Ohio Provider Resource Association and Affiliates

Audited Financial Statements

For the Years Ended
December 31, 2021 and 2020

BodinePerry
Certified Public Accountants & Advisors

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Independent Auditors' Report

To the Board of Directors
Ohio Provider Resource Association and Affiliates
Columbus, Ohio

Opinion

We have audited the accompanying consolidated financial statements of Ohio Provider Resource Association (a nonprofit organization) and affiliates, which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of activities and changes in net assets, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2021, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The 2020 financial statements were reviewed by us, and our report thereon, dated May 24, 2021, stated we were not aware of any material modifications that should be made to those financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements as a whole.

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 the Organization'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 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 the Organization'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 the Organization'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.

Columbus, Ohio
May 17, 2022

Ohio Provider Resource Association and Affiliates

Consolidated Statements of Financial Position
December 31, 2021 and 2020

Assets

	(Audited) 2021	(Reviewed) 2020
Current Assets		
Cash and cash equivalents	$ 1,083,229	$ 603,182
Accounts receivable	4,252	15,021
Prepaid expenses	12,527	41,037
Investments	3,043,289	2,833,596
Total Current Assets	4,143,297	3,492,836
Property and Equipment		
Building	530,851	530,851
Furniture and equipment	123,294	121,860
Software	22,308	22,308
Computers	34,230	27,811
Total Property and Equipment	710,684	702,830
Less: accumulated depreciation	(325,286)	(298,036)
Net Property and Equipment	385,397	404,793
Total Assets	**$ 4,528,696**	**$ 3,897,629**

Liabilities and Net Assets

	2021	2020
Current Liabilities		
Accounts payable	$ 11,590	$ 12,477
Credit card payable	6,355	2,581
Accrued expenses	43,584	45,606
Deferred revenue	190,564	67,510
Current portion long-term debt	1,730	6,433
Total Current Liabilities	253,823	134,606
Long-Term Liabilities		
Capital lease	-	1,730
Total Long-Term Liabilities	-	1,730
Net Assets		
Without donor restrictions	4,225,690	3,705,993
With donor restrictions	49,182	55,299
Total Net Assets	4,274,872	3,761,292
Total Liabilties and Net Assets	**$ 4,528,695**	**$ 3,897,628**

See Independent Auditors' Report and Notes to Consolidated Financial Statements.

Ohio Provider Resource Association and Affiliates

Consolidated Statements of Activities and Change in Net Assets
For the Year Ended December 31, 2021

	(Audited)		
	Net Assets without donor restrictions	Net Assets with donor restrictions	Total
Revenues and Support			
Member dues	$ 1,424,756	$ -	$ 1,424,756
Seminars and education	36,838	-	36,838
Conferences	239,543	-	239,543
Grant income	547,786	-	547,786
Consulting and programs	32,350	-	32,350
Royalty, marketing, publication, and other	32,568	-	32,568
Interest income	238	-	238
Investment income	210,793	-	210,793
Other Income	102,087	-	102,087
Net assets released from restriction	6,117	(6,117)	-
Total Revenue	2,626,958	(6,117)	2,620,841
Expenses			
Employee wages, taxes and benefits	726,529	-	726,529
Professional fees	407,104	-	407,104
Contributions and donations	1,600	-	1,600
Grants	538,365	-	538,365
Conference	164,880	-	164,880
Consulting and programs	32,675		32,675
Office	53,973	-	53,973
Information technology	45,545	-	45,545
Travel, meals and entertainment	14,305	-	14,305
Depreciation	27,250	-	27,250
Seminars and education	21,335	-	21,335
Committee	16,326	-	16,326
Real estate tax	14,847	-	14,847
Dues and subscriptions	14,957	-	14,957
Bank and credit card fees	15,276	-	15,276
Political action committee	6,158	-	6,158
Insurance	5,536	-	5,536
Interest	600	-	600
Total Expenses	2,107,261	-	2,107,261
Change in Net Assets	519,697	(6,117)	513,580
Net Assets, Beginning	**3,705,993**	**55,299**	**3,175,812**
Net Assets, End of Year	**$ 4,225,690**	**$ 49,182**	**$ 4,274,872**

