

**OPERATION OPPORTUNITY FOUNDATION
DBA WARRIOR-SCHOLAR PROJECT**

FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

**OPERATION OPPORTUNITY FOUNDATION
DBA WARRIOR-SCHOLAR PROJECT**

CONTENTS

Independent auditors' report 1-2

Financial Statements

Statements of Activities 3

Statements of Financial Position 4

Statements of Cash Flows 5

Statements of Functional Expenses 6

Notes to Financial Statements 7-12



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Operation Opportunity Foundation
Washington, D.C.

Opinion

We have audited the accompanying financial statements of Operation Opportunity Foundation (a nonprofit organization) which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years 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 Operation Opportunity Foundation as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for 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 Operation Opportunity Foundation 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 the 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 Operation Opportunity Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 Operation Opportunity Foundation'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 Operation Opportunity Foundation'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.

Report on Summarized Comparative Information

We have previously audited the Organization's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 21, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Emphasis of Matter

As discussed in Note G to the financial statements, the COVID-19 pandemic continues to have a material adverse impact on global economic and market conditions. Given the uncertainty of the situation, the duration of any business disruption and related financial impact cannot be reasonably estimated at this time.



March 13, 2023

**OPERATION OPPORTUNITY FOUNDATION
DBA WARRIOR-SCHOLAR PROJECT**

STATEMENTS OF ACTIVITIES

Year ended December 31,

2022

2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Comparative Total</u>
Support and revenue:				
Contributions of cash and other financial assets:				
Corporate	\$ 74,239	\$	\$ 74,239	\$ 57,003
Individual	240,021		240,021	2,364,167
Foundations	4,318,468	1,578,760	5,897,228	2,240,423
Contributions of nonfinancial assets	532,991		532,991	162,348
Contributions from Special Events	641,423		641,423	-
Special Event revenue	32,250		32,250	-
Less: Cost of direct benefits to donors	(44,070)		(44,070)	-
Net Special Event revenue	629,603		629,603	-
Investment (losses) gains, net	(714,222)		(714,222)	204,585
Loan forgiveness			-	255,000
Net assets released from restrictions	3,098,914	(3,098,914)	-	-
Total support and revenue	8,180,014	(1,520,154)	6,659,860	5,283,526
Expenses:				
Program services	3,192,570		3,192,570	1,905,127
Support services	677,541		677,541	477,533
Fundraising services	471,128		471,128	275,233
Total expenses	4,341,239	-	4,341,239	2,657,893
Increase (decrease) in net assets	3,838,775	(1,520,154)	2,318,621	2,625,633
Net assets, beginning	6,514,601	2,260,938	8,775,539	6,149,906
Net assets, ending	\$ 10,353,376	\$ 740,784	\$ 11,094,160	\$ 8,775,539

See accompanying notes.

**OPERATION OPPORTUNITY FOUNDATION
DBA WARRIOR-SCHOLAR PROJECT**

STATEMENTS OF FINANCIAL POSITION

December 31,

2022

2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	Comparative Total
Assets				
Cash and cash equivalents	\$ 6,920,044	\$ 240,784	\$ 7,160,828	\$ 2,645,309
Prepaid expenses	37,987		37,987	26,304
Promises to give, net		500,000	500,000	2,292,850
Investments	3,476,168		3,476,168	3,853,450
Total assets	\$ 10,434,199	\$ 740,784	\$ 11,174,983	\$ 8,817,913
Liabilities and net assets				
Accounts payable & accrued expenses	\$ 73,323	\$	\$ 73,323	\$ 42,374
Deferred special event revenue	1,500		1,500	-
Conditional contribution revenue	6,000		6,000	-
Total liabilities	80,823	-	80,823	42,374
Net assets:				
Without donor restrictions	9,353,376		9,353,376	5,514,601
Board designated - future program expansion	1,000,000		1,000,000	1,000,000
With donor restrictions		740,784	740,784	2,260,938
Total net assets	10,353,376	740,784	11,094,160	8,775,539
Total liabilities and net assets	\$ 10,434,199	\$ 740,784	\$ 11,174,983	\$ 8,817,913

See accompanying notes..

