The Guidance Center

Financial Report

September 30, 2021

Contents

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Independent Auditor's Report

To the Board of Directors
The Guidance Center

Report on the Financial Statements

We have audited the accompanying financial statements of The Guidance Center, which comprise the statement of financial position as of September 30, 2021 and 2020 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 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 Guidance Center as of September 30, 2021 and 2020 and the changes in its net assets, functional expenses, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 2 to the financial statements, The Guidance Center adopted the provisions of Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, using the modified retrospective adoption method. Our opinion is not modified with respect to this matter.

To the Board of Directors
The Guidance Center

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2022 on our consideration of The Guidance Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Guidance Center's internal control over financial reporting and compliance.

Plante & Moran, PLLC

January 13, 2022

Statement of Financial Position

September 30, 2021 and 2020

	2021	2020
Assets		
Current Assets		
Cash	$ 10,351,693	$ 11,406,730
Accounts and grants receivable - Net (Note 3)	2,564,893	3,268,858
Prepaid expenses and other current assets	985,181	402,801
Due from affiliates (Note 4)	37,223	34,994
Contributions receivable	475,900	-
Total current assets	14,414,890	15,113,383
Property and Equipment - Net (Note 5)	416,133	500,838
Investment in Joint Venture (Note 8)	3,149,840	1,981,702
Beneficial Interest in Community Foundation Endowment (Notes 11 and 12)	594,746	497,173
Total noncurrent assets	4,160,719	2,979,713
Total assets	**$ 18,575,609**	**$ 18,093,096**
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	$ 376,246	$ 646,753
Deferred revenue	17,149	62,791
Accrued employee expenses	2,807,691	2,858,896
Due to affiliates (Note 4)	-	30,000
Total liabilities	3,201,086	3,598,440
Net Assets		
Without donor restrictions	14,245,040	12,637,091
With donor restrictions (Note 2)	1,129,483	1,857,565
Total net assets	15,374,523	14,494,656
Total liabilities and net assets	**$ 18,575,609**	**$ 18,093,096**

See notes to financial statements.

Statement of Activities and Changes in Net Assets

Years Ended September 30, 2021 and 2020

	2021	2020
Changes in Net Assets without Donor Restrictions		
Support, revenue, and other:		
Mental health services	$ 17,881,371	$ 18,317,930
Early learning education	8,157,032	8,768,123
Intellectual and developmental disabilities and autism services	2,147,093	2,258,685
Juvenile justice services	2,968,440	5,995,204
Substance abuse services	236,255	231,486
Grants	7,284,753	6,601,493
Other revenue	1,058,882	1,158,207
Contributions	386,922	420,341
Change in beneficial interest of Community Foundation Endowment	97,573	(2,356)
Net assets released from restrictions	1,622,509	905,139
Total support, revenue, and other	41,840,830	44,654,252
Expenses:		
Program services	35,883,675	37,051,964
Administrative	5,179,025	4,980,704
Development costs	338,279	327,564
Total expenses	41,400,979	42,360,232
Increase in Net Assets without Donor Restrictions - Before equity gain (loss) on investment in joint venture	439,851	2,294,020
Equity Gain (Loss) on Investment in Joint Venture (Note 8)	1,168,138	(781,331)
Increase in Net Assets without Donor Restrictions	1,607,989	1,512,689
Changes in Net Assets with Donor Restrictions		
Contributions	894,387	1,455,069
Net assets released from restrictions	(1,622,509)	(905,139)
(Decrease) Increase in Net Assets with Donor Restrictions	(728,122)	549,930
Increase in Net Assets	879,867	2,062,619
Net Assets - Beginning of year	14,494,656	12,432,037
Net Assets - End of year	**$ 15,374,523**	**$ 14,494,656**

