



Family Compass

**Financial Statements
December 31, 2020 and 2019**

Family Compass

Contents

Independent Auditors' Report	1
Financial Statements:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	6
Statements of Cash Flows	8
Notes to Financial Statements	9



Independent Auditors' Report

To the Board of Directors of
Family Compass

We have audited the accompanying financial statements of Family Compass (a nonprofit organization) which comprise the statements of financial position as of December 31, 2020 and 2019, 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 U.S. generally accepted accounting principles; 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 audits. We conducted our audits in accordance with U.S. generally accepted accounting standards. Those standards require that we plan and perform the audits 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 misstatements 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 Family Compass as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Sutton Frost Cary

A Limited Liability Partnership

Arlington, Texas
May 26, 2021

Family Compass
Statements of Financial Position
December 31, 2020 and 2019

	2020	2019
Assets		
Current assets:		
Cash	\$ 354,109	\$ 114,282
Certificates of deposit	500,000	-
Contributions receivable	15,600	241,500
Grants receivable	120,727	84,242
Prepaid expense	16,380	-
Total current assets	1,006,816	440,024
Fixed assets, net	31,351	25,368
Total assets	\$ 1,038,167	\$ 465,392
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 125,591	\$ 75,801
Long-term liabilities:		
Notes payable	400,200	-
Total liabilities	525,791	75,801
Net assets:		
Without donor restrictions	438,259	83,562
With donor restrictions	74,117	306,029
Total net assets	512,376	389,591
Total liabilities and net assets	\$ 1,038,167	\$ 465,392

See notes to financial statements.

Family Compass
Statement of Activities
Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:			
HHSC grant	\$ 255,960	\$ -	\$ 255,960
United Way	237,407	75,000	312,407
VOCA grant	138,476	-	138,476
Foundations	475,327	207,500	682,827
Individuals	176,359	-	176,359
Corporations	40,481	20,350	60,831
Special events, net of direct costs of \$37,230	188,573	-	188,573
In-kind contributions	108,070	-	108,070
Service fees	3,850	-	3,850
Exchange Club donations	10,550	-	10,550
Other income	6,105	-	6,105
Net assets released from restrictions	534,762	(534,762)	-
Total support and revenue	2,175,920	(231,912)	1,944,008
Expenses:			
Program services	1,540,008	-	1,540,008
General and administrative	104,062	-	104,062
Fundraising	175,531	-	175,531
Total expenses	1,819,601	-	1,819,601
Excess of support and revenue over expenses	356,319	(231,912)	124,407
Loss on disposal of fixed assets	(1,622)	-	(1,622)
Change in net assets	354,697	(231,912)	122,785
Net assets at beginning of year	83,562	306,029	389,591
Net assets at end of year	\$ 438,259	\$ 74,117	\$ 512,376

See notes to financial statements.

Family Compass
Statement of Activities
Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:			
HHSC grant	\$ 247,905	\$ -	\$ 247,905
United Way	200,208	75,000	275,208
VOCA grant	78,781	-	78,781
Foundations	72,095	722,975	795,070
Individuals	85,336	-	85,336
Corporations	14,172	25,500	39,672
Special events, net of direct costs of \$67,406	209,163	-	209,163
In-kind contributions	117,027	-	117,027
Service fees	10,625	-	10,625
Other income	5,617	-	5,617
Net assets released from restrictions	727,204	(727,204)	-
Total support and revenue	1,768,133	96,271	1,864,404
Expenses:			
Program services	1,514,607	-	1,514,607
General and administrative	110,593	-	110,593
Fundraising	230,068	-	230,068
Total expenses	1,855,268	-	1,855,268
Change in net assets	(87,135)	96,271	9,136
Net assets at beginning of year	170,697	209,758	380,455
Net assets at end of year	\$ 83,562	\$ 306,029	\$ 389,591

See notes to financial statements.

