

**JOURNEY THROUGH HALLOWED  
GROUND PARTNERSHIP**

**Waterford, Virginia**

**FINANCIAL REPORT**

**September 30, 2021**

## **C O N T E N T S**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Journey Through Hallowed Ground Partnership  
Waterford, Virginia

### Report on the Financial Statements

We have audited the accompanying financial statements of Journey Through Hallowed Ground Partnership (the Organization), which comprise the statements of financial position as of September 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years 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

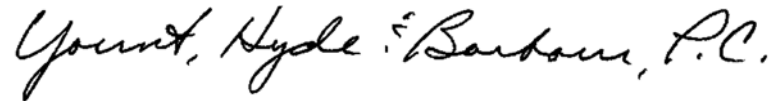
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Journey Through Hallowed Ground Partnership as of September 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, reading "Goumt, Hyde & Barbour, P.C." in a cursive script.

Winchester, Virginia  
March 22, 2022

**JOURNEY THROUGH HALLOWED  
GROUND PARTNERSHIP**

**Statements of Financial Position**

September 30, 2021 and 2020

<b>Assets</b>	<b>2021</b>	<b>2020</b>
	<hr/>	<hr/>
<b>Current Assets</b>		
Cash and cash equivalents	\$ 838,493	\$ 893,946
Accounts and other receivables	21,187	44
Employee Retention Credit receivable	126,472	- -
Current portion of pledges receivable, net	1,850	262,409
Prepaid expenses	12,252	10,457
Total current assets	<u>\$ 1,000,254</u>	<u>\$ 1,166,856</u>
<b>Noncurrent Assets</b>		
Pledges receivable, net	\$ 660,183	\$ 660,184
Deposits	- -	500
Property and equipment, less depreciation	11,133	10,011
Intangible assets, less amortization	67,429	78,549
Total noncurrent assets	<u>\$ 738,745</u>	<u>\$ 749,244</u>
Total assets	<u>\$ 1,738,999</u>	<u>\$ 1,916,100</u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 29,003	\$ 19,286
Accrued expenses	17,180	13,715
Deferred revenue	15,117	- -
Paycheck protection program loan	- -	105,400
Total current liabilities	<u>\$ 61,300</u>	<u>\$ 138,401</u>
<b>Net Assets</b>		
Without donor restrictions	\$ 827,675	\$ 660,973
With donor restrictions	850,024	1,116,723
Total net assets	<u>\$ 1,677,699</u>	<u>\$ 1,777,696</u>
Total liabilities and net assets	<u>\$ 1,738,999</u>	<u>\$ 1,916,100</u>

See Notes to Financial Statements.

**JOURNEY THROUGH HALLOWED  
GROUND PARTNERSHIP**

**Statement of Activities**

For the Year Ended September 30, 2021

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Support and Revenue</b>			
Government grants	\$ 384,883	\$ --	\$ 384,883
Government grants - Paycheck Protection Program	216,150	--	216,150
Government grant - Employee Retention Credit	126,472		126,472
Contributions	177,751	5,082	182,833
National History Academy tuition and fees (net of scholarships of \$36,680)	54,380	--	54,380
Investment income, net	228	--	228
Other income	1,024	--	1,024
	<u>\$ 960,888</u>	<u>\$ 5,082</u>	<u>\$ 965,970</u>
Net assets released from restrictions	271,781	(271,781)	--
Total support and revenue	<u>\$ 1,232,669</u>	<u>\$ (266,699)</u>	<u>\$ 965,970</u>
<b>Expenses</b>			
Program services	\$ 920,219	\$ --	\$ 920,219
Supporting services:			
Management and general	116,324	--	116,324
Fundraising	29,424	--	29,424
Total expenses	<u>\$ 1,065,967</u>	<u>\$ --</u>	<u>\$ 1,065,967</u>
Change in net assets	\$ 166,702	\$ (266,699)	\$ (99,997)
<b>Net Assets, beginning of year</b>	<u>660,973</u>	<u>1,116,723</u>	<u>1,777,696</u>
<b>Net Assets, end of year</b>	<u>\$ 827,675</u>	<u>\$ 850,024</u>	<u>\$ 1,677,699</u>

See Notes to Financial Statements.

