

IMPACT AUSTIN FOUNDATION
(A Nonprofit Corporation)

INDEPENDENT AUDITORS' REPORT
AND
FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

IMPACT AUSTIN FOUNDATION
(A Nonprofit Corporation)

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Impact Austin Foundation
Austin, Texas

We have audited the accompanying financial statements of Impact Austin Foundation, (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statement 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.

Auditors' 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 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 auditors' 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 Impact Austin Foundation as of June 30, 2020, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

The financial statements of Impact Austin Foundation for the year ended June 30, 2019, were audited by another auditor who expressed an unmodified opinion on those financial statements in their report dated February 1, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Allman & Associates, Inc.

Austin, Texas
December 7, 2020

IMPACT AUSTIN FOUNDATION
(A Nonprofit Corporation)

STATEMENTS OF FINANCIAL POSITION

June 30, 2020 and 2019

	2020	2019
Assets		
Current Assets:		
Cash and cash equivalents	\$ 485,789	\$ 1,080,977
Contributions and pledges receivable, net	88,621	92,475
Total Current Assets	574,410	1,173,452
Long-term pledges receivable, net	-	13,750
Beneficial interest in assets held by ACF	6,185	6,307
Total Assets	\$ 580,595	1,193,509
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ 11,595	\$ 7,880
Grants payable, current portion	40,000	476,050
Note payable, current portion	4,012	-
Total Current Liabilities	55,607	483,930
Long-term grants payable, net of current portion	-	98,250
Note payable, net of current portion	21,288	-
Total Liabilities	76,895	582,180
Net Assets:		
Without donor restrictions	351,118	228,085
With donor restrictions	152,582	383,244
Total Net Assets	503,700	611,329
Total Liabilities and Net Assets	\$ 580,595	1,193,509

See accompanying auditors' report and notes to the financial statements.

IMPACT AUSTIN FOUNDATION
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STATEMENT OF ACTIVITIES

Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support			
Contributions	\$ 254,962	\$ 452,565	\$ 707,527
Contributed goods and services	11,375	-	11,375
Investment income	5,080	-	5,080
Change in beneficial interest	-	(122)	(122)
	271,417	452,443	723,860
Net Assets Released from Restrictions	683,105	(683,105)	-
Total Revenues and Other Support	954,522	(230,662)	723,860
 Expenses			
Program Services:			
High Impact Grants from Women	662,255	-	662,255
Girls Giving Grants	10,812	-	10,812
Total program expenses	673,067	-	673,067
Supporting Services:			
General administrative	101,513	-	101,513
Fundraising	56,909	-	56,909
Total Expenses	831,489	-	831,489
Change in Net Assets	123,033	(230,662)	(107,629)
Beginning Net Assets	228,085	383,244	611,329
Ending Net Assets	\$ 351,118	\$ 152,582	\$ 503,700

See accompanying auditors' report and notes to the financial statements.

IMPACT AUSTIN FOUNDATION
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STATEMENT OF ACTIVITIES

Year Ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support			
Contributions	\$ 218,005	\$ 419,108	\$ 637,113
Investment income	9,194	-	9,194
Change in beneficial interest	311	-	311
	227,510	419,108	646,618
Net Assets Released from Restrictions	419,250	(419,250)	-
Total Revenues and Other Support	646,760	(142)	646,618
 Expenses			
Program Services:			
High Impact Grants from Women	525,434	-	525,434
Girls Giving Grants	9,877	-	9,877
Total program services	535,311	-	535,311
 Supporting Services:			
General administrative	81,861		81,861
Fundraising	22,112	-	22,112
Total Expenses	639,284	-	639,284
Change in Net Assets	7,476	(142)	7,334
Beginning Net Assets	220,609	383,386	603,995
Ending Net Assets	\$ 228,085	\$ 383,244	\$ 611,329

See accompanying auditors' report and notes to the financial statements.

