

COMMUNITIES IN SCHOOLS OF THE NATION'S CAPITAL, INC.

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

June 30, 2022

(With Summarized Comparative Information for the Year Ended June 30, 2021)

COMMUNITIES IN SCHOOLS OF THE NATION'S CAPITAL, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Communities in Schools of the Nation's Capital, Inc.

Opinion

We have audited the accompanying financial statements of Communities in Schools of the Nation's Capital, Inc. (the Organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses and cash flows for the year 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 Communities in Schools of the Nation's Capital, Inc. as of June 30, 2022, 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.

Basis for Opinion

We conducted our audit 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 the Organization 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 about the Organization's 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited Communities in Schools of the Nation's Capital, Inc.'s 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 3, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the Organization has adopted new accounting guidance, Accounting Standards Update (ASU) 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. Our opinion is not modified with respect to that matter.



HAN GROUP LLC
Washington, DC
November 16, 2022

COMMUNITIES IN SCHOOLS OF THE NATION'S CAPITAL, INC.

Statement of Financial Position

June 30, 2022

(With Summarized Comparative Information for 2021)

	<u>2022</u>	<u>2021</u>
Assets		
Cash	\$ 51,214	\$ 363,378
Grants and contracts receivable	362,320	168,843
Other receivables	234,811	218,229
Prepaid expenses and deposits	14,542	26,913
Property and equipment, net	-	1,100
Total assets	<u>\$ 662,887</u>	<u>\$ 778,463</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 36,861	\$ 63,534
Accrued vacation	22,044	24,078
Capital lease obligation	-	880
Deferred revenue	22,188	18,750
Deferred rent	677	-
Refundable advances	-	286,342
Total liabilities	<u>81,770</u>	<u>393,584</u>
Net Assets		
Without donor restrictions	441,159	320,894
With donor restrictions	<u>139,958</u>	<u>63,985</u>
Total net assets	<u>581,117</u>	<u>384,879</u>
Total liabilities and net assets	<u>\$ 662,887</u>	<u>\$ 778,463</u>

See accompanying notes.

COMMUNITIES IN SCHOOLS OF THE NATION'S CAPITAL, INC.

Statement of Activities

Year Ended June 30, 2022

(With Summarized Comparative Information for 2021)

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenue and Support				
Government grants and contracts	\$ 662,332	\$ 814,921	\$ 1,477,253	\$ 1,603,853
Foundation and corporate contributions	299,050	302,188	601,238	342,750
Other contributions	153,158	14,602	167,760	291,012
Donated services	33,927	-	33,927	51,049
Net assets released from restrictions:				
Expiration of time restrictions	10,000	(10,000)	-	-
Satisfaction of purpose restrictions	1,045,738	(1,045,738)	-	-
Total revenue and support	<u>2,204,205</u>	<u>75,973</u>	<u>2,280,178</u>	<u>2,288,664</u>
Expenses				
Program services	<u>1,729,957</u>	<u>-</u>	<u>1,729,957</u>	<u>1,793,553</u>
Supporting services:				
Management and general	294,684	-	294,684	330,456
Fundraising	<u>59,299</u>	<u>-</u>	<u>59,299</u>	<u>76,281</u>
Total supporting services	<u>353,983</u>	<u>-</u>	<u>353,983</u>	<u>406,737</u>
Total expenses	<u>2,083,940</u>	<u>-</u>	<u>2,083,940</u>	<u>2,200,290</u>
Change in Net Assets	120,265	75,973	196,238	88,374
Net Assets, beginning of year	<u>320,894</u>	<u>63,985</u>	<u>384,879</u>	<u>296,505</u>
Net Assets, end of year	<u>\$ 441,159</u>	<u>\$ 139,958</u>	<u>\$ 581,117</u>	<u>\$ 384,879</u>

See accompanying notes.

COMMUNITIES IN SCHOOLS OF THE NATION'S CAPITAL, INC.