**JOURNEY THROUGH HALLOWED  
GROUND PARTNERSHIP**

**Statement of Activities**

For the Year Ended September 30, 2020

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Support and Revenue</b>			
Government grants	\$ 359,106	\$ --	\$ 359,106
Contributions	573,381	314,979	888,360
National History Academy tuition and fees (net of scholarships of \$22,794)	13,341	--	13,341
Gain on sale of property	24,276	--	24,276
Investment income (loss), net	(3,683)	--	(3,683)
Other income	902	--	902
	<u>\$ 967,324</u>	<u>\$ 314,979</u>	<u>\$ 1,282,303</u>
Net assets released from restrictions	298,523	(298,523)	--
Total support and revenue	<u>\$ 1,265,847</u>	<u>\$ 16,456</u>	<u>\$ 1,282,303</u>
<b>Expenses</b>			
Program services	\$ 901,296	\$ --	\$ 901,296
Supporting services:			
Management and general	125,590	--	125,590
Fundraising	25,363	--	25,363
Total expenses	<u>\$ 1,052,249</u>	<u>\$ --</u>	<u>\$ 1,052,249</u>
Change in net assets	\$ 213,598	\$ 16,456	\$ 230,054
<b>Net Assets, beginning of year</b>	<u>447,375</u>	<u>1,100,267</u>	<u>1,547,642</u>
<b>Net Assets, end of year</b>	<u>\$ 660,973</u>	<u>\$ 1,116,723</u>	<u>\$ 1,777,696</u>

See Notes to Financial Statements.

**JOURNEY THROUGH HALLOWED  
GROUND PARTNERSHIP**

**Statement of Functional Expenses**  
For the Year Ended September 30, 2021

		<b>Supporting Services</b>		
	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
Salaries	\$ 447,921	\$ 72,068	\$ 22,267	\$ 542,256
Payroll taxes	34,703	5,583	1,725	42,011
Employee benefits	35,504	1,789	1,843	39,136
Total personnel costs	\$ 518,128	\$ 79,440	\$ 25,835	\$ 623,403
Professional fees	138,649	17,414	850	156,913
Transportation, site visits and other travel	34,056	799	136	34,991
Marketing, advertising and student recruiting	116,451	--	--	116,451
Website, software subscriptions and other online media	37,851	631	320	38,802
Supplies and equipment	14,186	959	768	15,913
Depreciation and amortization	37,705	1,092	338	39,135
Dues and subscriptions	475	492	170	1,137
Camp registration fees and software	13,035	--	--	13,035
Insurance	1,516	10,847	75	12,438
Utilities, telephone and storage	6,754	1,687	336	8,777
Postage expense	723	390	596	1,709
Banking and credit card service fees	690	2,573	--	3,263
Total expenses	<u>\$ 920,219</u>	<u>\$ 116,324</u>	<u>\$ 29,424</u>	<u>\$ 1,065,967</u>

See Notes to Financial Statements.



**JOURNEY THROUGH HALLOWED  
GROUND PARTNERSHIP**

**Statement of Functional Expenses**  
For the Year Ended September 30, 2020

		<b>Supporting Services</b>		
	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
Salaries	\$ 412,699	\$ 82,558	\$ 15,180	\$ 510,437
Payroll taxes	32,277	6,094	1,187	39,558
Employee benefits	42,108	2,523	2,542	47,173
Total personnel costs	\$ 487,084	\$ 91,175	\$ 18,909	\$ 597,168
Professional fees	132,701	16,210	1,012	149,923
Transportation, site visits and other travel	18,457	304	623	19,384
Marketing, advertising and student recruiting	99,985	78	--	100,063
Website, software subscriptions and other online media	79,170	1,114	205	80,489
Supplies and equipment	30,481	1,501	702	32,684
Depreciation and amortization	32,983	1,975	2,799	37,757
Dues and subscriptions	150	--	198	348
Camp registration fees and software	5,954	--	--	5,954
Insurance	4,841	7,770	178	12,789
Printing, publication and copying	2,129	--	147	2,276
Utilities, telephone and storage	4,407	1,883	162	6,452
Repairs and maintenance	--	120	--	120
Postage expense	646	163	428	1,237
Banking and credit card service fees	2,308	2,000	--	4,308
Interest	--	1,297	--	1,297
Total expenses	\$ 901,296	\$ 125,590	\$ 25,363	\$ 1,052,249

See Notes to Financial Statements.

