IGNATIAN LAY VOLUNTEER CORPORATION

AUDITED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

IGNATIAN LAY VOLUNTEER CORPORATION

CONTENTS

Independent Auditors' Report

Board of Directors
Ignatian Lay Volunteer Corporation
Baltimore, Maryland

Opinion

We have audited the accompanying financial statements of the Ignatian Lay Volunteer Corporation (a nonprofit organization), which comprise the statements of financial position as of September 30, 2021 and 2020, and the related statements of activities and changes in net assets, 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 Ignatian Lay Volunteer Corporation as of September 30, 2021 and 2020, 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 Ignatian Lay Volunteer Corporation and to meet our 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.

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 Ignatian Lay Volunteer Corporation'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 risk 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 Ignatian Lay Volunteer Corporation'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 Ignatian Lay Volunteer Corporation'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.

Wojcik, Cronin + Sorra, LLC

Hunt Valley, Maryland
February 4, 2022

IGNATIAN LAY VOLUNTEER CORPORATION

Statements of Financial Position
September 30, 2021 and 2020

ASSETS

	2021	2020
CURRENT ASSETS		
Cash	$ 455,846	$ 268,071
Accounts receivable - current	246,884	337,646
Pledges receivable - current, net of allowance	147,118	284,695
Prepaid expenses	37,653	15,164
TOTAL CURRENT ASSETS	887,501	905,576
PROPERTY AND EQUIPMENT		
Computer equipment	21,196	21,196
Website development costs	24,800	24,800
	45,996	45,996
Less: accumulated depreciation	(38,932)	(31,867)
TOTAL PROPERTY AND EQUIPMENT	7,064	14,129
OTHER ASSETS		
Trademark	3,612	3,612
Pledges receivable, net	51,891	82,191
TOTAL OTHER ASSETS	55,503	85,803
TOTAL ASSETS	$ 950,068	$ 1,005,508

LIABILITIES AND NET ASSETS

	2021	2020
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 100,868	$ 69,800
Current portion of loans payable	659	37,966
Current portion of lease payable	7,236	6,990
Deferred revenue	504,766	547,047
Benefactor loans payable	- 0 -	37,000
TOTAL CURRENT LIABILITIES	613,529	698,803
LONG TERM LIABILITIES		
Lease payable	1,855	9,104
Loans payable	149,341	160,120
TOTAL LONG TERM LIABILITIES	151,196	169,224
TOTAL LIABILITIES	764,725	868,027
NET ASSETS		
Without donor restrictions	135,343	137,481
Without donor restrictions - board designated	50,000	- 0 -
TOTAL NET ASSETS	185,343	137,481
TOTAL LIABILITIES AND NET ASSETS	$ 950,068	$ 1,005,508

See accompanying notes to financial statements

IGNATIAN LAY VOLUNTEER CORPORATION

Statements of Activities and Changes in Net Assets
For the Years Ended September 30, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
PARTNERSHIP FEES	$ 634,119	$ - 0 -	$ 634,119	$ 749,158	$ - 0 -	$ 749,158
FUNDRAISING						
Contributions and Jesuit support	305,055	- 0 -	305,055	314,882	- 0 -	314,882
Foundations	192,995	- 0 -	192,995	160,073	- 0 -	160,073
Events, net	234,596	- 0 -	234,596	108,458	- 0 -	108,458
Ignite! Campaign	443,760	- 0 -	443,760	407,500	- 0 -	407,500
Rental income	1,250	- 0 -	1,250	- 0 -	- 0 -	- 0 -
Released from restrictions	- 0 -	- 0 -	- 0 -	50,000	(50,000)	- 0 -
TOTAL FUNDRAISING	1,177,656	- 0 -	1,177,656	1,040,913	(50,000)	990,913
TOTAL SUPPORT AND REVENUE	1,811,775	- 0 -	1,811,775	1,790,071	(50,000)	1,740,071
EXPENSES:						
Program services	1,376,077	- 0 -	1,376,077	1,297,250	- 0 -	1,297,250
Management and general	431,639	- 0 -	431,639	467,486	- 0 -	467,486
Fundraising	193,597	- 0 -	193,597	180,383	- 0 -	180,383
TOTAL EXPENSES	2,001,313	- 0 -	2,001,313	1,945,119	- 0 -	1,945,119
NET INCOME (LOSS) FROM OPERATIONS	(189,538)	- 0 -	(189,538)	(155,048)	(50,000)	(205,048)
OTHER INCOME:						
Forgivable PPP loan proceeds	237,400	- 0 -	237,400	217,400	- 0 -	217,400
EIDL emergency grant forgiveness	- 0 -	- 0 -	- 0 -	10,000	- 0 -	10,000
TOTAL OTHER INCOME	237,400	- 0 -	237,400	227,400	- 0 -	227,400
CHANGE IN NET ASSETS	47,862	- 0 -	47,862	72,352	(50,000)	22,352
NET ASSETS AT BEGINNING OF YEAR	137,481	- 0 -	137,481	65,129	50,000	115,129
NET ASSETS AT END OF YEAR	$ 185,343	$ - 0 -	$ 185,343	$ 137,481	$ - 0 -	$ 137,481

