroll taxes	15,164	18,381	2,757	36,302	6,892	1,379	1,379	9,650	45,952		
Professional services	7,323	7,323	15,507	30,153	4,308	8,615	-	12,923	43,076		
Retirement plan	5,560	7,339	1,779	14,678	7,561	-	-	7,561	22,239		
Salaries	164,742	199,688	29,953	394,383	74,883	14,977	14,977	104,837	499,220		
Technical assistance to other organizations	-	82,529	-	82,529	834	-	-	834	83,363		
Training, conferences and meetings	1,498	2,068	-	3,566	3,567	-	-	3,567	7,133		
Travel and mileage	-	217	-	217	1,060	-	-	1,060	1,277		
TOTAL	\$ 8,583,483	\$ 586,820	\$ 167,451	\$ 9,337,754	\$ 185,680	\$ 83,785	\$ 17,960	\$ 287,425	\$ 9,625,179		

(The accompanying notes are an integral part of these financial statements)

REGIONAL ACCESS PROJECT FOUNDATION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	\$ 472,567
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	124,130
Loss on disposal of property and equipment	4,877
Changes in operating assets and liabilities:	
Accounts receivable	(42,318)
Grants receivable	161,428
Rents receivable	275
County tax increment funding receivable	150,403
Prepaid expenses	18,678
Accounts payable	(147,970)
Accrued payroll	(1,610)
Grants payable	80,097
Deferred revenue	(4,136)
Accrued grant expense	25,102
Tenant deposits	500
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Total adjustments	369,456
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Net cash provided by operating activities	842,023
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CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of investments	(183,488)
Proceeds from investments	443,312
Purchases of property and equipment	(15,860)
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Net cash provided by investing activities	243,964
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NET INCREASE IN CASH AND CASH EQUIVALENTS	1,085,987
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CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,381,917
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END OF YEAR	\$ 2,467,904
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Cash and cash equivalents without donor restrictions	\$ 2,233,811
Cash and cash equivalents with donor restrictions	234,093
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Total cash	\$ 2,467,904
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(The accompanying notes are an integral part of these financial statements)

REGIONAL ACCESS PROJECT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Regional Access Project Foundation (the Foundation) was incorporated on October 8, 1992, for the purpose of enhancing and facilitating health, mental health, and juvenile services in eastern Riverside County, California. The Foundation's corporate offices are located in Palm Desert, California. The Foundation's primary program services include financial grants and technical assistance to qualified exempt organizations throughout eastern Riverside County. The Foundation is both publicly and privately funded. The Foundation's primary source of annual funding is tax increment funds (sales tax) received under an agency agreement (Note 2) with the County of Riverside (the County).

Program Services

The Foundation provides the following program services:

Grant Allocations to Other Exempt Entities – The Foundation provides cash grants to tax exempt entities that provide health, mental health, and juvenile intervention services to residents of eastern Riverside County. Cash grants are funded annually from the tax increment funding received under the agreement with the County.

NPO Centric– While cash grants are a major part of the Foundation's activities, grants of technical assistance became a priority when it was found that a variety of exempt organizations did not have the tools necessary to manage their organization or grants. The Technical Assistance Program (TAP) was established and funded by monies received annually from the tax increment funding received under the agreement with the County. In 2020, TAP was rebranded as NPO Centric and it has been expanded to provide training and capacity building for a variety of exempt organizations and is available through Riverside County and beyond.

Non-Profit Rentals – The Foundation provides affordable annual rental agreements for office space and cubicles to tax exempt entities. This program helps promote the sustainability of these organizations and allows for collaborations facilitated by the presence of other nonprofits in the same building.

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Tax Exempt Status

The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and from state income tax under Section 23701(d) of the California Revenue and Taxation Code. As such, no provision has been made in the financial statements for income taxes.

REGIONAL ACCESS PROJECT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and highly liquid investments that are readily convertible into cash and have original maturities of three months or less when purchased.

Agency Funds Held for Others

From time to time, the Foundation enters into agency service agreements with other exempt organizations. Funds held on behalf of other agencies are maintained in separate accounts and are disbursed in accordance with directives from those entities. Such funds are reported as an offsetting asset and liability on the statement of financial position.

Concentration of Credit Risk

The Foundation maintains accounts at various financial institutions, which at June 30, 2021 and periodically throughout the year, were in excess of federally insured limits of \$250,000.

