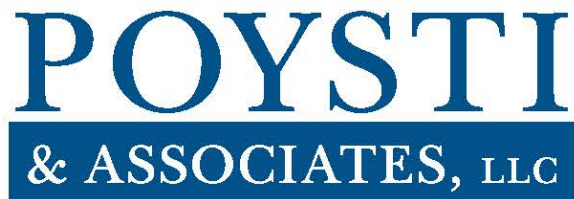


UP WITH PEOPLE, INC.
FINANCIAL STATEMENTS
JUNE 30, 2020

CONTENTS

Independent Auditor's Report	2
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7-14



Independent Auditor's Report

Board of Directors
Up With People, Inc.
Denver, Colorado

Report on the Financial Statements

I have audited the accompanying consolidated financial statements of Up With People, Inc. (a California not-for-profit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Up With People, Inc. as of June 30, 2020 and 2019, and the changes in its net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Poysti & Associates, LLC".

October 30, 2020
Denver, Colorado

UP WITH PEOPLE, INC.
STATEMENTS OF FINANCIAL POSITION

<u>June 30,</u>	<u>2020</u>	<u>2019</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 524,698	\$ 346,193
Tuition receivable, net of allowance for doubtful accounts of \$7,229 and \$6,475	434,631	342,888
Accounts receivable, net of allowance for doubtful accounts of \$11,464 and \$11,594	69,509	118,979
Promises to give	562,143	540,725
Other assets	80,775	154,199
Property and equipment, net	89,476	129,814
Investments	<u>1,683,327</u>	<u>1,559,865</u>
Total Assets	<u>\$ 3,444,559</u>	<u>\$ 3,192,663</u>
<u>Liabilities and Net Assets</u>		
Accounts payable	\$ 118,506	\$ 86,473
Accrued liabilities	144,099	88,538
Deferred revenues - tuition	839,262	1,188,500
Deferred revenues - sponsorship	65,343	111,600
Notes payable	<u>409,500</u>	<u>0</u>
Total liabilities	<u>1,576,710</u>	<u>1,475,111</u>
<u>Net Assets</u>		
With donor restrictions		
Purpose and time restrictions	682,300	538,660
Perpetual in nature	<u>1,185,549</u>	<u>1,178,892</u>
Total net assets	<u>1,867,849</u>	<u>1,717,552</u>
Total Liabilities and Net Assets	<u>\$ 3,444,559</u>	<u>\$ 3,192,663</u>

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

UP WITH PEOPLE, INC.
STATEMENTS OF ACTIVITIES

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>For the Year Ended June 30, 2020:</u>			
<u>Revenue, gains and other support</u>			
Contributions	\$ 2,967,084	\$ 345,302	\$ 3,312,386
Tuition	1,777,499	0	1,777,499
Sponsorship	249,125	0	249,125
Investment income	0	170,820	170,820
Other revenue	223,627	0	223,627
Net assets released from restrictions	<u>365,825</u>	<u>(365,825)</u>	<u>0</u>
Total revenue, gains and other support	<u>5,583,160</u>	<u>150,297</u>	<u>5,733,457</u>
<u>Expenses</u>			
Programs	4,324,660		4,324,660
General and administrative	744,993		744,993
Fundraising	<u>513,507</u>		<u>513,507</u>
Total expenses	<u>5,583,160</u>		<u>5,583,160</u>
Change in net assets	0	150,297	150,297
Net assets at beginning of year	<u>0</u>	<u>1,717,552</u>	<u>1,717,552</u>
Net assets at end of year	<u>\$ 0</u>	<u>\$ 1,867,849</u>	<u>\$ 1,867,849</u>
<u>For the Year Ended June 30, 2019:</u>			
<u>Revenue, gains and other support</u>			
Contributions	\$ 3,210,631	\$ 241,774	\$ 3,452,405
Tuition	2,593,350	0	2,593,350
Sponsorship	532,287	0	532,287
Investment income	0	80,913	80,913
Other revenue	365,189	0	365,189
Net assets released from restrictions	<u>253,071</u>	<u>(253,071)</u>	<u>0</u>
Total revenue, gains and other support	<u>6,954,528</u>	<u>69,616</u>	<u>7,024,144</u>
<u>Expenses</u>			
Programs	5,446,819		5,446,819
General and administrative	743,516		743,516
Fundraising	<u>764,193</u>		<u>764,193</u>
Total expenses	<u>6,954,528</u>		<u>6,954,528</u>
Change in net assets	0	69,616	69,616
Net assets at beginning of year	<u>0</u>	<u>1,647,936</u>	<u>1,647,936</u>
Net assets at end of year	<u>\$ 0</u>	<u>\$ 1,717,552</u>	<u>\$ 1,717,552</u>

