BGC, Inc.
Black Girls Code

Financial Statements

December 31, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
BGC, Inc.
Black Girls Code
Oakland, California

Opinion

We have audited the accompanying financial statements of BGC, Inc. Black Girls Code (the "Organization"), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis of Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Armanino LLP

Armanino[LLP]
Los Angeles, California

July 19, 2023

BGC, Inc.
Black Girls Code
Statement of Financial Position
December 31, 2022

ASSETS	
Cash and cash equivalents	$ 15,602,934
Contributions and grants receivable	2,810,782
Prepaid and other assets	13,594
Property and equipment, net	68,948
Investments	17,891,826
Right-of-use asset	903,400
Total assets	$ 37,291,484
LIABILITIES AND NET ASSETS	
Liabilities	
Accounts payable and accrued expenses	$ 1,645,462
Lease liability	978,400
Total liabilities	2,623,862
Net assets	
Without donor restrictions	30,565,551
With donor restrictions	4,102,071
Total net assets	34,667,622
Total liabilities and net assets	$ 37,291,484

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

BGC, Inc.
Black Girls Code
Statement of Activities
For the Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues (losses) and other support			
Grants and contributions	$ 671,813	$ 1,955,000	$ 2,626,813
Contributions - individuals	4,137,992	-	4,137,992
Net assets released from restriction	3,666,068	(3,666,068)	-
Investment loss, net	(66,731)	-	(66,731)
Total revenues (losses) and other support	8,409,142	(1,711,068)	6,698,074
Functional expenses			
Program services			
Alumnae	426,666	-	426,666
Chapters	789,982	-	789,982
Education/Curriculum	1,440,418	-	1,440,418
In School/Code Clubs	1,555,344	-	1,555,344
Virtual	622,887	-	622,887
Total program services	4,835,297	-	4,835,297
Support services			
Management and general	5,933,491	-	5,933,491
Fundraising	1,429,057	-	1,429,057
Total support services	7,362,548	-	7,362,548
Total functional expenses	12,197,845	-	12,197,845
Change in net assets	(3,788,703)	(1,711,068)	(5,499,771)
Net assets, beginning of year	34,354,254	5,813,139	40,167,393
Net assets, end of year	$ 30,565,551	$ 4,102,071	$ 34,667,622

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

BGC, Inc.
Black Girls Code
Statement of Functional Expenses
For the Year Ended December 31, 2022

	Program Services						Support Services		
	Alumnae	Chapters	Education/ Curriculum	In School/ Code Clubs	Virtual	Total Program Services	Management and General	Fundraising	Total
Personnel expenses									
Salaries and wages	$ 207,397	$ 420,213	$ 469,961	$ 864,514	$ 348,329	$ 2,310,414	$ 794,277	$ 318,059	$ 3,422,750
Employee benefits	25,761	51,315	57,313	108,565	41,795	284,749	247,369	34,827	566,945
Payroll taxes	16,236	34,856	37,453	65,938	28,527	183,010	70,722	24,948	278,680
Total personnel expenses	249,394	506,384	564,727	1,039,017	418,651	2,778,173	1,112,368	377,834	4,268,375
Professional consultants/contractors	31,641	59,455	672,448	128,393	39,570	931,507	18,626	586,707	1,536,840
Office rent	34,887	128,490	71,001	109,454	95,934	439,766	219,766	70,256	729,788
Accounting fees	-	-	-	-	-	-	511,567	-	511,567
Legal fees	-	-	-	-	-	-	3,834,853	34,464	3,869,317
Staff training and professional development	3,853	2,051	2,535	6,262	1,918	16,619	2,925	5,839	25,383
Taxes	-	-	-	-	-	-	61	-	61
Processing fees	2,253	4,127	5,137	11,924	3,498	26,939	7,482	33,659	68,080
Depreciation and amortization	-	-	-	-	-	-	55,554	-	55,554
Travel	9,680	28,024	36,067	70,010	15,217	158,998	19,027	19,782	197,807
Online service subscriptions	6,043	10,663	32,541	19,587	9,090	77,924	16,049	32,266	126,239
Office supplies	7,098	11,246	13,619	47,274	8,982	88,219	17,593	16,409	122,221
Advertising and marketing	50,200	510	2,047	487	472	53,716	750	225,894	280,360
Utilities	3,699	9,215	11,081	14,585	7,125	45,705	14,156	6,516	66,377
Meals and entertainment	2,680	8,597	6,392	61,040	4,400	83,109	7,021	3,237	93,367
Repairs and maintenance	1,947	6,713	6,550	7,248	5,113	27,571	7,152	4,299	39,022
Computers and equipment	4,589	2,629	2,322	2,729	2,164	14,433	3,453	2,044	19,930
Special event and conference expenses	13,529	1,255	1,602	8,159	1,657	26,202	367	249	26,818
Postage	1,485	3,723	3,740	6,742	3,136	18,826	6,282	2,487	27,595
Bank charges	-	-	-	-	-	-	49,144	1,931	51,075
Insurance	3,683	6,888	8,597	19,420	5,949	44,537	12,704	4,395	61,636
Printing	5	12	12	3,013	11	3,053	17	14	3,084
Miscellaneous	-	-	-	-	-	-	1,642	-	1,642
Licenses and fees	-	-	-	-	-	-	14,932	775	15,707
	$ 426,666	$ 789,982	$ 1,440,418	$ 1,555,344	$ 622,887	$ 4,835,297	$ 5,933,491	$ 1,429,057	$ 12,197,845