See accompanying notes to financial statements

IGNATIAN LAY VOLUNTEER CORPORATION

Statements of Functional Expenses
For the Years Ended September 30, 2021 and 2020

	2021				2020			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries	$ 991,776	$ 188,753	$ 111,119	$ 1,291,648	$ 958,125	$ 179,284	$ 111,449	$ 1,248,858
Employee benefits and taxes	106,621	38,220	18,220	163,061	115,357	37,322	18,520	171,199
	1,098,397	226,973	129,339	1,454,709	1,073,482	216,606	129,969	1,420,057
Meetings & retreats	24,586	5,006	- 0 -	29,592	50,911	34,389	- 0 -	85,300
Occupancy expenses	2,000	9,600	2,400	14,000	5,000	9,600	2,400	17,000
Office supplies, books & equipment	89,886	13,943	- 0 -	103,829	12,440	56,882	- 0 -	69,322
Printing and promotion	10,808	12,215	3,053	26,076	17,220	13,604	3,401	34,225
Travel & transportation	3,152	3,646	3,646	10,444	11,708	5,223	5,222	22,153
Depreciation and amortization	4,946	2,119	- 0 -	7,065	5,652	2,422	- 0 -	8,074
Telephone & internet	4,659	3,478	870	9,007	5,914	2,822	705	9,441
Professional fees	128,422	108,422	53,046	289,890	103,932	91,832	37,014	232,778
Postage & shipping	2,905	1,243	1,243	5,391	4,690	1,672	1,672	8,034
Bad debts	- 0 -	23,900	- 0 -	23,900	- 0 -	4,150	- 0 -	4,150
Miscellaneous	1,329	2,446	- 0 -	3,775	2,739	3,418	- 0 -	6,157
Insurance	- 0 -	16,510	- 0 -	16,510	- 0 -	23,339	- 0 -	23,339
Interest expense	4,987	2,138	- 0 -	7,125	3,562	1,527	- 0 -	5,089
	$ 1,376,077	$ 431,639	$ 193,597	$ 2,001,313	$ 1,297,250	$ 467,486	$ 180,383	$ 1,945,119

IGNATIAN LAY VOLUNTEER CORPORATION

Statements of Cash Flows
For the Years Ended September 30, 2021 and 2020

	2021	2020
CASH FLOW FROM OPERATING ACTIVITIES:		
Change in net assets	$ 47,862	$ 22,352
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization expense	7,065	8,074
(Increase) decrease in accounts receivable	90,762	56,192
(Increase) decrease in pledges receivable, net	167,877	105,940
(Increase) decrease in prepaid expenses	(22,489)	1,247
Increase in accounts payable and accrued expenses	31,068	12,763
Increase (decrease) in deferred revenue	(42,281)	(79,317)
Net cash provided by (used in) operating activities	279,864	127,251
CASH FLOW FROM FINANCING ACTIVITIES:		
Principal payments on benefactor loans	(37,000)	(19,000)
Principal payments on capital lease	(7,003)	(5,890)
Payments on line of credit	(5,000)	(175,000)
Proceeds from line of credit	5,000	150,000
Proceeds from EIDL loan	- 0 -	150,000
Proceeds from EIDL emergency grant	- 0 -	10,000
Principal payments on term loan	(48,086)	(33,140)
Net cash provided by (used in) in financing activities	(92,089)	76,970
NET INCREASE IN CASH	187,775	204,221
CASH AT BEGINNING OF YEAR	268,071	63,850
CASH AT END OF YEAR	$ 455,846	$ 268,071

