# PARENTCHILD+ INC.
# FINANCIAL STATEMENTS
# JUNE 30, 2021
# (WITH COMPARATIVE TOTALS FOR 2020)

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# INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
ParentChild+ Inc.

**Report on the Financial Statements**
We have audited the accompanying financial statements of ParentChild+ Inc. (a nonprofit organization), 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.

**Auditors' 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 auditors' 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.

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**Opinion**
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ParentChild+ 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.

**Report on Summarized Comparative Information**
We have previously audited ParentChild+ Inc.'s 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 4, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Satty, Levine & Ciacco CPAs PC

Satty, Levine & Ciacco, CPAs, P.C.
Melville, New York
December 16, 2021

**PARENTCHILD+ INC.**
**STATEMENTS OF FINANCIAL POSITION**
**JUNE 30, 2021**
***(With comparative totals for 2020)***

| | 2021 | 2020 |
|---|---|---|
| **ASSETS:** | | |
| Cash and cash equivalents | $ 1,443,770 | $ 930,179 |
| Marketable securities | 1,813,970 | 1,687,070 |
| Accounts receivable | 105,647 | 101,446 |
| Prepaid expenses | 32,126 | 35,460 |
| Furniture and office equipment, net | 18,413 | 25,366 |
| Web site development and database costs, net | 231,675 | 271,526 |
| Video creation costs, net | 27,351 | 42,441 |
| Security deposit | 16,406 | 16,406 |
| TOTAL ASSETS | $ 3,689,358 | $ 3,109,894 |
| **LIABILITIES:** | | |
| Accrued expenses and other liabilities | $ 485,756 | $ 309,278 |
| Deferred revenue | 17,000 | 3,500 |
| Paycheck protection program loan | 314,515 | 267,915 |
| TOTAL LIABILITIES | 817,271 | 580,693 |
| **NET ASSETS:** | | |
| Without donor restrictions | | |
| Undesignated | 146,776 | (106,103) |
| Board designated reserves | 2,175,397 | 2,051,061 |
| | 2,322,173 | 1,944,958 |
| With donor restrictions | 549,914 | 584,243 |
| TOTAL NET ASSETS | 2,872,087 | 2,529,201 |
| TOTAL LIABILITIES AND NET ASSETS | $ 3,689,358 | $ 3,109,894 |

See independent auditors' report and notes to financial statements.

**PARENTCHILD+ INC.**
**STATEMENTS OF ACTIVITIES**
**FOR THE YEAR ENDED JUNE 30, 2021**
***(With summarized comparative totals for 2020)***

