Mission Graduates

Financial Statements

June 30, 2019
(With Comparative Totals for 2018)

armanino

TABLE OF CONTENTS

armanino

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Mission Graduates
San Francisco, California

We have audited the accompanying financial statements of Mission Graduates (a California nonprofit corporation) (the "Organization"), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mission Graduates as of June 30, 2019, 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.

Change in Accounting Principle

As described in Note 2 to the financial statements, the Organization has adopted ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to that matter.

Emphasis of Matter

As described in Note 10, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic on March 11, 2020 and recommended containment and mitigation measures worldwide. The ultimate financial impact and duration of these events cannot be reasonably estimated at this time. Our opinion is not modified with respect to that matter.

Report on Summarized Comparative Information

We have previously audited Mission Graduates's 2018 financial statements, and our report dated December 11, 2018 expressed an unmodified opinion on those audited financial statements. As part of our audit of the 2019 financial statements, we also audited the adjustments to the 2018 financial statements to apply the change in accounting principle discussed above. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, adjusted for the change in accounting principle discussed above, is consistent, in all material respects, with the audited financial statements from which it has been derived. Also, in our opinion, such adjustments are appropriate and have been properly applied.

Armanino LLP

Armanino LLP
San Francisco, California

July 22, 2020

Mission Graduates
Statement of Financial Position
June 30, 2019
(With Comparative Totals for 2018)

	2019	2018
ASSETS		
Current assets		
Cash and cash equivalents	$ 126,038	$ 333,889
Contributions and grants receivable	663,541	653,553
Other accounts receivable	100,626	25,292
Prepaid expenses	88,920	72,244
Total current assets	979,125	1,084,978
Noncurrent assets		
Contributions receivable, net of current portion	349,494	138,000
Property and equipment, net	30,870	2,876
Deposits	10,905	5,677
Total noncurrent assets	391,269	146,553
Total assets	$ 1,370,394	$ 1,231,531
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	$ 155,371	$ 77,475
Accrued expenses	63,218	23,096
Accrued vacation	95,095	61,088
Total current liabilities	313,684	161,659
Net assets		
Without donor restrictions	601,487	563,206
With donor restrictions	455,223	506,666
Total net assets	1,056,710	1,069,872
Total liabilities and net assets	$ 1,370,394	$ 1,231,531

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

Mission Graduates
Statement of Activities
For the Year Ended June 30, 2019
(With Comparative Totals for 2018)

	Without Donor Restrictions	With Donor Restrictions	2019 Total	2018 Total
Revenues, gains and other support				
Government grants	$ 3,068,685	$ -	$ 3,068,685	$ 2,186,471
Foundation, corporate and nonprofit grants	571,037	307,233	878,270	1,110,429
Individual contributions	502,217	-	502,217	167,857
Program fees	937,821	-	937,821	520,510
Special events	58,735	-	58,735	10,496
In-kind contributions	5,027	-	5,027	5,661
Investment earnings and other income	1,129	-	1,129	142
Net assets released from restriction	358,676	(358,676)	-	-
Total revenues, gains and other support	5,503,327	(51,443)	5,451,884	4,001,566
Functional expenses				
Program services				
Extended Day Program	1,740,254	-	1,740,254	1,721,998
Mission Community Beacon	2,069,012	-	2,069,012	638,323
College Access	636,748	-	636,748	597,431
Parent Partner	278,026	-	278,026	214,629
Total program services	4,724,040	-	4,724,040	3,172,381
Support services				
Management and general	359,225	-	359,225	279,767
Fundraising	381,781	-	381,781	167,244
Total support services	741,006	-	741,006	447,011
Total functional expenses	5,465,046	-	5,465,046	3,619,392
Change in net assets	38,281	(51,443)	(13,162)	382,174
Net assets, beginning of year	563,206	506,666	1,069,872	687,698
Net assets, end of year	$ 601,487	$ 455,223	$ 1,056,710	$ 1,069,872

Mission Graduates
Statement of Functional Expenses
For the Year Ended June 30, 2019
(With Comparative Totals for 2018)

