

DOGWOOD ALLIANCE, INC.
INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020



CORLISS &
SOLOMON
PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Dogwood Alliance, Inc.
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Year Ended December 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Dogwood Alliance, Inc.
Asheville, North Carolina

We have audited the accompanying financial statements of Dogwood Alliance, Inc., which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related disclosures 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 Dogwood Alliance, Inc. as of December 31, 2020, 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.

Report on Summarized Comparative Information

We have previously audited the Dogwood Alliance, Inc. 2019 financial statements, and our report dated May 8, 2020, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Carliss & Solomon, PLLC

Asheville, North Carolina
June 4, 2021

Dogwood Alliance, Inc.
Statement of Financial Position

As of December 31, 2020

(With summarized comparative totals as of December 31, 2019)

	2020	2019
<u>Assets</u>		
<u>Current Assets</u>		
Cash and Cash Equivalents	\$ 2,473,522	\$ 1,236,353
Contributions Receivable	1,004,885	1,030,904
Grants Receivable	161,000	164,600
Investments	395,828	656,196
Security Deposit	7,000	7,000
Prepaid Expenses	708	10,943
Total Current Assets	4,042,943	3,105,996
<u>Long-Term Assets</u>		
Property and Equipment, Net	2,151	7,097
Total Long-Term Assets	2,151	7,097
Total Assets	\$ 4,045,094	\$ 3,113,093
<u>Liabilities and Net Assets</u>		
<u>Current Liabilities</u>		
Accounts Payable	\$ 28,876	\$ 11,597
Accrued Salaries	42,795	47,379
Payroll Tax and Benefit Liabilities	7,666	8,509
Grants Payable	35,000	-
Note Payable (PPP Loan)	207,835	-
Total Current Liabilities	322,172	67,485
<u>Net Assets</u>		
Without Donor Restrictions	1,769,800	1,417,393
With Donor Restrictions	1,953,122	1,628,215
Total Net Assets	3,722,922	3,045,608
Total Liabilities and Net Assets	\$ 4,045,094	\$ 3,113,093

The accompanying disclosures are an integral part of these financial statements.

Dogwood Alliance, Inc.

Statement of Activities

Year Ended December 31, 2020

(With summarized comparative totals from the prior year)

	Without Donor Restrictions	With Donor Restrictions	Total 2020	Total 2019
Support				
Foundation Grants	\$ 386,000	\$ 624,400	\$ 1,010,400	\$ 637,466
Contributions	188,023	1,308,000	1,496,023	1,496,068
Interest Income	17,142	-	17,142	33,080
In-Kind Contributions	240	-	240	740
Net Assets Released from Restrictions				
By Expiration of Time	1,000,000	(1,000,000)	-	-
By Expenditure	607,493	(607,493)	-	-
Total Support	2,198,898	324,907	2,523,805	2,167,354
Expenses				
Program Services				
Forests and Climate	447,195	-	447,195	416,123
Wetland Forest Initiative	222,406	-	222,406	252,802
Our Forests Aren't Fuel	611,585	-	611,585	585,831
Total Program Services	1,281,186	-	1,281,186	1,254,756
Management and General	276,432	-	276,432	295,183
Fundraising	288,873	-	288,873	268,203
Total Expenses	1,846,491	-	1,846,491	1,818,142
Change in Net Assets	352,407	324,907	677,314	349,212
Net Assets Beginning of Year	1,417,393	1,628,215	3,045,608	2,696,396
Net Assets at End of Year	\$ 1,769,800	\$ 1,953,122	\$ 3,722,922	\$ 3,045,608

The accompanying disclosures are an integral part of these financial statements.

Dogwood Alliance, Inc.
Statement of Functional Expenses
Year Ended December 31, 2020

(With summarized comparative totals from the prior year)