The Foundation also maintains investment accounts with Wells Fargo. The accounts contain cash and securities and sometimes exceed the amount guaranteed by the Securities Investor Protection Corporation (SIPC), which is \$500,000 for securities and cash (including a limit of \$250,000 for cash only). Accounts held in the same capacity are combined for purposes of the SIPC protection limits. The investment companies maintain insurance to guarantee the Foundation's balances in excess of the amounts on deposit or invested.

Receivables

The county tax increment funding receivable and other receivables are reported net of an allowance for doubtful accounts. The Foundation provides for losses on receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of contributors to meet their obligations. Management believes that all current receivables are collectible, and no allowance is needed at this time.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values based on quoted prices in active markets in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

REGIONAL ACCESS PROJECT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Property and Equipment

The Foundation capitalizes assets with an expected useful life in excess of one year and value in excess of \$1,000 including additions, improvements, and other capital outlays that significantly extend the useful life of an asset. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, ranging from five to 39 years.

Revenue and Revenue Recognition

Revenue is recognized when earned. Contributions are recognized when cash, or 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.

Financial Statement Presentation

The Foundation reports information regarding its financial position and activities according to two classes of net assets; net assets without donor restrictions, net asset without donor restrictions – board designated, and net assets with donor restrictions, based upon the existence or absence of donor-imposed restrictions.

Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Net Assets Without Donor Restrictions – These funds represent all resources over which the Board of Directors has discretionary control for use in operating the Foundation, as well as all property and equipment of the Foundation.

Net Assets Without Donor Restrictions – Board Designated – These funds represent all resources over which the Board of Directors has discretionary control for use in operating the Foundation. The Board of Directors have designated funds for a building reserve fund. The building reserve fund was \$50,000 as of June 30, 2021 and is included in cash and cash equivalents without donor restrictions.

Net Assets With Donor Restrictions – These funds represent those resources that are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose for restriction is accomplished, donor restricted net assets are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions. (See Note 7)

REGIONAL ACCESS PROJECT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Functional Allocation of Expense

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited. The expenses that are allocated include building maintenance and depreciation, which are allocated on a square footage basis, as well as personnel costs, professional services, office expenses, information technology, insurance, and others, which are allocated on the basis of estimates of time and effort.

Prior year restatement and reclassifications

The net assets at June 30, 2020 have been restated to record \$134,061 of grants payable for grants authorized by the Board in June 2020. This resulted in an increase in grants payable and decrease in net assets of \$134,061.

The allocation of net assets at June 30, 2020 has been restated to correct prior misclassifications to net assets with donor restrictions and net assets without donor restrictions. This had a \$0 net impact to total net assets at June 30, 2020, decreasing net assets with donor restrictions and increasing net assets without donor restrictions by \$244,580.

2. FUNDING FROM RIVERSIDE COUNTY

The Foundation is party to an agreement with the County of Riverside entitled “County of Riverside Service Agreement” dated March 29, 2016 (which superseded the August 16, 1994 agreement) (County Agreement), pursuant to which the County agreed to distribute to the Foundation certain sales tax funds received by the County. The County’s Governmental Revenue Sharing Agreements with the City of Palm Desert (the City) contains a provision that the City shall pay to the County the amount of redevelopment “tax increment that is equal to the amount of sales taxes paid to the City from the redevelopment site” (Alternative Funding Provisions). The term of the County Agreement ended June 30, 2020 and was renewed for an additional five year term expiring June 30, 2025 and may be extended for an additional 5 year period upon mutual written agreement of the parties. Total revenues were \$1,443,682 for the year ended June 30, 2021. The Foundation has recorded a receivable of \$1,213,621 from the County as of June 30, 2021.

3. FAIR VALUE MEASUREMENTS

The Foundation applies Generally Accepted Accounting Principles (GAAP) for fair value measurements of financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis.

REGIONAL ACCESS PROJECT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

3. FAIR VALUE MEASUREMENTS - (Continued)

GAAP 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 measurements involving significant unobservable inputs (Level 3 measurements).

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date. At June 30, 2021, all marketable securities are measured at fair value on a recurring basis and were valued at Level 1 inputs. Fair value for marketable securities at June 30, 2021 was \$418,763.

Realized and unrealized investment income amounted to \$13,102 for the year ended June 30, 2021.