Statement of Functional Expenses

Year Ended September 30, 2021

	Program Services	Administrative	Development Costs	Total
Salaries	$ 21,374,086	$ 2,883,658	$ 178,057	$ 24,435,801
Fringe benefits	7,215,943	1,136,398	70,931	8,423,272
Contractual services	729,371	48,822	-	778,193
Travel	126,997	4,171	22	131,190
Supplies	482,329	106,082	1,395	589,806
Occupancy costs	3,301,008	412,085	24,007	3,737,100
Equipment rental	110,692	13,474	3,987	128,153
Communication	381,550	68,478	6,769	456,797
Meals	224,159	42	113	224,314
Training	156,273	28,899	5,269	190,441
Purchased equipment	284,142	67,814	1,060	353,016
Depreciation	93,795	14,015	-	107,810
Data processing	586,383	41,622	10,215	638,220
Insurance	270,404	52,335	4,497	327,236
Audit and legal	-	128,414	-	128,414
Bad debt expense	381,780	-	-	381,780
Miscellaneous	164,763	172,716	31,957	369,436
Total functional expenses	**$ 35,883,675**	**$ 5,179,025**	**$ 338,279**	**$ 41,400,979**

Statement of Functional Expenses

Year Ended September 30, 2020

	Program Services	Administrative	Development Costs	Total
Salaries	$ 21,816,790	$ 2,844,798	$ 177,568	$ 24,839,156
Fringe benefits	7,289,094	1,118,388	69,955	8,477,437
Contractual services	927,310	12,494	-	939,804
Travel	229,862	2,718	137	232,717
Supplies	462,743	103,201	1,134	567,078
Occupancy costs	3,228,370	349,285	23,705	3,601,360
Equipment rental	159,619	13,328	5,303	178,250
Communication	285,558	107,085	5,042	397,685
Meals	409,614	3,987	434	414,035
Training	116,854	24,933	5,041	146,828
Purchased equipment	425,171	48,622	881	474,674
Depreciation	110,750	14,003	2,546	127,299
Data processing	656,977	38,531	10,358	705,866
Insurance	263,013	46,906	3,971	313,890
Audit and legal	-	111,497	-	111,497
Bad debt expense	470,497	-	-	470,497
Miscellaneous	199,742	140,928	21,489	362,159
Total functional expenses	**$ 37,051,964**	**$ 4,980,704**	**$ 327,564**	**$ 42,360,232**

Statement of Cash Flows

Years Ended September 30, 2021 and 2020

	2021	2020
Cash Flows from Operating Activities		
Increase in net assets	$ 879,867	$ 2,062,619
Adjustments to reconcile increase in net assets to net cash from operating activities:		
Depreciation	107,810	127,299
Bad debt expense	381,780	470,497
(Gain) loss on investment in joint venture	(1,168,138)	781,331
Change in beneficial interest in Community Foundation Endowment	(97,573)	2,356
Changes in operating assets and liabilities that provided (used) cash:		
Accounts and other receivables	322,185	(697,674)
Contributions receivable	(475,900)	20,000
Prepaid expenses and other assets	(582,380)	(82,903)
Accounts payable and accrued expenses	(270,507)	(247,626)
Due (from) to affiliates	(32,229)	58,051
Accrued employee expenses	(51,205)	255,462
Deferred revenue	(45,642)	58,513
Net cash (used in) provided by operating activities	(1,031,932)	2,807,925
Cash Flows used in Investing Activities - Purchase of property and equipment	(23,105)	(53,718)
Net (Decrease) Increase in Cash	(1,055,037)	2,754,207
Cash - Beginning of year	11,406,730	8,652,523
Cash - End of year	**$ 10,351,693**	**$ 11,406,730**

See notes to financial statements.

Note 1 - Nature of Business

The Guidance Center (the "Organization"), a not-for-profit organization established in 1958, is committed to providing comprehensive outpatient mental health, vocational, substance abuse, juvenile justice, early childhood intervention, and educational services to children, adults, and families for all of Wayne County, concentrating in the downriver communities. The Organization is a subsidiary of Guidance Center System, a not-for-profit organization.

