

**NEW YORK CITY GAY AND LESBIAN
ANTI-VIOLENCE PROJECT, INC.**

Financial Statements
with Independent Auditor's Report

June 30, 2021 and 2020

**GALLEROS ROBINSON
CERTIFIED PUBLIC ACCOUNTANTS, LLP**

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.

JUNE 30, 2021 AND 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
New York City Gay and Lesbian Anti-Violence Project, Inc.

We have audited the accompanying financial statements of New York City Gay and Lesbian Anti-Violence Project, Inc., 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 the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

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. 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.

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

**To the Board of Directors of
New York City Gay and Lesbian Anti-Violence Project, Inc.
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Opinion

In our opinion, the 2021 financial statements referred to above present fairly, in all material respects, the financial position of New York City Gay and Lesbian Anti-Violence Project, Inc. as of June 30, 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.

Prior Period Financial Statements

The financial statements of New York City Gay and Lesbian Anti-Violence Project, Inc. as of June 30, 2020, were audited by other auditors whose report dated January 15, 2021, expressed an unmodified opinion on those statements.

Galleras Robinson CPAs, LLP

New York, New York
May 4, 2022

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and cash equivalents	\$ 1,791,554	\$ 2,608,168
Contributions receivable	547,802	650,096
Government grants and other receivables	1,641,738	1,256,165
Prepaid expenses and other assets	71,808	38,365
Property and equipment, net	113,698	105,007
Security deposit	<u>118,331</u>	<u>120,981</u>
 Total Assets	 <u>\$ 4,284,931</u>	 <u>\$ 4,778,782</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Accrued expenses and other payables	\$ 434,115	\$ 433,434
Deferred rent payable	192,025	191,084
Paycheck Protection Program loan payable	<u>-</u>	<u>261,704</u>
 Total Liabilities	 <u>626,140</u>	 <u>886,222</u>
 Net Assets		
Without donor restrictions		
Undesignated	2,645,137	2,265,562
Board designated	<u>500,718</u>	<u>500,668</u>
	3,145,855	2,766,230
With donor restrictions	<u>512,936</u>	<u>1,126,330</u>
 Total Net Assets	 <u>3,658,791</u>	 <u>3,892,560</u>
 Total Net Assets and Liabilities	 <u>\$ 4,284,931</u>	 <u>\$ 4,778,782</u>

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.

STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2021 AND 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Special events revenue	\$ -	\$ -	\$ -	\$ 220,196	\$ -	\$ 220,196
Cost of direct benefits to donors	-	-	-	(56,301)	-	(56,301)
Net revenue from special events	-	-	-	163,895	-	163,895
Government grants	3,051,724	-	3,051,724	2,975,466	-	2,975,466
Contributions	1,008,136	330,000	1,338,136	2,323,600	1,237,000	3,560,600
Donated goods and services	130,233	-	130,233	139,085	-	139,085
Trainings and other revenue	64,615	-	64,615	88,861	-	88,861
Net assets released from restrictions	943,394	(943,394)	-	953,861	(953,861)	-
Total Support and Revenue	5,198,102	(613,394)	4,584,708	6,644,768	283,139	6,927,907
EXPENSES						
Program services	3,432,101	-	3,432,101	3,511,203	-	3,511,203
Supporting services						
Management and general	793,079	-	793,079	810,160	-	810,160
Fundraising and development	593,297	-	593,297	409,602	-	409,602
Total Expenses	4,818,477	-	4,818,477	4,730,965	-	4,730,965
CHANGE IN NET ASSETS	379,625	(613,394)	(233,769)	1,913,803	283,139	2,196,942
NET ASSETS, BEGINNING OF YEAR	2,766,230	1,126,330	3,892,560	852,427	843,191	1,695,618
NET ASSETS, END OF YEAR	\$ 3,145,855	\$ 512,936	\$ 3,658,791	\$ 2,766,230	\$ 1,126,330	\$ 3,892,560