**JOURNEY THROUGH HALLOWED  
GROUND PARTNERSHIP**

**Statements of Cash Flows**

For the Years Ended September 30, 2021 and 2020

	<b>2021</b>	<b>2020</b>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ (99,997)	\$ 230,054
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	39,135	37,757
(Gain) on disposition of assets	--	(52,603)
Forgiveness of Paycheck Protection Program loans	(216,150)	--
Changes in assets and liabilities:		
(Increase) decrease in accounts and other receivable	(21,143)	31,853
(Increase) in Employee Retention Credit receivable	(126,472)	--
Decrease (increase) in pledges receivable	260,560	(8,261)
(Increase) in prepaid expenses	(1,795)	(948)
Decrease (increase) decrease in deposits	500	(500)
Increase (decrease) in accounts payable and accrued expenses	13,181	(11,213)
Increase in deferred revenue	15,117	--
Net cash (used in) provided by operating activities	<u>\$ (137,064)</u>	<u>\$ 226,139</u>
<b>Cash Flows from Investing Activities</b>		
Proceeds from sale of assets	\$ --	\$ 410,000
Purchase of equipment and intangibles	(29,139)	(24,678)
Net cash (used in) provided by investing activities	<u>\$ (29,139)</u>	<u>\$ 385,322</u>
<b>Cash Flows from Financing Activities</b>		
Proceeds from Paycheck Protection Program loan	\$ 110,750	\$ 105,400
Payments on line of credit	--	(48,908)
Net cash provided by financing activities	<u>\$ 110,750</u>	<u>\$ 56,492</u>
Net (decrease) increase in cash and cash equivalents	\$ (55,453)	\$ 667,953
<b>Cash and Cash Equivalents</b>		
Beginning of year	893,946	225,993
End of year	<u>\$ 838,493</u>	<u>\$ 893,946</u>
<b>Supplemental Disclosures of Cash Flow Information</b>		
cash payments for interest	<u>\$ --</u>	<u>\$ 1,297</u>

See Notes to Financial Statements.

# **JOURNEY THROUGH HALLOWED GROUND PARTNERSHIP**

## **Notes to Financial Statements**

### **Note 1. Organization and Nature of Activities**

Journey Through Hallowed Ground Partnership (“the Organization” and “JTHGP”) is a nonprofit organization which was formed in June 2005. The JTHGP is dedicated to raising national and local awareness of the history in the region from Gettysburg, Pennsylvania through Maryland, to Monticello in Albemarle County, Virginia. Its mission is to promote and support civic engagement through history education, economic development through heritage tourism, and the preservation of cultural landscapes in one of the nation’s most important historic regions.

The National History Academy has been developed by Journey Through Hallowed Ground National Heritage Area, a 180-mile corridor from Gettysburg, Pennsylvania through Maryland and Harpers Ferry, West Virginia to Monticello in Charlottesville, Virginia. The mission of the National History Academy is to foster an understanding of key events, people and issues in the country’s history and to engage our nation’s future leaders in the rights and duties of American citizenship through place-based, experiential learning.

Beginning around March 2020, the COVID-19 virus has been declared a global pandemic as it continues to spread rapidly. Business continuity, including supply chains and consumer demand across a broad range of industries and countries could be severely impacted for months or beyond as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.

### **Note 2. Summary of Significant Accounting Policies**

#### **Basis of Accounting**

The financial statements of the Organization have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

#### **Classification of Net Assets**

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor restrictions.

