HORIZONS NATIONAL STUDENT ENRICHMENT PROGRAM, INC.

Independent Auditors' Report
Financial Statements

December 31, 2023 and 2022

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HORIZONS NATIONAL STUDENT ENRICHMENT PROGRAM, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Horizons National Student Enrichment Program, Inc.

Opinion

We have audited the accompanying financial statements of Horizons National Student Enrichment Program, Inc., which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, cash flows, and functional expenses for the year 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 Horizons National Student Enrichment Program, Inc. as of December 31, 2023, and the changes in its net assets and its cash flows for the year 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Horizons National Student Enrichment Program, Inc. 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 Horizons National Student Enrichment Program, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Horizons National Student Enrichment Program, Inc.'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 Horizons National Student Enrichment Program, Inc.'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.

Report on Summarized Comparative Information

We have previously audited Horizons National Student Enrichment Program, Inc.'s 2022 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated April 27, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Whittlesey PC

Hamden, Connecticut
April 25, 2024

HORIZONS NATIONAL STUDENT ENRICHMENT PROGRAM, INC.

Statements of Financial Position

December 31, 2023 and 2022

	2023	2022
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,412,018	$ 2,642,168
Short-term investments	1,661,041	1,250,957
Pledges receivable	171,345	1,240,620
Prepaid expenses	13,500	-
Total current assets	3,257,904	5,133,745
Investments	703,364	494,062
Pledges receivable, long-term	160,000	160,000
Right-of-use asset	166,703	327,129
Security deposit	14,453	14,453
Total assets	$ 4,302,424	$ 6,129,389
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	$ 95,641	$ 74,973
Designated funds payable	56,218	103,905
Operating lease liability - current	166,991	166,991
Total current liabilities	318,850	345,869
Long term liabilities:		
Operating lease liability	-	165,045
Total liabilities	318,850	510,914
Net assets:		
Net assets without donor restrictions		
Undesignated	2,697,056	3,986,767
Board designated - reserve	116,285	116,285
Total net assets without donor restrictions	2,813,341	4,103,052
Net assets with donor restrictions	1,170,233	1,515,423
Total net assets	3,983,574	5,618,475
Total liabilities and net assets	$ 4,302,424	$ 6,129,389

The accompanying notes are an integral part of these financial statements.

HORIZONS NATIONAL STUDENT ENRICHMENT PROGRAM, INC.

Statement of Activities

For the year ended December 31, 2023

(with comparative totals for the year ended December 31, 2022)

	2023					
	Without Donor Restrictions					
	Operating	Board Designated	Total	With Donor Restrictions	Total	2022 Total
Revenues and other support:						
Contributions	$ 2,259,721	$ -	$ 2,259,721	$ 166,500	$ 2,426,221	$ 3,145,078
Government grants	41,673	-	41,673	-	41,673	603,045
Investment income/(loss)	84,805	-	84,805	33,489	118,294	(81,988)
Rental income	93,416	-	93,416	-	93,416	50,215
Net assets released from restriction	545,179	-	545,179	(545,179)	-	-
Total revenues and other support	3,024,794	-	3,024,794	(345,190)	2,679,604	3,716,350
Expenses:						
Program services	3,724,102	-	3,724,102	-	3,724,102	3,457,629
Supporting services						
Management and general	296,010	-	296,010	-	296,010	285,582
Fundraising	294,393	-	294,393	-	294,393	279,395
Total expenses	4,314,505	-	4,314,505	-	4,314,505	4,022,606
Change in net assets	(1,289,711)	-	(1,289,711)	(345,190)	(1,634,901)	(306,256)
Net assets at beginning of year	3,986,767	116,285	4,103,052	1,515,423	5,618,475	5,924,731
Net assets at end of year	$ 2,697,056	$ 116,285	$ 2,813,341	$ 1,170,233	$ 3,983,574	$ 5,618,475

The accompanying notes are an integral part of these financial statements.

HORIZONS NATIONAL STUDENT ENRICHMENT PROGRAM, INC.

Statement of Functional Expenses

For the year ended December 31, 2023

(with comparative totals for the year ended December 31, 2022)

	2023				2022
	Program	Management and General	Fundraising	Total	Total
Salaries	$ 2,147,936	$ 196,386	$ 127,022	$ 2,471,344	$ 2,171,254
Affiliate support	907,561	-	-	907,561	776,914
Payroll taxes	148,862	14,278	8,864	172,004	152,975
Employee benefits	216,502	19,315	12,729	248,546	203,227
Marketing and consultants	8,447	2,363	51,111	61,921	293,550
Supplies and miscellaneous	48,330	13,406	19,699	81,435	85,691
Printing and postage	7,217	1,658	4,855	13,730	10,771
Insurance	5,091	2,488	3,263	10,842	9,314
Legal and professional fees	63,529	11,804	27,521	102,854	65,835
Conferences and meetings	35,768	4,282	16,266	56,316	56,041
Depreciation	-	-	-	-	293
Occupancy	132,939	29,092	21,832	183,863	192,020
Repairs and maintenance	196	96	126	418	410
Telephone	1,724	842	1,105	3,671	4,311
Total	$ 3,724,102	$ 296,010	$ 294,393	$ 4,314,505	$ 4,022,606