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED JUNE 30, 2021 AND 2020

	2021				2020			
	Program Services	Supporting Services Management and General	Fundraising and Development	Total	Program Services	Supporting Services Management and General	Fundraising and Development	Total
Salaries	\$ 2,127,767	\$ 385,939	\$ 265,232	\$ 2,778,938	\$ 2,168,583	\$ 411,897	\$ 276,431	\$ 2,856,911
Payroll taxes and employee benefits	371,842	67,446	46,351	485,639	350,053	66,488	44,621	461,162
Total salaries and related costs	2,499,609	453,385	311,583	3,264,577	2,518,636	478,385	321,052	3,318,073
Professional fees and consultants	175,797	187,440	183,322	546,559	97,787	217,670	2,956	318,413
Hotline volunteers	125,233	-	-	125,233	139,085	-	-	139,085
Occupancy	328,927	59,661	41,002	429,590	319,728	60,729	40,756	421,213
Special events	-	-	200	200	-	-	2,119	2,119
Program activities	163,887	-	-	163,887	185,464	-	-	185,464
Travel and transportation	633	2,060	5,000	7,693	84,623	5,042	5,017	94,682
Printing and design	-	-	5,441	5,441	10,883	496	6,195	17,574
Equipment rentals	16,342	6,522	2,037	24,901	22,741	9,015	2,899	34,655
Software, office and equipment maintenance	35,743	33,578	6,513	75,834	48,588	10,082	9,487	68,157
Telephone and communications	26,635	2,887	1,984	31,506	29,699	3,887	2,609	36,195
Office and program supplies	3,021	3,102	189	6,312	10,126	1,474	122	11,722
Postage and mailing	5,595	1,510	2,067	9,172	3,913	667	2,294	6,874
Insurance	18,299	2,466	1,695	22,460	17,923	1,926	1,293	21,142
Staff expenses and dues	12,647	28,640	11,413	52,700	6,945	5,983	3,557	16,485
Bank, credit card fees and other	1,345	6,532	16,059	23,936	-	11,886	7,326	19,212
Depreciation and amortization	18,388	3,335	2,292	24,015	15,062	2,861	1,920	19,843
Bad debts expense	-	1,961	2,500	4,461	-	57	-	57
Total Expenses	\$ 3,432,101	\$ 793,079	\$ 593,297	\$ 4,818,477	\$ 3,511,203	\$ 810,160	\$ 409,602	\$ 4,730,965

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ (233,769)	\$ 2,196,942
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities		
Depreciation and amortization	24,015	19,843
Deferred rent payable	941	12,051
Bad debts expense	4,461	57
Conversion of loan payable to income	(261,704)	-
Changes in operating assets and liabilities		
(Increase) decrease in assets		
Contributions receivable	97,833	(92,153)
Government grants and other receivables	(385,573)	(372,305)
Prepaid expenses and other assets	(33,443)	(3,644)
Security deposit	2,650	500
Increase (decrease) in liabilities		
Accrued expenses and other payables	681	118,009
Deferred revenue	-	(36,000)
Net Cash (Used in) Provided by Operating Activities	<u>(783,908)</u>	<u>1,843,300</u>
Cash Flows From Investing Activities:		
Property and equipment acquisitions	<u>(32,706)</u>	<u>(7,769)</u>
Net Cash Used in Investing Activities	<u>(32,706)</u>	<u>(7,769)</u>
Cash Flows From Financing Activities:		
Proceeds from Paycheck Protection Program loan payable	<u>-</u>	<u>261,704</u>
Net Cash Provided by Financing Activities	<u>-</u>	<u>261,704</u>
Net Change in Cash and Cash Equivalents	(816,614)	2,097,235
Cash and Cash Equivalents, Beginning of Year	<u>2,608,168</u>	<u>510,933</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,791,554</u>	<u>\$ 2,608,168</u>

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

1. ORGANIZATION

The New York City Gay and Lesbian Anti-Violence Project, Inc. ("AVP" or the "Agency") empowers lesbian, gay, bisexual, transgender, queer ("LGBTQ") and HIV-affected communities and allies to end all forms of violence through organizing and education and supports survivors through counseling and advocacy. AVP operates a free and confidential 24-hour bilingual hotline staffed by AVP staff and trained volunteers, provides crisis intervention, safety planning, counseling and advocacy to individual survivors of violence and engages in community outreach and education to prevent and end violence within and against LGBTQ and HIV-affected communities in New York City. AVP coordinates the New York State Domestic Violence Network which addresses LGBTQ and HIV-affected domestic violence throughout the state. AVP also trains and educates "mainstream service providers," including law enforcement agencies, in New York State about violence within and against the LGBTQ and HIV-affected communities. In 2014, AVP launched a Legal Services Program, which provides free holistic, direct legal services to underserved LGBTQ and HIV-affected survivors of intimate partner violence and sexual violence in all five boroughs. AVP also coordinates the National Coalition of Anti-Violence Programs ("NCAVP"), which is a national coalition of programs that addresses the pervasive problem of violence committed against and within the LGBTQ and HIV-affected communities throughout the United States.

AVP receives its principal support and revenue from governmental sources, private individuals, corporations and foundations.

