

CIVIL RIGHTS EDUCATION AND ENFORCEMENT CENTER

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

CIVIL RIGHTS EDUCATION AND ENFORCEMENT CENTER
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

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Independent Auditors' Report

Board of Directors
Civil Rights Education and Enforcement Center
Denver, Colorado

Opinion

We have audited the accompanying financial statements of Civil Rights Education and Enforcement Center (a Colorado nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Civil Rights Education and Enforcement Center as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Civil Rights Education and Enforcement Center and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Civil Rights Education and Enforcement Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Report on Summarized Comparative Information

We have previously audited Civil Rights Education and Enforcement Center's 2021 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 21, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Taylor, Roth and Company, PLLC
Certified Public Accountants
Denver, Colorado
March 28, 2023

CIVIL RIGHTS EDUCATION AND ENFORCEMENT CENTER

STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022
(WITH COMPARATIVE TOTALS FOR 2021)

	<u>2022</u>	<u>2021</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 1,706,790	\$ 2,096,918
Contributions, grants and contracts receivable	240,498	197,763
Prepaid expenses	42,697	37,001
Property and equipment, net (Note 3)	5,915	14,758
Financing lease right of use asset (Note 4)	5,757	10,063
Operating lease right of use asset (Note 4)	175,356	-
Security deposits	14,893	14,893
Total assets	<u>\$ 2,191,906</u>	<u>\$ 2,371,396</u>
<u>Liabilities and net assets</u>		
<u>Liabilities</u>		
Accounts payable	\$ 36,401	\$ 19,975
Accrued payroll expenses	25,202	10,199
Financing lease liability (Note 4)	5,757	10,063
Operating lease liability (Note 4)	176,614	-
Total liabilities	<u>243,974</u>	<u>40,237</u>
<u>Net assets</u>		
<u>Without donor restrictions</u>		
Undesignated	1,782,986	1,930,116
Net investment in property and equipment	5,915	14,758
	<u>1,788,901</u>	<u>1,944,874</u>
<u>With donor restrictions (Note 5)</u>	<u>159,031</u>	<u>386,285</u>
Total net assets	<u>1,947,932</u>	<u>2,331,159</u>
Total liabilities and net assets	<u>\$ 2,191,906</u>	<u>\$ 2,371,396</u>

The accompanying notes are an integral part of these financial statements

CIVIL RIGHTS EDUCATION AND ENFORCEMENT CENTER

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE TOTALS FOR 2021)

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<u>Revenue and other support</u>				
Program service fees	\$ 1,625,206	\$ -	\$ 1,625,206	\$ 733,722
Contributions and grants	122,558	79,155	201,713	560,560
Paycheck Protection Program Proceeds	-	-	-	108,564
Loss on leasehold improvements	-	-	-	(9,488)
Net assets released from restrictions (Note 6)	306,409	(306,409)	-	-
Total revenue and other support	<u>2,054,173</u>	<u>(227,254)</u>	<u>1,826,919</u>	<u>1,393,358</u>
<u>Expenses</u>				
Program services	1,925,308	-	1,925,308	1,024,119
Supporting services				
Management and general	256,220	-	256,220	270,528
Fund-raising	28,618	-	28,618	30,436
Total expenses	<u>2,210,146</u>	<u>-</u>	<u>2,210,146</u>	<u>1,325,083</u>
Change in net assets	(155,973)	(227,254)	(383,227)	68,275
Net assets, beginning of year	<u>1,944,874</u>	<u>386,285</u>	<u>2,331,159</u>	<u>2,262,884</u>
Net assets, end of year	<u>\$ 1,788,901</u>	<u>\$ 159,031</u>	<u>\$ 1,947,932</u>	<u>\$ 2,331,159</u>

The accompanying notes are an integral part of these financial statements

CIVIL RIGHTS EDUCATION AND ENFORCEMENT CENTER

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE TOTALS FOR 2021)