4. CONCENTRATION OF GRANT REVENUE

For the year ended June 30, 2021 the Foundation received 82% of revenue from grants funded by governmental sources. A significant portion of government grant funding is related to a subrecipient agreement the Foundation entered into with the County of Riverside. The funding is being passed through the County to the Foundation and is federally funded by “Coronavirus Aid, Relief, and Economic Relief, and Economic Securities (CARES) Act”. Through this agreement, the Foundation has been provided \$7,315,000 to cover COVID-19 related expenses incurred during the period of March 1, 2020 through June 30, 2021. The Foundation was tasked to reach out and assist local skilled nursing facilities to provide funding for their COVID related expenses.

5. GOVERNMENT LOAN PAYABLE

In May 2020 the Foundation received a Paycheck Protection Program (PPP) loan in the amount of \$68,986. This two-year loan, was offered to qualifying small businesses in order to provide financial assistance during the COVID-19 crisis and is to be used to cover payroll costs and other qualifying expenses.

Management has elected to use guidance under ASC 470 which indicates these funds are to be reflected as a liability until it is legally released as an obligation to pay. Under the terms of this loan, interest is charged at a 1% annual rate, and matures May 2022. Loans under this program may be forgiven in full provided funds are used to pay for qualifying expenses. The Foundation expects their loan to be forgiven in full. The balance as of June 30, 2021 was \$69,101 and will be due in full during the year ending June 30, 2022. (See Note 12)

REGIONAL ACCESS PROJECT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

6. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2021:

Building	\$ 2,554,026
Improvements	804,505
Office equipment	53,947
Computer equipment	47,168
	<u>3,459,646</u>
Less: accumulated depreciation	(460,769)
Total	<u>\$ 2,998,877</u>

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following as of June 30, 2021:

James Irvine Foundation	\$ 175,521
Desert Legal Foundation	17,682
Prevent Child Abuse Riverside County	6,675
SIA Awards	23,122
Other programs	11,093
Total net assets with donor restrictions	<u>\$ 234,093</u>

8. GRANTS TO ORGANIZATIONS

As described in the summary of significant accounting policies, the Foundation provides cash grants to entities that provide health, mental health, education or family intervention services to residents of eastern Riverside County. Grants expense as shown on the statement of functional expense, were provided for the following purposes for the years ended June 30, 2021:

CARES grants	\$ 7,196,548
Mental health grants	699,685
Technical assistance grants	222,676
Other grants	156,228
General health grants	114,072
Stabilizing family grant	100,000
Education grants	1,500
Total grants to organizations	<u>\$ 8,490,709</u>

REGIONAL ACCESS PROJECT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

9. RETIREMENT PLAN

The Foundation contributes on behalf of its employees to a 401(k) retirement plan. All full-time employees who are at least 18 years of age are eligible to participate in the plan. Under this plan, the Foundation contributes a dollar for dollar match of the participating employees' deferral amounts each year, up to 5% of the employees' compensation for the plan year. The Foundation made \$22,239 of matching contributions to employee retirement plans for the year ended June 30, 2021.

10. UNCERTAINTIES

The ongoing COVID-19 pandemic in the United States has caused business disruption and a reduction in economic activity across the nation. While the disruption is expected to be temporary, there is considerable uncertainty around the duration and the impact it will have on the Foundation's operations and financial position. The financial impact to the Foundation cannot be reasonably estimated at this time.

11. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following represents financial assets that could readily be made available within one year at June 30, 2021 for general expenditures:

Financial assets at year-end:	
Cash and Cash equivalents	\$ 2,233,811
Investments	418,763
County Tax Receivable	1,213,621
Accounts Receivable	42,318
	<u>\$ 3,908,513</u>

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Cash and investments from donor-restricted sources is restricted for specific purposes and therefore, is not available for general expenditure. Even though the Board has the ability to release Board designated funds for operating needs at any time, since the Board designated amounts of \$50,000 were not available for operations as of June 30, 2021 these amounts have been excluded from the amounts listed above.

12. SUBSEQUENT EVENTS

The Foundation evaluated all potential subsequent events as of December 8, 2021 when the financial statements were authorized and available to be issued. No subsequent events or transactions other than noted below, were identified after June 30, 2021 or as of December 8, 2021 that require disclosure to the financial statements.

In November 2021 the Foundation received notification that the PPP loan received in May of 2020 had been forgiven in full.