| | 2021 | | | | | 2020 |
|---|---|---|---|---|---|---|
| | Without Donor Restrictions | | | | | |
| | Operating | Board Designated | Total | With Donor Restrictions | Total | Total |
| **OPERATING ACTIVITIES** | | | | | | |
| **SUPPORT AND REVENUES:** | | | | | | |
| SUPPORT | | | | | | |
| Grants - Foundations | $ 3,204,721 | $ - | $ 3,204,721 | $ 549,914 | **$ 3,754,635** | **$ 3,282,964** |
| Grants - Government | 52,400 | - | 52,400 | - | **52,400** | **24,475** |
| Donations - United Way | 6,268 | - | 6,268 | - | **6,268** | **6,591** |
| Donations - Individuals | 493,655 | - | 493,655 | - | **493,655** | **206,833** |
| Donations - Corporations | 18,905 | - | 18,905 | - | **18,905** | **371** |
| TOTAL SUPPORT | 3,775,949 | - | 3,775,949 | 549,914 | **4,325,863** | **3,521,234** |
| REVENUES | | | | | | |
| Training and program support fees | 157,000 | - | 157,000 | - | **157,000** | **199,076** |
| Replication and material fees | 45,609 | - | 45,609 | - | **45,609** | **36,486** |
| Conference fees | 20,711 | - | 20,711 | - | **20,711** | **-** |
| Honoraria | 22,050 | - | 22,050 | - | **22,050** | **6,150** |
| Special events, net of direct costs of $4,394 and $189,961, respectively | 60,675 | - | 60,675 | - | **60,675** | **243,243** |
| Investment income | - | - | - | - | **-** | **82** |
| TOTAL REVENUE | 306,045 | - | 306,045 | - | **306,045** | **485,037** |
| Net Assets Released From Restrictions | 584,243 | - | 584,243 | (584,243) | **-** | **-** |
| TOTAL SUPPORT AND REVENUE | 4,666,237 | - | 4,666,237 | (34,329) | **4,631,908** | **4,006,271** |
| **EXPENSES:** | | | | | | |
| Program | 4,651,923 | - | 4,651,923 | - | **4,651,923** | **4,674,561** |
| General and administrative | 218,172 | - | 218,172 | - | **218,172** | **231,660** |
| Fundraising | 36,637 | - | 36,637 | - | **36,637** | **37,134** |
| TOTAL EXPENSES | 4,906,732 | - | 4,906,732 | - | **4,906,732** | **4,943,355** |
| CHANGE IN NET ASSETS FROM OPERATIONS | (240,495) | - | (240,495) | (34,329) | **(274,824)** | **(937,084)** |
| **NONOPERATING ACTIVITIES** | | | | | | |
| Investment income | - | 349,795 | 349,795 | - | **349,795** | **44,773** |
| Forgiveness of paycheck protection program loan | 267,915 | - | 267,915 | - | **267,915** | **-** |
| Board transfer | 225,459 | (225,459) | - | - | **-** | **-** |
| TOTAL NONOPERATING ACTIVITIES | 493,374 | 124,336 | 617,710 | - | **617,710** | **44,773** |
| CHANGE IN NET ASSETS (DEFICIT) | 252,879 | 124,336 | 377,215 | (34,329) | **342,886** | **(892,311)** |
| NET ASSETS - Beginning of year | (106,103) | 2,051,061 | 1,944,958 | 584,243 | **2,529,201** | **3,421,512** |
| NET ASSETS - End of year | $ 146,776 | $ 2,175,397 | $ 2,322,173 | $ 549,914 | **$ 2,872,087** | **$ 2,529,201** |

See independent auditors' report and notes to financial statements.

**PARENTCHILD+ INC.**
**STATEMENTS OF FUNCTIONAL EXPENSES**
**FOR THE YEAR ENDED JUNE 30, 2021**
***(With summarized comparative totals for 2020)***