Ohio Provider Resource Association and Affiliates

Consolidated Statements of Activities and Change in Net Assets
For the Year Ended December 31, 2020

	(Reviewed)		
	Net Assets without donor restrictions	Net Assets with donor restrictions	Total
Revenues and Support			
Member dues	$ 1,537,536	$ -	$ 1,537,536
Seminars and education	37,878	-	37,878
Conferences	94,000	-	94,000
Grant income	92,900	-	92,900
Consulting and programs	110,788	-	110,788
Royalty, marketing, publication, and other	32,317	-	32,317
Interest income	202	-	202
Investment income	196,054	-	196,054
Other Income	2,897	-	2,897
Net assets released from restriction	4,815	(4,815)	-
Total Revenue	2,109,385	(4,815)	2,104,570
Expenses			
Employee wages, taxes and benefits	724,626	-	724,626
Professional fees	411,501	-	411,501
Contributions and donations	1,700	-	1,700
Grants	63,285	-	63,285
Conference	36,483	-	36,483
Consulting and programs	87,813	-	87,813
Office	79,205	-	79,205
Information technology	50,012	-	50,012
Travel, meals and entertainment	3,438	-	3,438
Depreciation	26,206	-	26,206
Seminars and education	14,824	-	14,824
Committee	2,740	-	2,740
Real estate tax	14,857	-	14,857
Dues and subscriptions	12,986	-	12,986
Bank and credit card fees	9,411	-	9,411
Political action committee	410	-	410
Insurance	1,368	-	1,368
Interest	1,289	-	1,289
Total Expenses	1,542,155	-	1,542,155
Change in Net Assets	567,230	(4,815)	562,415
Net Assets, Beginning	**3,138,763**	**60,114**	**2,704,869**
Net Assets, End of Year	**$ 3,705,993**	**$ 55,299**	**$ 3,761,292**

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Ohio Provider Resource Association and Affiliates

Consolidated Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020

	(Audited) 2021	(Reviewed) 2020
Cash Flows from Operating Activities		
Change in Net Assets	$ 513,580	$ 562,415
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Depreciation	27,250	26,206
Net realized losses (gain) on investments	-	26,984
Net unrealized losses (gain) on investments	(30,789)	(110,653)
Gain on extinguishment of debt	(101,837)	-
(Increase) decrease in operating assets:		
Accounts receivable	10,769	37,957
Prepaid expenses	28,510	10,774
Increase (decrease) in operating liabilities		
Accounts payable	(887)	(1,840)
Credit card payable	3,774	(13,601)
Accrued expenses	(2,022)	11,055
Deferred revenue	123,054	(59,507)
Net Cash Provided by Operating Activities	571,401	489,790
Cash Flows from Investing Activities		
Purchase of property and equipment	(7,854)	(3,748)
Purchases of investments	(178,905)	(591,040)
Proceeds from sale of investments	-	474,655
Net Cash Used by Investing Activities	(186,759)	(120,133)
Cash Flows from Financing Activities		
Payments on capital lease obligations	(6,433)	(5,744)
Proceeds from paycheck protection program loan	101,837	-
Net Cash Used by Financing Activities	95,404	(5,744)
Net Increase (Decrease) in Cash	480,045	363,913
Beginning Cash Balance	603,183	239,270
Ending Cash Balance	**$ 1,083,229**	**$ 603,183**
Supplementary Cash Flow Disclosures		
Cash paid for interest	$ 600	$ 1,289

See Independent Auditors' Report and Notes to Consolidated Financial Statements.