**OPERATION OPPORTUNITY FOUNDATION
DBA WARRIOR SCHOLAR PROJECT
STATEMENTS OF CASH FLOWS**

<i>Year ended December 31,</i>	2022	2021
Cash flows from operating activities:		
Change in net assets	\$ 2,318,621	\$ 2,625,633
Adjustments to reconcile change in net assets to net cash (used by) provided by operating activities		
Realized and unrealized loss (gain) on investments, net	859,281	(134,803)
Donated stock	(63,688)	(77,172)
Changes in operating assets and liabilities:		
(Increase) decrease in prepaid expenses	(11,683)	59,373
(Increase) decrease in promises to give, net	1,792,850	(92,345)
(Increase) decrease in contributions receivable	-	33,028
Increase (decrease) in conditional contribution revenue	6,000	(21,860)
Increase (decrease) in deferred special event revenue	1,500	-
Increase (decrease) in accrued interest payable	-	(1,477)
Increase (decrease) in accounts payable & accrued expenses	30,949	15,261
Net cash provided (used) by operating activities	4,933,830	2,405,638
Cash flows from investing activities:		
Purchase of marketable securities	(5,147,409)	(1,845,287)
Proceeds from sale of marketable securities	4,729,098	472,108
Net cash provided (used) by investing activities	(418,311)	(1,373,179)
Cash flows from financing activities:		
Proceeds from PPP loan	-	(255,000)
Net cash provided (used) by financing activities	-	(255,000)
Net increase (decrease) in cash and cash equivalents	4,515,519	777,459
Cash and cash equivalents, <i>beginning of year</i>	2,645,309	1,867,850
Cash and cash equivalents, <i>end of year</i>	\$ 7,160,828	\$ 2,645,309

See accompanying notes.

**OPERATION OPPORTUNITY FOUNDATION
DBA WARRIOR SCHOLAR PROJECT
STATEMENTS OF FUNCTIONAL EXPENSES**

Year ended December 31,

2022

	Program Services	Supporting Services	Fundraising Services	Cost of Direct Benefits To Donors	Total
Salaries and benefits	\$ 1,699,652	\$ 359,535	\$ 386,557	\$	\$ 2,445,744
Subcontracted services	154,731				154,731
Campus expenses	709,062	146	427		709,635
Travel, meals & entertainment	451,075	54,865	19,153		525,093
Professional fees	17,646	70,897	6,291		94,834
Supplies & printing	62,294	13,587	1,091		76,972
Fees & registrations	35,162	21,056	5,464		61,682
Rent & storage	1,800	15,600			17,400
Telecommunications	51,906	32,388	13,718		98,012
Insurance	3,007	4,868			7,875
Fundraising fees		664	18,838	44,070	63,572
Advertising	104	99,519			99,623
Miscellaneous	6,131	4,416	19,589		30,136
Total	\$ 3,192,570	\$ 677,541	\$ 471,128	\$ 44,070	\$ 4,385,309
Less expenses included in revenues on the statement of activities					
Cost of direct benefits to donors	-	-	-	(44,070)	(44,070)
Total expenses included in the expense section on the statement of activities	\$ 3,192,570	\$ 677,541	\$ 471,128	\$ -	\$ 4,341,239

Year ended December 31,

2021

	Program Services	Supporting Services	Fundraising Services	Cost of Direct Benefits To Donors	Total
Salaries and benefits	\$ 1,317,724	\$ 317,932	\$ 249,280	\$	\$ 1,884,936
Subcontracted services	162,855				162,855
Campus expenses	160,972				160,972
Travel, meals & entertainment	55,509	9,071	1,690		66,270
Professional fees	25,840	82,623	4,590		113,053
Supplies & printing	67,858	1,718	2,079		71,655
Fees & registrations	29,109	27,030	2,798		58,937
Rent & storage	1,950	15,600			17,550
Telecommunications	39,982	15,929	9,118		65,029
Insurance	4,400	1,916			6,316
Fundraising fees					-
Advertising	1,708	3,846	26		5,580
Miscellaneous	37,220	1,868	5,652		44,740
Total	\$ 1,905,127	\$ 477,533	\$ 275,233	\$ -	\$ 2,657,893

See accompanying notes.

