

FINANCIAL STATEMENTS



THE QL PLUS PROGRAM

**FOR THE YEAR ENDED JUNE 30, 2020
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2019**

THE QL PLUS PROGRAM

CONTENTS

	PAGE NO.
INDEPENDENT AUDITOR'S REPORT	2 - 3
EXHIBIT A - Statement of Financial Position, as of June 30, 2020, with Summarized Financial Information for 2019	4
EXHIBIT B - Statement of Activities and Change in Net Assets, for the Year Ended June 30, 2020, with Summarized Financial Information for 2019	5
EXHIBIT C - Statement of Functional Expenses, for the Year Ended June 30, 2020, with Summarized Financial Information for 2019	6
EXHIBIT D - Statement of Cash Flows, for the Year Ended June 30, 2020, with Summarized Financial Information for 2019	7
NOTES TO FINANCIAL STATEMENTS	8 - 14



CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The QL Plus Program
McLean, Virginia

We have audited the accompanying financial statements of The QL Plus Program (the Organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and change in net assets, 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 the Organization as of June 30, 2020, and the change 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.

4550 MONTGOMERY AVENUE • SUITE 800 NORTH • BETHESDA, MARYLAND 20814
(301) 951-9090 • WWW.GRFCPA.COM

MEMBER OF CPAMERICA INTERNATIONAL, AN AFFILIATE OF CROWE GLOBAL
MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

Report on Summarized Comparative Information

We have previously audited the Organization's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 25, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Gelman Rosenberg & Freedman

November 20, 2020

THE QL PLUS PROGRAM
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

ASSETS		<u>2020</u>	<u>2019</u>
CURRENT ASSETS			
Cash and cash equivalents		\$ 176,373	\$ 88,219
Investments		3,486,233	4,028,994
Grants and contributions receivable		106,743	2,792
Loan receivable		5,423	5,211
Prepaid expenses		<u>13,095</u>	<u>7,600</u>
Total current assets		<u>3,787,867</u>	<u>4,132,816</u>
FIXED ASSETS			
Furniture		6,077	6,077
Computer equipment		21,870	21,870
Website development		<u>33,300</u>	<u>22,500</u>
		61,247	50,447
Less: Accumulated depreciation and amortization		<u>(25,961)</u>	<u>(16,086)</u>
Net fixed assets		<u>35,286</u>	<u>34,361</u>
NONCURRENT ASSETS			
Loan receivable, net of current portion		<u>256,239</u>	<u>260,760</u>
TOTAL ASSETS		<u>\$ 4,079,392</u>	<u>\$ 4,427,937</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		\$ <u>57,925</u>	\$ <u>55,335</u>
NET ASSETS			
Without donor restrictions		3,881,531	4,372,602
With donor restrictions		<u>139,936</u>	<u>-</u>
Total net assets		<u>4,021,467</u>	<u>4,372,602</u>
TOTAL LIABILITIES AND NET ASSETS		<u>\$ 4,079,392</u>	<u>\$ 4,427,937</u>

See accompanying notes to financial statements.

THE QL PLUS PROGRAM

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019**

	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Total	Total
SUPPORT AND REVENUE				
Grants and contributions	\$ 292,681	\$ 175,000	\$ 467,681	\$ 227,429
Investment income, net	129,880	-	129,880	143,894
Event	31,450	-	31,450	73,000
Interest on loan receivable	10,562	-	10,562	10,748
Loss on disposal of fixed assets	-	-	-	(538)
Net assets released from donor restrictions	<u>35,064</u>	<u>(35,064)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>499,637</u>	<u>139,936</u>	<u>639,573</u>	<u>454,533</u>
EXPENSES				
Program Services	<u>691,683</u>	<u>-</u>	<u>691,683</u>	<u>656,290</u>
Supporting Services:				
General and Administrative	149,922	-	149,922	154,636
Fundraising	<u>149,103</u>	<u>-</u>	<u>149,103</u>	<u>150,121</u>
Total supporting services	<u>299,025</u>	<u>-</u>	<u>299,025</u>	<u>304,757</u>
Total expenses	<u>990,708</u>	<u>-</u>	<u>990,708</u>	<u>961,047</u>
Change in net assets	(491,071)	139,936	(351,135)	(506,514)
Net assets at beginning of year	<u>4,372,602</u>	<u>-</u>	<u>4,372,602</u>	<u>4,879,116</u>
NET ASSETS AT END OF YEAR	<u>\$ 3,881,531</u>	<u>\$ 139,936</u>	<u>\$ 4,021,467</u>	<u>\$ 4,372,602</u>

THE QL PLUS PROGRAM
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

	2020				2019	
	Program Services	Supporting Services		Total Supporting Services	Total Expenses	Total Expenses
General and Administrative		Fundraising				
Salaries and benefits	\$ 511,617	\$ 107,419	\$ 27,742	\$ 135,161	\$ 646,778	\$ 569,756
Professional fees	12,213	31,519	106,801	138,320	150,533	124,838
Travel, meals and events	52,622	47	10,396	10,443	63,065	84,029
University fees	39,298	-	-	-	39,298	45,220
Materials	17,471	-	-	-	17,471	40,945
Operations	33,016	6,002	2,858	8,860	41,876	36,309
Communications	8,095	1,730	519	2,249	10,344	21,884
Insurance	2,037	378	90	468	2,505	5,281
Business expenses	3,143	741	39	780	3,923	17,407
Telephone and utilities	4,043	765	232	997	5,040	5,526
Depreciation and amortization	8,128	1,321	426	1,747	9,875	9,852
TOTAL	\$ 691,683	\$ 149,922	\$ 149,103	\$ 299,025	\$ 990,708	\$ 961,047

See accompanying notes to financial statements.

