

IMPACT AUSTIN FOUNDATION  
(A Nonprofit Corporation)

INDEPENDENT AUDITORS' REPORT  
AND  
FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

IMPACT AUSTIN FOUNDATION  
(A Nonprofit Corporation)

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# Allman & Associates, Inc.

CERTIFIED PUBLIC ACCOUNTANTS

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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 statements of financial position as of June 30, 2021 and 2020, 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.

### **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, 2021 and 2020, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Allman & Associates, Inc.*

Austin, Texas  
October 26, 2021

IMPACT AUSTIN FOUNDATION  
(A Nonprofit Corporation)

STATEMENTS OF FINANCIAL POSITION

June 30, 2021 and 2020

	2021	2020
<b>Assets</b>		
Current Assets:		
Cash and cash equivalents	\$ 706,962	\$ 485,789
Contributions and pledges receivable, net	50,412	88,621
Total Current Assets	757,374	574,410
Beneficial interest in assets held by ACF	8,244	6,185
Total Assets	\$ 765,618	\$ 580,595
<b>Liabilities and Net Assets</b>		
Current Liabilities:		
Accounts payable	\$ 11,278	\$ 11,595
Note payable, current portion	-	4,012
Total Current Liabilities	11,278	15,607
Note payable, net of current portion	-	21,288
Total Liabilities	11,278	36,895
Net Assets:		
Without donor restrictions	527,110	351,118
With donor restrictions	227,230	192,582
Total Net Assets	754,340	543,700
Total Liabilities and Net Assets	\$ 765,618	\$ 580,595

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

IMPACT AUSTIN FOUNDATION  
(A Nonprofit Corporation)

STATEMENT OF ACTIVITIES

Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support			
Contributions	\$ 260,707	\$ 404,520	\$ 665,227
Contributed goods and services	17,137	-	17,137
Loan forgiveness revenue	55,200	-	55,200
Investment income	1,903	-	1,903
Change in beneficial interest	-	2,059	2,059
	334,947	406,579	741,526
Net Assets Released from Restrictions	371,931	(371,931)	-
Total Revenues and Other Support	706,878	34,648	741,526
 Expenses			
Program Services:			
High Impact Grants from Women	418,125	-	418,125
Girls Giving Grants	7,885	-	7,885
Total program services	426,010	-	426,010
Supporting Services:			
General administrative	74,245	-	74,245
Fundraising	30,631	-	30,631
Total Expenses	530,886	-	530,886
Change in Net Assets	175,992	34,648	210,640
Beginning Net Assets	351,118	192,582	543,700
Ending Net Assets	\$ 527,110	\$ 227,230	\$ 754,340

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	643,105	(643,105)	-
Total Revenues and Other Support	914,522	(190,662)	723,860
 Expenses			
Program Services:			
High Impact Grants from Women	622,255	-	622,255
Girls Giving Grants	10,812	-	10,812
Total program services	633,067	-	633,067
Supporting Services:			
General administrative	101,513	-	101,513
Fundraising	56,909	-	56,909
Total Expenses	791,489	-	791,489
Change in Net Assets	123,033	(190,662)	(67,629)
Beginning Net Assets	228,085	383,244	611,329
Ending Net Assets	\$ 351,118	\$ 192,582	\$ 543,700

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, 2021

Expense Category	Program Services		Supporting Services		Totals
	High Impact Grants from Women	Girls Giving Grants	General Administrative	Fundraising	
Accounting	\$ -	\$ -	\$ 25,050	\$ -	\$ 25,050
Awards and grants	236,200	7,600	-	-	243,800
Bank and credit card fees	-	-	7,827	-	7,827
Events and meetings	31,937	-	-	-	31,937
Information technology	25,754	-	5,162	-	30,916
Insurance	-	-	1,484	-	1,484
Miscellaneous	8,860	285	725	-	9,870
Office expenses	-	-	1,506	-	1,506
Postage and shipping	1,007	-	697	-	1,704
Printing and publications	4,125	-	-	-	4,125
Salaries and benefits	110,242	-	30,603	30,631	171,476
Website development costs	-	-	1,191	-	1,191
<b>Total expenses</b>	<b>\$ 418,125</b>	<b>\$ 7,885</b>	<b>\$ 74,245</b>	<b>\$ 30,631</b>	<b>\$ 530,886</b>