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

	2021	2020
Interest paid	$ 7,125	$ 5,089

SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING TRANSACTIONS:

	2021	2020
Equipment acquisitions financed through capital lease obligations	$ - 0 -	$ 21,196

1. Summary of Significant Accounting Policies

Organization and Nature of Activities - Ignatian Lay Volunteer Corporation (d/b/a Ignatian Volunteer Corps) (the Organization) is a religious nonprofit Maryland corporation whose purpose is to provide men and women age 50 and over the opportunity to serve the needs of people who are poor, to work for a more just society, and to grow deeper in Christian faith by reflecting and praying in the Ignatian tradition. The Organization was founded by Jesuits of the Maryland Province in response to General Congregation 34 of the Society of Jesus. The Organization is independent and lay led, and firmly committed to maintaining its Ignatian character and its strong ties to the Society of Jesus.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and certain reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Basis of Accounting - The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect receivables, payables, and other assets and liabilities. As such, revenues are recognized when earned and expenditures when incurred.

Financial Statement Presentation - The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions represent the portion of net assets that is not subject to donor-imposed restrictions. Such net assets are available for use at the discretion of management and/or the Board of Directors for general operating purposes. The Board of Directors may designate a portion of these net assets for specific purposes, which makes them unavailable for use at management's discretion.

Net assets without donor restrictions – board designated represent $50,000 which has been designated for creation of a San Francisco region.

Net assets with donor restrictions represent the portion of net assets that is subject to donor-imposed restrictions. Such restrictions may specify a purpose for which, or time in which, resources can be used. Some net assets with donor restrictions include stipulations that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board-approved spending policy.

1. Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses - Expenses are presented by both function and natural classification in the statements of functional expenses. Expenses that are directly identifiable with a particular function are charged to the program or supporting service benefited. Other expenses may benefit more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Expenses that are allocated include compensation and benefits, which are allocated on the basis of estimates of time and effort, as well as depreciation and occupancy, which are allocated on a square footage basis.

Accounts Receivable - Accounts receivable consists of uncollected partnership fees which are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides an allowance for accounts receivable, as needed, for amounts deemed uncollectible. The allowance is based on experience and other circumstances which may affect a Partner's ability to meet its obligation. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. No allowance for uncollectible accounts is provided for the accounts receivable for the years ended September 30, 2021 and 2020 because management does not deem it necessary based on historical collection experience.

Pledges Receivable - Unconditional promises to give, net of a discount if the pledge is due in one year or more, are recorded as contributions revenue and receivables in the year made. The Organization provides an allowance for doubtful accounts, as needed, for amounts deemed uncollectible. The allowance is based on historical experience and management's analysis of specific pledges receivable. It is the Organization's policy to charge off uncollectible pledges when management determines the pledge will not be collected. Management has established an allowance of $15,000 and $10,000 for the years ended September 30, 2021 and 2020.

Property and Equipment - Property and equipment are recorded at cost, if purchased, or at fair value at the date of the gift, if donated. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. 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. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

It is the Organization's policy to capitalize additions in excess of $1,000. The cost of maintenance and repairs is charged to current operations as incurred, whereas significant renewals and betterments are capitalized. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in the statements of activities and changes in net assets for the period. Included in property and equipment is the cost to develop the Organization's website. Depreciation and amortization is provided by the straight-line method over estimated lives of 3 to 5 years.

1. Summary of Significant Accounting Policies (continued)

Revenue Recognition - Contributions and grants are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. These amounts are recorded at fair value at the date of the contribution. All contributions are considered available for the Organization's general programs unless specifically restricted by donors. Amounts received that are restricted for future periods or specific purposes by donors are reported as restricted support and increase net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities and changes in net assets as net assets released from restrictions.