	Extended Day Program	Mission Community Beacon	College Access	Parent Partner	Management and General	Fundraising	2019 Total	2018 Total
Personnel expenses								
Salaries and wages	$ 1,090,680	$ 1,291,922	$ 289,089	$ 129,812	$ 271,612	$ 218,585	$ 3,291,700	$ 2,191,398
Payroll taxes and benefits	227,357	297,179	66,390	27,704	33,979	46,867	699,476	439,003
Total personnel expenses	1,318,037	1,589,101	355,479	157,516	305,591	265,452	3,991,176	2,630,401
Professional fees	36,165	37,680	7,167	2,360	14,995	56,315	154,682	80,500
Program consultants	172,783	117,859	28,938	25,577	2,236	1,142	348,535	234,103
Management fees	1,758	24,350	586	213	375	373	27,655	34,953
Program operating expenses	45,465	111,207	199,256	75,656	2,168	3,699	437,451	376,904
Office supplies	16,392	17,289	2,885	1,193	3,819	3,362	44,940	22,097
Occupancy	34,445	43,655	8,637	2,143	4,611	4,707	98,198	89,768
Technology and communications	43,088	48,634	11,208	6,685	5,035	5,445	120,095	45,504
Equipment rental	19,490	21,705	4,905	2,526	8,380	6,004	63,010	24,951
Staff training	15,406	19,181	7,825	1,363	4,155	8,178	56,108	28,318
Marketing expenses	979	1,053	174	50	101	18,976	21,333	9,830
Business expenses	18,140	22,693	6,822	1,817	6,044	6,398	61,914	4,352
Insurance	10,803	12,032	2,037	501	1,176	1,090	27,639	29,447
Depreciation and amortization	5,644	1,065	226	74	137	137	7,283	2,603
Contributions	1,659	1,508	603	352	402	503	5,027	5,661
	$ 1,740,254	$ 2,069,012	$ 636,748	$ 278,026	$ 359,225	$ 381,781	$ 5,465,046	$ 3,619,392

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

Mission Graduates
Statement of Cash Flows
For the Year Ended June 30, 2019
(With Comparative Totals for 2018)

	2019	2018
Cash flows from operating activities		
Change in net assets	$ (13,162)	$ 382,174
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation and amortization	7,283	2,603
Changes in operating assets and liabilities		
Contributions and grants receivable	(221,482)	(355,300)
Other accounts receivable	(75,334)	(23,917)
Prepaid expenses	(16,676)	(61,034)
Deposits	(5,228)	(2,700)
Accounts payable	77,896	21,864
Accrued expenses	40,122	19,625
Accrued vacation	34,007	831
Net cash used in operating activities	(172,574)	(15,854)
Cash flows from financing activities		
Purchase of property and equipment	(35,277)	-
Net cash provided by (used in) financing activities	(35,277)	-
Net decrease in cash and cash equivalents	(207,851)	(15,854)
Cash and cash equivalents, beginning of year	333,889	349,743
Cash and cash equivalents, end of year	$ 126,038	$ 333,889

Supplemental disclosures of cash flow information

	2019	2018
Cash paid during the year for		
Interest	$ -	$ 319
Tax	$ 1,706	$ 348

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

1. NATURE OF OPERATIONS

Mission Graduates (the "Organization") is a California nonprofit benefit organization that increases the number of K-12 students in San Francisco's Mission District who are prepared for and complete a college education. Founded in 1972, initially called St. John's Educational Threshold Center, Mission Graduates was founded by members of The Episcopal Church of St. John the Evangelist as a tutoring program for under-performing neighborhood children. Three decades later, Mission Graduates clarified its commitment to getting more youth into college as a means to achieve economic equity for Latino and immigrant families.

The Organization has been a lifeline for San Francisco's Latino and immigrant residents for 47 years. Fulfilling their mission through a continuous pipeline of K-12 after-school, in-school, and summer programs, they provided services to over 3,700 low-income children, youth, and families during the year ended June 30, 2019. College education as an expectation and goal for every child is a theme woven throughout all of the Organization's programs.

