

IMPACT AUSTIN FOUNDATION  
(A Nonprofit Corporation)

INDEPENDENT AUDITORS' REPORT  
AND  
FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

IMPACT AUSTIN FOUNDATION  
(A Nonprofit Corporation)

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## INDEPENDENT AUDITORS' REPORT

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

### **Opinion**

We have audited the accompanying financial statements of Impact Austin Foundation (a nonprofit corporation), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, 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 Impact Austin Foundation as of June 30, 2022 and 2021, 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.

### **Basis for Opinion**

We conducted our audit 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 Impact Austin Foundation and to meet our other 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 Impact Austin Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's 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 risks 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 Impact Austin Foundation'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 Impact Austin Foundation'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.

*Allman & Associates, Inc.*

Austin, Texas  
September 14, 2022

IMPACT AUSTIN FOUNDATION  
(A Nonprofit Corporation)

STATEMENTS OF FINANCIAL POSITION

June 30, 2022 and 2021

	2022	2021
<b>Assets</b>		
Current Assets:		
Cash and cash equivalents	\$ 657,408	\$ 706,962
Contributions and pledges receivable, net	61,955	50,412
Prepaid expenses	3,750	-
Total Current Assets	723,113	757,374
Beneficial interest in assets held by ACF	7,462	8,244
Total Assets	\$ 730,575	\$ 765,618
<b>Liabilities and Net Assets</b>		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 18,518	\$ 11,278
Total Current Liabilities	18,518	11,278
Net Assets:		
Without donor restrictions	566,865	527,110
With donor restrictions	145,192	227,230
Total Net Assets	712,057	754,340
Total Liabilities and Net Assets	\$ 730,575	\$ 765,618

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

IMPACT AUSTIN FOUNDATION  
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STATEMENT OF ACTIVITIES

Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support			
Contributions	\$ 296,556	\$ 393,156	\$ 689,712
Contributed goods and services	11,275	-	11,275
Investment income	1,037	-	1,037
Change in beneficial interest	-	(782)	(782)
	308,868	392,374	701,242
Net Assets Released from Restrictions	474,412	(474,412)	-
Total Revenues and Other Support	783,280	(82,038)	701,242
 Expenses			
Program Services:			
High Impact Grants from Women	594,893	-	594,893
Girls Giving Grants	10,753	-	10,753
Total program services	605,646	-	605,646
Supporting Services:			
General administrative	95,330	-	95,330
Fundraising	42,549	-	42,549
Total Expenses	743,525	-	743,525
Change in Net Assets	39,755	(82,038)	(42,283)
Beginning Net Assets	527,110	227,230	754,340
Ending Net Assets	\$ 566,865	\$ 145,192	\$ 712,057

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

IMPACT AUSTIN FOUNDATION  
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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 FUNCTIONAL EXPENSES

Year Ended June 30, 2022

Expense Category	Program Services		Supporting Services		Totals
	High Impact		General		
	Grants from Women	Girls Giving Grants	Administrative	Fundraising	
Accounting	\$ -	\$ -	\$ 18,252	\$ -	18,252
Awards and grants	414,800	9,200	-	-	424,000
Bank service charges and credit card fees	-	-	8,807	-	8,807
Events and meetings	47,008	-	-	-	47,008
Information technology	9,325	-	19,364	-	28,689
Insurance	-	-	1,947	-	1,947
Miscellaneous	24,825	1,553	1,150	-	27,528
Office expenses	-	-	4,370	-	4,370
Postage and shipping	1,292	-	306	-	1,598
Printing and publications	1,802	-	-	-	1,802
Salaries and benefits	95,841	-	41,134	42,549	179,524
Total expenses	<u>\$ 594,893</u>	<u>\$ 10,753</u>	<u>\$ 95,330</u>	<u>\$ 42,549</u>	<u>\$ 743,525</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, 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
Total expenses	<u>\$ 418,125</u>	<u>\$ 7,885</u>	<u>\$ 74,245</u>	<u>\$ 30,631</u>	<u>\$ 530,886</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, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows in operating activities:		
Change in net assets	\$ (42,283)	\$ 210,640
Adjustments to reconcile change in net assets to net cash (used) provided in operating activities:		
Change in beneficial interest	782	(2,059)
Loan forgiveness revenue	-	(55,200)
Changes in assets and liabilities		
Contributions and pledges receivable	(11,543)	38,209
Prepaid expenses	(3,750)	-
Accounts payable and accrued liabilities	7,240	(317)
Net cash (used) provided by operating activities	<u>(49,554)</u>	<u>191,273</u>
Cash flows in financing activities:		
Proceeds from note payable	<u>-</u>	<u>29,900</u>
Net cash provided by financing activities	<u>-</u>	<u>29,900</u>
Increase (decrease) in cash and cash equivalents	(49,554)	221,173
Cash and cash equivalents, beginning of the year	<u>706,962</u>	<u>485,789</u>
Cash and cash equivalents, end of the year	<u>\$ 657,408</u>	<u>\$ 706,962</u>
Supplemental data:		
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Income tax paid	<u>\$ -</u>	<u>\$ -</u>

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

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NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

**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 2022, the Organization had an average membership of 423 women and has provided over \$7.9 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 the semi-annual membership meetings, finalists present their programs to the Organization for a final member vote to award funds to these grantees. Through this collective grant-making process, Impact Austin Foundation works 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. Four program grants were awarded in 2022, with two distributed in the fall cycle (Equity, Health & Well Being) and two in the spring (Community, Education) cycle. Grant amounts are based on membership levels and are 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, 2022 and 2021

**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.

**Financial Statement Presentation**

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. Significant estimates include those used in the functional allocation of expenses. 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.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

**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 Organization's financial management determines an allowance for uncollectible receivables based upon such factors as past collection experience, type of contribution, and nature of fund-raising activity. Accounts are charged against the allowance when management deems them to be uncollectible. No allowance was considered necessary at June 30, 2022 and 2021 and all receivables are expected to be collected within one year of the statement of financial position dates.

