

INTERFAITH SOCIAL SERVICES, INC.
QUINCY, MASSACHUSETTS
FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT
JUNE 30, 2019

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Independent Auditors' Report

To the Board of Directors of
Interfaith Social Services, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Interfaith Social Services, Inc., which comprise the statement of financial position as of June 30, 2019, and the related statements of activities and changes in net assets, cash flows and functional expenses 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.

Auditor's 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, 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 Interfaith Social Services, Inc. as of June 30, 2019 and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Brighton, Massachusetts
September 20, 2019

CAMPBELL, DEVASTO & ASSOCIATES, LLP - CERTIFIED PUBLIC ACCOUNTANTS

INTERFAITH SOCIAL SERVICES, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2019

Assets:

Cash		\$ 224,487
Inventory		38,359
Fees and Pledges Receivable		4,340
Gift Cards		3,240
Prepaid Insurance		2,272
Prepaid - Other		31,879
Total Current Assets		304,578
Investments		216,749
Fixed Assets at Cost:		
Land	\$ 50,000	
Buildings	515,213	
Building Improvements	387,723	
Office Furniture, Equipment & Software	143,778	
	1,096,714	
Less: Allowance for Depreciation	(356,886)	739,828
Total Long Term Assets		956,577
Total Assets		\$ 1,261,154

Liabilities and Net Assets:

Liabilities:

Accounts Payable		\$ 19,233
Retirement Plan Payable		795
Payroll Withholdings		665
Accrued Vacation		29,144
Deferred Revenue		11,600
Total Current Liabilities		61,437

Net Assets:

Without Donor Restrictions		1,189,717
With Donor Restrictions		10,000
Total Net Assets		1,199,717
Total Liabilities and Net Assets		\$ 1,261,154

See Auditors' Report and Accompanying Notes

**INTERFAITH SOCIAL SERVICES, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2019**

Changes in Net Assets Without Donor Restrictions:

Support:

Individuals	\$	136,082
Churches		22,608
Organizations & Businesses		3,695
Foundation Grants		168,075
Donated Goods & Services		1,040,808
Bureau Drawer Thrift Shop		120,319
Fundraising Events Contributions		298,995
Capital Campaign Contributions		126,436
Net Assets Released from Restrictions Due to Satisfaction of Program Restrictions		<u>47,075</u>
Total Support		1,964,093

Revenue:

Program Service Fees		85,100
Fundraising Events Revenue	\$ 159,012	
Fundraising Events Direct Benefits to Donors	<u>115,380</u>	43,632
Interest		5,929
Miscellaneous Income		<u>6,290</u>
Total Revenue		140,951
Total Support & Revenue		2,105,044

Expenditures: (See Schedule)

Program Services:

Counseling		201,964
Financial Assistance		102,246
Food Pantry		1,342,836
Bureau Drawer		<u>52,037</u>
Total Program Services		1,699,083

Supporting Services:

Management and General		122,911
Fundraising		<u>180,660</u>
Total Supporting Services		303,571

Total Expenditures

2,002,654

Increase (decrease) in Net Assets Without Donor Restrictions

102,390

Changes in Net Assets With Donor Restrictions:

Grants and Contributions for Future Activities		10,000
Net Assets Released from Restrictions		<u>(47,075)</u>
Increase (decrease) in Net Assets With Donor Restrictions		(37,075)

