



one1love

**THE ONE LOVE FOUNDATION IN
HONOR OF YEARDLEY LOVE, INC.**

Audited Financial Statements
June 30, 2020

Independent Auditor's Report

To the Board of Directors of
The One Love Foundation in Honor of Yeadley Love, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of The One Love Foundation in Honor of Yeadley Love, Inc. (the "Foundation"), which comprise the statement of financial position as of June 30, 2020 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 organization'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 organization'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.

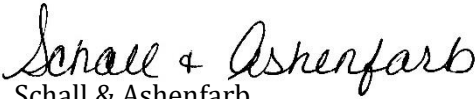
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The One Love Foundation in Honor of Yeardley Love, Inc. as of June 30, 2020, 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 the Foundation's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 27, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.


Schall & Ashenfarb
Certified Public Accountants, LLC

April 2, 2021

**THE ONE LOVE FOUNDATION
IN HONOR OF YEARDLEY LOVE, INC.
STATEMENT OF FINANCIAL POSITION
AT JUNE 30, 2020**

(With comparative totals at June 30, 2019)

	6/30/20	6/30/19
Assets		
Cash and cash equivalents	\$4,756,754	\$2,168,720
Investments (Note 3)	2,963,184	2,274,888
Contributions receivable	1,739,732	1,756,338
Prepaid expenses and other assets	281,776	160,211
Fixed assets, net (Note 4)	1,193	9,317
Total assets	\$9,742,639	\$6,369,474
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$531,587	\$234,272
Conditional contributions (Note 7)	1,204,714	0
Paycheck Protection Program loan (Note 5)	704,397	0
Total liabilities	2,440,698	234,272
Net assets:		
Without donor restrictions	4,720,580	4,482,740
With donor restrictions (Note 6)	2,581,361	1,652,462
Total net assets	7,301,941	6,135,202
Total liabilities and net assets	\$9,742,639	\$6,369,474

The attached notes and auditor's report are an integral part of these financial statements.

**THE ONE LOVE FOUNDATION
IN HONOR OF YEARDLEY LOVE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

(With comparative totals for the year ended June 30, 2019)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 6/30/20</u>	<u>Total 6/30/19</u>
Support and revenue:				
Contributions	\$3,835,137	\$3,325,000	\$7,160,137	\$3,480,667
Government contracts	153,124		153,124	221,530
Special events (net of expenses with a direct benefit to donors) (Note 7)	189,267		189,267	2,082,979
In-kind contributions (Note 8)	402,913		402,913	5,149,500
Fee for service income	74,772		74,772	196,699
Other income	72,682		72,682	63,597
Net assets released from restrictions (Note 6)	2,396,101	(2,396,101)	0	0
Total support and revenue	<u>7,123,996</u>	<u>928,899</u>	<u>8,052,895</u>	<u>11,194,972</u>
Expenses:				
Program services	4,992,603		4,992,603	8,721,623
Supporting services:				
Management and general	979,789		979,789	836,794
Fundraising	781,291		781,291	788,952
Special events	132,473		132,473	85,693
Total supporting services	<u>1,893,553</u>	<u>0</u>	<u>1,893,553</u>	<u>1,711,439</u>
Total expenses	<u>6,886,156</u>	<u>0</u>	<u>6,886,156</u>	<u>10,433,062</u>
Total change in net assets	237,840	928,899	1,166,739	761,910
Net assets - beginning of year	<u>4,482,740</u>	<u>1,652,462</u>	<u>6,135,202</u>	<u>5,373,292</u>
Net assets - end of year	<u><u>\$4,720,580</u></u>	<u><u>\$2,581,361</u></u>	<u><u>\$7,301,941</u></u>	<u><u>\$6,135,202</u></u>

The attached notes and auditor's report are an integral part of these financial statements.

**THE ONE LOVE FOUNDATION
IN HONOR OF YEARDLEY LOVE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020**

(With comparative totals for the year ended June 30, 2019)