| | PROGRAM SERVICES | | | | | SUPPORT SERVICES | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Replication** | **Training** | **Outreach** | **Research** | **Total Program Services** | **General and Administration** | **Fundraising** | **Total 2021** | **Total 2020** |
| **EXPENSES:** | | | | | | | | | |
| Replication grants | $ 2,337,292 | $ - | $ - | 5,000 | $ 2,342,292 | $ - | $ - | $ 2,342,292 | $2,373,833 |
| Salaries | 434,689 | 128,561 | 613,740 | 194,174 | 1,371,164 | 107,920 | 28,282 | 1,507,366 | 1,466,162 |
| Payroll taxes and benefits | 73,782 | 21,455 | 92,352 | 29,280 | 216,869 | 14,273 | 6,359 | 237,501 | 209,408 |
| Professional fees | 16,831 | 1,577 | 158,620 | 147,825 | 324,853 | 55,938 | - | 380,791 | 379,286 |
| Rent | 26,768 | 7,917 | 37,793 | 11,957 | 84,435 | 6,646 | 1,742 | 92,823 | 100,245 |
| Offsite employee | 67,013 | - | 67,013 | - | 134,026 | - | | 134,026 | 133,212 |
| Conference expenses | 250 | 1,995 | 138 | - | 2,383 | - | - | 2,383 | 2,550 |
| Video | - | - | - | - | - | - | - | - | 110 |
| Travel | - | - | - | 3 | 3 | 11 | - | 14 | 22,696 |
| Printing | - | - | 226 | - | 226 | - | - | 226 | 3,550 |
| Communications | - | - | 10 | - | 10 | - | - | 10 | 349 |
| Telephone and website fees | 31,667 | - | 1,765 | - | 33,432 | 17,178 | 254 | 50,864 | 74,719 |
| Postage and messenger | - | - | 229 | - | 229 | 4 | - | 233 | 2,269 |
| Supplies and office expenses | 430 | - | 184 | 550 | 1,164 | 1,948 | - | 3,112 | 22,944 |
| Technology | 5,130 | 5,668 | 579 | 2,668 | 14,045 | - | - | 14,045 | 12,531 |
| Insurance | - | - | - | - | - | 6,209 | - | 6,209 | 6,375 |
| Depreciation and amortization | 96,866 | - | 20,065 | - | 116,931 | 6,953 | - | 123,884 | 120,965 |
| Training institute expenses | - | 2,902 | - | - | 2,902 | 349 | - | 3,251 | 8,073 |
| Not-for-profit registration fees | - | - | 6,834 | - | 6,834 | 410 | - | 7,244 | 1,832 |
| Research study | - | - | - | - | - | - | - | - | 106 |
| Bank and processing fees | 125 | - | - | - | 125 | 333 | - | 458 | 366 |
| Other | - | - | - | - | - | - | - | - | 1,774 |
| TOTAL EXPENSES | $ 3,090,843 | $ 170,075 | $ 999,548 | $ 391,457 | $ 4,651,923 | $ 218,172 | $ 36,637 | $ 4,906,732 | $4,943,355 |

See independent auditors' report and notes to financial statements.

**PARENTCHILD+ INC.**
**STATEMENTS OF CASH FLOWS**
**FOR THE YEAR ENDED JUNE 30, 2021**
***(With comparative totals for 2020)***

| | 2021 | 2020 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| Change in net assets (deficit) | $ 342,886 | $ (892,311) |
| **Adjustments to reconcile change in net assets (deficit) to net cash from operating activities:** | | |
| Depreciation and amortization | 123,884 | 120,965 |
| Unrealized investment gains | (337,554) | (44,773) |
| Donated securities | (25,161) | (46,270) |
| Paycheck Protection Program loan forgiveness | (267,915) | - |
| **Changes in assets and liabilities** | | |
| Accounts receivable | (4,201) | (13,278) |
| Prepaid expenses | 3,334 | (6,078) |
| Accrued expenses and other current liabilities | 176,478 | (919) |
| Deferred revenue | 13,500 | 3,500 |
| TOTAL ADJUSTMENTS | (317,635) | 13,147 |
| NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES | 25,251 | (879,164) |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | |
| Purchase of marketable securities | - | (96,886) |
| Proceeds from sales of marketable securities | 235,815 | 1,341,700 |
| Cash paid for website development and database costs | (61,990) | (56,253) |
| Cash paid for video creation costs | - | (24,270) |
| Acquisition of property and equipment | - | (24,907) |
| NET CASH PROVIDED BY INVESTING ACTIVITIES | 173,825 | 1,139,384 |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| Proceeds from paycheck protection program loan | 314,515 | 267,915 |
| NET CASH PROVIDED BY FINANCING ACTIVITIES | 314,515 | 267,915 |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | 513,591 | 528,135 |
| **CASH AND CASH EQUIVALENTS:** | | |
| Beginning of year | 930,179 | 402,044 |
| End of year | $ 1,443,770 | $ 930,179 |

See independent auditors' report and notes to financial statements.