The Organization is related to Southgate Properties (Properties). Properties is also a subsidiary of Guidance Center System.

The accompanying financial statements include only the financial information of the Organization. Additional related party information is found in Note 4.

Note 2 - Significant Accounting Policies

Accounts Receivable

Accounts receivable are stated at net invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal payment periods. In addition, a contractual valuation allowance is established for other accounts receivable based on historical payment experience. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made.

Contributions Receivable

Contributions receivable at year end consist of contributions designated by donors for organization programs. Receivables are expected to be collected within one year. As of September 30, 2021, there is no allowance for uncollectible contributions.

Property and Equipment

Property and equipment are recorded at cost when purchased or, if donated, at fair value at the date of donation. The Organization capitalizes assets when individual costs exceed $5,000 and the useful life is greater than one year. Maintenance and repairs that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Gains or losses on dispositions of property and equipment are included in income.

Investment in Joint Venture

Investment in joint venture is accounted for using the equity method. Under the equity method, the investment is carried at cost, adjusted for the Organization's proportionate share of undistributed earnings or losses. Impairment losses due to a decline in the value of the investment that is other than temporary are recognized when incurred. No impairment losses were recognized for 2021 or 2020.

Deferred Revenue

Deferred revenue is recorded for amounts received for services to be performed during subsequent years.

Classification of Net Assets

Net assets of the Organization are classified as either net assets without donor restrictions or net assets with donor restrictions. Net assets without donor restrictions are either unrestricted or have had their donor-imposed restrictions met. Net assets with donor restrictions have a donor-imposed restriction placed on them that must be met before they become unrestricted.

Note 2 - Significant Accounting Policies (Continued)

The Organization has interpreted donor restrictions to also include related earnings as restricted for the intended purpose of the original donation. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are released to net assets without donor restrictions.

Net assets with donor restrictions are made up of the following purpose restrictions: $87,343 - Kids-TALK Children's Advocacy Center, $539,629 - Champions of Wayne, and $502,511 - other purpose-restricted contributions as of September 30, 2021 and $246,656 - Kids-TALK Children's Advocacy Center, $1,000,000 - Bridgeway Services grant, and $610,909 - other purpose-restricted contributions as of September 30, 2020.

Grant Revenue

Grants receivable and revenue are stated at invoice amounts and consist primarily of government funding or pass-through government funding. Revenue is generated through contracts with various government and pass-through agencies to provide services outlined in the various contracts. Revenue from grant contracts totaled approximately $14.2 million and $15.7 million for the 2021 and 2020 fiscal years, respectively. Revenue for these contract services is earned and recognized based on the timing of the services provided or as reimbursement for expenses as they are incurred.

At September 30, 2021 and 2020, the Organization had remaining available award balances on federal conditional grants of $5,204,515 and $5,184,096, respectively. These award balances are not recognized as assets and will be recognized as revenue as the contract progresses and conditions are met, generally as expenses are incurred.

Revenue Recognition

The Organization recognizes revenue from exchange contracts as services are performed for the following revenue streams: mental health services, early learning education, intellectual and developmental disabilities and autism services, juvenile justice services, substance abuse services, and other revenue.

The Organization has contracts with Detroit Wayne Integrated Health Network, Medicaid, Medicare, private insurance, and self-pay. Revenue is recorded over time as services are provided based on the contracted rates per service.

Laws and regulations governing the Medicaid program are complex and subject to interpretation. Management believes that the Organization is in compliance with all applicable laws and regulations, and they are not aware of any pending or threatened investigations involving allegations of potential wrongdoings. While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation. Noncompliance with such laws and regulations may result in significant regulatory action including fines, penalties, and exclusions from the Medicaid program.

The Organization invoices payors as services are performed based on their established contract amounts, type of service provided, and the payor. Accounts receivable are stated at net invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal customer payment periods. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made.

