

**CORE, POWERED BY THE ROGERS FOUNDATION**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2019**

The logo for HRC (Human Resources Corporation) is located in the bottom right corner. It consists of the letters "HRC" in a white, sans-serif font, centered within a dark blue square. The square has a white border and is set against a background of green curved shapes that frame the page.

**HRC**

**CORE, POWERED BY THE ROGERS FOUNDATION  
DECEMBER 31, 2019**

**Table of Contents**

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1
STATEMENT OF FINANCIAL POSITION	2
STATEMENT OF ACTIVITIES	3
STATEMENT OF FUNCTIONAL EXPENSES	4
STATEMENT OF CASH FLOWS	5
NOTES TO FINANCIAL STATEMENTS	6-15

## INDEPENDENT AUDITOR'S REPORT

To the Senior Management and  
the Board of Trustees of  
CORE, Powered by The Rogers Foundation  
Las Vegas, Nevada

We have audited the accompanying financial statements of CORE, Powered by The Rogers Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, 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 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 CORE, Powered by The Rogers Foundation as of December 31, 2019, 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.

*Houldsworth, Russo & Company, P.C.*

Las Vegas, Nevada  
August 13, 2020



**CORE, POWERED BY THE ROGERS FOUNDATION**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2019**

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 159,227
Investments	2,338,623
Investments, restricted	259,738
Grants receivable	11,307
Pledges receivable, current	413,601
Prepaid expenses	7,681
	3,190,177

3,190,177

OTHER ASSETS

Investments, restricted for long-term purpose	4,562,550
Pledges receivable, net of current portion and discount	1,500,000
Property and equipment, net	1,107,840
Other assets, net	10,500
	10,180,860

\$ 10,371,067

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 58,340
Accrued expenses	23,505
Capital lease payable, current	1,032
	82,877

82,877

CAPITAL LEASE PAYABLE, NET OF CURRENT PORTION

6,541

89,418

NET ASSETS

Without donor restrictions	3,115,285
With donor restrictions	7,166,364
	10,281,649

10,281,649

\$ 10,371,067

See notes to financial statements.

**CORE, POWERED BY THE ROGERS FOUNDATION**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

NET ASSETS WITHOUT DONOR RESTRICTIONS

Revenue and other support:

Contributions and grants	\$ 676,931
In-kind contributions	83,019
Investment return, net	775,503
Other income	18,961
Net assets released from restrictions	150,507

1,704,921

Expenses and losses:

Program services	1,304,328
Supporting services:	
Management and general	392,694
Fundraising	294,160

1,991,182

Loss on disposed assets	413
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1,991,595

Change in net assets without donor restrictions	(286,674)
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NET ASSETS WITH DONOR RESTRICTIONS

Contributions and grants	3,615,829
Net assets released from restrictions	(150,507)

Change in net assets with donor restrictions	3,465,322
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CHANGE IN NET ASSETS	3,178,648
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NET ASSETS, BEGINNING OF YEAR	7,103,001
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NET ASSETS, END OF YEAR	\$ 10,281,649
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See notes to financial statements.

**CORE, POWERED BY THE ROGERS FOUNDATION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Salaries and wages	\$ 643,424	\$ 101,308	\$ 172,087	\$ 916,819
Employee benefits	64,321	10,128	17,203	91,652
Payroll taxes	61,265	9,646	16,385	87,296
Depreciation and amortization	41,149	8,618	11,005	60,772
Dues and subscriptions	9,866	1,553	2,639	14,058
Insurance	34,935	305	518	35,758
Interest	-	365	-	365
Occupancy	40,318	18,366	13,920	72,604
Office supplies	27,865	4,388	7,453	39,706
Outside labor	-	58,000	-	58,000
Other	1,579	5,718	422	7,719
Professional services	33,511	141,729	38,520	213,760
Program services	117,415	-	-	98,479
Program supplies	98,479	-	-	117,415
Recognition	16,204	14,230	1,803	32,237
Scholarships	69,742	-	-	69,742
Telephone	7,158	1,127	1,915	10,200
Training and meetings	24,382	3,839	6,521	34,742
Transportation	12,715	13,374	3,769	29,858
	<u>\$ 1,304,328</u>	<u>\$ 392,694</u>	<u>\$ 294,160</u>	<u>\$ 1,991,182</u>

See notes to financial statements.