OPERATION OPPORTUNITY FOUNDATION DBA WARRIOR-SCHOLAR PROJECT

NOTES TO FINANCIAL STATEMENTS

Note A - Summary of Significant Accounting Policies

Nature of Organization	Operation Opportunity Foundation is a not-for-profit corporation founded in 2011. The mission of the Organization is to ensure educational opportunity for American heroes. The Foundation pursues this goal by running a program called the Warrior-Scholar Project. Hosted at top universities, the project enables veterans to reach full academic and leadership potential under the guidance of student-veterans and world-renowned professors.
Basis of Accounting	The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with the standards promulgated by the American Institute of Certified Public Accountants.
Estimates	The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.
Basis of Presentation	<p>Established standards for external financial reporting by not-for-profit organizations require that resources be classified for accounting and reporting purposes into net asset categories according to donor-imposed restrictions. A description of the net asset categories follows:</p> <p><i>Net Assets Without Donor Restrictions:</i> Net assets without donor restrictions are available for use in general operations.</p> <p><i>Net Assets With Donor Restrictions:</i> Net assets with donor restrictions consist of amounts that are subject to donor restrictions that may or will be met by expenditure or actions of the Organization and/or the passage of time.</p>
Comparative Total	The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2021, from which the summarized information was derived.
Revenue & Revenue Recognition	The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. Consequently, at December 31, 2022, contributions of \$6,000, have not been recognized in the accompanying statement of activities because the conditions on which they depend have not yet been met. Of the total conditional contributions, \$6,000 depends on performance-specific outcomes which will be met in 2023. No conditional contributions existed at 12/31/2021.

OPERATION OPPORTUNITY FOUNDATION DBA WARRIOR-SCHOLAR PROJECT

NOTES TO FINANCIAL STATEMENTS

Note A - Summary of Significant Accounting Policies (continued)

Revenue & Revenue Recognition (cont.)

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or law. Expirations of donor restrictions on net assets; that is, the donor-imposed stipulated purpose has been accomplished and/or the stipulated time period has elapsed, are reported as reclassifications between the applicable classes of net assets. Special event revenue is recognized at the time of the event.

Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform to the current year financial statement presentation. These reclassifications had no effect on financial position or operating results as previously reported.

Contributions of Nonfinancial Assets

The Organization receives contributions of nonfinancial assets, such as the use of university facilities (classrooms, dining halls, parking garages), student housing, meals, supplies, meeting expenses and advertising. The Organization records donated materials, services and use of facilities when received, as contributions in the accompanying statements at their estimated fair value at the date of receipt. Contributed services are recognized as in-kind revenues at their estimated fair value if they create or enhance nonfinancial assets or they require specialized skills that would need to be purchased if they were not donated.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Salaries and fringe benefits are allocated based on employee time and effort. Common costs such as occupancy, depreciation and the like are allocated pro-rata based on headcount or total costs incurred.

Tax Status

The Organization is a non-stock, not-for-profit corporation, exempt from income tax under section 501(c)(3) of the Internal Revenue Code; contributions to it are tax deductible within the limitations prescribed by the Code. Each year the Organization evaluates its tax position. As of December 31, 2022, the Organization determined it has no uncertainties regarding income taxes.

Cash and Cash Equivalents

Cash and cash equivalents include all investment, checking and interest-bearing cash accounts from highly liquid investments with maturity dates of less than three months. As of December 31, 2022 and 2021, \$0 and \$2,142,309 of excess cash was held at one bank, respectively. At other times, the Organization maintains deposits with financial institutions which exceed federally insured limits. The Organization has not experienced any losses from such concentrations.

Fixed Assets

The Organization capitalizes donated or purchased assets in excess of \$2,500. Equipment is recorded at cost with useful lives from five to seven years. Donated assets are capitalized at the estimated fair value at the date of receipt. Maintenance, repairs and minor renewals are charged to operations as incurred.