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

BGC, Inc.
Black Girls Code
Statement of Cash Flows
For the Year Ended December 31, 2022

Cash flows from operating activities	
Change in net assets	$ (5,499,771)
Adjustments to reconcile change in net assets to net cash used in operating activities	
Depreciation and amortization	55,554
Utilization of pledged donated office space	525,112
Reduction in carrying amount of right-of-use lease asset	497,500
Realized and unrealized loss	330,700
Accounts payable and accrued expenses	1,107,271
Contributions and grants receivable	(266,537)
Operating lease liabilities	(446,580)
Net cash used in operating activities	(3,696,751)
Cash flows from investing activities	
Purchases of property and equipment	(58,500)
Purchases of investments	(38,934,530)
Proceeds from investments	20,712,004
Net cash used in investing activities	(18,281,026)
Net decrease in cash and cash equivalents	(21,977,777)
Cash and cash equivalents, beginning of year	37,580,711
Cash and cash equivalents, end of year	$ 15,602,934

Supplemental schedule of noncash investing and financing activities

Right-of-use lease assets obtained in exchange of lease obligations	$ 1,400,900

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

BGC, Inc.
Black Girls Code
Notes to Financial Statements
December 31, 2022

1. NATURE OF OPERATIONS

BGC, Inc., (the "Organization") is a nonprofit organization established to introduce young Black girls to computer coding, game development programs, mobile app development, and robotics. The vision of the Organization is to increase the number of Black girls in the digital space by empowering them to become innovators and leaders in STEM fields. The Organization's goal is to provide Black girls with the skills to occupy some of the millions of computing job openings and to train 1 million girls by 2040. The following are programs that the Organization supports:

Alumnae

The Organization's alumnae program seeks to extend the support they provide to their students beyond their K-12 school years by providing career development support, coaching, mentoring, and community to ensure successful completion of their post-secondary pathways.

Chapters

The Organization's workshops are geared toward introducing participants to the technological universe and encouraging them to pursue careers as tech creators and entrepreneurs. Their classes are designed for ages 7-17, and no prior computing experience is necessary.

Education/Curriculum

The Organization's curriculum is designed to encourage student-driven learning, as participants think analytically, design, play, and code in real-time. The curriculum allows progressive Learning Pathways from Beginner to Expert with a focus on culturally-relevant pedogogy.

In-School/Code Clubs

- *Code Clubs* - An afterschool program that creates a safe and nurturing culture, girls are introduced to coding and the tech space through project-based collaborative learning. In-Person and Virtual CODE Clubs can be held at a school or community center, or at a corporate partner location.
- *Summer Camps* - Summer camps offer a space where girls can learn computer science and coding principles in the company of other girls like themselves and with mentorship from women they can see themselves becoming. In-Person and Virtual Summer Camps provide hands-on, project-based instruction, where students engage in tech instruction.