Statement of Functional Expenses

Year Ended June 30, 2022

(With Summarized Comparative Information for 2021)

	2022				2021	
	Supporting Services			Total Supporting Services	Total	Total
	Program Services	Management and General	Fundraising			
Salaries and related expenses	\$ 1,232,866	\$ 76,311	\$ 55,308	\$ 131,619	\$ 1,364,485	\$ 1,550,793
Student support services	396,178	47,901	-	47,901	444,079	341,953
Consultants and contractors	7,067	127,154	317	127,471	134,538	179,995
Office expenses	86,127	29,286	3,654	32,940	119,067	108,377
Dues and subscriptions	-	9,020	-	9,020	9,020	7,866
Other expenses	7,719	5,012	20	5,032	12,751	11,306
Total Expenses	<u>\$ 1,729,957</u>	<u>\$ 294,684</u>	<u>\$ 59,299</u>	<u>\$ 353,983</u>	<u>\$ 2,083,940</u>	<u>\$ 2,200,290</u>

See accompanying notes.

COMMUNITIES IN SCHOOLS OF THE NATION'S CAPITAL, INC.

Statement of Cash Flows

Year Ended June 30, 2022

(With Summarized Comparative Information for 2021)

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 196,238	\$ 88,374
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	1,100	2,640
Change in operating assets and liabilities:		
Grants and contracts receivable	(193,477)	76,651
Other receivables	(16,582)	(218,229)
Prepaid expenses and deposits	12,371	(9,282)
Accounts payable and accrued expenses	(26,673)	38,849
Accrued vacation	(2,034)	10,103
Deferred revenue	3,438	-
Deferred rent	677	-
Refundable advances	<u>(286,342)</u>	<u>(5,358)</u>
Net used in operating activities	<u>(311,284)</u>	<u>(16,252)</u>
Cash Flows from Financing Activities		
Payments on capital lease obligation	<u>(880)</u>	<u>(2,640)</u>
Net cash used in financing activities	<u>(880)</u>	<u>(2,640)</u>
Net Decrease in Cash	(312,164)	(18,892)
Cash, beginning of year	<u>363,378</u>	<u>382,270</u>
Cash, end of year	<u><u>\$ 51,214</u></u>	<u><u>\$ 363,378</u></u>
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest	<u><u>\$ 1,244</u></u>	<u><u>\$ 3,355</u></u>

See accompanying notes.

COMMUNITIES IN SCHOOLS OF THE NATION'S CAPITAL, INC.

Notes to Financial Statements

June 30, 2022

1. Nature of Operations

Communities in Schools of the Nation's Capital, Inc. (the Organization) is a nonprofit organization incorporated in March 2004 in the District of Columbia. The Organization was established to engage in educational and charitable activities, including coordinating and delivering community resources such as social, educational, and human services to at-risk youth and their families in the Washington, D.C. metropolitan area through the supportive environment of the DC Public Schools and/or non-traditional educational sites. As such, the Organization matched available community resources with schools to help young people successfully learn, stay in school, and prepare for life. The Organization funds its program and supporting services primarily through grants, contributions and contracts from governments, foundations, corporations, and individuals.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Consequently, revenue is recognized when earned and expenses are recognized as obligations are incurred.

Cash

Cash includes demand deposits held at commercial financial institutions.

Grants and Contracts Receivable

Grants and contracts receivable represent amounts due from the Organization's various grants and contracts revenue sources. There is no allowance for doubtful accounts recorded at June 30, 2022 as the entire balance is deemed by management to be fully collectible. If an amount becomes uncollectible, it is expensed when that determination is made.

Other Receivables

Other receivables represent amounts applied for under the Employee Retention Tax Credit program (ERTC) under the Coronavirus Aid, Relief and Economic Security Act (CARES). There is no allowance for doubtful accounts recorded at June 30, 2022 as the entire balance is deemed by management to be fully collectible. If an amount becomes uncollectible, it is expensed when that determination is made.

Property and Equipment

Property and equipment in excess of \$5,000 is capitalized at cost and depreciated using the straight-line method over the estimated useful lives of the related assets ranging from three to six years. Expenditures for minor and routine repairs and maintenance are expensed as incurred. Upon retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the accounts and the resulting gain or loss is included in revenue or expense.