IMPACT AUSTIN FOUNDATION
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STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2020

Expense Category	Program Services		Supporting Services		Totals
	High Impact Grants from Women	Girls Giving Grants	General Administrative	Fundraising	
Accounting	\$ -	\$ -	\$ 10,575	\$ -	\$ 10,575
Awards and grants	551,750	10,300	-	-	562,050
Bad debt expense	11,250	-	-	-	11,250
Bank service charges	-	-	3,115	-	3,115
Events and meetings	49,220	401	-	-	49,621
Information technology	16,912	-	12,365	-	29,277
Insurance	-	-	1,619	-	1,619
Miscellaneous	2,325	-	425	-	2,750
Office expenses	535	111	1,601	-	2,247
Postage and shipping	317	-	297	-	614
Printing and publications	1,492	-	-	-	1,492
Salaries and benefits	28,454	-	69,881	56,909	155,244
Website development costs	-	-	1,635	-	1,635
Total expenses	<u>\$ 662,255</u>	<u>\$ 10,812</u>	<u>\$ 101,513</u>	<u>\$ 56,909</u>	<u>\$ 831,489</u>

See accompanying auditors' report and notes to the financial statements.

IMPACT AUSTIN FOUNDATION
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STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2019

Expense Category	Program Services		Supporting Services		Totals
	High Impact		General		
	Grants from Women	Girls Giving Grants	Administrative	Fundraising	
Accounting	\$ -	\$ -	\$ 17,450	\$ -	\$ 17,450
Advertising and promotion	3,713	-	-	-	3,713
Awards and grants	402,465	8,800	-	-	411,265
Bank service charges	-	-	1,927	-	1,927
Events and meetings	38,334	604	22	-	38,960
Information technology	6,347	-	-	-	6,347
Insurance	-	-	1,660	-	1,660
Management fees	6,500	-	19,597	2,210	28,307
Miscellaneous	-	-	450	360	810
Office Expenses	1,315	473	2,820	-	4,608
Printing and publications	-	-	-	-	-
Salaries and benefits	64,079	-	37,935	19,542	121,556
Website development costs	2,681	-	-	-	2,681
Total expenses	<u>\$ 525,434</u>	<u>\$ 9,877</u>	<u>\$ 81,861</u>	<u>\$ 22,112</u>	<u>\$ 639,284</u>

See accompanying auditors' report and notes to the financial statements.

IMPACT AUSTIN FOUNDATION
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STATEMENTS OF CASH FLOWS

Years Ended June 30, 2020 and 2019

	2020	2019
Cash flows in operating activities:		
Change in net assets	\$ (107,629)	\$ 7,334
Adjustments to reconcile change in net assets to net cash (used) provided in operating activities:		
Allowance for bad debts	11,250	-
Change in beneficial interest	122	(311)
Discounts on grants payable	-	2,465
Changes in assets and liabilities		
Contributions and pledges receivable	6,354	148,176
Accounts payable	3,715	4,018
Grants payable	(534,300)	(19,200)
	(620,488)	142,482
Net cash (used) provided by operating activities		
Cash flows in financing activities		
Proceeds from note payable	25,300	-
	25,300	-
Net cash provided by financing activities		
Increase (decrease) in cash and cash equivalents	(595,188)	142,482
Cash and cash equivalents, beginning of the year	1,080,977	938,495
	\$ 485,789	\$ 1,080,977
Cash and cash equivalents, end of the year		
Supplemental data:		
Interest paid	\$ -	\$ -
Income tax paid	\$ -	\$ -

See accompanying auditors' report and notes to the financial statements.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

1. General Information

Impact Austin Foundation (the “Organization”) is a philanthropic organization that is a progressive leader bringing new resources to transform lives in the greater Austin, Texas community and making philanthropy accessible. Through high-impact grant making, the Organization engages, develops, and inspires women to effect positive change and lifelong giving. The Organization was formed and began operations in 2003. In fiscal year 2020, the Organization had a membership of 440 women and has provided nearly \$7.5 million in grants to the community since its inception.