Family Compass
Statement of Functional Expenses
Year Ended December 31, 2020

	Program Services	General and Administrative	Fundraising	Total
Compensation and related expenses:				
Salaries	\$ 1,001,092	\$ 37,759	\$ 99,167	\$ 1,138,018
Payroll taxes	76,290	3,467	7,192	86,949
Benefits	16,751	5,445	3,315	25,511
Total compensation and related expenses	1,094,133	46,671	109,674	1,250,478
Advertising	114	-	6,052	6,166
Client services	25,259	-	-	25,259
Depreciation	4,188	4,188	-	8,376
Equipment rental	16,710	1,250	-	17,960
Information technology	31,882	11,663	18,581	62,126
Insurance	102,988	19,681	11,252	133,921
Interest	1,926	66	82	2,074
Mileage	7,489	-	105	7,594
Miscellaneous	13,448	4,544	4,594	22,586
Occupancy	164,823	5,710	1,679	172,212
Office	21,841	2,989	3,387	28,217
Professional fees	27,017	6,875	7,024	40,916
Special events	-	-	50,007	50,007
Training seminar	28,190	425	324	28,939
Total expenses	1,540,008	104,062	212,761	1,856,831
Less expenses included with revenues on the statement of activities				
Direct costs of special events	-	-	(37,230)	(37,230)
Total expenses included in the expense section on the statement of activities	<u>\$ 1,540,008</u>	<u>\$ 104,062</u>	<u>\$ 175,531</u>	<u>\$ 1,819,601</u>

See notes to financial statements.

Family Compass
Statement of Functional Expenses
Year Ended December 31, 2019

	Program Services	General and Administrative	Fundraising	Total
Compensation and related expenses:				
Salaries	\$ 987,569	\$ 44,800	\$ 144,900	\$ 1,177,269
Payroll taxes	78,168	4,402	10,381	92,951
Benefits	17,199	5,419	655	23,273
Total compensation and related expenses	1,082,936	54,621	155,936	1,293,493
Advertising	243	75	1,607	1,925
Client services	26,730	-	-	26,730
Depreciation	7,578	7,578	-	15,156
Equipment rental	16,436	1,338	-	17,774
Information technology	33,419	9,776	17,552	60,747
Insurance	77,937	18,036	11,793	107,766
Mileage	22,930	50	1,298	24,278
Miscellaneous	21,864	5,057	11,875	38,796
Occupancy	170,366	5,720	629	176,715
Office	15,016	3,372	6,973	25,361
Professional fees	29,407	4,970	6,119	40,496
Special events	-	-	82,434	82,434
Training seminar	9,745	-	1,258	11,003
Total expenses	1,514,607	110,593	297,474	1,922,674
Less expenses included with revenues on the statement of activities				
Direct costs of special events	-	-	(67,406)	(67,406)
Total expenses included in the expense section on the statement of activities	\$ 1,514,607	\$ 110,593	\$ 230,068	\$ 1,855,268

See notes to financial statements.

Family Compass
Statements of Cash Flows
Years Ended December 31, 2020 and 2019

	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ 122,785	\$ 9,136
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	8,376	15,156
Loss on disposal of fixed assets	1,622	-
Changes in assets and liabilities:		
Contributions receivable	225,900	(65,762)
Grants receivable	(36,485)	(20,844)
Prepaid expense	(16,380)	19,444
Accounts payable and accrued liabilities	49,790	14,649
Net cash provided (used) by operating activities	355,608	(28,221)
Cash flows from investing activities:		
Purchase of certificates of deposit	(500,000)	-
Purchases of fixed assets	(15,981)	-
Net cash used by investing activities	(515,981)	-
Cash flows from financing activities:		
Proceeds from related party notes payable	47,645	60,608
Repayment of related party notes payable	(47,645)	(60,608)
Proceeds from notes payable	400,200	-
Net cash provided by financing activities	400,200	-
Net increase (decrease) in cash and cash equivalents	239,827	(28,221)
Cash at beginning of year	114,282	142,503
Cash at end of year	\$ 354,109	\$ 114,282

See notes to financial statements.