2. Summary of Significant Accounting Policies (continued)

Classification of Net Assets

- *Net Assets Without Donor Restrictions* represent funds that are not subject to donor-imposed stipulations and are available for support of the Organization's general operations.
- *Net Assets With Donor Restrictions* represent funds that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Organization did not have any donor-imposed restrictions which are perpetual in nature at June 30, 2022.

Revenue Recognition

Contributions

Contributions without conditions are recognized upon notification of the awards and are reported as support with donor restrictions if they are received with donor stipulations that limit the use of donated assets. Contributions with donor-imposed restrictions are reclassified to net assets without donor restrictions when those restrictions are met in compliance with the donor-imposed restrictions and for the expiration of donor-imposed time restrictions. These reclassifications are reported on the accompanying statement of activities as net assets released from restrictions.

Contributions that are considered to be conditional contributions, that is, those with a measurable performance or other barrier and a right of return, are recognized as revenue once the conditions on which they depend have been met. Amounts recognized in revenue that have not been received are included in contributions receivable. Conversely, amounts received in advance of the conditions being met are recorded as refundable advances. At June 30, 2022, the Organization had no refundable advances and had unrecognized conditional contributions of \$339,939 for which conditions are expected to be met in the upcoming year.

Contract revenue

Contract revenue is billed monthly based on direct costs incurred plus allowable indirect costs. Revenue on contracts is recognized over time as the work is performed. Amounts received in advance of the performance of the work are recorded in deferred revenue. Conversely, amounts due after the performance of work are recorded in grants and contracts receivable. Deferred contract revenue at June 30, 2022 was \$22,188 and is presented as deferred revenue on the accompanying statement of financial position.

Paycheck Protection Program Conditional Contribution

The Organization accepted a second draw Small Business Administration (SBA), Paycheck Protection Program (PPP) loan in March 2021 in the amount of \$286,342 under the CARES Act. The loan carries an interest rate of 1% per annum, has a five-year repayment period, and is unsecured. Repayment of the loan may be deferred for up to ten months after the end of the covered period.

COMMUNITIES IN SCHOOLS OF THE NATION'S CAPITAL, INC.

Notes to Financial Statements

June 30, 2022

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Paycheck Protection Program Conditional Contribution (continued)

The Organization's policy is to account for PPP loans as conditional contribution. The Organization met the conditions for forgiveness of the second draw PPP loan during the year ended June 30, 2022 and in December 2021 the SBA notified the Organization that the second draw PPP loan was fully forgiven in the amount of \$286,342, in December 2021. Accordingly, this amount is included in government grants and contracts on the accompanying statement of activities.

Employer Retention Tax Credit

In March 27, 2020, the CARES Act was signed into law and provides, among other things, a refundable payroll tax credit of 50% of the first \$10,000 of qualified wages per eligible employee for wages paid or incurred from March 13, 2020 through December 31, 2020. In January 1, 2021, the Consolidated Appropriations Act increased the payroll tax credit from 50% to 70% up to \$10,000 of qualified wages per quarter per employee through June 30, 2021. On March 11, 2021, the American Rescue Plan extended the payroll tax credits through December 31, 2021 for eligible employers. The Infrastructure Investment and Jobs Act signed on November 15, 2021 retroactively terminates the employee retention tax credits to apply through September 30, 2021. According to the CARES Act, employers may not include wages funded by a PPP loan in the ERTC calculation. The Organization considered and excluded wages applied for PPP forgiveness in its ERTC calculation.

The Organization's policy is to account for ERTC as a government contribution. The Organization qualified for payroll tax credits of \$114,501 during eligible periods within the year ended June 30, 2022 and this amount is included in government grants and contracts on the accompanying statement of activities. At June 30, 2022, the Organization had total receivables of \$234,811 related to eligible employer tax credits which are included in other receivables on the accompanying statement of financial position.

Donated Goods and Services

Donated services are recognized as contributions 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. Donated goods and services are recognized as both revenue and support and expenses on the accompanying statement of activities at the estimated fair value at the date of donation. The Organization received \$33,927 of donated legal services during the year ended June 30, 2022 which were used in fulfillment of the Organization's supporting service activities. Donated legal services are valued at the standard hourly rates of the firm performing the services. There were no donor-imposed restrictions on the use of the donated legal services and no portion was monetized.