Increase (Decrease) in Net Assets

65,315

Net Assets at Beginning of Year

1,134,402

Net Assets at End of Year

\$ 1,199,717

See Auditors' Report and Accompanying Notes

**INTERFAITH SOCIAL SERVICES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019**

Cash Flows From Operating Activities

Increase (Decrease) in Net Assets	\$	65,315
Adjustments to Reconcile Changes in Net Assets to Cash Provided by (Used In) Operating Activities:		
Interest Certificates of Deposit and Savings Accounts		(2,927)
Gain from Sale of Van		(2,992)
Depreciation		39,385
Uncollectible Accounts		1,931
Decrease (Increase) in Operating Assets:		
Fees and Pledges Receivable		67,266
Donated Gift Cards		1,659
Prepaid Expenses		(476)
Inventory		2,721
Increase (Decrease) in Cash Arising from:		
Accounts Payable		6,811
Deferred Revenue		(28,901)
Retirement Plan Payable		(1,590)
Payroll Withholdings		(54)
Accrued Vacation		<u>7,165</u>
Total Adjustments		<u>89,998</u>
Net Cash Provided by (Used In) Operating Activities		155,313
Cash Flows From Investing Activities		
Capital Expenditures		(165,382)
Purchase of Investments		(80,000)
Proceeds from Sale of Van		<u>17,500</u>
Net Cash Provided By (Used In) Investing Activities		(227,882)
Cash Flows From Financing Activities		
Net Cash Provided By (Used In) Financing Activities		<u>-</u>
Net Increase (Decrease) In Cash And Cash Equivalents		(72,569)
Cash And Cash Equivalents At Beginning Of Year		<u>297,056</u>
Cash And Cash Equivalents At End Of Year	\$	<u><u>224,487</u></u>

See Auditors' Report and Accompanying Notes

INTERFAITH SOCIAL SERVICES, INC.
STATEMENT OF FUNCTIONAL EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2019

	COUNSELING	FINANCIAL	FOOD	BUREAU	ADMIN	FUND-	TOTAL
		ASSISTANCE	PANTRY	DRAWER		RAISING	
Salaries	\$ 77,262	\$ 39,991	\$ 128,238	\$ 18,406	\$ 44,164	\$ 80,634	\$ 388,695
Payroll Taxes	6,520	3,309	11,707	1,494	3,837	6,997	33,864
Other Employee Benefits	1,732	470	1,708	581	3,145	733	8,369
Health Insurance	2,216	2,258	3,726	1,981	6,764	2,157	19,102
Retirement	4,387	2,432	7,128	1,046	3,401	4,688	23,082
Workers' Compensation	562	2,035	1,073	639	128	74	4,511
Professional Fees	86,151	-	234	-	26,361	36,406	149,152
Director's Officer's Ins	-	-	-	-	1,066	-	1,066
Printing	-	-	-	-	-	8,854	8,854
Office Supplies & Expense	2,052	609	5,319	2,254	1,809	1,288	13,331
Equipment Rentals	-	-	-	-	752	-	752
Telephone	1,547	211	2,711	1,757	595	211	7,032
Dues & Subscriptions	-	-	-	48	1,978	50	2,076
Advertising	1,714	122	2,176	1,087	842	17,645	23,586
Postage	90	160	1,608	3	614	7,632	10,107
Occupancy	8,626	1,476	22,423	10,664	3,802	1,176	48,167
Local Transportation	-	89	10,038	-	2,251	164	12,542
Conferences & Meetings	350	-	-	-	2,992	169	3,511
Purchased Food	-	-	72,008	-	-	-	72,008
Donated Food & Household Items	-	-	939,824	-	-	-	939,824
Medical Assistance	-	2,144	-	-	-	-	2,144
Donated Toys & Gifts	-	-	69,800	-	-	-	69,800
Seasonal Items	-	-	32,677	-	-	-	32,677
Housing Assistance	-	37,124	-	-	-	-	37,124
Other Assistance	-	1,546	5,137	1,232	-	-	7,915
Uncollectible Accounts	1,059	447	-	-	75	350	1,931
Other Expenditures	1,326	367	2,710	3,606	16,887	10,563	35,459
General Insurance	-	6,587	-	-	-	-	6,587
Subtotal	195,594	101,377	1,320,245	44,798	121,463	179,791	1,963,268
Depreciation	6,370	869	22,591	7,239	1,448	869	39,386
Subtotal	201,964	102,246	1,342,836	52,037	122,911	180,660	2,002,654
Direct Benefits to Donors	-	-	-	-	-	115,380	115,380
Total	<u>\$ 201,964</u>	<u>\$ 102,246</u>	<u>\$ 1,342,836</u>	<u>\$ 52,037</u>	<u>\$ 122,911</u>	<u>\$ 296,040</u>	<u>\$ 2,118,034</u>

See Auditors' Report and Accompanying Notes

INTERFAITH SOCIAL SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

Nature of Activities

Founded in 1947, Interfaith Social Services, Inc. (the Organization) is dedicated to improving life for South Shore families and individuals in need. Our unique approach relies on a team of volunteers, donors and community partners to deliver compassionate, client-centered programs focused on hunger, mental health, and emergency assistance.

