



UNITED COMMUNITY MINISTRIES, INC.

FINANCIAL STATEMENTS

JUNE 30, 2020

UNITED COMMUNITY MINISTRIES, INC.

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Independent Auditors' Report

To the Board of Directors
United Community Ministries, Inc.

We have audited the accompanying financial statements of United Community Ministries, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and changes in net assets, 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 auditors consider 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Community Ministries, Inc., as of June 30, 2020, and the change 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.

Councilor, Buchanan + Mitchell, P.C.

Washington, D.C.
February 19, 2021

Certified Public Accountants

UNITED COMMUNITY MINISTRIES, INC.

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2020

Assets

Current Assets

Cash and Cash Equivalents, Unrestricted	\$ 887,293
Cash and Cash Equivalents, Restricted	2,172,479
	3,059,772

Investments	607,468
Accounts Receivable	395,891
Contributions Receivable	129,100
Prepaid Expenses	21,835
	21,835

Total Current Assets	4,214,066
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Property and Equipment, at Cost

Furniture and Equipment	566,425
Less Accumulated Depreciation	(387,744)
	178,681

Property and Equipment, Net	178,681
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Other Assets

Security Deposits	2,100
	2,100

Total Assets	\$ 4,394,847
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Liabilities and Net Assets

Current Liabilities

Accounts Payable	\$ 39,446
Accrued Payroll	147,192
Refundable Advance - CARES Act Fund	2,172,479
	2,359,117

Total Current Liabilities	2,359,117
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Net Assets

Without Donor Restrictions	1,207,113
With Donor Restrictions	
Purpose Restricted	684,517
Endowment Funds	144,100
	828,617

Total Net Assets With Donor Restrictions	828,617
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Total Net Assets	2,035,730
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Total Liabilities and Net Assets	\$ 4,394,847
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See accompanying Notes to Financial Statements.

UNITED COMMUNITY MINISTRIES, INC.

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue			
Contributions	\$ 1,050,558	\$ 545,559	\$ 1,596,117
Government Grants	1,830,722	-	1,830,722
In-Kind Contributions			
Rent	506,038	-	506,038
Food	515,268	-	515,268
Household Goods and Supplies	89,638	-	89,638
Program Fees	526,512	-	526,512
Sales Thrift Store	102,934	-	102,934
Special Events	166,154	-	166,154
Investment Income	1,497	-	1,497
Other Income	124,379	-	124,379
Net Assets Released from Restrictions	<u>163,860</u>	<u>(163,860)</u>	<u>-</u>
Total Revenue	<u>5,077,560</u>	<u>381,699</u>	<u>5,459,259</u>
Expenses			
Program Services			
Early Learning Center	934,698	-	934,698
Social Services	1,415,027	-	1,415,027
Employment and Literacy	262,665	-	262,665
Community Development	765,030	-	765,030
Thrift Store	<u>315,332</u>	<u>-</u>	<u>315,332</u>
Total Program Services	<u>3,692,752</u>	<u>-</u>	<u>3,692,752</u>
Supporting Services			
Management and General	824,843	-	824,843
Fundraising	<u>437,517</u>	<u>-</u>	<u>437,517</u>
Total Supporting Services	<u>1,262,360</u>	<u>-</u>	<u>1,262,360</u>
Total Expenses	<u>4,955,112</u>	<u>-</u>	<u>4,955,112</u>
Change in Net Assets	122,448	381,699	504,147
Net Assets, Beginning of Year	<u>1,084,665</u>	<u>446,918</u>	<u>1,531,583</u>
Net Assets, End of Year	<u><u>\$ 1,207,113</u></u>	<u><u>\$ 828,617</u></u>	<u><u>\$ 2,035,730</u></u>

See accompanying Notes to Financial Statements.