For the year ended September 30, 2021, the beginning balance of the Organization's accounts receivable related to behavioral health and case management services was $1,873,725.

Note 2 - Significant Accounting Policies (Continued)

Contributions

Contributions of cash and other assets, including unconditional promises to give in the future, are reported as revenue when received, measured at fair value. Donor promises to give in the future are recorded at the present value of estimated future cash flows.

Contributions without donor-imposed restrictions and contributions with donor-imposed time or purpose restrictions that are met in the period in which the gift is received are both reported as contributions without donor restrictions. Other contributions with donor restrictions are reported as net assets with donor restrictions.

Donated Services

Certain donated items are recognized as support in the statement of activities and changes in net assets. The value of these items is determined based on estimated fair value.

A number of volunteers have contributed their time to the activities of the Organization without compensation; however, these volunteer services are not reflected in the financial statements because the services are not recordable under accounting principles generally accepted in the United States of America.

Income Taxes

The Organization is a not-for-profit corporation and is exempt from tax under the provisions of Internal Revenue Code Section 501(c)(3).

Functional Allocation of Expenses

Costs of providing the program and support services have been reported on a functional basis in the statement of activities and changes in net assets. Expenses and support services that can be identified with a specific function are charged directly according to their natural classification. Other expenses that are common to several functions are allocated between the various program and support services on several bases and estimates, including on an FTE, square footage, or other basis. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including January 13, 2022, which is the date the financial statements were available to be issued.

Note 2 - Significant Accounting Policies (Continued)

Adoption of New Accounting Pronouncement

During the year ended September 30, 2021, the Organization adopted Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, and all related amendments (ASC 606), which serve to supersede most existing revenue recognition guidance, including guidance specific to the not-for-profit industry. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The Organization adopted ASC 606 on October 1, 2020 using the modified retrospective transition method. The adoption had no impact on the previously recorded amounts as of October 1, 2020.

Upcoming Accounting Pronouncement

In February 2016, the Financial Accounting Standards Board issued ASU No. 2016-02, *Leases*, which will supersede the current lease requirements. The ASU requires lessees to recognize a right-to-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of activities. Currently, leases are classified as either capital or operating, with only capital leases recognized on the balance sheet. The reporting of lease-related expenses in the statements of activities and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Organization's year ending September 30, 2023 and will be applied using a modified retrospective transition method to the beginning of the earliest period presented. The new lease standard is expected to have a significant effect on the Organization’s financial statements as a result of the leases for space classified as operating leases. Upon adoption, the Organization will recognize a lease liability and corresponding right-to-use asset based on the present value of the minimum lease payments. The effects on the results of activities are not expected to be significant, as recognition and measurement of expenses and cash flows for leases will be substantially the same under the new standard.

Note 3 - Accounts Receivable

The following is the detail of accounts and grants receivable:

	2021	2020
Detroit Wayne Integrated Health Network	$ 1,128,154	$ 1,227,462
U.S. Department of Health and Human Services - Head Start	774,937	948,678
Other grants receivable	363,748	749,678
Medicare and Blue Cross	210,023	342,683
Bridgeway Services, Inc.	194,604	307,540
Other receivables	112,070	109,115
Private fees and insurance	81,814	139,197
Wayne County, Michigan	65,890	52,980
Michigan Children and Adult Care Food Program	24,259	8,370
Children's Waiver	1,981	-
Total accounts and grants receivable	2,957,480	3,885,703
Less allowance for doubtful accounts and contractual allowances	(392,587)	(616,845)
Total accounts receivable	$ 2,564,893	$ 3,268,858

Note 4 - Related Party Transactions

The Organization incurs monthly communication, rent, utilities, insurance, and employee expenses for Southgate Properties, which are reimbursed to the Organization. The amounts of reimbursed costs for Southgate Properties were approximately $407,000 and $429,000 for the years ended September 30, 2021 and 2020, respectively, and are included in other revenue on the statement of activities and changes in net assets. For the years ended September 30, 2021 and 2020, the Organization received approximately $53,000 and $47,000, respectively, of building and maintenance services from Properties. As of September 30, 2021 and 2020, the net amount due from Properties was $37,223 and $34,994, respectively. As of September 30, 2021 and 2020, $0 and $30,000, respectively, was payable to Properties related to building improvements.