Ohio Provider Resource Association and Affiliates

Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2021
(Audited)

	Program Services			
	Member Development	Lobbying	Management and General	Total
Employee wages, taxes and benefits	$ 563,105	$ -	$ 187,702	$ 750,807
Professional fees	257,025	64,405	85,675	407,104
Contributions and donations	1,600	-	-	1,600
Grant	538,365	-	-	538,365
Conference	164,880	-	-	164,880
Consulting and programs	24,506	-	8,169	32,675
Office	40,480	-	13,493	53,973
Information technology	34,159	-	11,386	45,545
Travel, meals and entertainment	10,729	-	3,576	14,305
Depreciation	-	-	27,250	27,250
Seminars and education	16,001	-	5,334	21,335
Committee	12,245	-	4,082	16,326
Real estate tax	-	-	14,847	14,847
Dues and subscriptions	11,218	-	3,739	14,957
Bank and credit card fees	11,457	-	3,819	15,276
Political action committee	4,619	-	1,540	6,158
Insurance	4,152	-	1,384	5,536
Interest	-	-	600	600
Total	**$ 1,694,539**	**$ 64,405**	**$ 372,595**	**$ 2,131,539**

Ohio Provider Resource Association and Affiliates

Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2020

(Reviewed)

	Program Services			
	Member Development	Lobbying	Management and General	Total
Employee wages, taxes and benefits	$ 543,470	$ -	$ 181,157	$ 724,626
Professional fees	262,867	61,011	87,623	411,501
Contributions and donations	1,700	-	-	1,700
Grant	63,285	-	-	63,285
Conference	36,483	-	-	36,483
Consulting and programs	65,859	-	21,953	87,813
Office	59,404	-	19,801	79,205
Information technology	37,509	-	12,503	50,012
Travel, meals and entertainment	2,579	-	860	3,438
Depreciation	-	-	26,206	26,206
Seminars and education	11,118	-	3,706	14,824
Committee	2,055	-	685	2,740
Real estate tax	-	-	14,857	14,857
Dues and subscriptions	9,739	-	3,246	12,986
Bank and credit card fees	7,058	-	2,353	9,411
Political action committee	308	-	103	410
Insurance	1,026	-	342	1,368
Interest	-	-	1,289	1,289
Total	**$ 1,104,462**	**$ 61,011**	**$ 376,684**	**$ 1,542,155**

Ohio Provider Resource Association and Affiliates

Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2021 and 2020

Note A – Summary of Significant Accounting Policies

Organization and Business Activity
Ohio Provider Resource Association (OPRA) is a non-profit charitable organization in Columbus, Ohio. OPRA's purpose is to address the concerns of private providers of services for the developmentally disabled population across the state of Ohio, serving as a resource for information affecting the state budget and laws, departmental rules, and practices. OPRA represents over 100 providers, which in turn, provide support for over 15,000 individuals receiving a variety of services: licensed housing, ICF services, supported living, and many different waiver services – like the Individual Options Waiver.

Basis of Accounting
The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accrual basis accounting allows for revenue to be recognized when earned and expenses to be recognized when goods or services are received, without regard to the receipt or payment of cash.

Financial Statement Presentation
The financial statements are presented in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of CPA's (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). ASC 958-205 was effective as of January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

> <u>Net assets without donor restrictions:</u> Net assets that are no subject to donor-imposed restrictions and may be expensed for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.
>
> <u>Net assets with donor restrictions:</u> Net asset subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Principles of Consolidation
Generally accepted accounting principles require related nonprofit organizations to present their financial statements on a consolidated basis if certain conditions related to control and economic interests between the organizations are met. The Ohio Provider Resource Association, which includes its wholly owned subsidiary OPRA Properties, LLC, and its sister organization, The OPRA Foundation, includes the accounts OPRA, OPRA Properties, LLC and The OPRA Foundation (collectively known as the "Organization"). All material inter-company accounts and transactions have been eliminated in consolidation.

Use of Estimates in the Preparation of Financial Statements
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 the disclosures 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.

Cash and Cash Equivalents
The Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Note A – Summary of Significant Accounting Policies (continued)

Accounts Receivable
Accounts Receivable, which is stated at the unpaid balances less an allowance for doubtful accounts, consists of amounts due to the Organization for membership dues, fees for conferences and training, and sponsorships of conferences. Receivables from contracts with customers are reported as accounts receivable in the accompanying consolidated statements of financial position. Credit is generally extended on a short-term basis thus accounts receivable do not bear interest. The allowance is reviewed and updated by management each year based on historical experience and knowledge of individual circumstances of the organizations with outstanding balances. The allowance for doubtful accounts and bad debt expense were $0 for the years ended December 31, 2021 and 2020.