Grants are awarded by various foundations to provide funding for services to the general public. These grants are considered conditional promises to give. Revenue is recognized as conditions are met. Funds received in advance are recorded as refundable advances. Total conditional grants received for the year ended September 30, 2021 were $155,000.

Contributions and grants received with donor-imposed restrictions that are met within the same reporting period are presented as support without donor restrictions and increase net assets without donor restrictions.

Contributions that are expected to be collected in future years are recorded at the present value of estimated future cash flows. Amortization of the discount is included in contribution revenue.

The Organization recognizes revenues from partnership fees (a fixed-price contract) for placement of service corps members. Services provided to the agency include assistance in job/position description development, recruitment and service assignment placement and support, as well as the structured ongoing spiritual support and reflection program for each service corps member during their period of service, which is a major element of the service. Partnership fees are paid by the agency. Revenues derived from partnership fees are considered to be available for unrestricted use and are recognized upon delivery of the specified service period (September – June). The Organization requires payment of the partnership fees at or just before the beginning of the period of service. Accounts receivable (contract assets) are amounts that have been billed and not collected. Deferred revenue (contract liabilities) as of September 30, 2021 and 2020 represents partnership fees billed during 2021 and 2020 for which service will be completed during the next fiscal year. The contract liabilities are satisfied when revenue is recognized.

1. Summary of Significant Accounting Policies (continued)

The Organization benefits from several different revenue streams. The disaggregation of revenue for the years ended September 30, 2021 and 2020 is included in the chart below:

Revenue Type	Timing of Revenue Recognition	2021	2020
Partnership fees	Service period	$ 634,119	$ 749,158
Contributions and Jesuit support	Upon receipt	305,055	314,882
Foundations	Upon receipt	192,995	160,073
Events, net	Date of event	234,596	108,458
Ignite! Campaign	Upon unconditional promise	443,760	407,500
Rental Income	Service period	1,250	- 0 -
Other Income	Point in time	237,400	227,400
		$ 2,049,175	$ 1,967,471

Donated Services, Materials and Facilities – The Organization receives a significant amount of donated services from unpaid volunteers who assist in the Organization's operations. Donated professional services are recognized if the services (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. No amounts have been recognized in the statements of activities and changes in net assets as contributions because the criteria for recognition have not been satisfied.

Space for some regional offices throughout the United States is provided without cost. The value of the donated facilities has not been determined, as there is no quantifiable method to determine the value of these facilities, and therefore is not reported in these financial statements.

Tax Status - The Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) as an organization, other than a private foundation, under a group ruling for all organizations connected with the Roman Catholic Church in the United States of America. Accordingly, no provision for income taxes is included in these financial statements. Ignatian Lay Volunteer Corporation is no longer subject to U.S. federal or state income tax examinations by tax authorities for fiscal years before September 30, 2018.

Advertising Costs – The Organization expenses advertising costs as they are incurred. Advertising expense, reported as part of printing and promotion expense on the statements of functional expenses, was $7,728 and $11,190 for the years ended September 30, 2021 and 2020.

Reclassifications – Certain items in the prior period financial statements have been reclassified for comparative purposes to conform to the current period presentation.

2. Pledges Receivable

Unconditional promises to give to the Ignite! Campaign are recorded in the financial statements as pledges receivable and revenue when the unconditional promise is received. The Ignite! Campaign overall (from its commencement) seeks to provide $3 million dollars in additional funding to expand operational capacity. As such, all pledges are recorded without donor restrictions. Pledges are recorded after being discounted to the anticipated net present value of future cash flows.