The Organization leases facilities from Properties under various agreements that expire on September 30, 2022, 2023, and 2025 and have required monthly rental payments totaling $129,978. Rent expense totaled $1,559,741 for the years ended September 30, 2021 and 2020. Future minimum annual commitments under these leases are as follows:

2022	$ 2,226,498
2023	2,042,170
2024	634,849
2025	634,849
Total	$ 5,538,366

Note 5 - Property and Equipment

Property and equipment are summarized as follows:

	2021	2020
Vehicles	$ 178,980	$ 418,232
Equipment, furniture, fixtures, and software	707,644	3,486,946
Leasehold improvements	1,266,202	1,231,154
Construction in progress	-	30,000
Total property and equipment	2,152,826	5,166,332
Accumulated depreciation and amortization	1,736,693	4,665,494
Net property and equipment	$ 416,133	$ 500,838

Depreciation is provided on the straight-line basis over their estimated useful lives, which range from 3 to 39 years. Depreciation expense for 2021 and 2020 was $107,810 and $127,299, respectively.

Note 6 - Line of Credit

The Organization has a $1,500,000 line of credit with an interest rate based upon the bank's prime rate. The rate was 5.00 percent at both September 30, 2021 and 2020. The line of credit expires on May 15, 2022. There were no outstanding balances at September 30, 2021 and 2020.

Note 7 - Contingencies

The Organization has guaranteed variable rate demand obligation revenue and refunding bonds issued by Properties. The outstanding loan amount on the Series 2018 bonds was $920,000 and $1,400,000 as of September 30, 2021 and 2020, respectively. The outstanding loan amount on the Series 2007 bonds was $146,813 and $167,063 as of September 30, 2021 and 2020, respectively. In the event the Organization is required to make payments under this guarantee, it could seek to recover those amounts from Properties; however, it does not hold specific recourse or collateral rights in connection with this guarantee.

Note 7 - Contingencies (Continued)

The Organization also guaranteed a separate mortgage of Properties, which was paid in full in April 2021.

Note 8 - Joint Venture

The Organization has a 50 percent interest in a joint venture with Southwest Counseling Solutions called Bridgeway Services, Inc. (Bridgeway), accounted for using the equity method. Bridgeway was formed to provide programs of supervision and care for delinquent juveniles assigned to the Wayne County Juvenile Justice System. Bridgeway has a care management contract with the Wayne County Juvenile Justice Agency through September 30, 2023.

The following is a summary of financial position and results of operations of Bridgeway's activities as of and for the years ended September 30:

	2021	2020
Total assets	$ 6,773,844	$ 4,534,686
Total liabilities	474,166	571,282
Net assets	6,299,678	3,963,404
Revenue	13,371,180	12,993,588
Expenses	11,034,906	14,556,249
Net increase (decrease) in net assets	2,336,274	(1,562,661)

Note 9 - Concentrations of Credit Risk

The Organization receives a significant portion of its revenue from grants/contracts with government agencies. Approximately 39 and 19 percent of total support, revenue, and other is received from contracts related to the Detroit Wayne Integrated Health Network and U.S. Department of Health and Human Services - Head Start, respectively, for the year ended September 30, 2021. Approximately 39 and 17 percent of total support, revenue, and other is received from contracts related to the Detroit Wayne Integrated Health Network and U.S. Department of Health and Human Services - Head Start, respectively, for the year ended September 30, 2020. The Organization is subject to possible cutbacks due to changes in funding priorities.