Family Compass

Notes to Financial Statements

1. Organization

Family Compass (Organization) is located in Dallas, Texas and is a nonprofit organization that is classified by the Internal Revenue Service as tax-exempt under Section 501(c)(3) of the Internal Revenue Code (Code). The purpose of the Organization is to break the cycle of child abuse by equipping parents for success. Programs include: (1) the provision of the nationally affiliated Parents as Teachers model to pregnant teens and young parents in high poverty zip codes of Dallas County through the Growing As Parent Home Mentoring Program, (2) the provision of intensive, clinically-focused, in-home support and educational services to families at high risk of child abuse and neglect through the Parent Aide program, (3) child abuse prevention seminars and parenting classes through the Community Education and Outreach Program, (4) support groups and resources for parents, (5) the provision of the nationally affiliated Parents As Teachers Model through the Growing As Parents Home Mentoring Program in Collin County. The Organization is primarily supported by government and private grants, along with three fundraising events per year and contributions from individuals and other organizations.

2. Summary of Significant Accounting Policies

The accounting policies of the Organization conform to U.S. generally accepted accounting principles (GAAP). The more significant accounting policies of the Organization are described below.

Basis of Accounting

The Organization prepares the financial statements on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recorded as incurred.

Financial Statement Presentation

The Organization's financial statements are presented in accordance with GAAP which requires the Organization to report its financial position and activities using two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions - Net assets not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the board of directors.

Net assets with donor restrictions - Net assets subject to donor stipulations that will be met by actions of the Organization and/or the passage of time.

Family Compass

Notes to Financial Statements

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Financial Instruments and Credit Risk Concentrations

Financial instruments that potentially expose the Organization to concentrations of credit risk, consist principally of cash, certificates of deposit and contributions and grants receivable.

The Organization places cash and certificates of deposit, which at times may exceed the federally insured limits, with high credit quality financial institutions to minimize risk. Accounts at each institute are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of December 31, 2020, the Organization's uninsured bank balances totaled \$591,437.

Contributions receivable are unsecured and are due from various donors. Grants receivable are unsecured and are due from grantor agencies. The Organization continually evaluates the collectability of contributions and grants and maintains allowances for potential losses, if considered necessary. At December 31, 2020 and 2019, the Organization estimates that no allowance for uncollectible receivables was necessary.

Certificates of Deposit

The Organization has certificates of deposit with a financial institution with interest rates of 0.65% and maturity dates of 3/30/2021. The certificates of deposit are measured at fair value.

Fixed Assets

Fixed assets purchased by the Organization are recorded at cost or if acquired by gift, at fair market value at the date of the gift. The Organization follows the practice of capitalizing all expenditures for fixed assets in excess of \$500; the fair value of donated fixed assets is capitalized. Depreciation is calculated using the straight-line method based upon the estimated useful lives.

Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets or an unconditional promise to give is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

Family Compass

Notes to Financial Statements

A portion of the Organization's revenue is derived from cost-reimbursable contract and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position. The Organization has been awarded cost-reimbursable grants of \$337,885 and \$480,853 that have not been recognized at December 31, 2020 and 2019, respectively, because qualifying expenditures have not yet been incurred.

Fees for contract services are recognized as revenue when the contracted services are performed.

Volunteers, business firms and others contribute substantial amounts of supplies and other items toward the fulfillment of programs initiated by the Organization. To the extent that noncash contributions which are under the control of the Organization are objectively measurable and represent program or support expenses which would be otherwise incurred, they are reflected as in-kind contributions and expense in the accompanying financial statements. In-kind contributions are stated at their estimated value at date of receipt.

Donated use of facilities is reflected as a contribution at the estimated fair value of the rent. The Organization recognizes contribution revenue for certain services received at the fair value of those services, provided those services create or enhance non-financial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

The Organization records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

Concentrations

As of December 31, 2020, approximately 64% of total contributions receivable are due to the Organization from one foundation. As of December 31, 2019, approximately 91% of total contributions receivable are due to the Organization from one foundation.