Extended Day Program (EDP)

The EDP provides after-school and summer education at Alvarado and Marshall Elementary Schools and Thomas Edison Charter Academy to help over 700 students develop their English language skills and increase literacy levels, as well as shore up academic skills for students who are below grade in certain academic competencies. The EDP extends the learning day to ensure students can transition to middle school with the English language, literacy, and academic skills necessary to excel. The program consists of five core components: academic enrichment and guided reading interventions; project-based electives that incorporate literacy-building opportunities throughout each cycle; sports and recreation; community-building activities that foster group cohesion, build social skills, and model resiliency; and an early college awareness curriculum that prepares and motivates children to plan for college.

Mission Community Beacon (MCB)

Nearly 25 years ago, Mission Graduates partnered with the San Francisco Beacon Initiative and city and county founders to develop an innovative model for programming that meets more than just the academic or social needs of youth at Everett Middle School, it also creates a space for youth to develop into leaders in their community. This year, the MCB expanded to 27 sites in San Francisco, including Mission Graduates’ sites at Bryant, Flynn, and Sanchez Elementary Schools and the existing Everett Beacon. Overlaying the programming of the Extended Day Programs, the MCB also provides a comprehensive hub of services during the school day and after school. The MCB serves over 1,700 youth and families, and expands the learning day beyond the school day, not only providing individualized academic interventions with credentialed teachers, but also an environment where future leaders can take ownership of their education, develop skills necessary to be successful, and begin working towards their goals of graduation and higher education.

1. NATURE OF OPERATIONS (continued)

College Access

- College Connect (CC) - CC is a family-based college access and success program that launched in Spring 2008. CC annually recruits 25 four-year college bound high school juniors living, or attending school, in the Mission and Excelsior Districts of San Francisco and are the first generation to attend college. CC participants and their families receive support with: ACT preparation, Math and English Tutoring, personal statements and scholarship application coaching, obtaining financial assistance, choosing the best college that meets their personnel and academic needs, and making a successful transition to college, with support through graduation.

  Currently, CC has 240 participants spread across 12 cohorts; 79 are alumni, 114 are college students, and 47 are high school juniors and seniors. 80% of the college students who have participated in the program are still persisting, or have received, their college degree, which is almost 3.5 times the state average of 23%. Mission Graduates has had great success in ensuring that finances are not a barrier to a college. Mission Graduates' 193 college students and alumni raised over $5.3 million in college scholarships, as well as applying for all federal, state, and school financial aid.

- John O'Connell College and Career Center (JOCCC) - The JOCCC is an innovative partnership with John O'Connell High School, traditionally considered a vocational school, where the staff are embedded with teachers in the classroom. Being in the classroom during the school day allows staff to work with nearly 520 students, using the context of their relationship to discuss career and higher education aspirations. This model provides for a more integrated and holistic approach in assisting students with their future goals, as opposed to a separate college and career office that few students utilize.

  Completing the fourth full year of the program, Mission Graduates has seen consistent program outcomes for O'Connell students. Of the entire graduating senior class, 94% were accepted into college, 55% were eligible for four-year universities, and 91% submitted applications.

Parent Partner Program (PPP)

The PPP increases the academic success and college prospects of Latino and immigrant youth by nurturing a strong culture of parent engagement to 600 parents at 11 school sites. This program complements the Organization's other core programs, ensuring that parents understand the educational system, how they can be partners in supporting their children's academic growth and college dreams, and how to advocate best for their children's needs. The PPP provides parents with services that include: technology mentorship, ESL courses, ELAC coaching and advocacy preparation, parent success workshops, general family engagement consulting support, and school-wide meeting and planning preparation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

The financial statements and accompanying notes 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 its financial position and operating activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets and changes therein are classified as follows:

- *Net assets without donor restrictions* - Net assets not subject to donor-imposed stipulations.
- *Net assets with donor restrictions* - Net assets subject to donor-imposed stipulations that will be met, either by actions of the Organization and/or the passage of time. When a donor restriction expires, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restriction. This category of net assets also includes net assets to be held in perpetuity. The Organization had no net assets to be held in perpetuity as of June 30, 2019.