Financial instruments that potentially subject the Organization to concentrations of credit risk consist primarily of cash. The credit risk is the risk that, in the event of a bank failure, the Organization's deposits may not be returned to it. At September 30, 2021, the Organization had a bank deposit balance of $9,312,430, of which $9,062,430 was uninsured and uncollateralized. The Organization believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Organization evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Note 10 - Retirement Plans

The Organization sponsors a 401(k) plan for eligible employees. The plan provides for the Organization to make a discretionary matching contribution. Contributions to the plan totaled $1,039,502 and $1,074,298 for the years ended September 30, 2021 and 2020, respectively.

Note 11 - Community Foundation Endowment Fund

The Organization participates in permanent endowment programs held and managed by the Community Foundation for Southeast Michigan (CFSEM), an unrelated nonprofit foundation. The Organization established The Guidance Center Endowment Fund in 2011 and The Budd Lynch Endowment Fund for Children in 2012. The purpose of the endowment funds is to provide unrestricted operating support for the Organization from endowment earnings. Distributions from the funds are made at the discretion of CFSEM and can be used for operations.

Note 11 - Community Foundation Endowment Fund (Continued)

Both funds allow contributions by the Organization as well as outside donors for the benefit of the Organization. CFSEM has variance power over the funds. Accounting standards require that only the Organization's beneficial interest in the reciprocal transfer portion of the funds (the Organization's cumulative contributions plus net earnings) be shown on the financial statements. This beneficial interest in the funds is recorded at fair value.

The Guidance Center Endowment Fund

The Organization did not contribute to The Guidance Center Endowment Fund (TGCE Fund) during 2021 or 2020. The fair value of the Organization's beneficial interest in the reciprocal transfer portion of TGCE Fund was $588,005 and $495,467 at September 30, 2021 and 2020, respectively. During 2021 and 2020, there were no contributions from outside donors. The fair value of this portion of TGCE Fund was $25,717 and $21,670 at September 30, 2021 and 2020, respectively. The total fair value of TGCE Fund was $613,722 and $517,137 at September 30, 2021 and 2020, respectively.

The Budd Lynch Endowment Fund for Children

The Organization did not contribute to The Budd Lynch Endowment Fund for Children (TBL Fund) during 2021 or 2020. The fair value of the Organization's reciprocal transfer portion of TBL Fund was $6,741 and $1,706 at September 30, 2021 and 2020, respectively. During 2021 and 2020, there were no contributions from outside donors. The fair value of this portion of TBL Fund was $58,369 and $49,183 at September 30, 2021 and 2020, respectively. The total fair value of TBL Fund was $65,110 and $50,889 at September 30, 2021 and 2020, respectively.

Note 12 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Organization’s assets measured at fair value on a recurring basis at September 30, 2021 and 2020 and the valuation techniques used by the Organization to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Organization has the ability to access. The Organization has no Level 1 assets.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals. The Organization has no Level 2 assets.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management’s own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Organization’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Note 12 - Fair Value Measurements (Continued)

	Assets Measured at Fair Value on a Recurring Basis at September 30, 2021			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at September 30, 2021
Beneficial interest in Community Foundation Endowment Fund	$ -	$ -	$ 594,746	$ 594,746

	Assets Measured at Fair Value on a Recurring Basis at September 30, 2020			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at September 30, 2020
Beneficial interest in Community Foundation Endowment Fund	$ -	$ -	$ 497,173	$ 497,173

Note 13 - Liquidity and Availability of Resources

The Organization’s financial assets available within one year of September 30, 2021 and 2020 for general expenditure are as follows:

	2021	2020
Cash	$ 10,351,693	$ 11,406,730
Accounts receivable and due from affiliates	2,602,116	3,303,852
Total	$ 12,953,809	$ 14,710,582

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. To help manage unanticipated liquidity needs, the Organization has a committed line of credit in the amount of $1,500,000 that it could draw upon.