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	511,750	10,300	-	-	522,050
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>\$ 622,255</u>	<u>\$ 10,812</u>	<u>\$ 101,513</u>	<u>\$ 56,909</u>	<u>\$ 791,489</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, 2021 and 2020

	2021	2020
Cash flows in operating activities:		
Change in net assets	\$ 210,640	\$ (67,629)
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	(2,059)	122
Loan forgiveness revenue	(55,200)	-
Changes in assets and liabilities		
Contributions and pledges receivable	38,209	6,354
Accounts payable	(317)	3,715
Grants payable	-	(574,300)
	191,273	(620,488)
Net cash (used) provided by operating activities		
Cash flows in financing activities:		
Proceeds from note payable	29,900	25,300
Net cash provided by financing activities	29,900	25,300
Increase (decrease) in cash and cash equivalents	221,173	(595,188)
Cash and cash equivalents, beginning of the year	485,789	1,080,977
Cash and cash equivalents, end of the year	\$ 706,962	\$ 485,789
Supplemental data:		
Interest paid	\$ -	\$ -
Income tax paid	\$ -	\$ -

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

IMPACT AUSTIN FOUNDATION  
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NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

**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 2021, the Organization had a membership of 461 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 offers program grants in four focus areas: Equity, Community, Education, and Health & Well-being. All categories support applications from single organizations or collaborative groups of organizations. During fiscal year 2021, the Organization introduced a streamlined grant process, two grant cycles per fiscal year, with two recipients per grant category. Two program grants were awarded in 2021, with two recipients in each of the focus areas of Community and Education, as well as a Social Innovation Grant, now known as the Equity Grant category. Grant amounts will be based on membership levels and announced at the start of each grant cycle.

*Girls Giving Grants*

Girls Giving Grants, G3, helps young women (ages 12 to 18) learn the power of collective giving and grant-making by combining individual donations of \$125 and working together to review proposals and select grantees. G3 funds a single grant for programs or projects that specifically benefit youth in the greater Austin area.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

## 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 Cash 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 2020 financial statement presentation to conform to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

IMPACT AUSTIN FOUNDATION  
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NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

**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, 2021 and 2020.

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June 30, 2021 and 2020

**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 August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement* (“ASU 2018-13”), to improve the effectiveness of disclosures in the notes to financial statements by facilitating clear communication of the information required by GAAP that is most important to users of each entity’s financial statements. ASU 2018-13 takes effect for not-for-profit entities for fiscal years beginning after December 15, 2019. ASU 2018-13 has been applied prospectively beginning after June 30, 2020, with no significant impact on the financial statement disclosures.

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. ASU 2014-09 is effective for annual periods beginning after December 15, 2018, delayed until after December 15, 2019, and has been applied with no material effect on revenue recognition.

IMPACT AUSTIN FOUNDATION  
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NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

**2. Summary of Significant Accounting Policies (continued)**

**Risks and Uncertainties**

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. The continuing disruption is having a broad and negative impact on the US economy. The Organization has budgeted appropriately and conservatively to minimize impact and uncertainty as the COVID-19 crisis continues past June 30, 2021. The related financial impact of this and other business disruptions cannot be reasonably estimated at this time.

**3. Contributions and Pledges Receivable**

The Organization receives unconditional promises to give from various sources. 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:

	<b>2021</b>		
	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
Membership contributions receivable	\$ 50,412	\$ -	\$ 50,412
Less: Allowance for uncollectable amount	-	-	-
Contributions receivable, net	<u>\$ 50,412</u>	<u>\$ -</u>	<u>\$ 50,412</u>
	<b>2020</b>		
	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
Membership contributions receivable	\$ 104,871	\$ 1,250	\$ 106,121
Less: Allowance for uncollectable amount	(16,250)	(1,250)	(17,500)
Contributions receivable, net	<u>\$ 88,621</u>	<u>\$ -</u>	<u>\$ 88,621</u>

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.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

**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 31<sup>st</sup> to be available to grant in the following year. Available funds are distributed upon request of the Board of Impact Austin Foundation. 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, 2021:

	<u>Agency</u>	<u>Donor</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 6,185	\$ 82,429	\$ 88,614
Contributions:			
Donor direct contributions	<u>-</u>	<u>112,492</u>	<u>112,492</u>
Total contributions	<u>-</u>	<u>112,492</u>	<u>112,492</u>
Investment return, net:			
Interest and dividends	118	1,929	2,047
Realized gains/(losses)	98	1,864	1,962
Unrealized gains/(losses)	1,917	31,281	33,198
Administrative and investment expenses	<u>(74)</u>	<u>(1,307)</u>	<u>(1,381)</u>
Total investment return, net	<u>2,059</u>	<u>33,767</u>	<u>35,826</u>
Endowment net assets, end of year	<u>\$ 8,244</u>	<u>\$ 228,688</u>	<u>\$ 236,932</u>

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NOTES TO FINANCIAL STATEMENTS

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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, 2020:

	<u>Agency</u>	<u>Donor</u>	<u>Total</u>
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/(losses)	(35)	(426)	(461)
Unrealized gains/(losses)	(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	<u>\$ 6,185</u>	<u>\$ 82,429</u>	<u>\$ 88,614</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 Organization had no grants authorized and payable at June 30, 2021 and 2020.

**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, 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:



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**6. Fair Value Measurements and Disclosures (continued)**

- 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)
<b>2021</b>				
Beneficial interest in assets held by ACF	\$ 8,244	\$ -	\$ -	\$ 8,244
Total	<u>\$ 8,244</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,244</u>
<b>2020</b>				
Beneficial interest in assets held by ACF	\$ 6,185	\$ -	\$ -	\$ 6,185
Total	<u>\$ 6,185</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,185</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. 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:

	2021	2020
Subject to expenditure for specified purpose:		
High Impact Grants from Women	\$ 158,574	\$ 67,776
Girls Giving Grants	10,000	-
Capacity Building Grant	-	30,000
Rebecca Warren Powers Endowment for Impact Austin	8,244	6,185
Total purpose restrictions	176,818	103,961
Time restricted for future periods	50,412	88,621
Total net assets with donor restrictions	\$ 227,230	\$ 192,582

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

	2021	2020
Expiration of time restrictions	\$ 88,621	\$ 106,225
Satisfaction of purpose restrictions:		
High Impact Grants from Women	245,735	528,662
Girls Giving Grants	7,575	9,525
Capacity Building Grant	30,000	-
Rebecca Warren Powers Endowment for Impact Austin	-	(1,307)
Total satisfaction of purpose restrictions	283,310	536,880
Total net assets released from restrictions	\$ 371,931	\$ 643,105

**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, 2021 and 2020, are \$53,194 and \$65,650 respectively. The amount receivable from board members at June 30, 2021 and 2020, are \$1,728 and \$0, respectively.

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**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 27,000 cumulative hours of service each of the years ended June 30, 2021 and 2020. 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, 2021, and 2020 were \$17,137, and \$11,375, 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	\$	706,962
Contributions and pledges receivable, net		50,412
Beneficial interest in assets held by ACF		<u>8,244</u>
Total financial assets		765,618
Less those unavailable for general expenditures within one year due to:		
Donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions		<u>(227,230)</u>
Financial assets available within one year to meet cash needs for general expenditures	\$	<u><u>538,388</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. Loan Forgiveness Revenue**

On June 24, 2020, the Organization was approved for a PPP promissory note in the amount of \$25,300, which was recorded as a loan payable at June 30, 2020.

In March 2021, the Organization was approved for a second round Paycheck Protection Program (PPP) loan from the federal government in the amount of \$29,900, with an interest rate of 1% per annum based on a year of 365 days until maturity.

The Organization used the proceeds of both loans only for the purposes authorized by the PPP. The Organization initially recorded both as a loan payable and subsequently recorded revenue when the obligations were legally released. During the year ended June 30, 2021, \$55,200 was recognized as loan forgiveness revenue in the statement of activities.

**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 receivables. The Organization maintains cash balances with high credit quality financial institutions, which, at times, may exceed federally insured limits. At June 30, 2021 and 2020, cash and cash equivalent balances exceeded the insurance coverage by \$407,530 and \$83,124, 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.

**13. Prior Period Adjustment**

A prior period adjustment was made to remove a grant payable liability that caused an understatement of the June 30, 2020 previously reported net assets of \$503,700.

The following summarizes the prior period adjustment to net assets referred to above:

Balance at June 30, 2020, as previously reported	\$ 503,700
Prior period adjustment for grant payable - June 30, 2020	40,000
Balance at June 30, 2020, as restated	<u>\$ 543,700</u>

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**14. 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, October 26, 2021, and there were no subsequent events to be disclosed.