	2022				2021
	Program Services	Supporting Services		Total	Total
		Management and General	Fund-raising		
Salaries	\$ 580,091	\$ 167,921	\$ 15,266	\$ 763,278	\$ 777,417
Employee benefits	45,848	13,271	1,207	60,326	84,290
Payroll taxes	24,266	7,024	639	31,929	61,163
Counsel, court, and other program costs	1,082,124	-	-	1,082,124	113,322
Occupancy	63,795	22,783	4,557	91,135	97,553
Contract labor and consulting	31,594	9,146	831	41,571	31,968
Other professional services	16,892	4,889	445	22,226	17,128
Dues and fees	15,987	4,627	421	21,035	13,586
Education and outreach	17,149	-	-	17,149	36,218
Legal	10,058	2,911	265	13,234	9,040
Office expenses	8,159	2,913	583	11,655	8,957
Accounting	-	11,038	-	11,038	11,350
Communications	6,310	1,826	166	8,302	11,174
Software and Information Technology	5,274	1,527	139	6,940	3,032
Insurance	4,031	1,167	106	5,304	11,686
Printing and postage	2,631	762	69	3,462	2,286
Fundraising	-	-	3,245	3,245	3,574
Staff training and resources	1,176	341	31	1,548	6,486
Travel	787	227	21	1,035	7,395
All Other	1,307	1,051	68	2,426	4,503
	<u>1,917,479</u>	<u>253,424</u>	<u>28,059</u>	<u>2,198,962</u>	<u>1,312,128</u>
Depreciation and amortization	<u>7,829</u>	<u>2,796</u>	<u>559</u>	<u>11,184</u>	<u>12,955</u>
Total expenses	<u>\$ 1,925,308</u>	<u>\$ 256,220</u>	<u>\$ 28,618</u>	<u>\$ 2,210,146</u>	<u>\$ 1,325,083</u>

The accompanying notes are an integral part of these financial statements

CIVIL RIGHTS EDUCATION AND ENFORCEMENT CENTER

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE TOTALS FOR 2021)

	2022	2021
<u>Cash flows from operating activities</u>		
Change in net assets	\$ (383,227)	\$ 68,275
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	11,184	12,955
Proceeds from Payroll Protection Loan	-	(108,564)
 <u>Changes in operating assets and liabilities</u>		
(Increase)decrease in contributions, grants and contracts receivable	(42,735)	1,914
(Increase)decrease in prepaid expenses	(5,696)	(11,100)
(Increase)decrease in right of use asset	77,940	-
(Increase)decrease in security deposits	-	5,399
Increase(decrease) in accounts payable	16,426	(3,847)
Increase(decrease) in accrued payroll expenses	15,003	4,161
Increase(decrease) in operating lease liability	(72,376)	-
Increase(decrease) in funds held for others	-	(17,237)
Net cash provided(used) by operating activities	(383,481)	(48,044)
 <u>Cash flows from investing activities</u>		
(Additions) to property and equipment	(2,341)	(334)
Loss on disposal of leasehold improvements	-	9,488
Net cash provided(used) by investing activities	(2,341)	9,154
 <u>Cash flows from financing activities</u>		
Increase(decrease) in financing lease obligation	(4,306)	(4,624)
Net increase(decrease) in cash and cash equivalents	(390,128)	(43,514)
Cash and cash equivalents, beginning of year	2,096,918	2,140,432
Cash and cash equivalents, end of year	\$ 1,706,790	\$ 2,096,918
 Supplemental Information:		
Cash paid for interest	\$ 135	\$ 4
Cash paid during the period for interest on finance lease	\$ 486	\$ 168
Noncash investing and financing transactions:		
Right-of-use assets obtained in exchange for new lease liabilities	\$ 176,356	\$ -

The accompanying notes are an integral part of these financial statements

CIVIL RIGHTS EDUCATION AND ENFORCEMENT CENTER

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

NOTE 1 - NATURE OF ACTIVITIES

Civil Rights Education and Enforcement Center (the Organization) is a Colorado nonprofit corporation established in April 2013 to defend human and civil rights secured by law. The Organization achieves its mission through education, member input, instructional materials, individual advocacy, collaboration, enforcement, investigations, and filing lawsuits. Funding for the Organization is obtained primarily through program service fees and contributions and grants from interested parties.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

1. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

2. Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles which require the Organization to report its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and board of directors.

Net assets with donor restrictions: Net assets that are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity.

Contributions of property and equipment or cash restricted for the acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a program. These restrictions expire when the assets are placed in service.

3. Cash and Cash Equivalents

The Organization considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

4. Receivables

Accounts receivable represent amounts that have been billed for program service fees but not yet collected as of the date of the financial statements. Grants receivable represent amounts that have been awarded to the Organization but not yet collected as of December 31, 2022. Receivables are stated at the amount management expects to be collected from the outstanding balances. As of December 31, 2022, management has determined, based on historical experience and subsequent collections, that all amounts are fully collectible, and no allowance for doubtful accounts is necessary.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (continued)

5. Revenue and Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest 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. The Organization records special events revenue equal to the fair value of direct benefits to donors, and contribution revenue for the excess received when the event takes place.