As of December 31, 2020 and 2019, 100% of total grants receivable are due to the Organization from three government agencies.

During the years ended December 31, 2020 and 2019, the Organization received approximately 16% and 14%, respectively, of its total support and revenue from the United Way.

During the years ended December 31, 2020 and 2019, the Organization received approximately 13% of its total support and revenue from a state agency.

Family Compass

Notes to Financial Statements

During the year ended December 31, 2019, the Organization received approximately 17% of its total support and revenue from one foundation.

Federal Income Taxes

The Organization is a nonprofit publicly supported organization, as defined in Section 501(c)(3) of the Code that is exempt from federal income taxes under Section 501(a) of the Code. For the years ended December 31, 2020 and 2019, the Organization did not conduct any unrelated business activities that would be subject to federal income taxes and had no uncertain tax positions. Therefore, no tax provision or liability has been reported in the accompanying financial statements. The Organization had no significant uncertain tax positions for the years ended December 31, 2020 and 2019.

Allocation of Functional Expenses

The costs of providing the various program services and supporting activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present expenses by function and natural classification. Certain costs are charged directly to the functions they benefit.

Other expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy and depreciation, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, equipment rental, professional fees, office expenses, information technology, mileage, training and other, which are allocated on the basis of estimates of time and effort.

Contract Compliance

The Organization is responsible for compliance with provisions of contracts and grant agreements. Noncompliance could result in the disallowance of expenditures and a request for reimbursement. The Organization's management is unaware of any instance of such non-compliance, or any resulting disallowance. Moreover, in the opinion of the Organization's management, such disallowance, if any, would not be material to the Organization's financial statements.

Estimates and Assumptions

The preparation of financial statements in conformity with GAAP 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 estimated.

Family Compass

Notes to Financial Statements

New Accounting Pronouncements

Changes to GAAP are established by the Financial Accounting Standards Board (FASB) in the form of Accounting Standards Updates (ASU's) to the FASB's Accounting Standards Codification.

The Organization considers the applicability and impact of all ASU's. ASU's not listed below were assessed and determined to be either not applicable or are expected to have minimal impact on the Organization's financial position and changes in net assets.

In 2016, the FASB issued its leasing standard in ASU 2016-02, *Leases (ASC Topic 842)* for both lessees and lessors. Under its core principle, a lessee will recognize right-of-use (ROU) assets and related lease liabilities on the statement of financial position for all lease arrangements with terms longer than 12 months. The pattern of expense recognition in the statement of activities will depend on a lease's classification. For not-for-profit organizations, the standard takes effect for fiscal years beginning after December 15, 2021.

The Organization is currently assessing the impact that adopting this new guidance will have on the financial statements.

3. Fixed Assets

Fixed assets consist of the following at December 31:

	<u>2020</u>	<u>2019</u>
Furniture and equipment	\$ 47,888	\$ 108,174
Software	-	54,672
Accumulated depreciation	<u>(16,537)</u>	<u>(137,478)</u>
	<u>\$ 31,351</u>	<u>\$ 25,368</u>

4. Board Designated Net Assets

During the year ended December 31, 2018, the board of directors created a reserve fund for the purpose of building and maintaining an adequate level of net assets without donor restrictions to support the Organization's day-to-day operations in the event of unforeseen shortfalls. At December 31, 2020 and 2019, net assets without donor restrictions includes board designated net assets of \$29,008 and \$26,270, respectively.