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

UP WITH PEOPLE, INC.
STATEMENTS OF FUNCTIONAL EXPENSES

	<u>Programs</u>	<u>General and Management</u>	<u>Fundraising</u>	<u>Total</u>
<u>For the Year Ended June 30, 2020:</u>				
<u>Personnel expenses</u>				
Salaries	\$ 997,773	\$ 277,551	\$ 264,334	\$ 1,539,658
Benefits and taxes	<u>205,660</u>	<u>57,209</u>	<u>54,484</u>	<u>317,353</u>
Total personnel expenses	1,203,433	334,760	318,818	1,857,011
<u>Other expenses</u>				
Advertising and promotion	21,764	481	8,932	31,177
Contract services	345,765	55,511	39,998	441,274
Depreciation	30,278	67,442	0	97,720
Information technology	23,849	41,917	52	65,818
Insurance	45,907	24,378	802	71,087
Lodging and travel	2,055,873	43,370	77,661	2,176,904
Occupancy	19,233	136,784	0	156,017
Office expense	205,465	40,350	67,244	313,059
Scholarships	<u>373,093</u>	<u>0</u>	<u>0</u>	<u>373,093</u>
Total	<u>\$ 4,324,660</u>	<u>\$ 744,993</u>	<u>\$ 513,507</u>	<u>\$ 5,583,160</u>
 <u>For the Year Ended June 30, 2019:</u>				
<u>Personnel expenses</u>				
Salaries	\$ 1,177,099	\$ 252,917	\$ 353,672	\$ 1,783,688
Benefits and taxes	<u>176,068</u>	<u>110,887</u>	<u>69,198</u>	<u>356,153</u>
Total personnel expenses	1,353,167	363,804	422,870	2,139,841
<u>Other expenses</u>				
Advertising and promotion	196,760	1,342	44,753	242,855
Contract services	314,956	51,670	84,791	451,417
Depreciation	28,133	61,435	0	89,568
Information technology	35,561	43,134	281	78,976
Insurance	44,515	24,570	756	69,841
Lodging and travel	2,648,232	46,496	140,243	2,834,971
Occupancy	19,456	123,665	0	143,121
Office expense	262,939	27,400	70,499	360,838
Scholarships	<u>543,100</u>	<u>0</u>	<u>0</u>	<u>543,100</u>
Total	<u>\$ 5,446,819</u>	<u>\$ 743,516</u>	<u>\$ 764,193</u>	<u>\$ 6,954,528</u>