The pledges are expected to be realized as follows:

	2021	2020
Collectible in 1 year or less	$ 162,118	$ 294,695
Collectible in 1 - 5 years	52,950	90,275
	215,068	384,970
Less: allowance for uncollectible pledges	(15,000)	(10,000)
Less: 2% discount to net present value	(1,059)	(8,084)
	$ 199,009	$ 366,886

3. Benefactor Loan Payable

On July 27, 2017, Ignatian Lay Volunteer Corporation entered into an interest free note payable for $65,000 with a benefactor who is a current Board Member of Ignatian Lay Volunteer Corporation and was also a Board Member when the loan was initiated. The note is unsecured. The note was to mature on September 30, 2018, however the terms of this loan were changed to "due on demand" subsequent to the initial maturity date, and was paid in full during 2021. The benefactor has agreed to subordinate this loan to the existing line of credit (Note 4) and bank loan payable (Note 5). Although required by generally accepted accounting principles on non-interest bearing loans, interest has not been imputed on this loan as management believes it is immaterial to the financial statements. Total balance due as of September 30, 2021 and 2020 was $ -0- and $37,000, respectively.

4. Line of Credit

In March 2020, the Organization obtained a $250,000 line of credit with Orrstown Bank. The current line of credit calls for interest at a variable rate, currently at 4.5%. As of September 30, 2021, the line had no balance.

5. Loans Payable

In October 2018 the Organization entered into an agreement with Hamilton Bank (which was subsequently acquired by Orrstown Bank) for a 36 month term loan for $100,000. The loan is secured by the assets of the Organization. Monthly payments of $3,029 consisting of principal and interest at 5.63% began on December 1, 2018, and was paid in full in September 2021. Total balance outstanding as of September 30, 2021 and 2020 was $-0- and $38,086, respectively.

In May 2020, the Organization entered into an agreement with the Small Business Administration (SBA) for a 30 year term loan for $150,000, also referred to as the Economic Injury and Disaster Loans (EIDL). This loan is secured by the assets of the Organization. Monthly payments of $641 consisting of principal and interest at 2.75% began June 2021. Each payment will be applied first to interest accrued to the date of receipt of each payment, and the balance, if any, will be applied to principal. The balance of principal and interest will be payable May 2050. Total balance outstanding was $150,000 as of September 30, 2021 and 2020. Unpaid accrued interest was $2,883 as of September 30, 2021, and was reported as part of accounts payable and accrued expenses.

In April 2020, the Organization applied for and received a $10,000 EIDL emergency grant under the Paycheck Protection Program (PPP). The original agreement required repayment of the $10,000 EIDL grant over a 24 month period. However, in December 2020, Congress passed, and President signed, the Consolidated Appropriates Act which required the SBA to forgive the emergency grant. Accordingly, forgiveness of the EIDL was recognized as other income during the year ended September 30, 2021.

Maturities of long term debts are as follows:

Years ending September 30,	2022	$ 659
	2023	3,631
	2024	3,732
	2025	3,836
	2026	3,943
	Thereafter	134,199
		$ 150,000

6. Deferred Revenue

Deferred revenue as of September 30, 2021 and 2020 consisted of partnership fees billed during the current year that are for services to be performed in the subsequent fiscal year. Deferred revenue as of September 30, 2021 and 2020 totaled $504,766 and $547,047, respectively.

7. Fundraising Events

Fundraising events are recorded net of their related expenses. For the year ended September 30, 2021, gross receipts for events were $269,021 and related expenses for the year were $34,425. For the year ended September 30, 2020, gross receipts for events were $173,146 and related expenses for the year were $64,688.

8. Net Assets with Donor Restrictions

There were no net assets with donor restrictions as of September 30, 2021 and 2020.

The Organization satisfied the following purpose restrictions related to its net assets with donor restrictions during the years ended September 30, 2021 and 2020 as follows:

	2021	2020
To support Scranton, PA region	$ - 0 -	$ 50,000
Total net assets released from restrictions	$ - 0 -	$ 50,000

9. Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of September 30, 2021 and 2020, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date:

	2021	2020
Financial assets at year end	$ 849,848	$ 890,412
Less those unavailable for general expenditures within one year, due to:		
Restricted by donors with purpose or time restrictions	- 0 -	- 0 -
Financial assets available to meet cash needs for general expenditures within one year	$ 849,848	$ 890,412

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help management meet unanticipated liquidity needs, the Organization has a committed line of credit of $250,000, which it could draw upon in 2022.