OPERATION OPPORTUNITY FOUNDATION DBA WARRIOR-SCHOLAR PROJECT

NOTES TO FINANCIAL STATEMENTS

Note A - Summary of Significant Accounting Policies (continued)

Investments

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is determined by using quoted market prices. Donated investments are recorded at their estimated fair value at date of receipt.

Fair Values of Financial Instruments

The Organization has adopted the fair value measurements and disclosures required by current accounting standards. The major categories of financial assets must be measured at fair value using quoted prices in active markets (Level 1), significant observable inputs for similar assets (Level 2), and significant unobservable inputs (Level 3). The investments at December 31, 2022 and 2021 were considered Level 1 investments, where the quoted prices are available in an active market for identical assets. The carrying amount of cash and cash equivalents, receivables, and liabilities approximates fair value.

Note B Date of Management's Review

Subsequent events have been evaluated through March 13, 2023, the date the financial statements were available to be issued.

Note C Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. The Organization uses the allowance method to determine uncollectible promises to give. The allowance is based on prior years' experience, the Organization's level of risk of .5% as deemed appropriate by management, and management's analysis of specific promises made. Contributions to be received after one year are discounted by applying the risk-free rate at the date of the pledge and the length closest to the term of the pledge per the Treasury website. At December 31, 2021 the discount rate was .04%.

The following unconditional promises to give have been received as of December 31:

	2022	2021
Less than one year	\$ 500,000	\$ 1,793,450
One to five years	-	500,000
Discount greater than one year pledge	-	(600)
Allowance for doubtful accounts	-	-
Promises to give, net	\$ 500,000	\$ 2,292,850

Note D Investments

Investments are stated at fair value and are summarized as follows for years ended December 31, 2022 and 2021:

	2022	2021
Certificates of Deposit	\$ -	\$ 94,300
Equities - ETF	1,612,094	1,712,207
Corporate Bonds	-	1,641,529
Mutual funds	1,864,074	253,974
Fixed Income - ETF	-	151,440
	\$ 3,476,168	\$ 3,853,450

OPERATION OPPORTUNITY FOUNDATION DBA WARRIOR-SCHOLAR PROJECT

NOTES TO FINANCIAL STATEMENTS

Note D Investments (continued)

The following schedule summarizes the investment income for the years ended December 31, 2022 and 2021:

	2022	2021
Interest Income	\$ 58,997	\$ 50,751
Dividend Income	89,864	17,402
Realized gains (losses), net	(510,684)	3,862
Unrealized gains (losses), net	(348,596)	132,570
Investment fees	(3,803)	-
	\$ (714,222)	\$ 204,585

Note E Net Assets

Net assets with temporary donor restrictions consist of unconditional promises to give as described in Note C above and cash, and are designated for future summer programs.

Net assets without donor restrictions consist of board designated net assets and undesignated net assets. The Organization's Board of Directors has designated a portion of net assets without donor restrictions to maintain cash flow and financial flexibility, to support future program expansion, and to enable the Organization to sustain operations through delays in payments of committed funding. Authority over the investment, designation, and release of the funds rests with the Board of Directors. The funds may be commingled with other funds of the Organization.

Note F Liquidity and Availability of Resources

The following table represents the Organization's financial assets available to meet cash needs for general expenditures within one year of December 31:

	2022	2021
Total assets at end of year	\$ 11,174,983	\$ 8,817,913
Less nonfinancial assets:		
Prepaid expenses and deposits	37,987	26,304
Total financial assets at end of year	\$ 11,136,996	\$ 8,791,609
Less amounts unavailable for general expenditures within one year:		
Contributions receivable due in more than one year	-	500,000
Total financial assets available for general expenditures within one year	\$ 11,136,996	\$ 8,291,609

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. In addition, the Organization invests cash in excess of its current requirements in a portfolio of investments designed to maximize long-term earnings with acceptable risk to investment principal.

OPERATION OPPORTUNITY FOUNDATION DBA WARRIOR-SCHOLAR PROJECT

NOTES TO FINANCIAL STATEMENTS

Note G

COVID-19 Financial Statement Effects

As a result of the COVID-19 pandemic, the Organization determined that it would not be able to hold its annual program on all college campuses that participated in 2021. Of the twenty-one campuses involved, only five were able to hold in-person learning with the remaining campuses conducting the program virtually. During 2022, as restrictions have been lifted for in-person gatherings, WSP was able to hold their annual summer boot camp program with 25 participating universities.