UNITED COMMUNITY MINISTRIES, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020**

	Program Services					Supporting Services				Total Expenses
	Early Learning Center	Social Services	Employment and Literacy	Community Development	Thrift Store	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Payroll Expenses										
Salaries	\$ 544,815	\$ 525,706	\$ 134,208	\$ 479,287	\$ 52,606	\$ 1,736,622	\$ 189,796	\$ 199,570	\$ 389,366	\$ 2,125,988
Benefits	69,711	56,005	15,635	58,218	7,437	207,006	68,080	24,167	92,247	299,253
Payroll Taxes	42,089	40,666	10,337	36,795	3,927	133,814	17,258	15,360	32,618	166,432
Total Payroll Expenses	656,615	622,377	160,180	574,300	63,970	2,077,442	275,134	239,097	514,231	2,591,673
Other Expenses										
Communications	1,061	5,809	2,397	2,613	1,406	13,286	10,109	694	10,803	24,089
Cost of Goods Sold Thrift Store	-	-	-	-	44,196	44,196	-	-	-	44,196
Depreciation and Amortization	2,368	5,131	1,116	726	60,836	70,177	14,751	3,665	18,416	88,593
Equipment and Maintenance	3,975	734	2,786	-	953	8,448	12,454	4,743	17,197	25,645
Fundraising	-	-	-	-	-	-	-	23,393	23,393	23,393
Insurance	179	4,047	-	1,677	2,148	8,051	43,908	861	44,769	52,820
Interest Expense	-	-	-	-	-	-	8,999	-	8,999	8,999
Occupancy	22,976	20,565	3,000	5,347	136,412	188,300	20,361	3,881	24,242	212,542
Occupancy In Kind	103,292	78,268	65,661	129,550	-	376,771	105,907	23,359	129,266	506,037
Office Expenses	5,121	2,919	1,395	2,646	4,021	16,102	15,963	18,542	34,505	50,607
Postage and Shipping	-	-	45	-	-	45	1,695	5,627	7,322	7,367
Printing and Publications	2,199	600	479	735	73	4,086	2,730	13,474	16,204	20,290
Professional Fees	9,049	11,521	8,136	15,789	12	44,507	300,523	73,360	373,883	418,390
Program Activities and Supplies	125,873	43,696	1,569	20,546	877	192,561	4,437	23,067	27,504	220,065
Specific Assistance	87	28,515	15,128	8,284	-	52,014	-	-	-	52,014
Specific Assistance Donated Food	-	515,268	-	-	-	515,268	-	-	-	515,268
In-Kind Donations	-	62,905	-	-	-	62,905	-	-	-	62,905
Staff Development	1,664	3,400	773	1,160	-	6,997	5,077	1,200	6,277	13,274
Travel	53	9,101	-	1,627	428	11,209	1,355	2,147	3,502	14,711
Volunteer/Employee Appreciation	186	171	-	30	-	387	1,440	407	1,847	2,234
Total Other Expenses	278,083	792,650	102,485	190,730	251,362	1,615,310	549,709	198,420	748,129	2,363,439
Total Expenses	\$ 934,698	\$ 1,415,027	\$ 262,665	\$ 765,030	\$ 315,332	\$ 3,692,752	\$ 824,843	\$ 437,517	\$ 1,262,360	\$ 4,955,112

See accompanying Notes to Financial Statements.

UNITED COMMUNITY MINISTRIES, INC.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020**

Cash Flows from Operating Activities	
Change in Net Assets	\$ 504,147
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities	
Depreciation and Amortization Expense	88,593
Unrealized Loss on Investments	4,647
<u>(Increase) Decrease in Assets</u>	
Accounts Receivable	(21,826)
Contributions Receivable	(9,260)
Inventory	17,463
Prepaid Expenses and Other Current Assets	19,896
Security Deposits	15,954
<u>Increase (Decrease) in Liabilities</u>	
Accounts Payable and Accrued Expenses	(6,695)
Refundable Deposit CARES Act Fund	2,172,479
Accrued Payroll	(133,077)
Deferred Rent	(11,206)
	<u>2,641,115</u>
Net Cash Provided by Operating Activities	<u>2,641,115</u>
Cash Flows from Investing Activities	
Purchase of Equipment	(16,534)
Purchase of Investments	(10,446)
Sale of Investments	297,541
	<u>270,561</u>
Net Cash Provided by Investing Activities	<u>270,561</u>
Cash Flows from Financing Activities	
Principal Payments on Line of Credit	(145,869)
	<u>(145,869)</u>
Net Cash Used in Financing Activities	<u>(145,869)</u>
Net Increase in Cash and Cash Equivalents	2,765,807
Cash and Cash Equivalents, Beginning of Year	293,965
	<u>3,059,772</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 3,059,772</u></u>
Supplementary Disclosure of Cash Flow Information	
Cash Paid during the Year for Interest	\$ 8,999

See accompanying Notes to Financial Statements.