10. Occupancy Expense

On January 1, 2017, the Organization entered into a lease agreement for space for its National headquarters and Baltimore regional office location through December 31, 2018. The lease calls for payments of $860 a month through June 30, 2017, then payments of $1,000 through December 31, 2018. The national headquarters/Baltimore regional office have continued to occupy the space on a month-to-month basis since December 31, 2018.

In July 2021, the Organization entered into a memorandum of understanding with the Sisters of Notre Dame de Namur Base Communities to share space in the aforementioned regional office location at a rate of $500 a month. Rental income received for the year ended September 30, 2021 was $1,250 and is included in other income.

The Organization leases office space for its Northern Virginia regional office under a lease which began August 2019 which was to expire July 31, 2020 for monthly rent of $500. The Organization and the lessor agreed to abate rent as a result of the pandemic from January through June 2021. The Northern Virginia regional office has continued to occupy the space on a month-to-month basis since July 31, 2020.

Total amounts charged to rent expense for the years ended September 30, 2021 and 2020 was $14,000 and $17,000, respectively.

11. Service Agreement and Equipment Lease

The Organization entered into a 36-month managed IT service agreement effective November 22, 2016 with monthly service fees of $3,262. Of those fees, $2,450 a month is attributable to the services provided. Also, included in this agreement is computer equipment treated as a capital lease arrangement. Monthly cost of equipment is $812.

In December 2019 the Organization entered into a new 36-month managed IT service agreement effective December 2019, with monthly service fees of $3,379. Of those fees, $2,759 a month is attributable to the services provided. Also included in this agreement is computer equipment treated as a capital lease arrangement. Monthly cost of the equipment is $620.

For the years ended September 30, 2021 and 2020, costs associated with these agreements were $51,977 and $33,668 and reported as part of office supplies, books and equipment on the statements of functional expenses.

11. Service Agreement and Equipment Lease (continued)

Future minimum payments under the terms of the lease are as follows:

		IT Services	Equipment Lease
Years ending September 30,	2022	$ 33,108	$ 7,436
	2023	8,277	1,859
Total Payments		$ 41,385	9,295
Less: interest			(204)
Total Principal Payments			$ 9,091
Current portion of principal			$ 7,236

The cost of equipment capitalized under the 2019 lease was $21,196 for the years ended September 30, 2021 and 2020. September 30, 2021 and 2020, depreciation expense was $7,063 and $7,067, respectively; and accumulated depreciation was $14,130 and $7,067, respectively.

12. Retirement Plan

The Organization provides the opportunity for employees to participate in a 403(b) thrift pension plan. It does not match employee contributions.

13. Related Party Transactions

As reported in Note 3, one of the current Board Members of Ignatian Lay Volunteer Corporation entered into a note payable with the Organization. Total amount of the unpaid principal balance of the Note as of September 30, 2021 and 2020 was $ - 0 – and $37,000, respectively.

14. Concentrations of Credit Risk

In the ordinary course of business, Organization's cash balances may exceed FDIC insurance limits. The Organization continually reviews credit concentrations as part of its asset and liability management.

15. Contingency

In March 2020, significant mitigation efforts began taking effect in the United States in an attempt to curtail the spread of the coronavirus (COVID-19) pandemic. Such efforts have included travel restrictions, business disruptions, and event cancelations. Capital markets have seen significant volatility in the wake of the pandemic and significant economic disruptions have occurred across the Country. In response, the Organization has altered its operation and interactions with program participants and donors. Management cannot reasonably estimate the related financial impact and duration of the situation at this time. However, management believes it has sufficient cash reserves to sustain operations in the event of continued disruption. Management intends to monitor the situation on an ongoing basis and to continue efforts to reduce its impact on the Organization's operation and financial resources.

16. Subsequent Events

In December 2021, the Organization applied for, and received approval from the SBA, for an additional loan of $250,000 under the EIDL program. Terms for this additional funding remain the same as the original loan as discussed in Note 5.

In preparing these financial statements, the Organization has evaluated subsequent events through February 4, 2022, the date which the financial statements were available to be issued.