Investment Valuation and Income Recognition
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. See Note C for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the plan's gains and losses on investments bought and sold, as well as held during the year.

Property and Equipment
Property and equipment is depreciated on the straight-line method over their estimated useful lives of 3 to 39 years. Leasehold improvements are amortized by the straight-line method over the shorter of their estimated useful life or term of the lease. Maintenance and repairs are charged to expense when incurred. Assets with a useful life beyond one year or repairs and maintenance that extend the useful life of an asset beyond one year are capitalized and depreciated over the asset's useful life.

Deferred Revenue
Deferred revenue represents membership dues and seminar and training fees received from certain members prior to the year to which they relate, and cash received for grants that have not yet been expended as of year-end.

Revenue Recognition
Membership dues, which are nonrefundable, are comprised of an exchange element based on the benefits received and are recognized as revenue over the membership period. Payments are required at the time of sale or start of the membership period; amounts received in advance are deferred to the applicable period. Special events revenue is recorded equal to the fair value of direct benefits to donors, and contribution revenue for the difference, if any. With the exception of goods and services provided in connection with membership dues, which are transferred over the period of membership, all goods and services are transferred at a point in time.

Contributions are recognized 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 substantially met.

Grant revenue is derived from cost-reimbursable contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when expenses have been in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the statement of financial position.

Note A – Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statements of changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses have been allocated based on employee time and effort and square footage.

Note B – Investments

The investments held at December 31, 2021 consisted of the following:

	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Cash and equivalents	$ 9,891	$ 9,891	$ -
Mutual funds	2,755,488	3,033,398	277,911
Total investments	$ 2,765,378	$ 3,043,289	$ 277,911

The fair market value of investments held by the Association and the Foundation at December 31, 2021 totaled $2,661,695 and $381,594, respectively.

The investments held at December 31, 2020 consisted of the following:

	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Cash and equivalents	$ 7,562	$ 7,562	$ -
Mutual funds	2,594,973	2,826,034	231,061
Total investments	$ 2,602,534	$ 2,833,596	$ 231,061

The fair market value of investments held by the Association and the Foundation at December 31, 2020 totaled $2,460,269 and $373,326 respectively.

Investment income consisted of the following for the year ended December 31:

	2021	2020
Interest and dividends	$ 180,004	$ 112,385
Realized gain/ (loss) on investments	-	(26,984)
Unrealized gain/ (loss) on investments	30,789	110,653
	$ 210,793	$ 196,054

Note C – Fair Value Measurements

FASB ASC Topic 820 *Fair Value Measurements and Disclosures,* establishes a framework for measuring fair value. The framework 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 value hierarchy under FASB ASC Topic 820 are described as follows:

Note C – Fair Value Measurements (continued)

Level 1 Fair Value Measurements

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 Fair Value Measurements

Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are delivered principally from or corroborated by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Fair Value Measurements

Inputs to the valuation methodology are unobservable and significant to the fair value measurements.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used to maximize the use of observable inputs and minimize the use of unobservable measurements.

All of the Organization's investments in securities are recorded at fair market values defined under Level 1.

Note D – Capital Lease Obligations

In April 2017, the Organization entered into a capital lease to acquire a copier. The agreement requires sixty monthly payments of $586. The fair market value of the equipment, $26,726, was capitalized and the corresponding liability recorded at the inception of the lease using a stated interest rate of 11.4%. The equipment is being amortized over five years and the related amortization expense is included in depreciation expense in the consolidated statement of activities.