	Supporting Services				Total Expenses 6/30/20	Total Expenses 6/30/19
	Program Services	Management and General	Fundraising	Special Events		
Salaries	\$2,720,896	\$467,333	\$448,478		\$915,811	\$3,179,563
Payroll taxes and benefits	574,682	98,706	94,724		193,430	600,182
Professional fees (including in-kind) (Note 8)	365,496	242,349	66,557		308,906	340,359
Media and product development (including in-kind) (Note 8)	280,943		28,540		28,540	732,616
Marketing and advertising	127,383	3,949	3,152		7,101	115,322
Content distribution (including in-kind) (Note 8)	185,614		14,449		14,449	4,426,590
Office expenses	27,880	4,790	4,594		9,384	32,285
Moving and office renovation	5,568	956	918		1,874	8,098
Technology infrastructure and maintenance	186,939	32,109	30,813		62,922	262,995
Rent and utilities	234,217	25,941	18,580		44,521	251,972
Printing and mailing	39,387	7,541	8,204		15,745	38,176
Travel and meetings	144,270	17,818	3,398		21,216	212,920
Insurance	11,295	1,940	1,862		3,802	11,154
Special event expenses				\$298,723	298,723	555,821
Bank charges		57,635			57,635	63,106
Other expenses	81,462	14,324	57,022		71,346	55,231
Depreciation	6,571	4,398			4,398	16,800
Total expenses	4,992,603	979,789	781,291	298,723	2,059,803	10,903,190
Less: special event expenses with a direct benefit to donor				(166,250)	(166,250)	(470,128)
Total expenses for statement of activities	\$4,992,603	\$979,789	\$781,291	\$132,473	\$1,893,553	\$10,433,062

The attached notes and auditor's report are an integral part of these financial statements.

**THE ONE LOVE FOUNDATION
IN HONOR OF YEARDLEY LOVE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020**

(With comparative totals for the year ended June 30, 2019)

	<u>6/30/20</u>	<u>6/30/19</u>
Cash flows from operating activities:		
Change in net assets	\$1,166,739	\$761,910
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	10,969	16,800
Changes in assets and liabilities:		
Contribution receivable	16,606	622,101
Prepaid expenses and other assets	(121,565)	(34,000)
Accounts payable and accrued expenses	297,315	125,064
Conditional contributions	1,204,714	0
Paycheck Protection Program loan	704,397	0
Total adjustments	<u>2,112,436</u>	<u>729,965</u>
Net cash flows provided by operating activities	<u>3,279,175</u>	<u>1,491,875</u>
Cash flows from investing activities:		
Reinvestment of matured certificates of deposit	(938,986)	(2,519,888)
Proceeds from matured certificates of deposit	245,000	245,000
Purchase of fixed assets	2,845	0
Net cash flows used for investing activities	<u>(691,141)</u>	<u>(2,274,888)</u>
Net increase/(decrease) in cash and cash equivalents	2,588,034	(783,013)
Cash and cash equivalents - beginning of year	<u>2,168,720</u>	<u>2,951,733</u>
Cash and cash equivalents - end of year	<u><u>\$4,756,754</u></u>	<u><u>\$2,168,720</u></u>
Supplemental disclosures:		
Interest and taxes paid	<u><u>\$0</u></u>	<u><u>\$0</u></u>

The attached notes and auditor's report are an integral part of these financial statements.

THE ONE LOVE FOUNDATION IN HONOR OF YEARDLEY LOVE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 1 - Organization

The One Love Foundation in Honor of Yeardeley Love, Inc. (the Foundation”) was founded in June 2010 and incorporated as a not-for-profit organization under the laws of the State of Maryland. The mission of the Foundation is to educate young people about the differences between healthy and unhealthy relationships. The Foundation develops compelling in-person and online educational content to help educate, empower, and activate the next generation to learn to love better.

The Foundation has been notified by the Internal Revenue Service that it is exempt from Federal income taxes under Internal Revenue Code Section 501(c)(3) and has not been designated as a private foundation.

Note 2 - Significant Accounting Policies

a. Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting which is the process of recording revenue and expenses when earned or incurred, rather than received or paid.

Effective July 1, 2019, the Foundation adopted the requirements of the Financial Accounting Standards Board’s (“FASB”) Accounting Standards Update (“ASU”) No. 2014-09, *Revenue from Contracts with Customers* and all subsequent amendments to the ASU (collectively, “Topic 606”). This provides the framework for recognizing revenue by highlighting the identification of performance obligations of a contract, determining the price, and then allocating the price to each of the performance obligations so that revenue is recognized as each of those performance obligations are satisfied.

Also, effective July 1, 2019, the Foundation adopted ASU No. 2018-08 *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (“Topic 605”). Key provisions of this guidance include clarification regarding the accounting for grants and contracts as exchange transactions or contributions, and improved guidance for conditional versus unconditional contributions. In accordance with this new standard, the Foundation evaluates whether a transfer of assets is an exchange transaction in which a resource provider is receiving a commensurate value in return for the transfer of resources or whether it is non-reciprocal. If the transaction is determined to be an exchange transaction, the Foundation applies guidance under Topic 606. If the transaction is determined to be non-reciprocal, it is treated as a contribution under Topic 605.