Change in accounting principle

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 makes certain improvements to current reporting requirements, including:

1. Reducing the classes of net assets from three (unrestricted, temporarily restricted, and permanently restricted) to two (with donor restrictions and without donor restrictions).
2. Enhancing disclosures about:
    a. Amounts and purposes of governing board designations, appropriations, and similar actions that result in self-imposed limits on the use of resources without donor-imposed restrictions.
    b. Composition of net assets with donor restrictions and how the restrictions affect the use of resources.
    c. Qualitative information about management of liquid resources and quantitative information about the availability of liquid resources to meet cash needs for general expenditures within one year of the statement of financial position date.
    d. Amounts of expenses by both their natural classification and their functional classification in one location as a separate statement or in the notes to the financial statements.
    e. Methods used to allocate costs among program and support functions.
    f. Underwater endowment funds.
3. Reporting investment return net of external and direct internal investment expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Change in accounting principle (continued)

4. Use, in the absence of explicit donor stipulations, the placed-in-service approach for reporting expirations of restrictions on gifts of cash or other assets to be used to acquire or construct a long-lived asset and reclassify any amounts from net assets with donor restrictions to net assets without donor restrictions for such long-lived assets that have been placed in service as of the beginning of the period of adoption (thus eliminating the current option to release the donor-imposed restriction over the estimated useful life of the acquired asset).

The amendments have been applied on a retrospective basis in 2019.

Use of estimates

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

Cash and cash equivalents

The Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents. As of June 30, 2019, the Organization did not have any cash equivalents. The Organization places its cash with high credit quality institutions. Periodically, such investments may be in excess of federally insured limits.

Contributions and promises to give

Contributions and grants receivables represent billed and uncollected service revenues provided under government and private company contracts. Receivables are stated at the amount management expects to collect from outstanding balances. Management has established an allowance for doubtful receivables based on prior collections experience and aging status of outstanding receivables. At June 30, 2019, there was no allowance for doubtful receivables.

Property and equipment

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that much be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment (continued)

Depreciation and amortization of property and equipment is computed using the straight-line method over three years for furniture and fixtures and equipment. Leasehold improvements are amortized over the lesser of the estimated useful lives or the remaining term of the lease.

Contributions

Contributions without donor restrictions are recorded as revenue without donor restrictions when received, or pledged when there is a reasonable expectation of collection. All contributions are considered to be available for use without donor restrictions unless specifically restricted by the donor. Conditional promises to give are not recognized until they become unconditional; that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date of receipt.

Contributions with donor restrictions are generally recognized as restricted revenue. Generally, donors place restrictions on contributions for a specific time period and/or a specific use or purpose. Once donor restrictions have been satisfied, revenue with donor restrictions is released and reclassified to revenue without donor restrictions.

Revenue recognition

The Organization recognizes revenue from government grants as the services are provided.

Donated goods and services

The Organization recognizes the value of donated goods at fair value. The Organization recognizes the fair value of donated services if the services enhance a non financial asset or if the services meet the recognition criteria which include a) requiring specialized skills; b) provided by someone with those skills; and c) would have to be purchased if they were not donated. For the year ended June 30, 2019, donated goods and services recognized in the statement of activities amounted to $5,027.

Income tax status

The Organization is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. Accordingly, no provision for income taxes has been provided in these financial statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1). Unrelated business income, if any, may be subject to income tax. The Organization paid $1,706 on unrelated business income in the year ended June 30, 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax status (continued)

U.S. GAAP requires the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the Organization's tax returns. Management has determined that the Organization does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Organization's tax returns will not be challenged by the taxing authorities and that the Organization will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Organization's tax returns remain open for federal income tax examinations for three years from the date of filing.

Functional expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Those expenses which cannot be specifically identified by function type have been allocated to functions based upon management's best estimate of usage.