Interfaith Social Services, Inc. provides food and clothing for needy families through the Pantry Shelf and Career Closet programs which are staffed by volunteers. The Organization's New Directions Counseling Center provides counseling services on a generous sliding-fee scale to adults, children, couples and families. Homesafe is a homelessness prevention and emergency assistance program. The Bureau Drawer Thrift Shop offers low cost clothing and household goods to the community.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Support and Revenue

Contributions are generally available for unrestricted use in the related fiscal year unless specifically restricted by the donor. If a donor restriction expires in the same year as the donation is received, the donation is classified as unrestricted support. Unconditional promises to give are recorded when received. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received to discount the amounts.

Grants and other contributions of cash and assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or restricted purpose is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and reported amounts of revenues and expenses during the reporting period. The principal estimates used in preparing the financial statements are the determination of the fair value of investments, the allowance for bad debts, the allocation of expenses amongst programs, the net asset classification of contributions, and the allocation of the investment return to the various classes of net assets. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

INTERFAITH SOCIAL SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising Costs

The Organization has adopted the policy of expensing all advertising costs in the period incurred.

Depreciation and Amortization

Property and equipment purchased for \$2,000 or more is capitalized at cost and depreciated using the straight-line method over the estimated useful life. Buildings and improvements are estimated at 30-50 years and furniture and equipment are estimated at 3-10 years.

Financial Statement Presentation

Accounting principles generally accepted in the United States of America require the Organization to report information regarding its financial position and activities according to two classes of net assets (without donor restrictions and with donor restrictions) based upon the existence or absence of donor-imposed restrictions. In addition, the Organization is required to present a statement of cash flows. Accounting principles generally accepted in the United States of America also require that contributions received are recorded as without donor restrictions and with donor restrictions support, depending on the existence and/or nature of any donor restrictions. In addition, the Organization has not received any contributions with donor-imposed restrictions that would result in permanently restricted net assets.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Functional Allocation of Expenses

Expenses are charged to each program based on direct expenditures incurred. Any expenditures not directly chargeable are allocated to a program based on square footage for occupancy costs and direct labor for payroll related costs. Payroll taxes and employee benefits are allocated based on payroll and depreciation, utilities, insurance, interest and repairs & maintenance are allocated to programs and administration based on square footage.

Investment Valuation and Income Recognition

Investments are carried at fair value, as determined by quoted market prices or derived by a computerized valuation model, with the change in market value being reported in the statement of activities. Realized gains or losses on the sale of investment securities are computed by the specific identification method. Interest and dividends are recorded on the accrual basis.

INTERFAITH SOCIAL SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Hierarchy

Accounting principles generally accepted in the United States of America have established a hierarchical framework which prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Investments held by the Organization are measured using inputs from one of the three levels of the fair value hierarchy. Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are as follows:

Level 1 – Valuation is based on quoted prices in active markets for identical assets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets.

Level 2 - Valuation is based on observable inputs other than Level 1 prices, such as quoted prices for similar assets; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets.

Level 3 - Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets. Level 3 assets include financial instruments whose value is determined using unobservable inputs to pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Organization's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

The Organization recognizes transfers between levels at the end of the reporting period as if transfers occurred on the last day of the reporting period. There were no transfers in the year ended June 30, 2019.

INTERFAITH SOCIAL SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Tax Status

Interfaith Social Services, Inc. is classified by the Internal Revenue Service as a publicly supported organization under Internal Revenue Code Section 509(a) and is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3).