Analysis of the various provisions of both standards resulted in no significant changes in the way the Foundation recognizes revenue.

b. Basis of Presentation

The Foundation reports information regarding its financial position and activities according to the following classes of net assets:

- *Net Assets Without Donor Restrictions* – represents all activity without donor-imposed restrictions.
- *Net Assets With Donor Restrictions* – relates to contributions of cash and other assets with donor stipulations that make clear the assets' restriction, either due to a program nature, the passage of time, and/or must remain intact, in perpetuity.

c. Revenue Recognition

The Foundation has adopted Topic 606 using the modified retrospective method applied to all contracts after July 1, 2019 and continues to use legacy GAAP for all contracts before July 1, 2019.

The Foundation receives fee for service income that falls under Topic 606. Fees for service are recognized as revenue as the performance obligations are met. Fees that have been earned but not paid at year end are recognized as income and a related receivable. Cash that has been received but not earned at year end is recognized as deferred revenue.

Contributions are recognized at the earlier of when cash is received or at the time a pledge becomes unconditional in nature. Contributions are recorded in the net asset classes referred to above depending on the existence and/or nature of any donor-imposed 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. If donor restricted contributions are satisfied in the same period they were received, they are classified as without donor restrictions.

Contributions may be subject to conditions which are defined under ASU No. 2018-08 as both a barrier to entitlement and a right of return of payments, or release from obligations, and are recognized as income once the conditions have been substantially met.

Conditional contributions of \$1,204,714 as of June 30, 2020 are related to a fundraising event that was rescheduled to September 21, 2020. These contributions will be recognized during the 2021 fiscal year when the event took place.

Government grants have been evaluated and are considered to be non-reciprocal; therefore, they are also treated as contributions under Topic 605. In addition, government grants meet the criteria of being conditional. Revenue from these transactions is recognized when qualifying expenditures are incurred, performance related outcomes are achieved, and other conditions under the agreements are met. Cash received in advance of the conditions being met are treated as liabilities.

Contributions expected to be received within one year are recorded at net realizable value. Long-term pledges are recorded at fair value, using risk-adjusted present value techniques.

Receivables are reviewed for collectability. Based on knowledge of specific donors and factoring in historical experience, no allowance for doubtful accounts exists as of June 30, 2020. Write-offs will be made in the period the receivable is deemed to be uncollectable. All receivables at June 30, 2020 are expected to be received within one year.

d. Cash and Cash Equivalents

The Foundation considers all liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

e. Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to concentration of credit risk consist of cash and money market accounts which are placed with financial institutions that management deems to be creditworthy. Investments consist of certificates of deposit and are subject to market fluctuations. At year end and at various times throughout the year, balances were in excess of insured amounts. However, the Foundation has not suffered any losses due to bank failure.

f. Investments

Investments are recorded at fair value, which refers to the sales price that would be received in an orderly transaction between market participants at the measurement date. Interest income and net gains and losses are recognized as other income on the statement of activities.

g. Fixed Assets

Fixed assets that the Foundation retains title to, and which benefit future periods are capitalized at cost, or if donated, at the estimated fair value at the time of donation.

Fixed assets consist of the technology platform, the Foundation's website, leasehold improvements, furniture, equipment, and computers, all of which are depreciated over their estimated useful lives and lease terms using the straight-line method.

h. In-Kind Services

The Foundation recognizes contributions of services that create or enhance non-financial assets, or require specialized skills, are performed by those who possess those skills, and would typically be purchased, if not donated.

Many volunteers, including board members, provide services in support of the Foundation's mission. Those services have not been recognized on the financial statements because they do not meet the criteria outlined above.

i. Marketing and Advertising

Marketing and advertising costs are expensed as incurred.

j. Management Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

k. Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

Salaries were allocated using time and effort as the basis. Rent and utilities were allocated using the count of full-time equivalents as the basis.

The following expenses were allocated using salary allocation as the basis:

- Payroll taxes and benefits
- Office expenses
- Moving and office renovation
- Technology infrastructure and maintenance
- Insurance

All other expenses have been charged directly to the applicable program or supporting service.

l. Accounting for Uncertainty of Income Taxes

The Foundation does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending June 30, 2017 and later are subject to examination by applicable taxing authorities.

m. Summarized Comparative Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

n. New Accounting Pronouncements

FASB issued ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which becomes effective for the June 30, 2022 year with early adoption permitted. This ASU focuses on improving transparency in the reporting of contributed nonfinancial assets and requires a separate line-item presentation on the statement of activities and additional disclosures.