2. Summary of Significant Accounting Policies (continued)

Donated Goods and Services (continued)

A substantial number of volunteers have donated significant amounts of time to the Organization and its programs and activities. However, these donated services are not reflected in the accompanying financial statements since they do not meet the criteria for recognition.

Functional Allocation of Expenses

The costs of providing program and supporting services have been summarized on a functional basis on the accompanying statement of activities. The statement of functional expenses presents expenses by function and natural classification. The Organization incurs expenses that directly relate to, and can be assigned to, a program or supporting activity. The Organization also conducts a number of activities which benefit both its program objectives as well as supporting services. These costs, which are not specifically attributable to a specific program or supporting activity, are allocated by management on a consistent basis among program and supporting services benefited based on the distribution of labor. Expenses allocated include salaries and related expenses, consultants and contractors, office expenses and other expenses.

New Accounting Pronouncement Adopted

Effective July 1, 2021. The Organization adopted ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires that an organization to present contributions of nonfinancial assets as a separate line item apart from contributions of cash or other financial assets on the statement of activities. Additionally, the categories of recognized contributed nonfinancial assets, how the services were utilized and the valuation techniques and inputs used to arrive at a fair value measure are disclosed. The Organization adopted ASU 2020-07 on a retrospective basis. The presentation and disclosures about contributed nonfinancial assets have been enhanced in accordance with the standards.

Pending Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The core principles of ASU 2016-02 change the way organizations will account for their leases by recognizing lease assets and related liabilities on the statement of financial position and disclosing key information about leasing arrangements. ASU 2016-02 is effective for non-public entities for fiscal years beginning after December 15, 2021.

Management is currently evaluating the impact of ASU 2016-02 and ASU 2020-07 on the Organization's financial statements.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain amounts reported on the financial statements and accompanying notes. Actual results could differ from those estimates.

COMMUNITIES IN SCHOOLS OF THE NATION'S CAPITAL, INC.

Notes to Financial Statements

June 30, 2022

2. Summary of Significant Accounting Policies (continued)

Reclassifications

Certain prior year amounts have been reclassified to conform to the 2022 financial statement presentation.

Summarized Comparative Information

The accompanying financial statements are presented with certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2021 from which the summarized information was derived.

3. Concentrations

The Organization maintains demand deposits with a financial institution that may, from time to time, exceed insurable limits. The Organization routinely assesses the financial condition of the institution and believes the risk of any loss is minimal.

During the year ended June 30, 2022, the Organization received 58% of its revenue from three entities and 91% of the Organization's receivables were due from four entities at June 30, 2022.

4. Property and Equipment

The Organization held the following property and equipment at June 30, 2022:

Computer and software	\$	16,393
Equipment		<u>13,860</u>
Total property and equipment		30,253
Less: accumulated depreciation and amortization		<u>(30,253)</u>
Property and equipment, net	\$	<u><u>-</u></u>

COMMUNITIES IN SCHOOLS OF THE NATION'S CAPITAL, INC.

Notes to Financial Statements

June 30, 2022

5. Liquidity and Availability of Resources

The following schedule reflects the Organization's financial assets as of June 30, 2022, reduced by amounts not available for general use within one year. All financial assets listed below are considered to be convertible to cash within one year.

Financial Assets:	
Cash	\$ 51,214
Grants and contracts receivable	362,320
Other receivables	<u>234,811</u>
Total financial assets	648,345
Less: Donor-imposed restrictions on the financial assets	<u>(139,958)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 508,387</u>

The Organization's policy is to structure its financial assets to become available as general expenditures, liabilities and other obligations become due, operating within a prudent range of financial soundness and stability while maintaining and monitoring reserves to provide reasonable assurance that long-term program goals will continue to be met. In addition, the Organization has a line of credit of \$45,000 upon which it may draw, should the need arise.