**CORE, POWERED BY THE ROGERS FOUNDATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 3,178,648
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation and amortization	60,772
Realized/unrealized gain on investments	(622,245)
Change in discount on pledges receivable	(1,019)
Rent expensed through in-kind pledges receivable	34,800
Loss on disposed assets	413
Contributions restricted for capital campaign	(3,500,000)
Change in operating assets:	
Grants receivable	2,945
Pledges receivable	104,166
Prepaid expenses	2,428
Deposits	10,000
Change in operating liabilities:	
Accounts payable	(46,139)
Accrued expenses	2,337
	(772,894)
Net cash used in operating activities	(772,894)

**CASH FLOW FROM INVESTING ACTIVITIES**

Acquisition of investments	(3,329,152)
Proceeds from sales of investments	2,165,765
Acquisition of property and equipment	(423,499)
Investment in website development	(10,500)
	(1,597,386)
Net cash used in investing activities	(1,597,386)

**CASH FLOW FROM FINANCING ACTIVITIES**

Contributions restricted for capital campaign	2,000,000
Repayments on capital lease payable	(427)
	1,999,573
Net cash provided by financing activities	1,999,573

**NET CHANGE IN CASH AND CASH EQUIVALENTS**

(370,707)

**CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR**

529,934

**CASH AND CASH EQUIVALENTS, END OF YEAR**

\$ 159,227

**SUPPLEMENTAL INFORMATION**

Interest paid	\$ 365
Noncash investing and financing activities	
Acquisition of equipment through capital lease payable	\$ 8,000
	8,000

See notes to financial statements.

**CORE, POWERED BY THE ROGERS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

CORE, Powered by The Rogers Foundation (the Organization), which was known as CORE Academy, Powered by The Rogers Foundation until October 31, 2019, is a nonprofit organization located in Las Vegas, Nevada. The Organization provides basic needs, academic engagement, character education, service learning, cultural enrichment, mentoring and college and career readiness for students living below the poverty line in the Clark County School District. The model is supported through donations and grants primarily from Southern Nevada.

**Basis of Accounting**

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and, accordingly, reflect all significant receivables, payables and other liabilities.

**Basis of Presentation**

The Organization's financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*.

**Use of Estimates**

Timely preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures, some of which may need revision in future periods.

**Income Tax Status**

In May 2012, the Internal Revenue Service issued a determination letter recognizing the Organization as a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code (IRC) as defined in Section 509(a)(1) and 170(b)(1)(A)(vi).

**Cash and Cash Equivalents**

For the purpose of the statement of cash flows, cash consists of cash-on-hand and demand deposits, and the Organization considers all highly-liquid investments with an initial maturity of three months or less to be cash equivalents.



**CORE, POWERED BY THE ROGERS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2019**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Receivables**

Receivable are stated at the amount management expects to collect from outstanding balances. It is the Organization's policy to charge off uncollectible receivables when management determines the receivable will not be collected. Management considers all receivables to be collectible at December 31, 2019.

Grants receivable represents the amount due from a local government under the grant agreement.

Unconditional promises to give (pledges receivable) expected to be collected within one year are recorded at net realizable value, which approximates fair value. Pledges receivable expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discount on those amounts are computed using a current low-risk rate of return based on the yield of a U.S. Treasury security with a maturity date similar to the expected collection period. The discount rate was 1.93%.

**Property and Equipment**

The Organization capitalizes all expenditures for property and equipment in excess of \$500 with a useful life of more than one year. Purchased property and equipment are carried at cost. Donated property and equipment are carried at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended December 31, 2019.

**Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

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

**CORE, POWERED BY THE ROGERS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2019**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Net Assets (Continued)**

*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. 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.

**Revenue Recognition**

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Contributions received, as well as investment return, are recorded as increases in net assets without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. When the restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Restricted revenue whose restrictions are met in the same period received are reported in net assets without donor restrictions.

**Donated Assets and Services**

Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair value at the date of donation.

Donated services are recognized as contributions in accordance with FASB ASC, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

**Functional Allocation of Expenses**

The costs of providing the various programs and supporting services have been summarized in the statement of activities on a functional basis. Some expenses can be directly allocated to the function(s). Certain categories of expenses are attributed to more than one program and supporting function, and these expenses require allocation on a reasonable basis that is consistently applied. The basis of allocation of salaries and wages; employee benefits; payroll taxes; depreciation and amortization; dues and subscriptions; insurance; office supplies; telephone; and training and meetings is the result of a salary allocation percentage, which is calculated based on the employees' efforts and timesheet data. All other categories are directly allocated.

**CORE, POWERED BY THE ROGERS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2019**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Subsequent Events**

Subsequent events have been evaluated through August 13, 2020, which is the date the financial statements were available to be issued.