Virtual

The Organization offers year-round structured digital engagement via a virtual platform that varies from one-off technical coding workshops, specialized series of technical workshops where the content is provided by partners, or collaborated content between partners and our Curriculum Teams, as well as virtual enrichment activities to support soft skills and leadership skills.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

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 ("U.S. GAAP").

The Organization reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

- *Net assets without donor restrictions* - net assets available for use in general operations and not subject to donor-imposed restrictions.
- *Net assets with donor restrictions* - net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time or other events as specified by the donor (i.e. the Organization's programs).

Change in accounting principles

In February 2016, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") No. 2016-02, *Leases*, ASC Topic 842 ("ASC 842"). ASC 842 is the comprehensive lease standard that supersedes the previous authoritative lease accounting guidance contained in ASC 840. ASC 842 requires a lessee to recognize assets and liabilities related to long-term leases that were classified in its balance sheet as operating leases under previous guidance. A leased asset, referred to as a right-of-use asset, is to be recognized related to the right to use the underlying asset and a lease related liability is to be recognized related to the lease payment obligations over the term of the lease, and includes options to extend that management reasonably expects to exercise. ASC 842 also requires expanded disclosures surrounding leases.

The Organization adopted ASC 842, with an initial application date of January 1, 2022, by applying the modified retrospective transition approach and using the additional and optional transition method provided by ASU No. 2018-11, *Leases* (Topic 842): *Targeted Improvement*s. The Organization did not restate prior periods as presented under ASC 840 and, instead, evaluated whether a cumulative impact adjustment to retained earnings as of April 1, 2022, was necessary for the cumulative impact of adoption of ASC 842. Management determined no cumulative effect adjustment to retained earnings as of January 1, 2022, was necessary.

As a part of the allowable transition method, the Organization elected to apply the following practical expedients:

- Election not to reassess whether any expired or existing contracts are, or contain, leases.
- Election not to reassess whether any expired or existing contracts are, or contain, leases.
- Election not to reassess initial direct costs on any existing leases.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Change in accounting principles (continued)

- Election to use the risk-free interest rate as the discount rate.
- Election whereby the lease and nonlease components will not be separated for leases of facilities and equipment.
- Election not to record right-of-use assets and corresponding lease liabilities for short-term leases with a lease term of 12 months or less, but greater than one month. Leases of one month or less are not included in short-term lease costs.

The Organization evaluates whether new contracts are a lease at the contract inception or for a modified contract at the modification date. In calculating the present value of the right-of-use assets and liabilities, the Organization includes lease renewals and or termination options. If it is reasonably certain that a renewal or termination option will be exercised, the exercise of the options is considered in calculating the term of the lease.

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. Under this ASU, a not-for-profit entity is required to present contributed nonfinancial assets as a separate line-item in the statement of activities, apart from contributions of cash and other financial assets as well as include enhanced disclosures surrounding the nature and valuation techniques of the contributed nonfinancial assets. The Organization adopted ASU 2020-07 with a date of the initial application of January 1, 2022. The adoption of ASU 2020-07 did not have a significant impact on the Organization's financial position, results of operations, or cash flows.

Cash and cash equivalents

The Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents. There were cash equivalents of $1,999,715 as of December 31, 2022. Periodically, cash on deposit may be in excess of federally insured limits. The Organization believes that it mitigates this risk by maintaining deposits with high credit quality institutions.

Investments

The Organization accounts for investments in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 958-320, Not-for-Profit Entities: Investments - *Debt and Equity Securities* ("ASC 958-320"). ASC 958-320 requires that investments in debt and equity securities with readily determinable fair values be reported at fair market value in the consolidated statements of financial position.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments (continued)

Sales and purchases of securities are recorded on the trade date, which results in receivables and payables on trades that have not yet settled at the financial statement date. Interest income is recorded as earned on an accrual basis, and dividend income is recorded based upon the exdividend date. Realized gains and losses are calculated based upon the underlying cost of the securities traded. Unrealized gains and losses are included in the statement of activities and represent the difference between the cost and current market quotations of investments held at the end of the fiscal year. Net investment return (loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized gains and losses, less external investment expenses.