AVP is a not-for-profit corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is located in New York, New York.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Agency prepares its financial statements using the accrual basis of accounting. The Agency follows accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

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

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To increase the comparability of fair value measurements, a three-tier fair value hierarchy, which prioritizes the inputs used in the valuation methodologies, is as follows:

Level 1 - Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 - Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Valuations based on unobservable inputs reflecting the Agency's own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

Cash and Cash Equivalents

The Agency considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Contributions Receivable

Contributions receivable, which consist of unconditional promises to give, are recognized as revenue in the year received. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are discounted to reflect the present value of their estimated future cash flows, unless management deems such discount to be immaterial to the financial statements.

Government Grants and Other Receivables

Government grants and other receivables are recorded when earned based on expenses that have been incurred for the purposes specified by the grantors. To the extent amounts received exceed amounts spent, the Agency establishes advances from government funders. For deliverables and fixed-price contracts, revenue is recorded when the deliverable is met or on the established time interval as described in the contract, respectively.

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Contributions

Contributions are provided to the Agency either with or without donor restrictions. Revenues and net assets are separately reported to reflect the nature of those gifts - with or without donor restrictions. The value recorded for each contribution or grant is recognized as follows:

<u>Nature of the Gift</u>	<u>Value Recognized</u>
<i>Conditional gifts and grants, with or without restrictions</i>	
Gifts and grants that depend on the Agency overcoming a donor-imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, i.e., the donor-imposed barrier is met
<i>Unconditional gifts and grants, with or without restrictions</i>	
Received at date of gift - cash and other assets	Fair value
Received at date of gift - property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
To be collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level yield method.

When a donor-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 statements of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation and amortization. The Agency capitalizes property and equipment with a useful life of two years or more and a cost of \$1,000 or more. Depreciation and amortization are provided using the straight-line method in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives. Leasehold improvements are amortized over the shorter of their useful lives or the term of the lease.

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Property and Equipment – Continued

	<u>Estimated Useful Lives</u>
Computers	5 years
Furniture and equipment	5 to 10 years
Leasehold improvements	10 years

Net Assets

Net assets without donor restrictions include funds having no restriction as to use or purpose imposed by donors. Net assets without donor restrictions - Board designated represent funds designated by the board of directors for use in the event of an emergency. Net assets with donor restrictions are those whose use has been limited by donors to a specific time period or purpose, or those net assets whose principal may or may not be expended, the income from which is expendable to support general operations.

Donated Goods and Services

Donated goods and services are recorded at their estimated fair value.

Functional Allocation of Expenses

The costs of providing the Agency's services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Hotline volunteers and program activities are directly charged to program services. Expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques such as square footage and time and effort.

Operating Leases

Rent expense has been recorded on the straight-line basis over the life of the lease. Deferred rent has been recorded for the difference between the fixed payment and rent expense.

Accounting for Uncertainty in Income Taxes

The Agency applies the provisions pertaining to uncertain tax positions, FASB ASC Topic 740, and has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. The Agency believes it is no longer subject to income tax examinations prior to 2018.

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

New Accounting Pronouncements

Accounting for Leases

On February 25, 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which will require lessees to recognize a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The standard is effective for nonpublic business entities for fiscal years beginning after December 15, 2021.

The Agency has not yet determined if this ASU will have a material effect on its financial statements.

3. CONTRIBUTIONS RECEIVABLE

Contributions receivable consisted of the following as of June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Less than one year	\$ 522,802	\$ 425,096
One to five years	<u>25,000</u>	<u>225,000</u>
	<u>\$ 547,802</u>	<u>\$ 650,096</u>

4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Computers	\$ 34,942	\$ 9,903
Furniture and equipment	65,172	61,960
Leasehold improvements	<u>112,533</u>	<u>112,534</u>
	212,647	184,397
Less: Accumulated depreciation and amortization	<u>98,949</u>	<u>79,390</u>
	<u>\$ 113,698</u>	<u>\$ 105,007</u>

The Agency wrote off fully depreciated furniture and equipment in the amount of \$4,456 during the year ended June 30, 2021.

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

5. DONATED GOODS AND SERVICES

The value of donated services provided during the year ended June 30, 2021 consisted of services provided by hotline volunteers in the amount of \$125,233, and discounted transportation costs in the amount of \$5,000. For the year ended June 30, 2020, donated services consist of the value of services provided by hotline volunteers in the amount of \$139,085.

6. CONCENTRATION OF CREDIT RISK

The Agency maintains cash balances in several financial institutions, which balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to \$250,000 per institution. From time to time, the Agency's balances may exceed these limits.