Program activities for the Organization include the following:

High Impact Grants from Women

The Organization’s primary program involves combining annual donations from women to fund multiple high-impact grants to separate charitable organizations for their programs. The donors, predominantly from the Austin, Texas area, become members of the Organization upon the contribution of \$1,250. Committees of members evaluate grant proposals from Austin area nonprofits and recommend a slate of finalists to the membership. At an annual meeting each June and at periodic meetings, the membership meets representatives of the finalists and votes for grantees. Through this collective grant-making process, Impact Austin Foundation is working to create a seasoned pool of educated, effective women donors in the Austin area.

The Organization now offers three types of grants: Program, Catalyst, and Social Innovation Grants. Program grants are awarded in the focus areas of community, education, and health & well-being. The Catalyst grant is awarded to help strengthen or grow an organization. The Social Innovation Grant funds a collaborative focused on advancing equity for women and girls of color in the Greater Austin Area. During fiscal year 2020, the Organization awarded Program grants in each of the three focus areas, as well as two Catalyst grants and one Social Innovation Grant.

Girls Giving Grants

Girls Giving Grants helps young women (ages 12 to 18) learn the power of collective giving and grant-making by combining individual donations of \$100 and working together to review proposals and select grantees.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) which utilizes the accrual basis of accounting. Under the accrual basis, revenues are recognized in the accounting period in which they are earned and become measurable, regardless of when cash is received. Expenses are recorded when an obligation is incurred, regardless of when cash is disbursed.

Classification of 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 – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent 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.

Cash and Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Reclassifications

Certain reclassifications have been made to the 2019 financial statement presentation to conform to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

2. Summary of Significant Accounting Policies (continued)

Contributions and Pledges Receivable

Contributions and pledges receivable are recognized when the donor makes a promise to give that is unconditional. Contributions and pledges receivable are recognized at the estimated present value of the future net cash flows. The organization uses the allowance method to determine uncollectible contributions, and pledges receivable. The allowance is based on experience from prior years and management's analysis of the contributions, and pledges promised. Accounts are charged against the allowance when management deems them to be uncollectible.

Revenue Recognition

The Organization receives its support through contributions. Contributions are recorded with donor restrictions or without donor restrictions depending on the existence or nature of any donor restrictions. As donor restrictions are satisfied, net assets are reclassified to net assets without donor restrictions.

Donated Services

Donated services are recognized as contributions in accordance with ASC 958, if the services received (1) create or enhance non-financial assets or (2) require specialized skills that are provided by individuals possessing those skills and would otherwise be purchased if not provided by donations. The donated services which meet criteria for recognition are recorded at their fair value in the period received.

Federal Income Taxes

The Organization is exempt from Federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) as an organization described in Section 501(c)(3), except for unrelated business activity. Therefore, no provision for income taxes has been included in these financial statements.

The Organization has adopted the recognition requirements for uncertain income tax positions as required by GAAP, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more likely than not be sustained upon examination by taxing authorities. The Organization has analyzed the tax positions taken in its filings with the Internal Revenue Service and state jurisdictions where it operates. The Organization believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial position, changes in net assets or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at June 30, 2020 and 2019.

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June 30, 2020 and 2019

2. Summary of Significant Accounting Policies (continued)

The Organization is subject to income tax audits for the previous three years which are open. There are currently no audits for any tax periods in progress.