UNITED COMMUNITY MINISTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

1. ORGANIZATION

United Community Ministries, Inc. (the Organization), is a not for profit corporation that works in the Fairfax County, Virginia, “South County” area to mobilize community, individual, and church resources for community service. Special emphasis is placed on the area bound by the west bank of the Potomac River, the north boundary of Fort Belvoir, Telegraph Road, and I-95 (Beltway). The Organization intervenes in crises involving housing, financial, nutritional, medical, and transportation needs. Families and individuals are assisted through direct services, counseling, job training, and referral or any combination of these. The Organization also provides legal and educational services benefitting the immigrant community. Direct services include food, clothing, financial assistance, furniture, rental and utility assistance, medical care, and transportation assistance. The Organization’s major sources of income are donations, thrift store sales, childcare fees, and contributions from Fairfax County.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting

The financial statements have been prepared on the accrual basis of accounting.

Cash and Cash Equivalents

The Organization considers all short-term investments with original maturities of three months or less to be cash and cash equivalents.

Restricted cash represents funds received from Fairfax County, Virginia, which are required to be maintained in a separate bank account. The funds are to be used to assist in the implementation of the Coronavirus Aid, Relief, and Economic Security (CARES) Act Supplemental Basic Needs Program assisting residents in the “South County” area of Fairfax County with rent and utility payments.

Investments

Investments are recorded at fair market value based on quotations received from national security exchanges.

Accounts and Contributions Receivable

Accounts and contributions receivable are recorded at the amount the Organization expects to collect on balances outstanding at the end of the fiscal year. Management closely monitors amounts receivable and charges off any balances that are determined to be uncollectible. As of June 30, 2020, the Organization’s allowance for doubtful accounts was \$-0-. The Organization had no bad debt expense for the year ended June 30, 2020.

Furniture and Equipment

Furniture and equipment are stated at cost. Depreciation is calculated on a straight-line basis over a five or ten year estimated useful life. Leasehold improvements are amortized over the life of the lease.

UNITED COMMUNITY MINISTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Classes of Net Assets

The Organization is required to report its financial position and activities according to two classes of net assets; net assets without donor-imposed restrictions and net assets with donor-imposed restrictions.

Net assets without donor restrictions are 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 Board of Directors.

Net assets with donor restrictions are 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. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenue Recognition

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donor assets. When a donor restriction expires, that is when a stipulated time restriction ends or the purpose is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Revenue from special events and programs is recognized when earned.

Revenue from in-kind contributions is reported at fair value on the date the contribution was made known to the Organization.

Conditional Grants and Contributions

Conditional grants and contributions are not recorded as revenue until the related conditions have been satisfied. Amounts received for conditional grants and contributions are recorded as refundable advances until the conditions have been met.

Accounting for Uncertainty in Income Taxes

The Organization is exempt under Section 501(c)(3) of the Internal Revenue Code (the Code) from the payment of taxes on income other than unrelated business income. No provision for income tax is required for the year ended June 30, 2020, as the Organization had no net unrelated business income. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code.

The Organization requires that a tax position be recognized or derecognized based on a "more-likely-than-not" threshold. This applies to positions taken or expected to be taken in a tax return. The Organization does not believe its financial statements include, or reflect, any uncertain tax positions. The Organization's IRS Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination by taxing authorities generally for three years after filing.

UNITED COMMUNITY MINISTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, employee benefits and payroll taxes, occupancy costs, insurance, and office expenses. The basis of the allocations is direct salary costs which have been allocated to program and supporting functions based on documentation of employee time and effort.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. ADOPTION OF NEW ACCOUNTING STANDARD

During the year ended June 30, 2020, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The ASU provides additional guidance in (1) evaluating whether transactions should be accounted for as contributions (within the scope of ASC 958) or as exchange (reciprocal) transactions (subject to ASC 606); and (2) distinguishing between conditional and unconditional contributions. Management believes that the adoption of this ASU enhances the comparability of the financial information among not-for-profit entities.