	Program Services				Supporting Services		Total 2020	Total 2019
	Forests and Climate	Wetland Forest Initiative	Our Forests Aren't Fuel	Total Programs	Management and General	Fundraising		
<u>Personnel Expenses</u>								
Salaries	\$ 244,871	\$ 119,124	\$ 253,433	\$ 617,428	\$ 169,267	\$ 173,285	\$ 959,980	\$ 979,712
Payroll Taxes	18,728	9,176	19,315	47,219	10,939	13,411	71,569	74,919
Retirement Plan	4,662	2,375	5,079	12,116	3,573	3,445	19,134	18,920
Health Insurance and HSA	29,092	18,294	36,297	83,683	17,480	19,659	120,822	106,951
Total Personnel	<u>297,353</u>	<u>148,969</u>	<u>314,124</u>	<u>760,446</u>	<u>201,259</u>	<u>209,800</u>	<u>1,171,505</u>	<u>1,180,502</u>
<u>Marketing and Education</u>								
Publication Design	9,775	-	2,000	11,775	-	-	11,775	8,310
Public Relations	5,914	2,402	10,736	19,052	10	2,121	21,183	51,941
Research and Consulting	3,148	1,686	7,210	12,044	-	876	12,920	14,881
Events	2,119	451	8,931	11,501	-	215	11,716	31,910
Website	2,791	2,346	3,145	8,282	-	1,699	9,981	3,556
Printed Materials	211	718	762	1,691	-	-	1,691	10,419
Video Production	10,309	412	2,426	13,147	-	21	13,168	18,860
Supplies	1,177	34	1,007	2,218	7	1,694	3,919	6,316
Total Marketing and Education	<u>35,444</u>	<u>8,049</u>	<u>36,217</u>	<u>79,710</u>	<u>17</u>	<u>6,626</u>	<u>86,353</u>	<u>146,193</u>
<u>Professional Services</u>								
Consulting	43,915	9,318	54,603	107,836	7,728	16,386	131,950	90,373
Information Technology	1,120	646	1,273	3,039	619	610	4,268	5,527
Accounting and Human Resources	-	-	-	-	33,043	-	33,043	26,883
Legal	214	111	220	545	6,156	105	6,806	7,443
Total Professional Services	<u>45,249</u>	<u>10,075</u>	<u>56,096</u>	<u>111,420</u>	<u>47,546</u>	<u>17,101</u>	<u>176,067</u>	<u>130,226</u>

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The accompanying disclosures are an integral part of these financial statements.

Dogwood Alliance, Inc.
Statement of Functional Expenses
Year Ended December 31, 2020

(With summarized comparative totals from the prior year)

	Program Services			Supporting Services			Total 2020	Total 2019
	Forests and Climate	Wetland Forest Initiative	Our Forests Aren't Fuel	Total Programs	Management and General	Fundraising		
<i>(Continued from previous page)</i>								
<u>Meetings</u>								
Board of Directors	1,424	692	1,850	3,966	724	705	5,395	24,109
Other Meetings	1,057	718	638	2,413	126	483	3,022	9,324
Total Meetings	<u>2,481</u>	<u>1,410</u>	<u>2,488</u>	<u>6,379</u>	<u>850</u>	<u>1,188</u>	<u>8,417</u>	<u>33,433</u>
<u>Database</u>								
Growth	-	-	-	-	-	328	328	-
Maintenance	29,351	19,048	33,940	82,339	-	23,974	106,313	45,963
Total Database	<u>29,351</u>	<u>19,048</u>	<u>33,940</u>	<u>82,339</u>	<u>-</u>	<u>24,302</u>	<u>106,641</u>	<u>45,963</u>
<u>Telephone and Internet</u>								
Mobile and VoIP	3,798	2,217	3,832	9,847	3,436	2,365	15,648	15,616
Internet	1,928	1,165	1,996	5,089	1,976	1,205	8,270	2,845
Total Telephone and Internet	<u>5,726</u>	<u>3,382</u>	<u>5,828</u>	<u>14,936</u>	<u>5,412</u>	<u>3,570</u>	<u>23,918</u>	<u>18,461</u>
<u>Occupancy</u>								
Rent	17,458	10,059	19,840	47,357	9,609	9,506	66,472	69,746
Utilities	874	504	993	2,371	483	476	3,330	4,216
Maintenance	815	480	896	2,191	454	448	3,093	3,709
Total Occupancy	<u>19,147</u>	<u>11,043</u>	<u>21,729</u>	<u>51,919</u>	<u>10,546</u>	<u>10,430</u>	<u>72,895</u>	<u>77,671</u>

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The accompanying disclosures are an integral part of these financial statements.

Dogwood Alliance, Inc.
Statement of Functional Expenses
Year Ended December 31, 2020

(With summarized comparative totals from the prior year)