## NOTE 1. ORGANIZATION AND BASIS OF ACCOUNTING AND PRESENTATION

A. ORGANIZATION

ParentChild+ Inc., (the "Organization"), was incorporated under Section 402 of the Not-For-Profit Corporation law of New York State in November 1978. The Organization was formerly known as Parent-Child Home Program, Inc. before changing its name in July 2019. The Organization is exempt from tax under Section 501(c)(3) of the Internal Revenue Code. The Organization engages early in life, using education to help young children and their parents access a path to possibility. The Organization provides not only early literacy and school readiness supports, but most importantly early opportunity. Working with families living in underserved and historically marginalized communities, the Organization focuses on closing the equity gap and utilizing education to provide opportunities.

The Organization supports early childhood school readiness through two models - a one-on-one home visiting model for families with two and three-year-olds and a home visiting model that works with family child care (FCC) providers who take care of groups of children in their homes. The Organization focuses on communities furthest from opportunity, where too often poverty, limited access to quality education, isolation, housing and food insecurity, and language and literacy barriers pose obstacles to educational and life success.

The Organization's intensive home visiting approach provides families with 92 visits and 46 high quality children's books and toys to support parent-child interaction and school readiness and provides FCC providers with 48 visits and learning materials for them and the families they care for. Home visitors model, for the parents/providers and children, reading, conversation, and play activities that enhance adult-child interaction and support the development of children's language, literacy, numeracy, and social-emotional skills.

The Organization's National Center was created to disseminate information, promote and support replication in communities across the US and internationally, provide training, program support, and quality assurance, and conduct research on the program

B. BASIS OF ACCOUNTING

The accompanying financial statements are prepared on the accrual method of accounting, in accordance with principles generally accepted in the United States. Contributions received and expenses incurred for future programs are deferred to the applicable year.

C. BASIS OF FINANCIAL STATEMENT PRESENTATION

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

## NOTE 1. ORGANIZATION AND BASIS OF ACCOUNTING AND PRESENTATION (continued)

**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. Board-designated reserves are allocated from the Organization's investment funds by the Board to support mission-critical capacity building staffing additions and projects that increase the general operating budget. The Board has determined that these activities are an important investment in the growth and future of the Organization.

**Net assets with donor restrictions**: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

D. MEASURE OF OPERATIONS
The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing services and interest and dividends earned on cash and cash equivalents. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. CASH AND CASH EQUIVALENTS
Cash and cash equivalents consist of cash held in checking and money market accounts. Management believes the Organization is not exposed to any significant credit risk on cash and cash equivalents. The Organization considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

B. INVESTMENTS
All investments are reflected on the books at fair market value. Income from investments with donor restrictions are recorded as investment income without donor restrictions if the restrictions are met in the same period. Investment income is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less investment management and custodial fees. Donated securities and/or property are recorded at fair market value at the date of the donation.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

C. ACCOUNTS RECEIVABLE AND ALLOWANCES

Accounts receivable are stated at the amount the Organization expects to collect from outstanding balances. The Organization uses the allowance method to determine uncollectible promises to give and other receivables. The allowance is based on prior years' experience and management's analysis. Balances that are still outstanding after management has used reasonable collection efforts are written off. As of June 30, 2021 and June 30, 2020, no allowance for uncollectible receivables was considered necessary.

D. PROPERTY AND EQUIPMENT

Building and equipment are stated at cost. Costs in excess of $500 and the value of donated property and equipment are capitalized at fair market value. Depreciation is provided on the straight-line method over the estimated useful life of the asset. The estimated useful lives of furniture and office equipment is 5-7 years. Depreciation expense was $6,953 and $6,315 for the years ended June 30, 2021 and June 30, 2020, respectively.

E. INTANGIBLE ASSETS

Website development and video creation costs are stated at cost less accumulated amortization. Amortization is computed on the straight-line basis over the estimated useful lives of the assets acquired, which range from 5-7 years.

F. REVENUE AND CONTRIBUTION RECOGNITION

Revenues are derived principally from training and site certification fees and recognized as revenue when they occur.

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Contributions from private and public donations are received and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. 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 statements of activities as net assets released from restrictions.