The Organization's operations are heavily dependent on private and public donations from individuals, corporations and foundations. While the outbreak has had a continued material adverse impact on global economic and market conditions, the Organization's donor base has continued their financial support, allowing the Organization's reserves to grow significantly. The Organization does not expect donations to decrease during calendar year 2023.

The Organization will continue to evaluate the financial implications of COVID-19 to the financial statements and will mitigate any lost contribution revenue by implementing cost-savings strategies. The Organization has \$11,136,996 of financial assets available for general expenditures within one year (see Note F) and management does not foresee the need to find alternative sources of revenue or financing.

Note H

Payroll Protection Program Loan

On June 3, 2020, the Organization received loan proceeds in the amount of \$255,000 under the Paycheck Protection Program ("PPP"). The Organization initially recorded a note payable and subsequently recorded forgiveness when the loan obligation was legally released. The Organization recognized \$255,000 of loan forgiveness income for the year ended December 31, 2021. The PPP loan was fully forgiven on June 17, 2021.

Note I

Retirement Plan

The Organization offers a 401(k) plan covering all full-time employees who are eligible to start participating and are eligible for the match contributions starting with date of employment (starting January 1, 2022). The employer matching contribution is 50 percent of elective contributions up to 4 percent of salary contributed. That is, a maximum of 2% employer matching contributions if an employee elects to contribute 4% of salary to the 401(k) plan. The Organization's policy is to fund the contributions as accrued. Employer contributions to the plan were \$19,057 in 2022.

OPERATION OPPORTUNITY FOUNDATION DBA WARRIOR-SCHOLAR PROJECT

NOTES TO FINANCIAL STATEMENTS

Note J

Contributed Nonfinancial Assets

The Organization received the following contributions of nonfinancial assets for the years ended December 31:

	2022	2021
Advertising	\$ 94,531	\$ 3,719
Student Meals	100,148	32,031
Student Housing	205,483	112,301
Student Supplies	9,637	1,970
University Facilities	20,534	5,683
Student Meeting expenses	89,989	3,944
University Employee services	12,669	2,700
Total Contributed Nonfinancial assets	\$ 532,991	\$ 162,348

The Organization received contributed services of university employee services that are reported using the fair market value as provided by the donating university. The fair value provided by the donating university estimates the cost of those services if purchased from the donating university at the time of the summer program. There were additional services received from university employees during the year that have not been recognized in the statements of activities as those program activity services are pending a review of fair market valuation and other criteria for recognition of such contributed nonfinancial assets. The Organization also receives a significant amount of donated services from unpaid volunteers who assist program activities. No amounts have been recognized in the statements of activities for these program activity services because the criteria for recognition have not been satisfied.

The Organization also receives the use of university facilities to hold classes, as well as student housing, meals, supplies and meeting expenses for program activities. The Organization recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation. Fair value is provided by the donating university and estimates the cost of those facilities and goods if purchased from the donating university at the time of the summer program. Contributed advertising is in the form of internet ads provided by Google through a grant program. The fair market value for these internet ads is determined by the donor from similar advertising from buyers unrelated to the Organization.

Note K

New Accounting Pronouncements

The Organization has adopted Accounting Standards Update (ASU) No. 2020-07 *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* (Topic 958), which became effective for annual periods beginning after June 15, 2021. ASU 2020-07 requires not-for-profits (NFPs) to present contributed nonfinancial assets as a separate line item in the statement activities, apart from contributions of cash and other financial assets, and provide additional disclosures about contributions of nonfinancial assets. The change in accounting principle resulting from the ASU was adopted and applied retrospectively for each period presented.

The Organization has adopted Accounting Standards Update (ASU) No. 2016-02 *Leases* (Topic 842), as amended, which became effective for annual periods beginning after December 15, 2021. ASU 2016-02 requires entities to recognize lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. For the years ended December 31, 2022 and 2021, the Organization has no leasing arrangements that require adoption under Topic 842.