Advertising costs

The Organization's policy is to expense advertising costs as the costs are incurred. Advertising costs for the year ended June 30, 2019 totaled $3,696.

Concentration of credit risk

Contribution and grants receivable from three customers comprise 76% of the Organization's total contributions and grants receivable balance as of June 30, 2019.

Comparative financial information

The financial statements include certain prior-year summarized comparative information in total but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2018, from which the summarized information was derived. Certain amounts in the 2018 financial statements have been reclassified to conform to the 2019 presentation. These reclassifications had no effect on net assets or changes in net assets.

3. CONTRIBUTIONS RECEIVABLE

Future collections of contributions receivable are expected as follows:

Year ending June 30,		
2020	$	663,541
2021		324,171
2022		21,171
2023		4,152
	$	1,013,035

4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

Furniture and fixtures	$	69,641
Leasehold improvements		42,030
Equipment		2,981
		114,652
Accumulated depreciation and amortization		(83,782)
	$	30,870

Depreciation expense amounted to $7,283 for the year ended June 30, 2019.

5. LINE OF CREDIT

The Organization has a line of credit with a bank, with a borrowing limit of $250,000. The line of credit bears interest at a rate of 12%. There was no outstanding balance on the line of credit as of June 30, 2019.

6. COMMITMENTS AND CONTINGENCIES

The Organization leases its facilities and equipment under various long-term operating lease agreements that expire at various dates through August 2023. The facilities lease calls for escalating rent payments. Rent expense is recognized on a straight-line basis over the term of the lease agreement.

6. COMMITMENTS AND CONTINGENCIES (continued)

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

Year ending June 30,		
2020	$	69,496
2021		6,532
2022		6,532
2023		5,524
2024		41
	$	88,125

Rent expense amounted to $90,340 for the year ended June 30, 2019.

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

College Access	$	335,223
Parent Partner Program		120,000
	$	455,223

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

College Access	$	183,676
John O'Connell College and Career Center		150,000
Mission Community Beacon		25,000
	$	358,676

8. RETIREMENT PLAN

The Organization allows its employees to defer a portion of their salary into a defined contribution plan (the "Plan") under section 403(b) of the Internal Revenue Code. The Plan covers all eligible employees who have attained 21 years of age. The Organization makes matching contributions of up to 3% of the participant's salary or the maximum allowed by the Internal Revenue Code. Matching contributions amounted to $60,862 for the year ended June 30, 2019.

9. LIQUIDITY AND FUNDS AVAILABLE

The Organization's financial assets are available to meet its general expenditures, liabilities, and other obligations as they come due. Contributions and grants receivable to be collected within one year are available for general expenditure. Other accounts receivable will be collected within one year and are available for general expenditure. Monthly, management reviews the Organization's financial position and ensures that a reasonable cash position is being maintained.

The following is a quantitative disclosure which describes financial assets that are available within one year of June 30, 2019 to fund general expenditures and other obligations when they become due:

Financial assets		
Cash and cash equivalents	$	126,038
Contributions and grants receivable		663,541
Other accounts receivable		100,626
		890,205
Less: amounts unavailable for general expenditures within one year		
Restricted for specified programs		(455,223)
		(455,223)
	$	434,982

10. SUBSEQUENT EVENTS

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders. As a result, equity markets have experienced significant decline and volatility from their historically high levels. While the economic disruption is currently expected to be temporary and markets typically recover, there is considerable uncertainty around the duration of the closings and shelter in place orders and the shorter-term market volatility. It is at least reasonably possible that this matter will negatively impact the Organization. However, the financial impact and duration cannot be reasonably estimated at this time.

In April 2020, the Organization received loan proceeds in the amount of approximately $910,000 under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loan and accrued interest are forgivable after the covered period as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of the loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the covered period. Amounts that are not forgiven convert to a note payable and accrue interest at 1.0%.

10. SUBSEQUENT EVENTS (continued)

The Organization has evaluated subsequent events through July 22, 2020, the date the financial statements were available to be issued. No other subsequent events were identified that required adjustment to or disclosure in the financial statements.