FASB issued ASU No. 2016-02, *Leases*. The ASU which becomes effective for the June 30, 2023 year, requires the full obligation of long-term leases to be recorded as a liability with a corresponding "right to use asset" on the statement of financial position.

The Foundation is in the process of evaluating the impact these standards will have on future financial statements.

Note 3 - Investments

Accounting standards establish a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. That would include data obtained from sources independent of the Foundation.

The fair value hierarchy is categorized into three levels based on these inputs as follows:

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Investments at June 30, 2020 consist of certificates of deposit totaling \$2,963,184. These are considered Level 2 securities.

Level 2 securities are valued using observable market inputs for securities that are similar to those owned. This method produces a fair value calculation that may not be indicative of net realizable value or reflective of future values. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements.

Note 4 - Fixed Assets

Fixed assets consist of:

	<u>6/30/20</u>	<u>6/30/19</u>
Computers and equipment (3 years)	\$61,218	\$61,218
Leasehold improvements (life of lease)	44,275	41,430
Public service announcements (3 years)	120,750	120,750
Escalation and curriculum (3 years)	<u>609,757</u>	<u>609,757</u>
	836,000	833,155
Less: accumulated depreciation	<u>(834,807)</u>	<u>(823,838)</u>
Total fixed assets, net	<u>\$1,193</u>	<u>\$9,317</u>

Note 5 - Paycheck Protection Program Loan

During the year ended June 30, 2020, the Foundation obtained a loan through the Paycheck Protection Program. Terms of the loan indicate that if certain conditions are met, which include maintaining average work forces during periods subsequent to receipt of the loan funds that are greater than pre-determined historical periods, that the loan, or a portion thereof, will be forgiven. Portions that are not forgiven will be payable over a five-year period, with a ten-month deferral of payments and interest will accrue at 1%. Subsequent to year-end, the Foundation received forgiveness from the SBA for the full amount of the loan.

The Foundation expects to recognize revenue from this loan consistent with ASU 2018-08 as it is considered to have traits similar to a conditional contribution.

Note 6 - Net Assets With Donor Restrictions

Net assets with donor restrictions can be summarized as follows:

	<u>June 30, 2020</u>			
	Balance 7/1/19	Additions/ Contributions	Released from Restrictions	Balance 6/30/20
Program restrictions:				
Boarding School Initiative	\$116,836	\$0	(\$71,819)	\$45,017
Seattle office launch	349,405	0	(349,405)	0
Relationship Health Campaign	0	1,025,000	(65,000)	960,000
Volunteer/Team One Love Initiative	0	400,000	(137,689)	262,311
Capacity building	<u>182,029</u>	<u>1,000,000</u>	<u>(767,996)</u>	<u>414,033</u>
Total program restrictions	648,270	2,425,000	(1,391,909)	1,681,361
Time restrictions	<u>1,004,192</u>	<u>900,000</u>	<u>(1,004,192)</u>	<u>900,000</u>
Total	<u>\$1,652,462</u>	<u>\$3,325,000</u>	<u>(\$2,396,101)</u>	<u>\$2,581,361</u>

	<u>June 30, 2019</u>			
	Balance 7/1/18	Additions/ Contributions	Released from Restrictions	Balance 6/30/19
Program restrictions:				
Boarding School Initiative	\$0	\$150,000	(\$33,164)	\$116,836
Seattle office launch	500,000	0	(150,595)	349,405
Capacity building	<u>180,336</u>	<u>300,000</u>	<u>(298,307)</u>	<u>182,029</u>
Total program restrictions	680,336	450,000	(482,066)	648,270
Time restrictions	<u>1,216,771</u>	<u>728,043</u>	<u>(940,622)</u>	<u>1,004,192</u>
Total	<u>\$1,897,107</u>	<u>\$1,178,043</u>	<u>(\$1,422,688)</u>	<u>\$1,652,462</u>

Note 7 - Special Events

During the year ended June 30, 2020, several fundraising events were cancelled or postponed due to the COVID-19 pandemic. Contributions received for postponed events are considered conditional contributions until the events take place. The special events proceeds for events that did take place are summarized as follows:

	<u>June 30, 2020</u>
Gross revenue	Church Party \$355,517
Less: expenses with a direct benefit to donors	<u>(166,250)</u>
	189,267
Less: other event expenses	<u>(132,473)</u>
Total	<u>\$56,794</u>