Family Compass
Notes to Financial Statements

5. Net Assets With Donor Restrictions

Net assets with donor restrictions consist of the following as of December 31:

	2020	2019
Program supplies	\$ 9,685	\$ 16,590
Client emergency assistance	10,439	10,439
United Way time restricted	37,500	37,500
Support groups	14,993	-
Subsequent period programs	1,500	241,500
	\$ 74,117	\$ 306,029

6. Notes Payable

EIDL Note

On June 24, 2020, the Organization received \$150,000 in loan funding from the Small Business Administration (SBA) under the Economic Injury Disaster Loan (EIDL) program administered by the SBA, which program was expanded pursuant to the Coronavirus Aid, Relief and Economic Security Act of 2020 (CARES Act). The EIDL is evidenced by a promissory note, dated June 24, 2020 (EIDL Note) in the original principal amount of \$150,000 with the SBA, the lender.

Under the terms of the EIDL Note, interest accrues on the outstanding principal at the rate of 2.75% per annum. The term of the EIDL Note is 30 years, though it may be payable sooner upon an event of default under the EIDL Note. Under the EIDL Note, the Organization will be obligated to make equal monthly payments of \$641 beginning June 24, 2022 through the maturity date of June 24, 2050. Payments are first applied to accrued interest. The EIDL Note may be prepaid in part or in full, at any time, without penalty and is collateralized by the Organization's bank deposits, accounts receivable and equipment.

Maturities of long-term debt are as follows for the years ending December 31:

2023	\$ 3,441
2024	3,537
2025	3,635
Thereafter	139,387
	\$ 150,000

Family Compass

Notes to Financial Statements

Paycheck Protection Program Loan

On April 16, 2020, the Organization entered into an unsecured loan (PPP Loan) in the aggregate amount of \$250,200 with a bank pursuant to the Paycheck Protection Program (PPP), which is sponsored by the SBA, and is part of the CARES Act, as amended by the Paycheck Protection Program Flexibility Act of 2020 (Flexibility Act). The PPP provides for loans to qualifying businesses, the proceeds of which may only be used for payroll costs, rent, utilities, mortgage interest, and interest on other pre-existing indebtedness (Permissible Expenses). The PPP Loan matures on April 16, 2022, bears interest at a fixed rate of 1.0 percent per annum and is payable in monthly installments commencing on the earlier of the date on which the amount of loan forgiveness is determined or February 16, 2021. The PPP Loan may be prepaid at any time prior to maturity with no prepayment penalties. The PPP Loan, and accrued interest, may be forgiven partially or in full, if certain conditions are met. The most significant of the conditions are:

- Only amounts expended for Permissible Expenses during the eight-week or 24-week period, as elected by the Organization, following April 16, 2020 (Covered Period) are eligible for loan forgiveness. The Organization has elected a 24-week Covered Period;
- Of the total amount of Permissible Expenses for which forgiveness can be granted, at least 60% must be for payroll costs, or a proportionate reduction of the maximum loan forgiveness amount will occur; and
- If employee headcount is reduced, or employee compensation is reduced by more than 25%, during the Covered Period, a further reduction of the maximum loan forgiveness amount will occur, subject to certain safe harbors added by the Flexibility Act.

In order to obtain forgiveness of the PPP Loan, in whole or in part, the Organization must request forgiveness and provide satisfactory documentation in accordance with applicable SBA guidelines. Any portion of the PPP Loan that is not forgiven, together with accrued interest, will be repaid based on the terms and conditions of the PPP Loan and in accordance with the PPP as amended by the Flexibility Act. The Organization has recorded the full amount of the PPP Loan as debt at December 31, 2020 and intends to reflect the benefit of any loan forgiveness when the loan forgiveness application is submitted to, and approved by, the SBA and it has reasonable assurance from the SBA that it has met the eligibility and loan forgiveness requirements of the PPP.

Family Compass
Notes to Financial Statements

7. In-kind Contributions

The Organization received the following in-kind contributions during the years ended December 31:

	2020	2019
Rent	\$ 106,000	\$ 106,000
Supplies	2,070	9,342
Other	-	1,685
	108,070	117,027
Amounts included with special event income on the statements of activities	-	21,946
	\$ 108,070	\$ 138,973

8. Commitments

The Organization leases its premises under an operating lease for which the Organization is responsible for \$1 of rent per annum and actual share of utilities and other associated costs. The Organization has estimated the annual value of this rental at \$106,000, which is included as unrestricted support and occupancy expense in the accompanying financial statements.