6. Net Assets With Donor Restrictions

Net assets with donor restrictions were restricted for the following at June 30, 2022:

Subject to the passage of time:	\$ 80,000
Subject to expenditures for specific purposes:	
Burville	15,019
Cardozo	13,943
Panda	10,909
Johnson	10,738
Stuart Hobson	<u>9,349</u>
Total net assets with donor restrictions	<u>\$ 139,958</u>

COMMUNITIES IN SCHOOLS OF THE NATION'S CAPITAL, INC.

Notes to Financial Statements

June 30, 2022

6. Net Assets With Donor Restrictions (continued)

During the year ended June 30, 2022, releases from net assets with donor restrictions were for the following:

Expiration of time restrictions:	\$	10,000
Satisfaction of purpose restrictions:		
Multiple Schools		267,188
Burville		205,303
Woodson		157,980
JO Wilson		157,769
Stanton		115,654
Eastern		86,599
Cardozo		27,645
Panda		19,091
Stuart Hobson		5,236
Johnson		3,273
		<hr/>
Total net assets released from donor restrictions	\$	<u>1,055,738</u>

7. Commitments and ContingenciesLine of Credit

The Organization has a revolving line of credit of up to \$45,000 with a financial institution. The line of credit is collateralized by the Organization's assets. The interest rate on the line is variable and was 4.0% at June 30, 2022. There was no outstanding balance on the line of credit at June 30, 2022.

Operating Lease

The Organization entered into a one-year lease agreement for its office space which expired in January 2011. Upon the expiration, the lease converted to a month-to-month term with a two-month termination notification period. In April 2021, the Organization entered into a new two-year lease agreement for its existing office space commencing in June 2021 and expiring in June 2023. The lease calls for annual rent increases of 2.5%. The lease also provided rent abatement for the first three months of the lease. Rent expense for the year ended June 30, 2022 was \$55,081 and is included in office expenses on the accompanying statement of functional expenses. At June 30, 2022, the future minimum lease payments are as follows:

2023	\$	<u>55,520</u>
Total future minimum lease payments	\$	<u>55,520</u>

COMMUNITIES IN SCHOOLS OF THE NATION'S CAPITAL, INC.

Notes to Financial Statements

June 30, 2022

7. Commitments and Contingencies (continued)

Conditional Government Grants and Government Contracts

Funds that the Organization receives from government agencies are subject to audit under the provisions of the grant and contract agreements. The ultimate determination of amounts received under the grant and contract agreements are based upon the allowance of costs reported to and accepted by the oversight agency. Until such grants are closed out, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability exists.

8. Related Parties

The Organization received contributions from board members and from organizations related to board members. The total of such contributions was \$75,060 for the year ended June 30, 2022, which is included in other contributions on the accompanying statement of activities.

9. Retirement Plan

The Organization has a Simple IRA retirement plan which covers all employees. The Organization matches each employee's contributions up to a maximum of three percent of the eligible employee's compensation. The Organization contributed approximately \$11,404 in matching Simple IRA contributions for the year ended June 30, 2022, which is included in salaries and related expenses in the accompanying statement of functional expenses.

10. Income Taxes

Under Section 501(c)(3) of the Internal Revenue Code, the Organization is a nonprofit organization and is exempt from federal taxes on income other than net unrelated business income. No provision for federal or state income taxes is required for the year ended June 30, 2022, as the Organization had no taxable net unrelated business income.

The Organization follows the authoritative guidance relating to accounting for uncertainty in income taxes included in Accounting Standards Codification Topic 740-10, *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return. It is the Organization's policy to recognize interest and/or penalties related to uncertain tax positions, if any, in income tax expenses.

The Organization performed an evaluation of uncertain tax positions for the year ended June 30, 2022 and determined that there were no matters that would require recognition in the financial statements or that may have any effect on its tax-exempt status. The statute of limitations generally remains open for three tax years with the U.S. federal jurisdiction or the various states and local jurisdictions in which the Organization files tax returns.

11. Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 16, 2022, the date the financial statements were available to be issued. There were no subsequent events that require recognition of, or disclosure in, the financial statements, other than the Organization's collection of the ERTC as disclosed in Note 2 *Summary of Significant Accounting Policies, Revenue Recognition, Employer Retention Tax Credit*.