**NOTE 2. INVESTMENTS**

Investments are comprised of the following:

Mutual funds	\$ 5,033,923
Equity securities	1,884,327
Hedge funds	<u>242,661</u>
	7,160,911
Less investments, current	2,338,623
Less investments, restricted	<u>3,323,388</u>
	Investments, restricted for long-term purpose
	<u>\$ 1,498,900</u>

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with various investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported on the financial statements.

**NOTE 3. PLEDGES RECEIVABLE**

Pledges receivable are summarized as follows:

Receivable in less than one year	\$ 1,913,962
Less discount on pledges	<u>361</u>
	1,913,601
Less pledges receivable, current	<u>413,601</u>
	Pledges receivable, net of current and discount
	<u>\$ 1,500,000</u>

All pledges are receivable within one year, however, \$1,500,000 of the pledges carry long-term purpose restrictions and are therefore classified as long-term assets on the statement of financial position.

**CORE, POWERED BY THE ROGERS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2019**

**NOTE 4. PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

Building	\$	514,155
Land		562,365
Vehicles		120,849
Computer equipment		48,863
Furniture and fixtures		43,439
Construction in progress		<u>30,475</u>
		1,320,146
Less accumulated depreciation		<u>212,306</u>
	\$	<u>1,107,840</u>

Depreciation expense for the year ended December 31, 2019 was \$58,633.

**NOTE 5. OTHER ASSETS**

Other assets represent website development costs capitalized in accordance with U.S. GAAP. The assets are amortized over the period of benefit.

During 2019, the old website was fully amortized, and the new site was developed in December 2019.

The carrying values of other assets are as follows:

Website development costs	\$	10,500
Less accumulated amortization		<u>-</u>
	\$	<u>10,500</u>

Amortization expense for the year ended December 31, 2019 was \$2,139.

**NOTE 6. CAPITAL LEASE**

The Organization entered into a lease agreement for a copy machine in September 2019. The lease is a long-term agreement that is classified as a capital lease. The fair market value of the machines was recorded at \$8,000. Amortization related to this lease is included in depreciation expense in the amount of \$400, and the accumulated amortization as of December 31, 2019 was \$400.

**CORE, POWERED BY THE ROGERS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019**

**NOTE 6. CAPITAL LEASE (CONTINUED)**

The following are future payments under the capital lease agreement for the year ended December 31, 2019:

2020	\$	2,376
2021		2,376
2022		2,376
2023		2,376
2024		<u>2,178</u>
		11,682
Less unamortized imputed interest		4,109
Less current portion		<u>1,032</u>
Long-term portion	\$	<u>6,541</u>

**NOTE 7. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted as follows:

Subject to expenditure for specific purposes:

New building project	\$	4,562,550
Scholarships		<u>259,738</u>
		<u>4,822,288</u>

Subject to the passage of time:

New building usage restriction in construction in progress		430,475
Time restrictions on pledges receivable		<u>1,913,601</u>
		<u>2,344,076</u>

\$ 7,166,364

The Organization's net assets with donor restrictions are held as follows:

Investments	\$	4,822,288
Pledges receivable		1,913,601
Property and equipment		<u>430,475</u>
	\$	<u>7,166,364</u>

**CORE, POWERED BY THE ROGERS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019**

**NOTE 7. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

Net assets were released from donor restrictions during 2019 by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors as follows:

Satisfaction of purpose:	
Whole Family Support	\$ 10,000
Basic Needs	<u>2,560</u>
	<u>12,560</u>
Expiration of time restrictions:	
Cash receipts on pledges receivable	104,166
Office space usage	<u>33,781</u>
	<u>137,947</u>
	<u>\$ 150,507</u>

**NOTE 8. CONCENTRATIONS OF RISK**

Approximately 78% of pledge receivable as of December 31, 2019 came from one donor and approximately 72% of the Organization's revenue for the year ended December 31, 2019 came from the donor.

**NOTE 9. LIQUIDITY AND AVAILABILITY OF FUNDS**

The Organization's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year as of December 31, 2019 are as follows:

Cash and cash equivalents	\$ 159,227
Investments	2,338,623
Grants receivable	11,307
Pledges receivable	<u>379,162</u>
Total financial assets as of end of year	<u>\$ 2,888,319</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization invests cash in excess of daily requirements in short-term investment funds.

**CORE, POWERED BY THE ROGERS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2019**

**NOTE 10. FAIR VALUE MEASUREMENTS**

In accordance with FASB ASC, the following are quantitative disclosures about the fair value measurements of assets and liabilities. Fair value measurements are categorized on three levels:

Level 1: Quoted prices in active markets for identical securities.