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

UP WITH PEOPLE, INC.
STATEMENTS OF CASH FLOWS

<u>For the Years Ended June 30,</u>	<u>2020</u>	<u>2019</u>
Cash flows from operating activities		
Received from contributions	\$ 2,026,765	\$ 1,040,319
Tuition received	1,176,838	2,337,200
Sponsorship	252,338	506,616
Paid to suppliers, employees and others	(3,696,529)	(4,452,437)
Interest received	<u>31,070</u>	<u>31,362</u>
Net cash used in operating activities	<u>(209,518)</u>	<u>(536,940)</u>
Cash flows from investing activities		
Sale of investments	603,278	1,665,065
Purchase of investments	(586,990)	(1,425,642)
Sale of land	0	159,054
Purchase of capital assets	<u>(44,422)</u>	<u>(122,669)</u>
Net cash provided by (used in) investing activities	<u>(28,134)</u>	<u>275,808</u>
Cash flows from financing activities		
Proceeds from long-term debt	409,500	0
Contributions restricted for endowment	<u>6,657</u>	<u>4,085</u>
Net cash provided by financing activities	<u>416,157</u>	<u>4,085</u>
Net change in cash and cash equivalents	178,505	(257,047)
Cash and cash equivalents at beginning of year	<u>346,193</u>	<u>603,240</u>
Cash and cash equivalents at end of year	<u>\$ 524,698</u>	<u>\$ 346,193</u>

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

UP WITH PEOPLE, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Up With People, Inc., (Organization, us, we, our), a non-profit corporation, was incorporated in the State of California on July 23, 1968. Up With People, Inc. is an independent educational organization that is dedicated to developing and connecting young people from around the world through multicultural and international educational programs. Beginning in the summer of 2012, young people can now receive college credit through Florida Southern College.

Cash and Cash Equivalents

We consider all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Accounts and Tuition Receivables

Accounts and tuition receivables are stated at unpaid balance, less an allowance for doubtful accounts. We provide for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of students and sponsors to meet their obligations.

Property and Equipment

We record property and equipment additions over \$1,000 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 7 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Investments

We record investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

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

Net Assets With Donor Restrictions – We report contributions restricted by donors as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

UP WITH PEOPLE, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Deferred Revenue

Tuition deposits and prepayments are deferred and recognized as revenue in the applicable future period when the revenue is earned and the related expenses are incurred.

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to our 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 generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. We record donated professional services at the respective fair values of the services received.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

We are exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code (IRC) and comparable state law, and contributions to it are tax deductible within the limitations prescribed by the Code. We have been classified as a publicly supported organization which is not a private foundation under Section 509(a) of the Code. Income generated from activities unrelated to our exempt purpose is subject to tax under IRC Section 511. Our ending open audit periods are June 30, 2017 through 2020. We did not have any material unrelated business income tax liability or significant uncertain tax positions for the years ended June 30, 2020 and 2019.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires us 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 those estimates, and those differences could be material.

Payroll Protection Program (PPP)

We are accounting for the PPP loan using FASB ASC 470. Under this model income will be recognized only when the Small Business Administration (SBA) has forgiven the debt.

UP WITH PEOPLE, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments and Credit Risk

We manage deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, we have not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates. Although the fair values of investments are subject to fluctuation on a year-to-year basis, we and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the organization.

Advertising Expense

Advertising costs are expensed as incurred. Advertising expense totaled \$27,632 and \$33,105 for the years ended June 30, 2020 and 2019, respectively.

Subsequent Events

Our financial statements were available to be issued on October 30, 2020, and this is the date through which subsequent events were evaluated.

In March 2020, the World Health Organization declared the outbreak of novel coronavirus disease Covid-19, as a pandemic. We have adjusted certain aspects of our operations to protect our employees and members. We continue to monitor the situation closely and it is possible that we will implement further measures. In light of the uncertainty as to the severity and duration of the pandemic, the impact on our revenues, profitability and financial position is uncertain at this time.

NOTE 2 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 524,698	\$ 346,193
Tuition receivable	434,631	342,888
Sponsorship receivable	69,509	118,979
Promises to give	<u>0</u>	<u>97,049</u>
	<u>\$ 1,028,838</u>	<u>\$ 905,109</u>

Our endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes. Donor-restricted endowment funds are not available for general expenditure.