Accounting principles generally accepted in the United States of America require the Organization to evaluate tax positions taken, including the position that the Organization qualifies as a tax-exempt organization, and recognize a tax liability if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Organization, and has concluded that as of June 30, 2019, there were no uncertain tax positions that require disclosure in the financial statements. No interest or penalties were recorded in fiscal 2019.

NOTE 3 – FEES & PLEDGES RECEIVABLE

Fees and pledges receivable consisted of counseling fees of \$4,340. A reserve for uncollectible accounts was not required.

NOTE 4 – CONCENTRATION OF CREDIT RISK

The Organization's bank deposits do not exceed federally insured limits. The Organization has not experienced losses in such accounts and believes it is not exposed to any significant risks on bank deposits. At June 30, 2019 there were no funds in excess of federally insured limits in the Organization's accounts.

NOTE 5 – BUREAU DRAWER

The "Bureau Drawer" was instituted in 1975 to receive donations of articles which might be sold to provide funds for the operation of the agency. Income is recorded in the Bureau Drawer Fund when such donated articles are sold, and amounted to \$120,319. Volunteer services valued at \$243,633 were not recorded in the financial statements.

NOTE 6 – RETIREMENT PLAN

Interfaith Social Services, Inc. sponsors a retirement plan under IRS code section 401(k) covering eligible employees. The Organization switched from a 403(b) plan to the 401(k) plan in June 2018. The Organization's policy is to fund at a specified percentage of an employee's earnings. The Organization contributed \$23,082 to the 401(k) plan in fiscal 2019. Eligible employees may also contribute a portion of their annual compensation subject to IRS limitations.

NOTE 7 – ADA BACON FUND

Interfaith Social Services, Inc. receives funds from the Ada Bacon Fund for disbursement to persons in need of medical assistance on the South Shore. During the year ended June 30, 2019 additional cash contributions of \$2,200 were received and additional cash distributions of \$2,144 were made.

INTERFAITH SOCIAL SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 8 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 20, 2019 which is the date the financial statements were available to be issued. There were no subsequent events that require adjustment to or disclosure in the financial statements.

NOTE 9 – INVENTORY

The inventory at June 30, 2019 consisted of food in the amount of \$8,090 and clothing in the amount of approximately \$30,270. The value of food was estimated using an average unit value and the value of clothing was estimated using standard thrift shop prices.

NOTE 10 – DONATED GOODS AND SERVICES

Interfaith Social Services, Inc. records the value of donated goods using two valuation methods depending on how it is received. Food that is donated directly to the Organization is valued based on a count of the number of bags and boxes donated, the average weight of each bag and box and a dollar value of a pound of food based on a Feeding America study. Weight checks are conducted throughout the year to develop an average weight. The dollar value of food is based on the approximate average wholesale value of one pound of donated product at the national level as outlined in the Product Valuation Survey Methodology prepared by an international CPA firm dated December 31, 2017 and 2018 prepared for Feeding America for use by member food banks. The value of food received from The Greater Boston Food Bank (GBFB) is reported to us each week and is based on GBFB's cost, USDA stated value or GBFB valuation, which is similar to the valuation described above for direct donations. The value of all donated clothing to the thrift shop is determined by how much bidders and buyers pay for them. Toys and gifts are valued at retail. Volunteer services are estimated using an accounting of hours donated and a rate of \$32.15 per hour, based on IndependentSector.org's annual calculations.