THE QL PLUS PROGRAM
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (351,135)	\$ (506,514)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation and amortization	9,875	9,852
Unrealized loss	8,486	206,907
Realized gain	(48,759)	(265,918)
Loss on disposal of fixed assets	-	538
(Increase) in:		
Grants and contributions receivable	(103,951)	(2,792)
Prepaid expenses	(5,495)	(5,600)
Increase in:		
Accounts payable and accrued liabilities	<u>2,590</u>	<u>19,768</u>
Net cash used by operating activities	<u>(488,389)</u>	<u>(543,759)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	(10,800)	(1,380)
Sale of fixed assets	-	700
Purchase of investments	(498,467)	(3,506,992)
Proceeds from sale of investments	1,081,501	4,054,589
Decrease on loan receivable	<u>4,309</u>	<u>5,007</u>
Net cash provided by investing activities	<u>576,543</u>	<u>551,924</u>
Net increase in cash and cash equivalents	88,154	8,165
Cash and cash equivalents at beginning of year	<u>88,219</u>	<u>80,054</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 176,373</u>	<u>\$ 88,219</u>

THE QL PLUS PROGRAM

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The QL Plus Program (the Organization) is a non-profit organization, incorporated in the Commonwealth of Virginia and located in McLean, Virginia. The Organization's mission is Challenging university STEM students to create innovative technology solutions that improve the quality of life for injured veterans, first responders and others who have served our nation. Funding is derived primarily from contributions and grants.

The Organization has a process by which it identifies injured veterans and others such as first responders (Challengers) who agree to be served by the Organization's program. The Challengers are linked to a team of engineering students at a university that has an agreement with the Organization. The university provides a faculty advisor and the Organization provides a program manager to support the team in the product development process. The Organization has established some dedicated laboratory space at two universities, California Polytechnic State University (Cal Poly) and Colorado School of Mines (Mines). For the year ended June 30, 2020, the Organization had engaged with nineteen universities nationwide.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Assets restricted solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.
- **Net Assets With Donor Restrictions** - Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in "net assets with donor restrictions", depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities and Change in Net Assets as net assets released from donor restrictions. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

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 June 30, 2019, from which the summarized information was derived.

New accounting pronouncements adopted -

During 2019, the Organization early adopted Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606), as amended. The ASU provides a framework for recognizing revenue and is intended to improve comparability of revenue recognition practices across for-profit and non-profit entities.

THE QL PLUS PROGRAM

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

New accounting pronouncements adopted (continued) -

Analysis of the various provisions of this standard resulted in no significant changes in the way the Organization recognized revenue; however, the presentation and disclosures of revenue have been enhanced. The Organization has elected to opt out of all (or certain) disclosures not required for nonpublic entities and also elected a modified retrospective approach for implementation.

During 2020, the Organization adopted ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. This guidance is intended to clarify and improve the scope and the accounting guidance for contributions received and contributions made. Key provisions in this guidance include clarification regarding the accounting for grants and contracts as exchange transactions or contributions, and improved guidance to better distinguish between conditional and unconditional contributions. The Organization adopted the ASU using a modified prospective basis.

Cash and cash equivalents -

The Organization considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents, excluding money market funds held with investments. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, the Organization maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in investment income, which is presented net of investment expenses paid to external investment advisors in the accompanying Statement of Activities and Change in Net Assets.

Grants and contributions receivable -

Grants and contributions receivable are recorded at their net realizable value, which approximates fair value. Management considers all amounts to be fully collectible within one year. Accordingly, an allowance for doubtful accounts has not been established.

Loan receivable -

Loan receivable is recorded at cost less allowances for uncollectible amounts. Interest is recorded when earned. Uncollectible loan receivable amounts are expensed when it is determined collection of the receivable is unlikely.

Management considers all amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Fixed assets -

Fixed assets in excess of \$1,000 are capitalized and stated at cost.

THE QL PLUS PROGRAM

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Fixed assets (continued) -

Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally five to seven years. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the year ended June 30, 2020 totaled \$9,875.

Income taxes -

The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Organization is not a private foundation.

Uncertain tax positions -

For the year ended June 30, 2020, the Organization has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Grants and contributions -

For grants and contributions and contracts qualifying under the contribution rules, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Grants, contributions and contracts qualifying as contributions that are unconditional that have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions; such funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying financial statements.

Event -

Revenue received for event is recorded as revenue when the related event has occurred.

Use of estimates -

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of the Organization are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort or other reasonable basis.

THE QL PLUS PROGRAM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Risks and uncertainties -

The Organization invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks.

Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Fair value measurement -

The Organization adopted the provisions of FASB ASC 820, *Fair Value Measurement*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. The Organization accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

Economic uncertainties -

On March 11, 2020, the World Health Organization declared the Coronavirus disease (COVID-19) a global pandemic. As a result of the spread of COVID-19, economic uncertainties have arisen which may negatively impact the Organization's operations. The overall potential impact is unknown at this time.

2. INVESTMENTS

Investments consisted of the following as of June 30, 2020:

Asset Class:	<u>Fair Value</u>
Money market funds	\$ 432,975
Equity mutual funds	1,023,890
U.S. bond mutual funds	1,756,113
Other mutual funds	123,255
Certificate of deposit	<u>150,000</u>
TOTAL INVESTMENTS	<u>\$ 3,486,233</u>

Included in investment income are the following:

Interest and dividends	\$ 105,079
Unrealized loss	(8,486)
Realized gain	48,759
Investment expenses provided by external investment advisors	<u>(15,472)</u>
TOTAL INVESTMENT INCOME, NET	<u>\$ 129,880</u>

THE QL PLUS PROGRAM

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

2. INVESTMENTS (Continued)

In accordance with FASB ASC 820, *Fair Value Measurement*, the Organization has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Organization has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There were no transfers between levels in the fair value hierarchy during the year ended June 30, 2020. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Money market funds* - The money market fund is an open-end funds that are registered with the Securities and Exchange Commission (SEC) and is deemed to be actively traded.
- *Equity* - Valued at the closing price reported on the active market in which the individual securities are traded.
- *U.S. Government securities* - Valued at the closing price reported in the active market in which the individual securities are traded.
- *Mutual funds* - Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily value and to transact at that price. Mutual funds held by the Organization are deemed to be actively traded.
- *Certificates of deposit* - Generally valued at original cost plus accrued interest, which approximates fair value.

The table below summarizes, the investments measured at fair value on a recurring basis, by level within the fair value hierarchy and those invested and measured at NAV as a practical expedient as of June 30, 2020.

Asset Class:	Investments Measured at				
	Level 1	Level 2	Level 3	NAV	Total
Money market funds	\$ 432,975	\$ -	\$ -	\$ -	\$ 432,975
Equity mutual funds	1,023,890	-	-	-	1,023,890
U.S. bond mutual funds	1,756,113	-	-	-	1,756,113
Other mutual funds	123,255	-	-	-	123,255
Certificate of deposit	-	150,000	-	-	150,000
TOTAL	\$ 3,336,233	\$ 150,000	\$ -	\$ -	\$ 3,486,233

THE QL PLUS PROGRAM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

3. LOAN RECEIVABLE

In 2017, the Organization received a donation of vacation land valued at \$375,000 that was subsequently sold. As a term of the sale, the Organization signed a loan agreement with the unrelated buyer that is secured by the land for \$275,000. Under the terms of the loan agreement, the buyer will make monthly payments of \$1,313 for a term of five years beginning September 2017; a balloon payment for the remainder balance is due in August 2022. Interest accrues at four percent per annum and there is no penalty for early payment. During the year ended June 30, 2020, interest on the loan receivable totaled \$10,562.

The following is a schedule of required principal receipts (due to the Organization) under the aforementioned loan:

<u>Year Ending June 30,</u>			
2021	\$	5,423	
2022		5,644	
2023		<u>250,595</u>	
	\$	<u>261,662</u>	

4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at June 30, 2020:

Subject to Expenditure for Specified Purpose	\$ <u>139,936</u>
---	--------------------------

The following net assets with donor restrictions were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

Purpose Restrictions Accomplished	\$ <u>35,064</u>
--	-------------------------

5. LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the Statement of Financial Position date comprise the following:

Cash and cash equivalents	\$ 176,373
Investments	3,486,233
Grants and contributions receivable	106,743
Loan receivable, current portion	<u>5,423</u>
Subtotal financial assets available within one year	3,774,772
Less: Donor restricted funds	<u>(139,936)</u>
FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR	\$ <u>3,634,836</u>

The Organization has a policy to structure its financial assets to be available and liquid as its obligations become due. As of June 30, 2020, the Organization has financial assets equal to approximately 44 months of operating expenses.

THE QL PLUS PROGRAM

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

6. DONATED FACILITIES AND SERVICES

During the year ended June 30, 2020, the Organization utilized laboratories at Cal Poly and Mines to conduct program activities. The fair value of the use of these facilities has not been recognized as the amounts are impracticable to determine. Additionally, a substantial number of students have donated significant amounts of time to the Organization and its programs. These donated services are not reflected in the financial statements as these services do not meet the criteria for recognition as contributed services.

7. RELATED PARTY

The Organization leases office space from Monett Holdings, LLC under a year-to-year operating lease that expired and has continued on a month-to-month basis. The founder of the Organization was also the President of the Board of Directors and President of Monett Holdings, LLC. During the year ended June 30, 2020, the Organization paid \$24,000 for rent which is included in operations in the accompanying Statement of Functional Expenses.

8. SUBSEQUENT EVENTS

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 20, 2020, the date the financial statements were issued.