UP WITH PEOPLE, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 – PROMISES TO GIVE

Unconditional promises to give are estimated to be collected as follows as of June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Within one year	\$ 0	\$ 0
In one to five years	200,000	100,000
Over five years	<u>400,000</u>	<u>500,000</u>
	600,000	600,000
Less discount to net present value	<u>(37,857)</u>	<u>(59,275)</u>
	<u>\$ 562,143</u>	<u>\$ 540,725</u>

As of June 30, 2020 and 2019, one donor accounted for the promises to give. The promises to give were reported as contributions without donor restrictions.

NOTE 4 – INVESTMENTS

	<u>2020</u>	<u>2019</u>
Investments consist of the following:		
Money markets	\$ 214,548	\$ 24,401
Fixed income securities	312,616	540,249
Equities	958,460	913,702
Non-traditional	<u>197,703</u>	<u>81,513</u>
Total investments	<u>\$ 1,683,327</u>	<u>\$ 1,559,865</u>
Investment returns consist of the following:		
Dividends and interest	\$ 31,070	\$ 31,362
Net realized and unrealized return on investments	<u>139,750</u>	<u>49,551</u>
	<u>\$ 170,820</u>	<u>\$ 80,913</u>

In accordance with FASB ASC 820, *Fair Value Measurements and Disclosure*, all of our investments are valued using Level 1, Quoted Prices in Active Markets for identical Assets inputs. Level 1 is unadjusted quoted prices in active markets for identical assets or liabilities, such as publicly traded equity securities. We review our holdings on a regular basis to determine if any investment has experience an other-than-temporary decline in fair value.

UP WITH PEOPLE, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 – PROPERTY AND EQUIPMENT

Our property and equipment are comprised of the following at June 30:

	2020	2019
Office equipment	\$ 149,083	\$ 149,083
Furniture	117,280	112,828
Computer equipment	269,914	247,281
Vehicles	124,068	124,068
Stage equipment	582,166	569,850
	1,242,511	1,203,110
Less accumulated depreciation	(1,153,035)	(1,073,296)
	\$ 89,476	\$ 129,814

NOTE 6 - NOTES PAYABLE

	2020	2019
SBA loan under the PPP program in the amount of \$309,500. Mortgage loan dated April 2020. The interest rate is fixed at 1%. The loan is payable in monthly installments starting in November of 2020, with the note maturing in April 2022. Unsecured. Management expects this note to be forgiven under the CARES Act of 2020.	\$ 309,500	\$ 0
Bank line of credit with an available balance of \$100,000. The current interest rate is 10.5%. The loan was paid off in September 2020	100,000	0
	\$ 409,500	\$ 0

NOTE 7 – COMMITMENTS

We have a purchase card agreement with a bank which has a credit limit of \$250,000. There is no stated interest rate. Any outstanding balance is due monthly.

NOTE 8 – NON-CASH CONTRIBUTIONS

Non-cash contributions consist of the following goods, services and facilities:

	2020	2019
Lodging	\$ 1,003,586	\$ 1,579,150
Other	253,960	301,626
	\$ 1,257,546	\$ 1,880,776

UP WITH PEOPLE, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 9 – LEASE COMMITMENTS

We lease office space, a vehicle, and office equipment under long-term operating leases, which expire through September 2025. Operating lease expense totaled \$152,515 and \$138,574 for the years ended June 30, 2020 and 2019.

The following is a schedule of future minimum lease payments required under the agreements for the years ending June 30:

2021	\$	65,863
2022		14,383
2023		2,585
2024		2,249
2025		613

NOTE 10 – NET ASSETS WITH DONOR RESTRICTIONS

The donor restricted net assets represent the net proceeds of donations which have been restricted by donors to be used for either specific purposes or subject to certain time restrictions.

Our endowment policy allows us to spend, on an annual basis, 4% of the general operations balance shown below, and on a cumulative basis for the specified general operating purpose. In the year ended June 30, 2019, our Board of Directors approved a temporary appropriation of \$200,000 from accumulated earnings over and above the annual 4%, which is to be repaid from future excess revenues from general operations.