**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

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NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

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

examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial position, or 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, 2022 and 2021.

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 statement 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.

**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, 2022. The related financial impact of this and other business disruptions cannot be reasonably estimated at this time.

**Change in Not-for-Profit Accounting Standards**

In September 2020, the FASB issued ASU 2020-07, *Not-for Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* ("ASU 2020-07"), to increase the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. ASU 2020-07 is effective for annual period beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. The standard was implemented without significant impact to the Organization's financial statements.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

**3. 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 based on prevailing interest rates. The Organization had no grants authorized and payable at June 30, 2022 and 2021.

**4. Related Party Transactions**

The Organization receives contributions and donations from board members of the Organization. The related party contributions and donations for the years ending June 30, 2022 and 2021, are \$60,966 and \$53,194 respectively. The amount receivable from board members at June 30, 2022 and 2021, are \$2,769 and \$1,728, respectively.

**5. 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.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

**5. Beneficial Interest in Assets Held by ACF (continued)**

The endowment funds held by ACF had the following activity for the year ended June 30, 2022:

	<u>Agency</u>	<u>Donor</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 8,244	\$ 228,688	\$ 236,932
Contributions:			
Donor direct contributions	-	24,375	24,375
Total contributions	-	24,375	24,375
Investment return, net:			
Interest and dividends	164	4,801	4,965
Realized gains/(losses)	159	4,658	4,817
Unrealized gains/(losses)	(1,023)	(31,154)	(32,177)
Administrative and investment expenses	(82)	(2,415)	(2,497)
Total investment return, net	(782)	(24,110)	(24,892)
Endowment net assets, end of year	<u>\$ 7,462</u>	<u>\$ 228,953</u>	<u>\$ 236,415</u>

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	-	112,492	112,492
Total contributions	-	112,492	112,492
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	(74)	(1,307)	(1,381)
Total investment return, net	2,059	33,767	35,826
Endowment net assets, end of year	<u>\$ 8,244</u>	<u>\$ 228,688</u>	<u>\$ 236,932</u>



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**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:

- 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>2022</b>				
Beneficial interest in assets held by ACF	\$ 7,462	\$ -	\$ -	\$ 7,462
Total	<u>\$ 7,462</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,462</u>
<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>

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June 30, 2022 and 2021

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

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 6. 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.

**7. Net Assets With Donor Restrictions**

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

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specified purpose:		
High Impact Grants from Women	\$ 69,875	\$ 158,574
Girls Giving Grants	5,900	10,000
Rebecca Warren Powers Endowment for Impact Austin	<u>7,462</u>	<u>8,244</u>
Total purpose restrictions	83,237	176,818
Time restricted for future periods	<u>61,955</u>	<u>50,412</u>
 Total net assets with donor restrictions	 <u><u>\$ 145,192</u></u>	 <u><u>\$ 227,230</u></u>

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

	<u>2022</u>	<u>2021</u>
Expiration of time restrictions	\$ 50,412	\$ 88,621
Satisfaction of purpose restrictions:		
High Impact Grants from Women	414,800	245,735
Girls Giving Grants	9,200	7,575
Capacity Building Grant	<u>-</u>	<u>30,000</u>
Total satisfaction of purpose restrictions	<u>424,000</u>	<u>283,310</u>
 Total net assets released from restrictions	 <u><u>\$ 474,412</u></u>	 <u><u>\$ 371,931</u></u>

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NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

**8. 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 33,860 cumulative hours of service each of the years ended June 30, 2022 and 2021. 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, 2022, and 2021 were \$11,275, and \$17,137, respectively.

**9. Loan Forgiveness Revenue**

On June 24, 2020, the Organization was approved for a PPP promissory note in the amount of \$25,300, and 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.

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.

**10. 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, 2022 and 2021, cash and cash equivalent balances exceeded the insurance coverage by \$335,292 and \$407,530, 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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NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

**11. 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 as of June 30, 2022:

Cash and cash equivalents	\$ 657,408
Contributions and pledges receivable, net	61,955
Beneficial interest in assets held by ACF	<u>7,462</u>
Total financial assets	726,825
Less those unavailable for general expenditures within one year due to:	
Donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	<u>(145,192)</u>
Financial assets available within one year to meet cash needs for general expenditures	<u>\$ 581,633</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.

**12. 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	<u>40,000</u>
Balance at June 30, 2020, as restated	<u><u>\$ 543,700</u></u>

**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, September 14, 2022, and there were no subsequent events to be disclosed.