*Net Assets With Donor Restrictions* – Net assets 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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

## **Notes to Financial Statements**

### **Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers amounts in checking and certificates of deposit to be cash and cash equivalents.

### **Accounts and Pledges Receivable**

Unconditional pledges receivable are recognized as revenues in the period the pledge is received. Conditional pledges receivable are recognized when the conditions on which they depend are substantially met. Any accounts receivable are primarily from fees due from program services. Management has determined that pledges and accounts receivable are fully collectible; therefore, no allowance for uncollectible accounts is considered necessary.

### **Property and Equipment**

Purchased property and equipment are capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Property and equipment are depreciated over the estimated useful service lives ranging from five to ten years for furniture and equipment and ten to twenty years for building and improvements using the straight-line method.

The Organization capitalizes property and equipment acquired with a value in excess of \$1,000. When the assets are sold or disposed, the cost and corresponding accumulated depreciation are removed from the accounts with any gain or loss reported in the statement of activities. Maintenance and repairs that do not improve or extend the lives of property and equipment are expensed as incurred.

### **Donated Noncash Assets**

Contributions of donated noncash assets are recorded at their fair value in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

### **Revenue Recognition**

In May 2014, the FASB issued Accounting Standards Update (“ASU”) No. 2014-19, “Revenue from Contracts with Customers (Topic 606).” Topic 606 supersedes the revenue recognition requirements in “Revenue Recognition (Topic 605)” and requires entities to recognize revenue when control of the promised goods or services is transferred to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Organization adopted Topic 606 as of October 1, 2020. Analysis of various provisions of the standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued financial statements were required on a retrospective basis.

## **Notes to Financial Statements**

The Organization recognizes revenue in accordance with ASC Topic 606. This standard provides a five-step model for recognizing revenue from contracts with customers as follows:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when or as performance obligations are satisfied

### **Nature of Products and Services**

Tuition and fees from the National History Academy are considered exchange transactions and recorded as revenue over the applicable program term.

### **Transaction Price**

The transaction price is the amount of consideration to which the Organization expects to be entitled in exchange for transferring goods and services to the customer.

### **Contract Balances**

Funds received by the Organization relating to revenue generating activities of future reporting periods would be recorded as a contract liability (deferred revenue) on the statements of financial position. The Organization does not recognize revenue in advance of the right to invoice and therefore has not recorded a contract asset as of September 30, 2021 and 2020.

The Organization receives contributions from the general public. Unless specifically restricted by the donor, all contributions are considered to be available for unrestricted use. Contributions, including unconditional promises to give, are recorded as made. All contributions are available for use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give in future years are recorded at their net realized value.

The Organization receives grant funding from government agencies for various purposes. Grant revenues not yet received are accrued to the extent unreimbursed expenses have been incurred for the purposes specified by an approved grant. The Organization defers grant revenues received under approved awards from grantors to the extent they exceed expenses incurred for the purposes specified under the grant restrictions.

### **Advertising**

Advertising costs are expensed as incurred. Total advertising costs for 2021 and 2020 were \$42,137 and \$73,518, respectively.

### **Income Tax Status**

The Internal Revenue Service has determined that the Organization is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization will be taxed only to the extent it has taxable trade or business income unrelated to its exempt purpose.

## Notes to Financial Statements

### 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.

### Functional Allocation of Expenses

The costs of providing program and other activities are summarized on a functional basis in the statements of functional expenses. Certain costs have been allocated among program services, management and general and fundraising. Such allocation have been made by management on an equitable basis. The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries	Time and effort
Payroll taxes	Time and effort
Employee benefits	Time and effort
Professional fees	Direct costs
Transportation, site visits and other travel	Direct costs
Marketing, advertising and student recruiting	Direct costs
Website, software subscriptions and other online media	Time and effort
Supplies and equipment	Time and effort
Depreciation and amortization	Time and effort
Dues and subscriptions	Direct costs
Camp registration fees and software	Direct costs
Insurance	Time and effort
Printing, publication and copying	Time and effort
Utilities, telephone and storage	Time and effort
Repairs and maintenance	Time and effort
Postage expense	Direct costs
Banking and credit card service fees	Direct costs
Interest	Direct costs