This change in accounting principle was adopted on a modified prospective basis in 2019. As a result, there was no cumulative-effect adjustment to opening net assets without donor restrictions as of July 1, 2019. The impact of adoption was not material to the financial statements.

4. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's cash flows have seasonal variations due to the timing of contributions, program revenues, and vendor payments. The Organization manages its liquidity to meet general expenditures, liabilities, and other obligations as they become due. The Organization maintains a bank line of credit for \$300,000 that can be used as needed.

UNITED COMMUNITY MINISTRIES, INC.

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

4. LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

The following reflects the Organization's financial assets as of June 30, 2020, reduced by amounts not available for general operating expenditure within one year:

Financial Assets

Cash and Cash Equivalents, Unrestricted	\$ 887,293
Investments	607,468
Accounts Receivable	395,891
Contributions Receivable	<u>129,100</u>
Total Financial Assets and Liquidity Resources Available within One Year	2,019,752
Less Amounts Unavailable for General Expenditures within One Year	
Due to Purpose Restrictions by Donor	<u>(828,617)</u>
Total Financial Assets and Liquidity Resources Available within One Year	<u><u>\$ 1,191,135</u></u>

5. INVESTMENTS

The components of investment income consisted of the following:

Interest and Dividends	\$ 10,446
Unrealized Loss	(4,302)
Investment Fees	<u>(4,647)</u>
Net Investment Income	<u><u>\$ 1,497</u></u>

6. FAIR VALUE MEASUREMENTS

FASB ASC 820-10, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. In accordance with FASB ASC 820-10, fair value is defined as the price that the Organization would receive to sell an investment or to pay to transfer a liability in an orderly transaction with an independent counterparty in the principal market, or in the absence of a principal market, the most advantageous market for the investment or liability.

The FASB ASC 820-10 hierarchy consists of three broad levels:

Level 1 - inputs consist of unadjusted quoted prices in active markets for identical assets that the Organization had the access to at the measurement date and have the highest priority.

Level 2 - inputs consist of observable inputs other than quoted prices for identical assets.

Level 3 - inputs are unobservable inputs for the asset and have the lowest priority.

The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments, as below:

	<u>Fair Value</u>	<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>	<u>Level 3 Inputs</u>
Mutual Funds	\$ 455,492	\$ 455,492	\$ -	\$ -
Stocks, Options, ETFs	<u>151,976</u>	<u>151,976</u>	<u>-</u>	<u>-</u>
Total	<u><u>\$ 607,468</u></u>	<u><u>\$ 607,468</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

UNITED COMMUNITY MINISTRIES, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

6. FAIR VALUE MEASUREMENTS (CONTINUED)

The Organization invests in professionally managed portfolios that contain corporate stocks, mutual funds, and ETFs. Such investments are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with such investments, it is at least reasonably possible that changes in market condition in the near term could materially affect investment balances and the amounts reported in the financial statements.

7. PROPERTY AND EQUIPMENT

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

Computer and Office Equipment	\$ 178,381
Leasehold Improvements	319,236
Vehicles	<u>68,808</u>
Total Property and Equipment	566,425
Less Accumulated Depreciation and Amortization	<u>(387,744)</u>
Property and Equipment, Net	<u>\$ 178,681</u>

Depreciation and amortization expense was \$88,593 for the year ended June 30, 2020.

8. LINE OF CREDIT

The Organization has available a \$300,000 line of credit from a bank secured by furniture, equipment, and accounts receivable. Interest is payable monthly at the rate of 5%. The line of credit has a maturity date of October 17, 2021. There was no outstanding balance on the line of credit at June 30, 2020.

9. OPERATING LEASE

As of June 30, 2020, the Organization leased office space under various lease agreements that extend to October 31, 2021. Under the terms of the lease agreement, the base rent increased annually based on the scheduled increases provided in the lease. The following is a schedule of future minimum lease payments under this operating lease:

For the Years Ending June 30,

2021	\$ 30,000
2022	<u>10,000</u>
Total	<u>\$ 40,000</u>

For the year ended June 30, 2020, total rent expense for all operating leases was \$718,579 of which \$506,038 was recognized as in-kind donated facilities (See Note 11).