G. DONATED PROPERTY AND EQUIPMENT

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. FUNCTIONAL EXPENSE ALLOCATION
The costs of providing program and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Expenses which are easily and directly associated with a particular program or supporting service are charged directly to that functional area. Certain other expenses have been allocated among the program and supporting services benefited. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

| Expense | Method of Allocation |
|---|---|
| Salaries and benefits | Time and effort |
| Rent | Actual or square footage |
| Depreciation and amortization | Actual or square footage |
| Other | Actual, square footage, time and effort or units of service |

I. 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.

J. INCOME TAXES
The Organization is exempt from federal income taxes under Section 501©(3) of the Internal Revenue Code and comparable New York State law. As a not-for-profit organization, the Organization is also exempt from New York State income taxes. The Organization recognizes the effect of tax positions only when they are more likely than not to be sustained. At June 30, 2021, the Organization did not have any unrecognized tax benefits or liabilities. Contributions to it are tax deductible within the limitations prescribed by the code.

The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending June 30, 2021, 2020, and 2019 are subject to examination by the IRS, generally for 3 years after they were filed.

K. RECLASSIFICATIONS
Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation.

L. PRIOR YEAR INFORMATION
The statements of financial position, activities, functional expenses, and cash flows include certain prior year summarized comparative information in total but not by category. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

## NOTE 3. INVESTMENTS

Investments as of June 30, 2021 and 2020 are summarized as follows:

| | 2021 | 2020 |
|---|---|---|
| Mutual Funds | | |
| Equities | $ 991,818 | $ 715,347 |
| Bonds | 474,825 | 693,374 |
| Common stocks | 62,244 | 57,043 |
| Exchange Traded Funds | 285,083 | 221,306 |
| | $ 1,813,970 | $ 1,687,070 |

## NOTE 4. FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). The Organization groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

**Level 1:** Unadjusted quoted market prices for identical assets and liabilities in active markets as of the measurement date.

**Level 2:** Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets and liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in markets that are not active.
- Inputs other than quoted prices that are observable for the asset/liability.
- Inputs that are derived principally from, or corroborated by, other observable market data.

**Level 3:** Unobservable inputs that cannot be corroborated by observable market data.

At June 30, 2021 and 2020, all investments were considered level 1 investments.

## NOTE 5. AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at June 30, 2021 and 2020, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the Statement of Financial Position date:

| Financial assets at year end: | 2021 | 2020 |
|---|---|---|
| Cash and cash equivalents | $ 1,443,770 | $ 930,179 |
| Investments | 1,813,970 | 1,687,070 |
| Accounts receivable | 105,647 | 101,446 |
| Total financial assets | 3,363,387 | 2,718,695 |
| Less amounts not available to be used within one year: | | |
| Net assets with donor restrictions | (549,914) | (584,243) |
| Financial assets available to meet general expenditures over the next twelve months | $ 2,813,473 | $ 2,134,452 |

The Organization's goal is generally to maintain financial assets to meet the general operating expenses.

## NOTE 6. INTANGIBLE ASSETS

A summary of the Organization's intangible assets with finite lives is presented below:

| | 2021 | 2020 |
|---|---|---|
| Website development costs | | |
| Public | $ 52,965 | $ 52,965 |
| Non-Public | 26,820 | 26,820 |
| Database | 933,312 | 871,322 |
| Video Creation costs | 141,134 | 141,134 |
| Less accumulated amortization | (895,205) | (778,274) |
| | $ 259,026 | $ 313,967 |

The amortization expense was $116,931 and $114,651 for the years ended June 30, 2021 and June 30, 2020, respectively. Estimated future amortization expense for intangible assets is as follows:

| Years ending June 30, | Amount |
|---|---|
| 2022 | $ 113,359 |
| 2023 | 81,877 |
| 2024 | 40,016 |
| 2025 | 18,023 |
| 2026 | 5,751 |
| | $ 259,026 |