### Upcoming Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), which requires organizations that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the statement of financial position for leases with terms exceeding 12 months. ASU No. 2016-02 defines a lease as a contract or part of a contract that conveys the right to control the use of identified assets for a period of time in exchange for consideration. The lessee in a lease will be required to initially measure the right-of-use asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the right-of-use asset. ASU No. 2016-02 is effective for the Organization for its year ending September 30, 2023. Early adoption is permitted. The Organization is currently evaluating the impact that the adoption of Topic 842 will have on its financial statements.

## Notes to Financial Statements

In September 2020, the FASB issued ASU No. 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958), which requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. ASU 2020-07 is effective for the Organization for its year ended September 30, 2022. Early adoption is permitted. The Organization is currently evaluating the impact that the adoption of ASU 2020-07 will have on its financial statements.

### Note 3. Liquidity and Availability

The Organization has the following financial assets available within one year of the statement of financial position date to meet cash needs for general expenditure as of September 30, 2021 and 2020. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

	<u>2021</u>	<u>2020</u>
Financial assets, at year-end		
Cash and cash equivalents	\$ 838,493	\$ 893,946
Accounts and other receivables	21,187	44
Pledges receivable, net	<u>662,033</u>	<u>922,593</u>
Total financial assets	<u>\$ 1,521,713</u>	<u>\$ 1,816,583</u>
Less amounts not available to be used within one year		
Restricted by donors for time	\$ 660,183	\$ 660,184
Restricted by donors for purpose	<u>189,841</u>	<u>456,539</u>
	<u>\$ 850,024</u>	<u>\$ 1,116,723</u>
Financial assets available to meet cash needs		
for general expenditure within one year	<u>\$ 671,689</u>	<u>\$ 699,860</u>

### Note 4. Concentration of Credit Risk

The Organization maintains its cash accounts in bank accounts and certificates of deposits which, at times, may exceed federally insured limits.

### Note 5. Unconditional Promises to Give

Written unconditional promises to give as of September 30, 2021 and 2020 are due as follows:

	<u>2021</u>	<u>2020</u>
Less than one year	\$ 1,850	\$ 262,409
One to six years	<u>750,000</u>	<u>750,000</u>
	\$ 751,850	\$ 1,012,409
Less present value component	<u>(89,817)</u>	<u>(89,816)</u>
	<u>\$ 662,033</u>	<u>\$ 922,593</u>

The discount rate was 3.00% for the years ended September 30, 2021 and 2020.

## Notes to Financial Statements

### Note 6. Property and Equipment

At September 30, 2021 and 2020, property and equipment consisted of the following:

	<u>2021</u>	<u>2020</u>
Furniture and equipment	\$ 50,597	\$ 48,471
Less accumulated depreciation	<u>(39,464)</u>	<u>(38,460)</u>
	<u>\$ 11,133</u>	<u>\$ 10,011</u>

Depreciation expense for the year ended September 30, 2021 and 2020 was \$4,165 and \$4,922, respectively.

### Note 7. Intangible Assets

Intangible assets include software licenses, website development costs, trademarks, and rights to professional photographs purchased for use in marketing and branding efforts. Intangible assets having a determinable life are amortized over their estimated useful life. Intangible assets with an indefinite useful life are reviewed annually for value impairment and adjustment.

The JTHGP capitalizes the cost of creating and registering trademarks and costs of trademarks obtained through acquisition. These intangible assets are amortized on the straight-line basis over estimated useful lives of ten years.

Purchased software licenses subject to annual renewal fees are amortized over seven years. Costs to renew or extend the licenses are expensed as incurred. The Organization's future cash flows are not materially impacted by its ability to extend or renew agreements related to its intangible assets.