Net assets with donor restrictions are restricted for the following purposes:

	<u>2020</u>	<u>2019</u>
Subject to expenditure for specified purpose:		
Scholarships	\$ 352,693	\$ 326,669
Endowments:		
Subject to appropriation and expenditure when a specified event occurs:		
General operations	126,605	131,880
Accumulated gains	203,002	80,111
Subject to our endowment policy and appropriation:		
Scholarships	1,158,849	1,152,192
Legacy Collection	100	100
Sustaining Programs	26,600	26,600
	<u>1,515,156</u>	<u>1,390,883</u>
	<u>\$ 1,867,849</u>	<u>\$ 1,717,552</u>

UP WITH PEOPLE, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 10 – NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose as follows:

	<u>2020</u>	<u>2019</u>
General operations	\$ 5,275	\$ 5,495
Scholarships	<u>360,550</u>	<u>247,576</u>
	<u>\$ 365,825</u>	<u>\$ 253,071</u>

NOTE 11 – ENDOWMENTS

Our endowments consist of donor-restricted endowments established by donors to provide annual funding for specific activities and general operations. The endowment also includes certain net assets without donor restrictions that have been designated for endowment by the Board of Directors.

Our Board of Directors has interpreted the California Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the original value of the gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, we retain in perpetuity (a) the original value of initial and subsequent gifts amounts donated to the endowment and (b) any accumulations to the endowment in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA. We consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund.
2. The purpose of the Organization and the donor-restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Organization.
7. The investment policies of the Organization.

Our spending policy is designed for positive growth in the market value of its endowment, net of distributions, over an extended period of time. In establishing this policy, the Board considered the long term expected return of the endowment investment funds and the goal of maintaining the purchasing power of the endowment assets. Over the long term, the current spending policy is designed to return a net positive growth in overall market value after spendable transfers. The spending policy allows for an annual rate of spendable transfers of 4% of the value of the endowment's principal fund, calculated annually as of March 31st.

UP WITH PEOPLE, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 11 – ENDOWMENTS (CONTINUED)

Changes in endowment net assets for the years ended June 30, 2020 and 2019, are as follows:

	<u>Board Designated</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets as of June 30, 2018	\$ 150,124	\$ 137,375	\$ 1,462,238	\$ 1,749,737
Contributions and other gains	0	198,722	4,085	202,807
Investment income	0	23,473	57,440	80,913
Net appropriations for expenditure	<u>(150,124)</u>	<u>(268,184)</u>	<u>(55,284)</u>	<u>(473,592)</u>
Endowment net assets as of June 30, 2019	0	91,386	1,468,479	1,559,865
Contributions and other gains	0	0	6,657	6,657
Investment income	0	3,113	125,987	129,100
Net appropriations for expenditure	<u>6,940</u>	<u>32,106</u>	<u>(51,341)</u>	<u>(12,295)</u>
Endowment net assets as of June 30, 2020	<u>\$ 6,940</u>	<u>\$ 126,605</u>	<u>\$ 1,549,782</u>	<u>\$ 1,683,327</u>

NOTE 12 – CONCENTRATIONS

For the years ended June 30, 2020 and 2019, 20% and 26% of contributions were received from the two largest donors. We monitor our cash flow so that we do not rely on these large donations to perform our exempt purpose.

NOTE 13 – TAX SHELTERED ANNUITY PLAN

We have a tax-sheltered annuity plan under Internal Revenue Code Section 401(k), 403(b) and 457(b). During June 30, 2020 and 2019, the Board of Directors elected not to fund the discretionary contribution but did elect to fund the matching contributions for June 30, 2020 and 2019 in the amounts of \$31,996 and \$50,948, respectively.

NOTE 14 – FOREIGN OPERATIONS

The Organization maintains a controlling interest in bank accounts in Europe, Canada and Mexico. Total cash held in these accounts as of June 30, 2020 and 2019, was \$162,631 and \$138,375, respectively.