Functional Allocation of Expenses

The costs of providing the programs and administration have been summarized on a functional basis in the statements of activities. The statement of functional expenses reports the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that can be identified with a specific program or that relate to a specific source of revenue are allocated directly to that program. General administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Change in Not-for-Profit Accounting Standards

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958) – Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 clarifies and improves guidance concerning, 1) the determination whether a transaction should be accounted for as an exchange transaction or as a contribution, and 2) whether a contribution received is conditional. ASU 2018-08 is effective for annual periods beginning after December 15, 2018 for entities that are resource recipients and for annual periods beginning after December 15, 2019 for entities that are resource providers, with early adoption permitted. ASU 2018-08 has been applied on a modified prospective basis to agreements that were either not completed, or were entered into, after December 31, 2018.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU 2014-09's core principle requires an entity to recognize revenue in a manner that depicts the transfer of goods and/or services to a customer in an amount that reflects the consideration to which it expects to be entitled in exchange for those good and/or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgements and changes in judgements and assets recognized from costs incurred to obtain or fulfill a contract. The statement, effective for annual periods beginning after December 15, 2018, has been delayed until annual periods beginning after December 31, 2019.

IMPACT AUSTIN FOUNDATION
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NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

3. Contributions and Pledges Receivable

The Organization receives unconditional promises to give from various sources. Membership contributions receivable are made annually and are due by December 31 of the ensuing fiscal year. During 2016, the Organization began allowing members to make membership pledges for one or three-year terms, with each year's pledge due by December 31, of the respective year. Other contributions receivable include individual and corporate gifts, as well as grants. The pledges are recorded at the total pledge value, less an estimated allowance for doubtful accounts. Management believes the stated value approximates fair value, therefore no present value discount has been calculated.

Contributions and pledges receivable, net consisted of the following at June 30:

	2020		
	Current	Long-Term	Total
Membership contributions receivable	\$ 104,871	\$ 1,250	\$ 106,121
Less: Allowance for uncollectable amount	(16,250)	(1,250)	(17,500)
Contributions receivable, net	\$ 88,621	\$ -	\$ 88,621
	2019		
	Current	Long-Term	Total
Membership contributions receivable	\$ 103,725	\$ 15,000	\$ 118,725
Less: Allowance for uncollectable amount	(11,250)	(1,250)	(12,500)
Contributions receivable, net	\$ 92,475	\$ 13,750	\$ 106,225

The Organization's financial management determines an allowance for uncollectable receivables based upon such factors as past collection experience, type of contribution, and nature of fund-raising activity.

4. Beneficial Interest in Assets Held by ACF

The Rebecca Warren Powers Endowment for Impact Austin (Fund) was established with the Austin Community Foundation (ACF) in 2016. As an agency fund with ACF, the assets are held irrevocably with ACF and are managed to accomplish the designated charitable purpose to support the activities of the Organization. The amount available to grant from the Fund is determined by the ACF Board of Governor's spending policy, which currently allows for 5% of the Fund's value at December 31st to be available to grant in the following year. Available funds are distributed upon request of the Board of Impact Austin Foundation.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

4. Beneficial Interest in Assets Held by ACF (continued)

The Organization has granted variance power to ACF and the Fund is subject to the provisions of the articles of incorporation and bylaws of ACF, including the power reserved by the Board of Governors to modify any condition or restriction on the distribution of funds if in its sole judgment (without the approval of any trustee, custodian, or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the area served by ACF. As the beneficiary of the Fund, the Organization has recorded the beneficial interest as an asset on its books.

A separate donor fund is also held at ACF, for donations made directly to the ACF by individuals, corporations, and other foundations. These contributions are recorded by ACF at the time of the donation, along with the related investment activity on such contributions. Contributions to the Organization are recorded by the Organization as a contribution when distributed from ACF and received by the Organization and no asset is maintained on the Organization's books.