As of September 30, 2021 and 2020, intangible assets consisted of the following:

	<u>2021</u>	<u>2020</u>
Trademarks	\$ 6,596	\$ 7,421
Website	146,385	123,660
Software licenses	<u>18,453</u>	<u>18,453</u>
	\$ 171,434	\$ 149,534
Less accumulated amortization	<u>(104,005)</u>	<u>(70,985)</u>
	<u>\$ 67,429</u>	<u>\$ 78,549</u>

Amortization expense for the years ended September 30, 2021 and 2020 was \$34,970 and \$32,835, respectively.



## Notes to Financial Statements

### Note 8. Net Assets With Donor Restrictions

Net assets with donor restrictions as of September 30, 2021 and 2020 were available for the following purposes:

	<u>2021</u>	<u>2020</u>
Strategic real estate holdings	\$ 120,529	\$ 120,529
Educational programs and camps	677,064	927,064
Living Legacy Tree planting and maintenance	23,069	22,169
Route 15 corridor efforts	27,512	34,552
Time restricted	<u>1,850</u>	<u>12,409</u>
	<u>\$ 850,024</u>	<u>\$ 1,116,723</u>

Net assets during the years ended September 30, 2021 and 2020 were released from donor restrictions by incurring expenses satisfying restricted purposes or by occurrence of other events specified by donors.

	<u>2021</u>	<u>2020</u>
Marketing	\$ --	\$ 3,496
Educational programs and camps	251,332	261,439
Living Legacy Tree planting and maintenance	--	14,930
Route 15 corridor efforts	8,040	158
Time restricted	<u>12,409</u>	<u>18,500</u>
	<u>\$ 271,781</u>	<u>\$ 298,523</u>

### Note 9. Concentration of Economic Support

Approximately 60 percent of the Organization's programs and operations are supported by governmental agencies and a single donor during the years ended September 30, 2021 and 2020. The Organization anticipates continued support for their programs but a reduction in funding could affect the level of program of activity.

### Note 10. Retirement Plan

The Organization maintains a tax-deferred annuity plan (Plan) under Section 403(b) of the Internal Revenue Code. Substantially all employees are eligible to participate in the Plan and to contribute a percentage of their annual compensation to the maximum permitted by law. The Organization matches employee contributions up to 4% of compensation. The Organization's expense amounted to \$11,404 and \$10,634 for the years ended September 30, 2021 and 2020, respectively.

## **Notes to Financial Statements**

### **Note 11. Payroll Protection Program and Employee Retention Credit**

On May 2, 2020, the Organization applied for and was approved a \$105,400 loan under the Paycheck Protection Program created as part of the relief efforts related to COVID-19 and administered by the United States Small Business Administration. The loan accrues interest at 1%, but payments are not required to begin for six months after the funding of the loan. The Organization is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The loan is uncollateralized and is fully guaranteed by the Federal government. The Organization received forgiveness on April 12, 2021 and the loan was recognized as revenue in the statement of activities for the year ended September 30, 2021.

On January 24, 2021, the Organization applied for and was approved a \$110,750 loan under the Paycheck Protection Program created as part of the relief efforts related to COVID-19 and administered by the United States Small Business Administration. The loan accrues interest at 1%, but payments are not required to begin for six months after the funding of the loan. The Organization is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The loan is uncollateralized and is fully guaranteed by the Federal government. The Organization received forgiveness on September 22, 2021 and the loan was recognized as revenue in the statement of activities for the year ended September 30, 2021.

The Employee Retention Credit (ERC), originally provided for within the CARES Act, is a refundable tax credit against certain employment taxes based on qualified wages paid to employees. The Organization recorded a receivable of \$126,472, which represents the total amount of the ERC due to the Organization at September 30, 2021. This amount was recognized as revenue in the statement of activities for the year ended September 30, 2021.

### **Note 12. Related Party**

During the year ended September 30, 2021, the Organization utilized marketing services affiliated with a member of the Board. Payments to this individual were \$14,455 for the year ended September 30, 2021. There were no related party transactions during the year ended September 30, 2020.

### **Note 13. Subsequent Events**

The Organization has evaluated all subsequent events through March 22, 2022, the date the financial statements were available to be issued. The Organization has determined there are no subsequent events that require recognition or disclosure.