7. COMMITMENTS AND CONTINGENCIES

The Agency entered into a real property lease in February 2015. The lease term began July 2015 and is scheduled to expire on August 31, 2026. Rental expense for each of the years ended June 30, 2021 and 2020 amounted to \$382,347. The Agency has also entered into various equipment lease agreements.

Future minimum annual rental commitments under noncancellable lease obligations are as follows:

<u>Years Ending June 30:</u>	<u>Office Rent</u>	<u>Equipment Rentals</u>	<u>Totals</u>
2022	\$ 392,848	\$ 18,584	\$ 411,432
2023	425,384	6,221	431,605
2024	438,145	6,221	444,366
2025	451,290	4,950	456,240
2026	77,471	-	77,471
	<u>\$1,785,138</u>	<u>\$35,976</u>	<u>\$1,821,114</u>

The Agency records rent expense on the straight-line basis as required under U.S. GAAP. Deferred rent payable amounted to \$192,025 and \$191,084 at June 30, 2021 and 2020, respectively.

A substantial amount of the Agency's revenues are government reimbursements. Revenue and related expenses are subject to audit verification by the funding agencies. The accompanying financial statements make no provision for possible disallowances. Although such disallowance could be substantial in amount, in the opinion of management, any actual disallowances would be immaterial.

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

8. REVENUE FROM PAYCHECK PROTECTION PROGRAM

Included in government grants is approximately \$261,704 which the Agency received in 2020 in the form of a Payroll Protection Program (“PPP”) loan. The PPP regulations established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”) provides loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The CARES Act is administered through the U.S. Small Business Administration (“SBA”). AVP applied for forgiveness, and it was approved on May 10, 2021.

9. DONOR RESTRICTED NET ASSETS

Donor restricted net assets are restricted as follows as of June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Purpose Restrictions:		
NCAVP	\$ 150,000	\$ 473,894
Development consultant	-	7,000
Intimate partner violence program support	60,000	60,000
Legal fellow	-	9,470
COVID-19	-	102,811
TGNC program	105,685	150,000
DECRIM	68,359	100,840
Civic engagement	-	30,000
Time restricted	<u>128,892</u>	<u>192,315</u>
	<u>\$ 512,936</u>	<u>\$ 1,126,330</u>

Purpose restricted net assets were released from restrictions by incurring expenses satisfying the following:

	<u>2021</u>	<u>2020</u>
Purpose Restrictions:		
NCAVP	\$ 323,894	\$ 456,587
Development consultant	7,000	-
Intimate partner violence program support	60,000	14,000
Legal fellow	29,470	89,962
COVID-19	102,811	82,189
TGNC program	194,315	134,278
DECRIM	82,480	74,160
Civic engagement	30,000	60,000
EEP program		10,000
Time restricted	<u>113,424</u>	<u>32,685</u>
	<u>\$ 943,394</u>	<u>\$ 953,861</u>

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

10. AVAILABLE RESOURCES AND LIQUIDITY

The Agency regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Agency has various sources of liquidity at its disposal, including cash and cash equivalents, contributions receivable, and government grants and other receivables.

The following reflects the Agency's financial assets as of June 30, 2021 and 2020, reduced by amounts not available for general use within one year of the statements of financial position date because of contractual or donor-imposed restrictions or internal designations.

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 1,791,554	\$ 2,608,168
Contributions receivable	547,802	650,096
Government grants and other receivables	<u>1,641,738</u>	<u>1,256,165</u>
Total financial assets	3,981,094	4,514,429
Less:		
Net assets with donor-imposed restrictions	(202,869)	(706,330)
Board designated net assets*	<u>(500,718)</u>	<u>(500,668)</u>
Financial assets available to meet cash needs		

*Funds may be withdrawn, with board approval, based on short-term cash needs.

11. RISKS AND UNCERTAINTIES

The COVID-19 pandemic remains a rapidly evolving situation. The extent of the impact of COVID-19 on the Agency's operations and financial results will depend on future developments, including the duration and spread of the outbreak. Due to the rapidly changing business environment, unprecedented market volatility, and other circumstances resulting from the COVID-19 pandemic, the Agency is currently unable to fully determine the extent of COVID-19's impact on its operations in future periods. The Agency's performance in future periods will be heavily influenced by the timing, length, and intensity of the economic recoveries in the United States. The Agency continues to monitor evolving economic and general business conditions and the actual and potential impacts on its financial position and results of operations.

12. SUBSEQUENT EVENTS

Management has evaluated all events or transactions that occurred after June 30, 2021 through May 4, 2022, which is the date that the financial statements were available to be issued. During this period, there were no material subsequent events requiring disclosure.