The Organization also has a sublease for office space from the Children’s Advocacy Center of Collin County. The lease has no end date, but may be terminated by either party with a ninety (90) day notice. The monthly rent is \$685 for this space.

In addition, the Organization leases various office equipment pursuant to non-cancellable operating leases expiring through April 2023. The remaining future minimum lease payments pursuant to the equipment leases are as follows for the years ending December 31:

2021	\$ 14,442
2022	14,442
2023	4,814

Rent expense totaled \$168,816 and \$178,808 for the years ended December 31, 2020 and 2019, respectively.

9. Liquidity and Availability of Resources

The Organization strives to maintain liquid financial assets sufficient to cover general expenditures for a reasonable period of time.

Family Compass
Notes to Financial Statements

The following table reflects the Organization’s financial assets, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of contractual restrictions as of December 31:

	2020	2019
Cash	\$ 354,109	\$ 114,282
Certificates of deposit	500,000	-
Contributions receivable	15,600	241,500
Grants receivable	120,727	84,242
Financial assets available for general expenditures within one year	990,436	440,024
Amounts unavailable to management without board of directors' approval:		
Board designated for reserve fund	(29,008)	(26,270)
Total financial assets available within one year after board designations	<u>\$ 961,428</u>	<u>\$ 413,754</u>

10. Special Events

The following is a summary of the revenue and support and direct costs for each fundraising event for the year ended December 31, 2020:

	Income	Cost of Direct Donor Benefits	Net
Luncheon	\$ 118,448	\$ 13,800	\$ 104,648
Golf	88,405	23,430	64,975
Lip Sync	18,950	-	18,950
	<u>\$ 225,803</u>	<u>\$ 37,230</u>	<u>\$ 188,573</u>

The following is a summary of the revenue and support and direct costs for each fundraising event for the year ended December 31, 2019:

	Income	Cost of Direct Donor Benefits	Net
Luncheon	\$ 140,903	\$ 23,649	\$ 117,254
Golf	125,161	41,598	83,563
Lip Sync	10,505	2,159	8,346
	<u>\$ 276,569</u>	<u>\$ 67,406</u>	<u>\$ 209,163</u>

Family Compass

Notes to Financial Statements

11. Retirement Plan

The Organization provides retirement benefits to its employees through a defined contribution plan covering all full-time employees with one year of eligible experience. The Organization contributes up to 3% of gross wages for participants with a maximum of \$10,000 per year. Contributions to the plan during the years ended December 31, 2020 and 2019 were \$25,511 and \$23,273, respectively.

12. Related Party Transactions

The Organization received contributions totaling \$45,192 and \$20,339 during the years ended December 31, 2020 and 2019, respectively, from members of the board of directors.

During 2020, the Organization borrowed and repaid within three months of loan origination date a total of \$47,645 from two board members. The borrowings were repaid using the cash collections of contributions receivable made known to the Organization before it borrowed the funds.

During 2019, the Organization borrowed and repaid within two months of loan origination date a total of \$60,608 from two board members. The borrowings were repaid using the cash collections of contributions receivable made known to the Organization before it borrowed the funds.

13. Uncertainties

In March 2020, the World Health Organization recognized the novel strain of coronavirus, COVID-19, as a pandemic. Due to the pandemic, the Organization canceled a spring 2020 fundraising event and is applying for relief under a private grant. Given the uncertainty of the spread of the coronavirus, the related financial impact to the Organization, if any, cannot be determined at this time.

14. Subsequent Events

On March 15, 2021, the Organization applied for and received forgiveness of the entire amount of the PPP loan.

The Organization has evaluated subsequent events through the date the financial statements were available to be issued and concluded that no additional disclosures are required.