A portion of the Organization's revenue may be derived from cost-reimbursable federal and state contracts 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 statement of financial position.

6. Capitalization and Depreciation

The Organization follows a practice of capitalizing all expenditures for property and equipment in excess of \$1,000. The fair value of donated assets is similarly capitalized. Depreciation of capitalized assets is taken over the estimated useful lives of the respective assets on a straight-line basis. Estimated useful lives range from 3 to 30 years.

7. Impairment of Long-Lived Assets

In the event that facts and circumstances indicate that property and equipment, or other assets, may be impaired, an evaluation of recoverability would be performed. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying amount to determine if a write-down to market value would be necessary. No impairment losses were recorded during the year ended December 31, 2022.

8. Funds Held for Others

Funds held for others are funds awarded as a result of successful claims that are held by the Organization for the benefit of the claimant. If settlement funds are received that include amounts owed to other attorneys, the Organization distributes those funds accordingly.

9. 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (continued)

10. Leases

The Organization accounts for leases in accordance with Accounting Standards Update (ASU) No. 2016-02, Leases (ASC 842), as amended. The Organization determines if an arrangement is or contains a lease at inception and whether they will be classified as an operating or finance lease based upon the accounting criteria. Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. The Organization uses the rate implicit in the lease if it is determinable. When the rate implicit in the lease is not determinable, the Organization uses its incremental borrowing rate based on the information available at lease commencement.

Lease terms may include options to extend or terminate the lease if it is reasonably certain that management will exercise that option. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

11. Income taxes

The Organization has received an Internal Revenue Service exemption from federal income taxes under Section 501(c)(3). Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements.

12. Functional Reporting of Expenses

For the year ended December 31, 2022, the costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Salaries and benefits are allocated on a time and effort basis. Occupancy and depreciation expenses are allocated based on square footage. All other expenses are allocated on a time and effort basis.

13. Summarized Prior-Year 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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

14. Recently Adopted Accounting Standard

Effective January 1, 2022, the Organization adopted Accounting Standards Update (ASU) No. 2016-02, Leases (ASC 842), as amended, which requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. The Organization elected not to restate the comparative period (2021). It also elected not to reassess at adoption:

- expired or existing contracts to determine whether they are or contain a lease,
- the lease classification of any existing leases, or
- initial direct costs for existing leases.

As a result of implementing ASU No. 2016-02 on January 1, 2022, the Organization did not recognize a right-of-use asset or lease liability in its statement of financial position, nor was there any effect on net assets.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (completed)

15. Change in Accounting Principle

The Organization changed its method of accounting for lease transactions due to adoption of the new accounting standard for leases (ASU No. 2016-02). The change has been applied as of January 1, 2022, and is more fully described in Note 5.

16. Reclassifications

Certain fiscal year 2021 balances have been reclassified to conform to the fiscal year 2022 financial statement presentation.

17. Subsequent Events

Management has evaluated subsequent events through March 28, 2023, the date the financial statements were available to be issued.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

<u>Description</u>	<u>Amount</u>
Furniture and equipment	\$ 41,075
Less: accumulated depreciation	<u>(35,160)</u>
Net property and equipment	<u>\$ 5,915</u>
	-

Depreciation and amortization expense was \$11,184 for the year ended December 31, 2022.

NOTE 4 - LEASES

The Organization evaluated current contracts to determine which met the criteria of a lease. The right-of-use (ROU) assets represent the Organizations right to use underlying assets for the lease term, and the lease liabilities represent its obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, which arose from a finance lease, were calculated based on the present value of future lease payments over the lease term. Operating lease cost is recognized on a straight-line basis over the lease term as Occupancy expense on the Statement of Functional Expenses.