	Program Services				Supporting Services		Total 2020	Total 2019
	Forests and Climate	Wetland Forest Initiative	Our Forests Aren't Fuel	Total Programs	Management and General	Fundraising		
<i>(Continued from previous page)</i>								
<u>Operating and Other Expenses</u>								
Dues and Subscriptions	1,077	918	1,616	3,611	447	3,242	7,300	7,858
License and Fees	100	57	113	270	51	3,863	4,184	4,132
Insurance	2,945	1,697	3,347	7,989	1,628	1,604	11,221	7,618
IT Hardware and Software	1,620	857	1,479	3,956	1,778	3,399	9,133	3,771
Office Supplies and Postage	653	327	1,076	2,056	1,256	3,150	6,462	15,929
Travel	5,979	1,626	6,138	13,743	696	344	14,783	61,104
Trainings and Conferences	70	448	394	912	-	254	1,166	8,335
Total Operating and Other	<u>12,444</u>	<u>5,930</u>	<u>14,163</u>	<u>32,537</u>	<u>5,856</u>	<u>15,856</u>	<u>54,249</u>	<u>108,747</u>
Sub-total Expenses	<u>447,195</u>	<u>207,906</u>	<u>484,585</u>	<u>1,139,686</u>	<u>271,486</u>	<u>288,873</u>	<u>1,700,045</u>	<u>1,741,196</u>
Grant Disbursements	-	14,500	127,000	141,500	-	-	141,500	72,000
Depreciation Expense	-	-	-	-	4,946	-	4,946	4,946
Total Expenses	<u>\$ 447,195</u>	<u>222,406</u>	<u>611,585</u>	<u>1,281,186</u>	<u>276,432</u>	<u>288,873</u>	<u>1,846,491</u>	<u>1,818,142</u>

The accompanying disclosures are an integral part of these financial statements.

Dogwood Alliance, Inc.
Statement of Cash Flows
Year Ended December 31, 2020

(With summarized comparative totals from the prior year)

	2020	2019
<u>Cash Flows from Operating Activities</u>		
Change in Net Assets	\$ 677,314	\$ 349,212
Adjustments to reconcile change in net assets to net cash provided/(used) by operating activities:		
Depreciation Expense	4,946	4,946
Interest Earned on Investments	(6,686)	(4,240)
(Increase)/Decrease in Operating Assets		
Grants Receivable	3,600	2,900
Contributions Receivable	26,019	(21,136)
Prepaid Expenses	10,235	(1,996)
Increase/(Decrease) in Operating Liabilities		
Accounts Payable	17,279	(32,601)
Grants Payable	35,000	-
Accrued Salaries	(4,584)	1,276
Payroll Tax and Benefit Liabilities	(843)	(163)
Net Cash Provided by Operating Activities	762,280	298,198
<u>Cash Flows from Investing Activities</u>		
Purchase of Equipment	-	(5,119)
Sales/(Purchases) of Investments	267,054	(250,000)
Net Cash Provided/(Used) by Investing Activities	267,054	(255,119)
<u>Cash Flows from Financing Activities</u>		
Proceeds from Note Payable (PPP Loan)	207,835	-
Net Cash Provided by Financing Activities	207,835	-
Net Change in Cash and Cash Equivalents	1,237,169	43,079
Cash and Cash Equivalents at Beginning of Year	1,236,353	1,193,274
Cash and Cash Equivalents at End of Year	\$ 2,473,522	\$ 1,236,353

The accompanying disclosures are an integral part of these financial statements.

Dogwood Alliance, Inc.
Financial Statement Disclosures
Year Ended December 31, 2020

1. Description of the Organization, Corporate and Tax-Exempt Status

Dogwood Alliance, Inc. (Dogwood) "mobilizes diverse voices to defend the unique forests and communities of the Southern U.S. from destruction by industrial forestry."

Our Forests Aren't Fuel (OFAF) – Biomass energy has emerged as a new threat to Southern forests. Despite the fact that deforestation is the third largest cause of carbon pollution, just behind cars and power plants, European policymakers are promoting the burning of Southern forests for electricity to meet their "clean energy" targets. Our standing forests gather and store carbon, which makes them a key solution for carbon pollution. In response, Dogwood Alliance has a major campaign; Our Forests Aren't Fuel, supporting alternative and competitive energy sources like solar and wind while pressuring companies who stand to gain from this practice to put a stop to it. We're educating and activating citizens, policymakers, and industry on both sides of the Atlantic to the dangers of this false energy solution.

Wetland Forest Initiative (WFI) – Wetland forests span nearly 25 million acres across nine states and are critical for community health and safety. They have some of the highest rates of biodiversity and carbon sequestration of any forest type in the U.S. In 2016, Dogwood Alliance launched the Wetland Forests Initiative to engage partners, citizens, political leaders, landowners, and many others in a legacy landscape conservation initiative that will protect millions of acres throughout the Southeast.