	<u>June 30, 2019</u>		
	<u>NYC Event</u>	<u>Other Events</u>	<u>Total</u>
Gross revenue	\$1,344,386	\$1,208,721	\$2,553,107
Less: expenses with a direct benefit to donors	<u>(219,030)</u>	<u>(251,098)</u>	<u>(470,128)</u>
	1,125,356	957,623	2,082,979
Less: other event expenses	<u>(23,029)</u>	<u>(62,664)</u>	<u>(85,693)</u>
Total	<u>\$1,102,327</u>	<u>\$894,959</u>	<u>\$1,997,286</u>

During the year ended June 30, 2020, the Foundation received conditional contributions of \$1,204,714 for the NYC Event that was rescheduled to September 21, 2020. These contributions will be recognized during the 2021 fiscal year when the event takes place.

Note 8 - In-Kind Services

In-kind services were allocated as follows:

	<u>June 30, 2020</u>			
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Content distribution	\$107,940	\$0	\$0	\$107,940
Media and product development	122,350	0	0	122,350
Professional fees	<u>0</u>	<u>172,623</u>	<u>0</u>	<u>172,623</u>
Total	<u>\$230,290</u>	<u>\$172,623</u>	<u>\$0</u>	<u>\$402,913</u>

	<u>June 30, 2019</u>			
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Content distribution	\$4,345,000	\$0	\$0	\$4,345,000
Media and product development	540,000	0	0	540,000
Professional fees	0	125,000	0	125,000
Marketing and advertising	67,000	0	0	67,000
Rent and utilities	<u>70,359</u>	<u>0</u>	<u>2,141</u>	<u>72,500</u>
Total	<u>\$5,022,359</u>	<u>\$125,000</u>	<u>\$2,141</u>	<u>\$5,149,500</u>

In-kind content distribution consists of contributed airtime for the Foundation's public service announcement on the signs of unhealthy relationship behaviors. The Foundation was involved in determining and managing the message of the public service announcement; therefore, the donated airtime is considered a contribution to the Foundation.

In-kind media and product development consists of donated marketing campaign strategy, development, and production services for the Foundation's major social awareness campaigns.

In-kind content distribution and media and product development decreased in fiscal year 2020 primarily because the Foundation deemphasized the creation of new content the past two years, instead focusing on building tools around existing content and focusing on pushing these tools into partners' hands.

Note 9 - Commitments

The Foundation maintains several leases for its headquarters and regional offices which expire between May 31, 2020 and September 30, 2023. Future minimum payments under these leases are as follows:

Year ending:	June 30, 2021	\$278,090
	June 30, 2022	255,969
	June 30, 2023	195,431
	June 30, 2024	<u>12,057</u>
Total		<u>\$741,547</u>

Note 10 - Retirement Plan

The Foundation maintains a tax deferred 401(k) retirement plan on behalf of participating employees. All employees who are at least 21 years of age may participate by designating a percentage of their salaries, subject to regulatory limits, to be contributed to the plan on a pre-tax basis. The Foundation contributes 2% of employee's compensation for all eligible non-contributing employees and matches contributions up to 4% of eligible employees' compensation. Contributions to the plan are fully vested immediately. Total retirement plan expense incurred during the years ended June 30, 2020 and 2019 was \$70,000 and \$45,000, respectively.

Note 11 - Availability and Liquidity

The Foundation maintains cash on hand to be available for its general expenditures, liabilities, and other obligations for on-going operations. As part of its liquidity management, the Foundation operates its programs within a board approved budget and relies on contributions, government grants, and fee income to fund its operations and program activities.

The following reflects the Foundation's financial assets at June 30, 2020 that are available to meet cash needs for general expenditures within one year:

Financial assets at year-end:	
Cash and cash equivalents	\$4,756,754
Investments – certificates of deposit	2,963,184
Contributions receivable due within one year	<u>1,739,732</u>
Total financial assets	\$9,459,670
Less amounts not available for general expenditures:	
Donor contributions restricted to specific purposes	<u>(1,681,361)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$7,778,309</u>

Note 12 - Subsequent Events

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through April 2, 2021, the date the financial statements were available to be issued. All events that have occurred subsequent to the statement of financial position date, through our evaluation date, that would require adjustment to or disclosure in the financial statements have been made.

Note 13 - Other Matters

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Foundation operates. It is unknown how long these conditions will last and what the complete financial effect will be. Management continues to monitor the outbreak; however, as of the date of these financial statements, the potential impact cannot be quantified.