The endowment funds held by ACF had the following activity for the year ended June 30, 2020:

	Agency	Donor	Total
Endowment net assets, beginning of year	\$ 6,307	\$ 65,233	\$ 71,540
Contributions:			
Donor direct contributions	-	19,003	19,003
Total contributions	-	19,003	19,003
Investment return, net:			
Interest and dividends	139	1,662	1,801
Realized gains/(loss)	(35)	(426)	(461)
Unrealized gains/(loss)	(159)	(2,204)	(2,363)
Administrative and investment expenses	(67)	(839)	(906)
Total investment return, net	(122)	(1,807)	(1,929)
Endowment net assets, end of year	\$ 6,185	\$ 82,429	\$ 88,614

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4. Beneficial Interest in Assets Held by ACF (continued)

The endowment funds held by ACF had the following activity for the year ended June 30, 2019:

	<u>Agency</u>	<u>Donor</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 5,997	\$ 57,584	\$ 63,581
Contributions:			
Donor direct contributions	-	4,325	4,325
Total contributions	-	4,325	4,325
Investment return, net:			
Interest and dividends	132	1,329	1,461
Realized gains	43	423	466
Unrealized gains	200	2,227	2,427
Administrative and investment expenses	(65)	(655)	(720)
Total investment return, net	310	3,324	3,634
Endowment net assets, end of year	<u>\$ 6,307</u>	<u>\$ 65,233</u>	<u>\$ 71,540</u>

5. Grants Payable

Grants authorized but unpaid at year end are reported as liabilities in accordance with ASC 958. Grants to be paid in one to two years are discounted at 1.38%. The following is a summary of grants authorized and payable at June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
To be paid in less than one year	\$ 40,000	\$ 476,050
To be paid in one to two years	-	100,000
Gross grants authorized but unpaid	40,000	576,050
Less: Discount on long-term grants	-	(1,750)
Grants payable, net	<u>\$ 40,000</u>	<u>574,300</u>

6. Fair Value Measurements and Disclosures

The requirements of *Fair Value Measurements and Disclosures* of the Accounting Standards Codification apply to all financial instruments and all nonfinancial assets and nonfinancial liabilities that are being measured and reported on a fair value basis. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities,

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6. Fair Value Measurements and Disclosures (continued)

observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement is the same in both cases – to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (that is, an exit price). *Fair Value Measurements and Disclosures* also establish a fair value hierarchy that prioritizes the inputs used in valuation methodologies into the following three levels:

- Level 1 Inputs – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date.
- Level 2 Inputs – Inputs other than quoted prices included with Level 1 that are observable for the asset or liability either directly or indirectly.
- Level 3 Inputs – Unobservable inputs for the asset or liability.

The Organization’s assets and liabilities presented at fair value consisted of the following at June 30:

Description	Amount	Fair Value Measurements Using:		
		Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable inputs (Level 3)
2020				
Beneficial interest in assets held by ACF	\$ 6,185	\$ -	\$ -	\$ 6,185
Total	<u>\$ 6,185</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,185</u>
2019				
Beneficial interest in assets held by ACF	\$ 6,307	\$ -	\$ -	\$ 6,307
Total	<u>\$ 6,307</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,307</u>

The Organization’s beneficial interest in assets held by Austin Community Foundation (ACF) is valued using level 3 inputs as stated by ACF. A reconciliation is provided in note 4 of the notes to the financial statements. The fair value of the Organization’s remaining current assets and current liabilities approximate the carrying amounts of such instruments due to their short maturity.

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7. Net Assets With Donor Restrictions

Net assets with donor restrictions consisted of the following as of June 30:

	<u>2020</u>	<u>2019</u>
Subject to expenditure for specified purpose:		
High Impact Grants from Women	\$ 27,776	\$ 271,019
Girls Giving Grants	-	1,000
Capacity Building Grant	30,000	-
Rebecca Warren Powers Endowment for Impact Austin	6,185	5,000
Total purpose restrictions	<u>63,961</u>	<u>277,019</u>
Time restricted for future periods	<u>88,621</u>	<u>106,225</u>
Total net assets with donor restrictions	<u>\$ 152,582</u>	<u>\$ 383,244</u>

Net assets released from restrictions consisted of the following during the year ended June 30:

	<u>2020</u>	<u>2019</u>
Expiration of time restrictions	\$ 106,225	\$ 254,400
Satisfaction of purpose restrictions:		
High Impact Grants from Women	568,662	156,050
Girls Giving Grants	9,525	8,800
Rebecca Warren Powers Endowment for Impact Austin	<u>(1,307)</u>	<u>-</u>
Total satisfaction of purpose restrictions	<u>576,880</u>	<u>164,850</u>
Total net assets released from restrictions	<u>\$ 683,105</u>	<u>\$ 419,250</u>

8. Related Party Transactions

The Organization receives contributions and donations from board members of the Organization whom also serve as an executive officer. The related party contributions and donations at June 30, 2020 and 2019, are \$65,650 and \$32,864 respectively. The amount receivable from board members at June 30, 2020 and 2019, are \$0 and \$8,000, respectively.

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June 30, 2020 and 2019

9. Contributed Goods and Services

Volunteers donate significant amounts of time to administer the Organization's program services and supporting activities throughout the year, donating more than 13,000 cumulative hours of service each of the years ended June 30, 2020 and 2019. These services were not recognized as contributions in the financial statements because the recognition criteria were not met.

The value of donated media services included in contributions in the financial statements and corresponding expenses for the years ended June 30, 2020, and 2019 were \$11,375, and \$0, respectively.

10. Liquidity and Availability

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

Cash and cash equivalents	\$	485,789
Contributions and pledges receivable, net		88,621
Beneficial interest in assets held by ACF		<u>6,185</u>
Total financial assets		580,595
Less those unavailable for general expenditures within one year due to:		
Donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions		<u>(152,582)</u>
Financial assets available within one year to meet cash needs for general expenditures	\$	<u><u>428,013</u></u>

As part of the Organization's liquidity management plan, they have a policy to structure financial assets to be available as general expenditures, liabilities, and other obligations come due.

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11. Note Payable

During the year ended June 30, 2020, the Organization received a Paycheck Protection Program (PPP) loan through the United States Small Business Administration (SBA). The Organization accounts for this loan received as a financial liability in accordance with the FASB ASC Topic 470 *Debt*, and accrued interest in accordance with the interest method under ASC Subtopic 835-30. The Organization would reduce the liability by the amount forgiven and record a gain on extinguishment once the loan is partly or wholly forgiven and legal release is received.

A promissory note for the PPP loan was signed on June 24, 2020 in the amount of \$25,300, with an interest rate of 1% per annum. Payments of principal and interest are \$521.15 and begin May 24, 2021, with the last payment of principal and interest of \$520.71 on June 24, 2025. The Organization may use the proceeds of the loan only for the purposes authorized by the PPP and may apply for loan forgiveness in whole or in part. At June 30, 2020, no payment had been made and the balance due is \$25,300.

The minimum principal payments for the next 5 years are as follows:

Year	Amount
2021	\$ 4,012
2022	6,069
2023	6,130
2024	6,191
2025	2,898
Total future minimum principal payments	<u><u>\$ 25,300</u></u>

12. Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist of cash and cash equivalents, and accounts receivable. The Organization maintains cash balances with high credit quality financial institutions, which, at times, may exceed federally insured limits. At June 30, 2020 and 2019, cash and cash equivalent balances exceeded the insurance coverage by \$83,124 and \$295,143, respectively. The Organization continuously monitors its financial instruments, and has not experienced any losses in such accounts. The majority of contributions are received from donors located in the Austin, Texas area. As such, the Organization's ability to generate resources via contributions and collect receivables from donors is dependent upon the economic health of the area.

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13. Subsequent Events

Subsequent events are events or transactions that occur after the statement of financial position date but before the financial statements are issued. Management evaluated subsequent events through the date the financial statements were available for issuance, December 7, 2020.

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact future activities of the Organization. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. As such, in-person events were transitioned to a virtual platform. The Organization also expects a slight decrease in annual membership donations. However, the related financial impact of this and other business disruptions cannot be reasonably estimated at this time.