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 certain long-term investments, it is reasonably possible that changes in the values of these investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Investments are made according to the investment policies, guidelines, and objectives adopted by the Organization's Board of Directors. These guidelines provide for investments in equities, fixed income, and other securities. Market values of such investments are routinely reviewed by the finance committee of the Board of Directors.

Fair value measurements

The Organization's statement of financial position include the following financial instruments: cash and cash equivalents, contributions and grants receivable, accounts payable, and accrued liabilities. The Organization considers the carrying amounts of its assets and liabilities noted herein to approximate fair value because of the relatively short period of time between origination of the instrument and its expected realization.

The Organization follows Accounting Standards Codification No. 820-10, Fair Value Measurements and Disclosures ("ASC Topic 820") which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under ASC Topic 820 are described below:

- *Level 1* - Fair value is determined using quoted market prices in active markets for identical assets and liabilities.
- *Level 2* - Fair value is determined using quoted market prices in active markets for similar assets and liabilities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurements (continued)

- *Level 3* - Fair value is determined using unobservable market prices in a market that is typically inactive.

Contributions and grants receivable

Contributions and grants receivable consist of unconditional promises to give to the Organization. Management anticipates 100% of the balance will be collected, thus, no allowance for potentially uncollectible contributions has been established. Due to the expected payment dates on the receivables, the Organization has determined that a discount is immaterial.

Contributed goods and services

Volunteers contribute significant amounts of time to the Organization's program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by U.S. GAAP. Contributed goods are recorded at fair value at the date of donation.

During 2021 the Organization entered into a lease providing donated office space in New York for a five year term. The space is used by the organization as part of its operations. The Organization recognized the agreement as a in-kind contribution and recorded the contribution receivable at its fair market value, estimated using information provided by the landlord. The contribution receivable is being reduced monthly at the same rate as the Organization is recognizing related rental expense. There were no other contributed goods or services recognized during the year.

Property and equipment

Property and equipment that is purchased is stated at cost; donated assets are stated at fair value at the date of acquisition. The Organization capitalizes equipment purchases of $1,000 or more.

Depreciation and amortization is computed using the straight-line method over the following estimated useful lives:

Computer equipment	3 years
Furniture and fixtures	3 years
Leasehold improvements	Lease term

Routine repairs and maintenance are expensed as incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Concentrations

For the year ended December 31, 2022, one donor comprised approximately 15% of the Foundation's total grant and contribution revenue and one donor represented approximately 98% of contributions and grants receivable at December 31, 2022.

Revenue recognition

Grants and contributions consist of donations from foundations, corporations, businesses, individuals, and the general public. The Organization recognizes contributions when cash, securities, other assets, an unconditional promise to give or a notification of a beneficial interest is received. Contributions are not recognized as revenue until all donor imposed conditions have been substantially met. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a donor 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.

Functional expenses

The costs of providing the various program services and supporting activities have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among the various functions based on management's estimates.

Income tax status

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and by the California Revenue and Taxation Code Section 23701d. Accordingly, no provision has been made for income taxes.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between the years presented. The reclassifications had no impact on previously reported change in net assets.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Subsequent events

The Organization has evaluated events subsequent to December 31, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through July 19, 2023, the date the financial statements were available to be issued. Based upon this evaluation, it was determined no subsequent events occurred that require recognition or other disclosure in the financial statements.

3. INVESTMENTS

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2022:

	Level 1	Level 2	Level 3	Fair Value
Mutual funds	$ 10,106,567	$ -	$ -	$ 10,106,567
Fixed Income	2,686,919	-	-	2,686,919
Equities	5,098,340	-	-	5,098,340
	$ 17,891,826	$ -	$ -	$ 17,891,826

Investment earnings (losses) consisted of the following:

Interest and dividends	$ 281,033
Realized and unrealized losses	(330,700)
Investment fees	(17,064)
	$ (66,731)

4. CONTRIBUTIONS AND GRANTS RECEIVABLE

Contributions and grants receivable consisted of the following:

Due in less than one year	$ 2,210,782
Due in one to five years	600,000
	$ 2,810,782

5. PROPERTY AND EQUIPMENT

Property and equipment, net consisted of the following:

Computer equipment	$ 126,417
Furniture and fixtures	257,167
Leasehold improvements	14,305
	397,889
Accumulated depreciation and amortization	(328,941)
	$ 68,948

6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

Donated use of office space	$ 1,961,250
In School/Code Clubs	738,584
Alumnae	424,974
Chapters	257,545
Education/Curriculum	2,121
	3,384,474
Subject to passage of time	717,597
	$ 4,102,071

Net assets with donor restrictions released from restriction during the year were as follows:

Chapters	$ 771,357
Subject to passage of time	642,403
In School/Code Clubs	718,737
Donated use of office space	535,569
Alumnae	436,539
Virtual	318,584
Education/Curriculum	142,879
General Programs	100,000
	$ 3,666,068

7. COMMITMENTS AND CONTINGENCIES

Operating leases

In January 2022, the Organization adopted the new lease accounting guidance under ASC 842. The most significant change requires lessees to record the present value of the operating lease payments as right-of-use assets and lease liabilities on the accompanying consolidated balance sheets. The new guidance continues to require lessees to classify leases between operating and financing leases (formerly "capital leases").

The Organization is committed under one noncancelable operating lease for its office space in Oakland, California that was previously recognized under the prior standard, ASC 840, as an operating lease at December 31, 2021. Upon adoption of ASC 842, this lease has been recognized as a right-of-use lease asset on the accompanying statement of financial position at December 31, 2022. The lease expires in 2029 with monthly rental payments of $11,385 in the first year and a 3% annual increase each year thereafter. The adoption of ASC 842 resulted in the recognition of right-of-use assets and liabilities - operating totaling $1,400,900. Lease operating costs during the year ended December 31, 2022 were $153,464.

The scheduled minimum lease payments under the lease terms are as follows:

Year ending December 31,	
2023	$ 158,344
2024	162,946
2025	167,686
2026	172,568
2027	173,059
Thereafter	223,292
	1,057,895
Less: imputed interest	(79,495)
	$ 978,400

The weighted-average lease terms and discount rates are as follows :

Weighted-average remaining lease term - operating leases	6.3 years
Weighted-average discount rate - operating leases	2.51%

The Organization also has a lease for donated office space within Google in New York. The fair value of the lease is being valued at $43,331 per month but has not been reflected in the table above, as there is no cash outlay. The lease expires in March 2026 and is included in the statement of activities as the Organization's only in-kind donation during the year.

7. COMMITMENTS AND CONTINGENCIES (continued)

Litigation

On December 21, 2021, the Board suspended the CEO from her duties at the Organization. On August 12, 2022, the Board removed this individual from the Board of the Organization and terminated her employment with the Organization. Litigation has arisen from these actions which remain unresolved at the date the financial statements were available to be issued. At this time, management is unable to estimate the outcome, or any potential liability, and the Organization intends to vigorously defend this litigation. During the year ended December 31, 2022, the Organization incurred significant legal fees related to these matters, and expects to incur significant fees in 2023.

8. LIQUIDITY AND FUNDS AVAILABLE

As a part of the the Organization's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Contributions and grants receivable that are considered current will be collected from donors within one year. Funds from current executed grant agreements will be collected upon the date established in the agreement or upon such time as the Organization achieved the metric by which payment of such funds can be initiated.

The following is a quantitative disclosure describing assets available within one year of December 31, 2022, to fund expenditures and other obligations when they become due:

Financial assets	
Cash and cash equivalents	$ 15,602,934
Contributions and grants receivable, net	2,810,782
	18,413,716
Less: amounts unavailable for general expenditures within one year:	
Restricted contributions and grants due to a purpose restriction	1,423,224
Donated office space pledge receivable and other services	1,903,031
	3,326,255
	$ 21,739,971

9. RETIREMENT PLAN

In April 2021, the Organization established an Internal Revenue Code ("IRC") Section 403(b) plan which covers all fulltime employees upon their hire date. The Organization elects to make matching employer contributions to eligible employees who have attained the age of 18. Participants become vested in matching employer contributions upon their hire date. Employer matching contributions, net of forfeitures, totaled $72,109 for the year ended December 31, 2022 and are included in the schedule of functional expenses as a component of employee benefits.