Future lease payments are as follows:

2022	$ 1,763
Total	1,763
Less: amount representing interest	(33)
Present value of net lease payments	$ 1,730

Note E – Net Assets with Donor Restrictions

In December 2018, the Organization received a $70,170 contribution from Ohio Association of Adult Services (OAAS). This contribution is restricted for the specific purpose of providing support of education and training for adult services, specifically vocational habilitation, adult day supports, and supported employment. Providers of these services are eligible to receive up to $1,500 each calendar year to pay for certain expenses directly related to education and training in these areas. For the years ended December 31, 2021 and 2020, there were $6,117 and $4,815, respectively, in expenditures of these restricted funds in additional restricted contributions to the net assets with donor restrictions.

Note F – Lease Commitments

The Organization leases its administrative office equipment under a month to month cancellable agreement.

Note G – Retirement Plan

The Organization maintains a defined contribution retirement plan, under which all full-time employees over age 21 with 1,000 hours of service are eligible to participate after one year of employment. Participants become 100% vested after three years of service. Eligible employees may make elective deferrals of up to 20% of their wages subject to an annual limit specified by law. Under the plan, the Organization makes a mandatory safe-harbor contribution of 3% of wages and may make additional discretionary contributions to the plan. The Organization contributed $18,227 and $21,901 into the plan for 2021 and 2020, respectively and is included in employee wages, taxes, and benefits on the consolidated statements of activities and change in net assets.

Note H – Liquidity and Availability of Financial Assets

The Organization's financial assets available within one year of the financial position date for general expenditures are as follows:

Cash and cash equivalents	$	1,034,044
Accounts receivable		4,252
Prepaid expenses		12,527
Investments		3,043,289
	$	4,094,112

The Organization's financial assets have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the date of the statement of financial position.

As part of the Organization's liquidity management, it has a goal 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 daily requirements in short-term investments.

Note I – Income Taxes

The Ohio Provider Resource Association and The OPRA Foundation are nonprofit organizations and are exempt from federal income taxes under section 501(c)(6) and 501(c)(3) of the Internal Revenue Code, respectively. No provision for federal income taxes has been made in the financial statement.

Note J – Concentrations

Financial instruments, which potentially subject the Organization to concentration of credit risk, consist of cash and contract receivables. The Organization maintains cash in accounts that, at times, may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit. The accounts are insured by the FDIC up to $250,000 at December 31, 2021 and 2020. The Organization occasionally has amounts on deposit in excess of FDIC limits. The Organization has not experienced any losses on such accounts and does not believe it is exposed to any significant risk with respect to such cash.

Note K – Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform to the current financial statement presentation.

Note L – COVID-19 Pandemic

In 2021, the spread of the COVID-19 pandemic affected the United States and the Organization's operations and those of third parties on which the Organization relies. While during 2021 the Organization did not see a material COVID-19 impact on the results of operations, given the uncertainties surrounding the duration of the outbreak it is not currently possible to ascertain the overall impact of COVID-19 on the business in the future. Management is monitoring the situation in order to mitigate any potential impact on the Organization's operations and financial performance.

Paycheck Protection Program Loan

In February 2021, the Organization received a Paycheck Protection Program loan (PPP Loan) established by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) in the amount of $101,837. The Paycheck Protection Program (PPP) was established under the recent congressionally-approved CARES Act and is administered by the U.S. Small Business Administration (SBA).

The original term of the PPP Loan was two years. The term was extended to five years by the SBA. The annual interest rate on the PPP Loan is 0.98%. Payments of principal and interest on the loan will be deferred for the first six months of the term of the loan. The PPP loan contains events of default and other provisions customary for a loan of this type.

Under the terms of the CARES Act, PPP Loan recipients may apply for and be granted forgiveness for all or a portion of loans granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payroll costs and mortgage interest, rent or utility costs and the maintenance of employee and compensation levels.

The Organization received forgiveness for the PPP loan in September 2021, as a result the Organization recorded grant income of $101,837 during the year ended December 31, 2021. PPP loans are subject to audit and acceptance by the U.S. Department of Treasury, Small Business Administration, or lender; as a result of such audit, adjustments could be required to the recognition of revenue.

Note M – Subsequent Events

Subsequent events have been evaluated through May 17, 2022, the date the financial statements are available to be issued.