Financing lease:

The Organization leases equipment under a non-cancelable financing lease. The lease term is 5 years. Beginning in 2022, the Organization has elected to separate non-lease components from lease components in leases for office equipment. The lease expires in March of 2024. The leased equipment has a present value of \$5,757 and accumulated depreciation of \$4,366 at December 31, 2022. Monthly payments are \$399. Finance lease information included the following:

NOTE 4 - LEASES (concluded)

Financing lease (concluded):

Future minimum lease payments required under the non-cancelable financing lease are as follows at December 31, 2022:

<u>Year</u>	<u>Amount</u>
2023	\$ 4,792
2024	1,198
Total minimum lease payments	<u>5,990</u>
Less: amount representing interest	<u>(233)</u>
Present value of finance lease obligations	<u>\$ 5,757</u>
	-

Components of finance lease cost in Statement of Functional Expenses:

Amortization of lease assets included in <i>Amortization and depreciation</i>	\$ 4,306
Interest on lease liabilities included in <i>Other expenses</i>	486
Total	<u>\$ 4,792</u>

Other information:

Weighted-average remaining lease term	1.25 years
Weighted-average discount rate	6.00%

Operating lease:

The Organization leases office space under a non-cancelable operating lease that expires in February of 2025. Under the new accounting guidance, the Organization recognized a right-of-use lease asset of \$183,379 and a corresponding lease liability of \$188,787 for the office and program space. This amount represents the present value of the lease payments of \$201,911, discounted using the Organization's incremental borrowing rate of 6.0%.

Operating lease (concluded):

Future maturities of undiscounted cash flows of the operating lease obligation is as follows:

<u>Year</u>	<u>Amount</u>
2023	\$ 86,172
2024	87,973
2025	<u>14,720</u>
Total payments	188,865
Less: amount representing interest	<u>(12,251)</u>
Present value of lease obligation	<u>\$ 176,614</u>
	-

Other information:

Weighted-average remaining lease term	3 years
Weighted-average discount rate	6.00%

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS

At year-end, net assets with donor restrictions are available for the following purposes:

<u>Description</u>	<u>Amount</u>
Immigration Detention Accountability Project	\$ 136,428
Removing healthcare barriers for the deaf	<u>22,603</u>
Total	<u>\$ 159,031</u>

NOTE 6 - NET ASSETS RELEASED FROM DONOR RESTRICTIONS

During the year, net assets were released from donor restrictions by incurring expenses satisfying the restricted program purposes

<u>Description</u>	<u>Amount</u>
Immigration Detention Accountability Project	\$ 214,593
Removing healthcare barriers for the deaf	68,816
Staff wellness	20,000
Staff internship	<u>3,000</u>
Total	<u>\$ 306,409</u>

NOTE 7 - RETIREMENT PLAN

The Organization has a defined contribution retirement plan covering substantially all employees who meet minimum age and service requirements. The Organization's contributions are 100% of the participant's elective deferral, not to exceed 5% of the participant's compensation. The Organization's contributions for the year ended December 31, 2022, were \$15,378..

NOTE 8 - CONCENTRATIONS OF RISK

The Organization keeps its cash in one financial institution. As of year-end, the cash balance of \$1,706,790 in this institution exceeds the \$250,000 Federal Deposit Insurance Corporation (FDIC) limit. Management has evaluated its banking needs and the strength of the financial institution and feels it is in the best long-term interest of the organization to continue its existing banking relationship.

At December 31, 2022, one settlement award represented 57% of the Organization's grants receivable balance. This settlement totaling \$137,834 is currently being appealed. The outcome of the appeal has not been decided as of the date of this report. In total at December 31, 2022, two settlement awards represented 80% of the Organization's grants receivable balance of \$240,498. These receivables constitute 13% of the Organization's total revenue and other support. Also, at December 31, 2022, one settlement award represented 63% of the Organization's total program income. The Organization is not dependent on this funding to continue with its current level of service. Management expects these settlement awards to be received and that revenues will fluctuate based on the number of settlement awards in any given year.

NOTE 9 - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31, 2022:

<u>Description</u>	<u>Amount</u>
Financial assets at year end:	
Cash and cash equivalents	\$ 1,706,790
Contributions, grants and contracts receivable	<u>240,498</u>
Financial assets available to meet cash needs for general expenditures	<u>\$ 1,947,288</u>
	-

The Organization considers donor-restricted contributions that will be spent within one year to be available for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability; maintaining adequate liquid assets to fund near-term operating needs; and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. To achieve these guiding principles, the Organization forecasts its future cash flows and monitors its liquidity monthly. During the year ended December 31, 2022, the level of liquidity and reserves was managed within the guiding principles. As part of its liquidity plan, excess cash is maintained in the checking account.

NOTE 10 - PRIOR PERIOD CORRECTION

An error resulting in the misclassification of net assets as unrestricted was discovered during the current year. Accordingly, an adjustment of \$75,000 was made during 2022 to beginning net assets reclassify this amount from temporarily restricted net assets to unrestricted net. There was no effect on the change in net assets.