Donated goods are reflected as contributions in the accompanying statements. The value of donated goods included in the financial statements for the year ended June 30, 2019 is as follows:

Food - Pantry Shelf	\$ 939,824
Christmas Toys and Gifts	69,800
Backpacks	25,571
Feed The Hungry	63,878
South Shore Walk	2,568
Career Closet	1,232
Donated Clothing and Household Goods sold	<u>120,319</u>
Total Donated Goods	<u>\$ 1,223,192</u>

Interfaith Social Services, Inc. does not record the value of donated services in the accompanying statements. The value of these donated services for the year ended June 30, 2019 is as follows:

INTERFAITH SOCIAL SERVICES, INC.
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2019

Volunteer Services - Pantry Shelf	\$ 349,407
Volunteer Services - Bureau Drawer	243,633
Volunteer Services - Administrative	62,757
Volunteer Services - Fundraising	<u>76,677</u>
Total Donated Services	<u>\$ 732,474</u>

NOTE 11 – SUPPLEMENTAL DISCLOSURES REGARDING CASH FLOWS

Payments made by the Organization for interest and income taxes were as follows:

Interest paid	\$0
Income taxes paid	\$0

NOTE 12 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of \$10,000 available for the Counseling Program as of July 1, 2019.

The net assets released from restrictions consisted of \$6,451 for the Homesafe Housing Assistance program, \$623 for medical grants and \$40,001 for capital improvements.

NOTE 13 – INVESTMENTS

Investments at June 30, 2019 are summarized as follows:

Certificate of Deposit at 2.66% with a twenty month term due 12/3/20	\$ 5,196
Certificate of Deposit at 1.98% with a twenty four month term due 6/26/21	5,160
Certificate of Deposit at 1.98% with a twenty seven month term due 2/22/20	22,406
Certificate of Deposit at 2.47% with a fifteen month term due 3/28/20	15,422
Certificate of Deposit at 1.50% with a eighteen month term due 11/27/2020	10,880
Certificate of Deposit at 1.75% with a three year term due 11/27/20	25,706
Certificate of Deposit at 1.85% with a four year term due 11/27/21	25,747
Certificate of Deposit at 1.95% with a five year term due 11/27/22	25,788
Certificate of Deposit at 1.75% with a twenty four month term due 3/21/21	5,000
Money Market Account at 2.36%	<u>75,444</u>
Total Investments	<u>\$ 216,749</u>

INTERFAITH SOCIAL SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

The composition of the investment return (loss) as reported in the statement of activities for the year ended June 30, 2019 as follows:

	<u>Unrestricted</u>
Income on Investments Consisting of Interest	\$ 5,929
Net Realized Gain	-
Return on Investments	\$ 5,929

NOTE 13 – INVESTMENTS (continued)

Fair Value Hierarchy

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2019.

Common and preferred stocks: Valued based on quoted market prices.

Mutual and money market funds: Valued at the net asset value of the shares held at year end.

Debt securities: Valued based on pricing models that consider standard input factors such as observable market data, benchmark yields, interest rate volatilities, broker/dealer quotes, credit spreads and new issue data.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments at Fair Value on a Recurring Basis

The following table presents the Organization’s fair value hierarchy as described in Note 2 for investments measured at fair value on a recurring basis as of June 30, 2019:

Description	Total Fair Value	Fair Value Measurement		
		Level 1	Level 2	Level 3
Certificates of Deposit	216,749	216,749	-	-
Total Investments	\$ 216,749	\$ 216,749	\$ -	\$ -

INTERFAITH SOCIAL SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 14 – AVAILABLE RESOURCES AND LIQUIDITY

The Organization has \$438,816 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash of \$214,487, fees and pledges receivable of \$4,340, gift cards of \$3,240 and investments of \$216,749. Financial assets available have been reduced by \$10,000 (cash) which is subject to donor restriction that may make them unavailable for general expenditure within one year of the balance sheet date. Investments include certificates of deposit with a term of more than one year that are available with a small interest penalty. The fees and pledges receivable are expected to be collected within one year. The Organization has a goal to maintain financial assets, which consist primarily of cash and short-term investments, on hand to meet 6 months of budgeted general cash operating expenses for the next year, which are approximately \$490,000. The Organization generally anticipates a balanced budget for the next year and separate fundraising, as necessary, is done for any anticipated significant capital expenditures. In addition, as part of its liquidity management, the Organization invests cash in excess of daily requirements in various short-term investments, including certificate of deposits.