Forests and Climate (F&C) – The Paris Climate Agreement gave the world a charge: decarbonize all energy sectors and simultaneously remove carbon dioxide from the air. The best and most cost-effective technology we have to remove carbon from our atmosphere right now lies in the power of forests. Standing forests are the natural life support that we need to mitigate the worst impacts of climate change. Logging in the U.S. releases large amounts of carbon into the atmosphere while simultaneously degrading the nation's forests' ability to provide critical climate benefits. Despite these facts, forest protection continues to remain on the sidelines of the national climate agenda, and renewable energy policy in the U.S. Dogwood Alliance's new forest and climate program is designed to shift this dynamic and make forest protection a national priority by building support for the Stand4Forests national platform, developing new partnerships, and educating policymakers that lays the groundwork for new progressive forest policy.

Corporate and Tax-Exempt Status

Dogwood was incorporated in 1998 under the North Carolina Non-Profit Corporation Act and was recognized as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code in July 1999. Dogwood is classified as a publicly supported organization under Section 509(a)(1).

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require an organization to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor (or certain grantor) 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.

Cash and Cash Equivalents

For purposes of reporting on the statement of cash flows, the organization considers all highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents.

Concentration of Credit Risk

Financial instruments that potentially subject the organization to concentrations of credit risk consist principally of cash and cash equivalents and investments. The organization maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The organization's cash and cash equivalent accounts have been placed with high credit quality financial institutions. The organization has not experienced, nor does it anticipate any losses with respect to such accounts.

Investments

Investments are reported at fair market value on the statement of financial position with realized and unrealized gains and losses reflected on the statement of activities.

Fair Value Measurements

In accordance with U.S. GAAP, the organization follows "Fair Value Measurements." This standard establishes a single definition of fair value and a framework for measuring fair value in financial statements under U.S. GAAP. Fair value is defined as "the price that would be received to sell an asset in an orderly transaction between market participants at an agreed-upon measurement date. That is, fair value is based on an exit price, which may differ from the price paid to acquire the asset. If there is a principal market for the asset, fair value represents the price in that market." Financial assets carried at fair value on a recurring basis by the organization consist of a certificate of deposit held with one local financial institution.

Property and Equipment

Property and equipment purchases are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. The capitalization threshold is \$2,500 per item.

Contributions

Contributions are recognized when cash, securities, other assets, or unconditional promises to give are received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. As restrictions expire, net assets are reclassified to net assets without donor restrictions and are reported on the statement of activities as "Net Assets Released from Restrictions."

In-Kind Contributions

The organization recognizes contributed goods and the use of facilities at estimated fair value on the date of receipt. Contributed services are recognized in the financial statements if they require specialized skills, are provided by individuals possessing those skills, and would

typically need to be purchased if not provided by donation. When recognized, contributed services are reported at fair value.

Use of Estimates

The preparation of financial statements in conformity with U.S. 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 revenues and expenses during the period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Certain categories of expenses that are attributable to more than one program or supporting function require management's allocation on a reasonable basis that is consistently applied. The primary allocation basis used by management for personnel expenses and applicable overhead expenses is estimated based on time and effort.

Income Taxes/Uncertain Tax Positions

The organization is exempt from federal income taxes under 501(c)(3) of the Internal Revenue Code. Under the Code, however, income from certain activities not related to the organization's tax-exempt purpose may be subject to taxation as unrelated business income. The organization had no income from unrelated business activities in 2020 and was, therefore, not required to file Federal Form 990-T (Exempt Organization Business Income Tax Return). The organization believes that it has appropriate support for all tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Summarized Comparative Data

The financial statements include certain prior-year summarized comparative information. 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 audited financial statements for the year ended December 31, 2019, from which the summarized information was derived. Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation.

3. Liquidity and Availability

The organization's liquidity management plan is to invest cash in excess of daily requirements in a money market account or certificates of deposit. Occasionally, the Board may designate a portion of operating surplus to a reserve account. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, are comprised of the following:

<u>As of December 31:</u>	<u>2020</u>	<u>2019</u>
Financial Assets at year end:		
Cash and Cash Equivalents	\$ 2,473,522	\$ 1,236,353
Contributions Receivable	1,004,885	1,030,904
Grants Receivable	161,000	164,600
Investments	395,828	656,196
Total Financial Assets	<u>\$ 4,035,235</u>	<u>\$ 3,088,053</u>

The total net assets with donor restrictions detailed in Disclosure 9 are projected to be satisfied in the coming year through passage of time, achievement of program objectives, and operating expenditures.