UNITED COMMUNITY MINISTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

10. NET ASSETS WITH DONOR RESTRICTIONS

As of June 30, 2020, net assets with donor restrictions were available for the following programs.

Employment and Literacy	\$ 249,978
Social Services	252,499
Community Development	168,720
Early Learning Center	<u>13,320</u>
Total	<u>\$ 684,517</u>

Net assets with donor restrictions were released from the following restrictions during the year ended June 30, 2020:

Employment and Literacy	\$ 5,000
Social Services	60,700
Community Development	7,660
Early Learning Center	<u>90,500</u>
Total	<u>\$ 163,860</u>

The endowment funds are funds held in perpetuity, the income from which is expendable to support the Organization's programs. The restricted net assets are maintained in the Organization's investment accounts. The Organization's investment policy is to provide financial stability and a source of funds to meet future needs. The balance of restricted endowments at June 30, 2019, was \$144,100.

Changes in endowment net assets are as follows as of June 30, 2020:

Endowment Assets, Beginning of Year	\$ 144,100
Contributions	-
Investment Return	1,325
Distribution from Board Designated Endowment Pursuant to Distribution Policy	<u>(1,325)</u>
Endowment Assets, End of Year	<u>\$ 144,100</u>

11. IN-KIND CONTRIBUTIONS

The Organization records various types of in-kind support including contributed facilities, household goods, food, holiday gifts, and back to school supplies.

Donated facilities in which the contributor retains legal title are recognized as unrestricted support in the period received and as an expense in the period used. The Organization uses various donated facilities in Alexandria, Virginia, for its main headquarters location and other locations to carry out its exempt program activities. The Fairfax County Government has donated the facilities. At June 30, 2020, the value of in-kind rent was \$506,038.

For the year ended June 30, 2020, the Organization received contributed clothing, household items, holiday gifts, and back to school supplies. These donations are recorded at fair market value. Clothing and household items not given directly for client assistance purposes were sold by the thrift store to provide operating funds. For the year ended June 30, 2020, the total value of these in-kind contributions was \$89,638.

UNITED COMMUNITY MINISTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

11. IN-KIND CONTRIBUTIONS (CONTINUED)

The Organization reports the fair value of donated food and grocery products it receives as unrestricted public support and, shortly thereafter, as expenses when granted to individuals and families in need. During the year ended June 30, 2020, the Organization distributed 329,075 pounds of food product. Based on the annual study performed by Feeding America (the nation's leading domestic hunger-relief charity) the approximate average value of one pound of donated nonperishable food was determined to be \$1.62 during 2020 where as one pound of donated produce was valued at \$.64 during 2020. The total dollar amount of food and groceries donated to UCM and then distributed to families was \$515,268 and is included in in-kind contributions in the accompanying statement of activities and changes in net assets.

12. RETIREMENT PLAN

The Organization has available a SIMPLE IRA retirement plan (the Plan) for employees who meet specific age and eligibility requirements. All employees earning at least \$5,000 in the current plan year may contribute to the Plan through elective deferrals of salary up to the limitation specified by the Plan. The Organization may choose to contribute a 100% match on the first 3% deferred or a 2% non-elective contribution on behalf of all eligible employees. For the year ended June 30, 2020, the Organization's retirement plan contribution was \$22,265.

13. CONTINGENCIES, RISKS, AND CONCENTRATIONS

COVID-19 Pandemic

The spread of COVID-19 (coronavirus disease) has had a disruptive impact on the daily life and operations of individuals, businesses, and nonprofits around the world. There is uncertainty about financial and economic impacts in all sectors of the economy. The financial markets have experienced significant volatility, and this may continue for an extended period of time. In light of these circumstances, management continues to assess how best to adapt to changed circumstances.

Credit Risk

The Organization maintains operating cash and various money market fund accounts at banks or financial institutions which exceeded federally insured limits at times during the year. The Organization has not experienced any losses on such accounts and believes it is not exposed to any significant financial risk on cash.

Concentration

For the year ended June 30, 2020, the Organization received approximately 33.54% of its revenue, including in-kind donated facilities, from the Fairfax County government.

14. SUBSEQUENT EVENTS

The Organization has evaluated all subsequent events through February 19, 2021, which was the date the financial statements were available to be issued.