Level 2: Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment spreads, credit risk, etc.).

Level 3: Quantitative unobservable inputs are third party pricing information without adjustment.

Investments for which fair values is measured at net asset value (NAV) per share using the practical expedient should not be categorized in the fair value hierarchy in accordance with FASB ASC.

The inputs and methodology used for valuing the Organization’s financial assets are not indicators of the risks associated with those instruments. The following table provides fair value measurement information for financial assets measured at fair value on a recurring basis as of December 31, 2019:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 5,033,923	\$ -	\$ -	\$ 5,033,923
Equity securities	<u>1,884,327</u>	<u>-</u>	<u>-</u>	<u>1,884,327</u>
	6,918,250	-	-	6,918,250
Hedge funds measured at NAV	<u>-</u>	<u>-</u>	<u>-</u>	<u>242,661</u>
	<u>\$ 6,918,250</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,160,911</u>

**NOTE 11. RELATED PARTY TRANSACTIONS**

In September 2015, the Organization entered into a Management and Administration Services Agreement (the “Agreement”) with The Rogers Foundation (TRF), a nonprofit organization in Las Vegas, Nevada. As of December 31, 2019, the Organization has seven board members. The Organization and TRF had two common board of trustee’s members, and one board member is an employee of TRF. In accordance with the Agreement, TRF will bear all costs and expenses associated with or related to the provision of management and administrative expenses for the Organization without an exchange of consideration. The initial term of the agreement was for five years, with automatic renewals of successive two-year periods indefinitely, unless the Agreement is terminated by either party with at least a one-year notice. Since the future value of the management and administrative services provided by TRF are indeterminable, the valuation of the in-kind services provided are recognized annually. For the year ended December 31, 2019, the Organization recognized \$58,000 as the value of management and administrative services received from TRF.

**CORE, POWERED BY THE ROGERS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019**

**NOTE 11. RELATED PARTY TRANSACTIONS (CONTINUED)**

TRF also provides office space to the Organization without an exchange of consideration, as discussed in Note 12.

During the year ended December 31, 2019, the Organization recognized \$324,996 in contribution revenue from TRF, and pledges receivable at December 31, 2019 was \$413,601.

**NOTE 12. OPERATING LEASE**

In accordance with the terms of the Agreement (Note 11), the Organization receives contributed office space in Las Vegas, Nevada. The lease became effective October 1, 2015 and expires in December 2020. To recognize the fair market value of this lease, an unconditional promise to give and related in-kind contribution revenue of \$182,700 were recognized with a discount to present value using a rate of 1.93% in 2015. The unconditional promise to give will be amortized over the 5-year term of the lease and the corresponding amortization of the discount will be recognized as contribution revenue. As of December 31, 2019, the pledges receivable balance related to this lease was \$34,439 which is net of discount of \$361.

The Organization also receives contributed program space in Las Vegas, Nevada from the Clark County School District. The initial lease term was effective September 2016, which expired in August 2018, and the term became a month-to-month basis thereafter. The Organization's estimate of the fair value of in-kind rent was \$2,000 per month.

For the year ending December 31, 2019, rent expense under these leases in the amount of \$58,800 was recognized.

**NOTE 13. COMMITMENT**

In November 2019, the Organization entered into an agreement for architectural services for the Organization's program and administrative office building in the amount of \$354,515. The work commenced in January 2020.

**NOTE 14. SUBSEQUENT EVENTS**

In January 2020, the Organization entered into an agreement to purchase additional property for consideration in the amount of \$384,050. The purchased closed in February 2020, and the title was transferred to the Organization.



**CORE, POWERED BY THE ROGERS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2019**

**NOTE 14. SUBSEQUENT EVENTS (CONTINUED)**

Subsequent to year-end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the Organization, COVID-19 may impact various parts of its 2020 operations and financial results. Management believes the Organization is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year-end and are still developing. These events preceded numerous fluctuations and volatility in the stock markets both in the United States and worldwide. The final effects on the investment values of the Organization is undeterminable at this time.

On April 20, 2020, the Organization was granted a loan (the Loan) from Wells Fargo Bank in the aggregate amount of \$210,678 pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The Loan, which was in the form of a note dated April 20, 2020 entered by the Borrower, matures on May 03, 2022 and bears interest at a rate of 1.00% per annum. The note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties. Funds from the Loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before February 15, 2020. The Organization intends to use the entire Loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.