4. Cash and Cash Equivalents

Cash and cash equivalents consist of the following bank account balances:

<u>As of December 31:</u>	<u>2020</u>	<u>2019</u>
Checking Account	\$ 35,037	\$ 41,083
Money Market Accounts	2,414,463	1,192,965
Undeposited Funds	24,022	2,305
Total Cash and Cash Equivalents	<u>\$ 2,473,522</u>	<u>\$ 1,236,353</u>

On December 31, 2020, the organization's cash funds in one bank exceeded the \$250,000 federally insured limit by \$2,369,020. These funds are held at high-quality, reputable financial institutions, and management believes the credit risk exposure on these balances does not pose a significant risk.

5. Contributions Receivable

The year-end contributions receivable balance of \$1,004,885 as of December 31, 2020 comprises one pledge from an individual in the amount of \$1,000,000, for which Dogwood received payment in January 2020, thereby releasing the restriction listed in Disclosure 10. The remaining balance consists of various smaller amounts that are believed to be fully collectible. Accordingly, no allowance account or discount to present value has been established for this account.

6. Grants Receivable

Grants receivable consists of foundation grants to be received in the following year. The balances were \$161,000 and \$164,600 as of December 31, 2020 and 2019, respectively.

7. Investments

Investments consist of the following:

<u>As of December 31:</u>	<u>2020</u>	<u>2019</u>
Certificates of Deposit	\$ 394,769	\$ 656,196
Short-Term Investments	1,059	-
Total Investments	<u>\$ 395,828</u>	<u>\$ 656,196</u>

8. Property and Equipment

Property and equipment consists of the following:

<u>As of December 31:</u>	<u>2020</u>	<u>2019</u>
Computer and Telephone Equipment	\$ 43,823	\$ 43,823
Less: Accumulated Depreciation	(41,672)	(36,726)
Property and Equipment, Net	<u>\$ 2,151</u>	<u>\$ 7,097</u>

9. Net Assets With Donor Restrictions

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

<u>As of December 31:</u>	<u>2020</u>	<u>2019</u>
Forests and Climate	\$ 80,763	\$ 105
Wetland Forest Initiative	91,146	37,437
Our Forests Aren't Fuel	620,213	590,673
Time Restricted for Operations	1,161,000	1,000,000
Total Net Assets With Donor Restrictions	<u>\$ 1,953,122</u>	<u>\$ 1,628,215</u>

10. Retirement Plan

Dogwood provides a SIMPLE IRA account for each eligible employee and makes a non-elective contribution of two percent of their salary. Total retirement plan expense to the organization was \$19,134 and \$18,920 for the years ended December 31, 2020 and 2019, respectively.

11. Lease Commitments

Dogwood leases office space on a lease expiring July 31, 2022. Rental payments are adjusted for inflation annually. The rental payment at the end of the audit year was \$5,558 per month. Rent expense for this lease commitment was \$66,472 and \$69,746 for the years ended December 31, 2020 and 2019, respectively. Future minimum lease obligations to be paid in 2021 total \$66,696 and in 2022, \$38,906.

12. Note Payable (PPP Loan)

On April 15, 2020, the organization received a Paycheck Protection Program loan in the amount of \$207,835. This loan is potentially forgivable if the organization meets certain criteria. The loan has an interest rate of 1%, is due within two years from the date of origination, and there is no penalty for early payment. There are no collateral nor personal guarantees associated with this loan.

13. Concentration of Support

In 2020, Dogwood received 48% of its total support from a single donor. In 2019, Dogwood received 60% of its total support from the same single donor.

14. Fair Value Measurements

Fair values of assets measured on a recurring basis at December 31, 2020 are as follows:

<u>Financial Asset:</u>	<u>Fair Value</u>	<u>Fair Value Measurements at</u>		
		<u>Reporting Date Using:</u>		
		<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
Investments	\$ 395,828	\$ 395,828	\$ -	\$ -
Total	<u>\$ 395,828</u>	<u>\$ 395,828</u>	<u>\$ -</u>	<u>\$ -</u>

Financial assets valued using Level 1 inputs are based on unadjusted quoted market prices within active markets.

Financial assets valued using Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets.

Financial assets valued using Level 3 inputs are based at least partially on unobservable inputs and often require that management make assumptions to value the assets.

15. Risk and Uncertainties

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the organization's financial condition, liquidity, and future results of operations. Management is actively monitoring the effects of the global situation on the organization's financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the organization is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial conditions, or liquidity for the fiscal year 2021.

16. Subsequent Events

On April 14, 2021, Dogwood received confirmation from the Small Business Association that they granted forgiveness for the entire paycheck protection program (PPP) loan of \$207,835.

Subsequent events have been evaluated through June 4, 2021, which is the date the financial statements were available to be issued.