**NOTE 7. NET ASSETS**

Net assets with donor restrictions were as follows for the year ended June 30, 2021 and 2020:

| | **2021** | **2020** |
|---|---|---|
| Site Implementation Grant 2021-2022 | $ 506,414 | $ - |
| Site Implementation Grant 2020-2021 | - | 451,468 |
| Research | - | 72,775 |
| Operations - Fiscal Year 2020-2021 | - | 60,000 |
| Project/State Specific | 43,500 | - |
| | $ 549,914 | $ 584,243 |

Net assets were released from restrictions by incurring expenses satisfying the following restricted purposes:

| | **2021** | **2020** |
|---|---|---|
| Site Implementation Grant | $ 451,468 | $ 621,725 |
| Research | 72,775 | - |
| Expansion - MASA | - | - |
| Project/State Specific | - | 55,000 |
| Operations | 60,000 | - |
| | $ 584,243 | $ 676,725 |

**NOTE 8. RETIREMENT PLAN**

The Organization adopted a 403(B) retirement plan on December 1, 2001, which covers all eligible employees. The employees have the option of contributing a percentage of their earnings up to a specified maximum and the Organization may contribute discretionary matching contributions to the plan. Organization contributed $47,837 and $38,592 to the plan for the year ended June 30, 2021 and 2020, respectively.

**NOTE 9. COMMITMENTS**

The Organization rents office space under a five year lease agreement which began in September 2017 and expires in November 2022 for a location in Mineola, New York. Rent expense for the year ended June 30, 2021 and 2020 was approximately $92,822 and $100,246. Noncancellable future minimum lease payments are as follows:

| Years ending June 30, | Amount |
|---|---|
| 2022 | $ 108,791 |
| 2023 | 46,254 |
| | $ 155,045 |

**NOTE 10. RISKS**

The Organization maintains all of its cash and cash equivalents and investments in high credit quality financial institutions. Accounts at the institutions are insured by the Federal Depository Insurance Corporation ("FDIC") or the Securities Investor Protection Corporation ("SIPC"). The FDIC insured limits for the year ended June 30, 2021 was $250,000. The SIPC insured limits for the year ended June 30, 2021 was $500,000 At times, balances may exceed the insured limits. The Organization does not believe that it is exposed to significant credit risk in connection with cash and cash equivalents and investments. The Organization does not have a material concentration of credit risk, with respect to accounts receivable, due to its generally short payment terms.

The outbreak of the coronavirus disease 2019 ("COVID-19'), together with the resulting restrictions on travel or quarantines imposed, could have a negative impact on the economy and business activity in any of the geographic regions in which the Organization, invests and/or operates, and thereby adversely affect the performance of the Organization.

**NOTE 11. PAYCHECK PROTECTION PROGRAM LOAN**

In May of 2020, the Organization received a first round of loan proceeds in the amount of $267,915 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (Cares "Act"), provides for loans to qualifying businesses and non-profit organizations. The loans and accrued interest thereon are forgivable after either eight or twenty-four weeks (depending upon the term selected by the Borrower) from the date of receipt as long as the Borrower uses the loan proceeds for eligible purposes, as defined in the CARES Act, including payroll, employee benefits, rent and utility expenses. The Borrower is also obligated to maintain its payroll levels. The amount of the loan forgiveness will be reduced if the Borrower terminates employees or reduces salaries during the aforementioned period.

In January of 2021 the Organization was informed by letter from the Small Business Administration that the entire amount of the first PPP loan was forgiven. In accordance with Subtopic 958-605, the Company has recognized the PPP forgiveness amount as income, which is included in nonoperating activities on the statement of activities.

In February of 2021, the Organization received a second round of loan proceeds in the amount of $314,515 under the PPP. The Organization used all of the funds from the second PPP loan for eligible expenses and subsequent to year-end was granted forgiveness by the SBA. See Note 12.

**NOTE 12. SUBSEQUENT EVENTS**

The Organization has evaluated events and transactions that occurred through December 16, 2021, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

In September of 2021, the Organization was informed by letter from the Small Business Administration that the entire amount of the second PPP loan had been forgiven.