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

For the years ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	$ (1,634,901)	$ (306,256)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	-	293
Net realized and unrealized (gains)/losses on investments	(67,608)	106,307
Change in operating assets and liabilities:		
Net change in operating lease assets and liabilities	(4,619)	4,907
Pledges receivable	1,069,275	(67,525)
Security deposit	-	(2,652)
Prepaid expenses	(13,500)	-
Accounts payable and accrued expenses	20,668	46,319
Designated funds payable	(47,687)	43,451
Net cash used in operating activities	(678,372)	(175,156)
Cash flows from investing activities:		
Proceeds from sales of investments	-	1,103,235
Purchase of investments	(551,778)	(554,284)
Net cash (used)/provided by investing activities	(551,778)	548,951
Net changes in cash and cash equivalents	(1,230,150)	373,795
Cash and cash equivalents at beginning of year	2,642,168	2,268,373
Cash and cash equivalents at end of year	$ 1,412,018	$ 2,642,168

The accompanying notes are an integral part of these financial statements.

NOTE 1 - ORGANIZATION

Horizons National Student Enrichment Program, Inc. is designed to encourage a diverse population of students to realize their full potential. Headquartered in Westport, Connecticut, Horizons National Student Enrichment Program, Inc. (the Organization) oversees and supports an affiliate network (Affiliates) of 71 programs on the campuses of independent and charter schools, colleges, and universities throughout the country to provide out-of-school time academic and youth development opportunities.

Horizons Affiliates offer a summer program that provides academic, athletic, and cultural opportunities to children from under-resourced communities year after year. Additionally, affiliates provide extended school year and high school support to children and families in the program.

The primary function of the Organization is to support Affiliates (with training, program development and implementation, and consulting) and to expand Horizons programs to serve more students, families, and communities. The program budget for all Affiliates is in excess of $28.8 million not including the value of services provided by the host schools.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents - For purposes of reporting cash flows, cash and cash equivalents include cash and short-term highly liquid investments having an original maturity of three months or less.

Basis of Presentation - The financial statements of the Organization comply with the *Financial Statements of Not-for-Profit Organizations* topic of the FASB Codification. Under this topic, the Organization reports information regarding its financial position and activities according to the following net asset classifications:

> *Net assets without donor restrictions* - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.
>
> *Net assets with donor restrictions* - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.
>
> Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Concentration of Credit Risk - The Organization maintains its cash accounts at a brokerage firm and a bank. Cash and securities accounts at the brokerage firm are insured by the Securities Investors Protection Corporation (SIPC) up to $500,000, which includes a $250,000 limit for cash by the Federal Deposit Insurance Corporation (FDIC). At various times throughout the year, the Organization's cash on deposit may exceed the insured balances. However, management believes these deposits are not subject to significant risk.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Allowance for Uncollectible Pledges Receivable - An allowance for uncollectible pledges receivable is established and evaluated periodically for adequacy based upon management's evaluation of past loss experience, known and inherent risks in its accounts, plus other factors which could affect collectability. At December 31, 2023 and 2022, the Organization determined that no allowance for uncollectible pledges receivable was necessary.

Investments - Investments in marketable securities with readily determinable fair values are reported at their fair values in the statement of financial position. Realized gains or losses and unrealized appreciation or depreciation are reflected in the accompanying statement of activities. The value of these investments is subject to fluctuation due to general market conditions and interest rates.

Property and Equipment - Property and equipment is recorded at cost when purchased and fair value when donated. Depreciation is computed using the straight-line method over the estimated useful lives of 3 - 5 years of the respective assets.

Agency Transactions - The Organization follows financial accounting standards related to transfers of assets to a not-for-profit organization or charitable trust that raises or holds contributions for others. These accounting standards establish principles for transactions in which a donor makes an irrevocable contribution to a beneficiary by transferring assets through another entity, the recipient. The standards require that when a recipient organization is acting like an agent for the ultimate beneficiary organizations, the recipient organization is to recognize the fair value of the assets, as well as the liability to the specified beneficiary instead of recognizing a contribution. For the years ended December 31, 2023 and 2022, the Organization received donations and pledges totaling $228,000 and $253,768, respectively, intended for Horizons affiliate programs. During the years ended December 31, 2023 and 2022, $313,000 and $149,768, respectively, were remitted to the Horizons affiliate programs. The remaining amount to be remitted totaling $56,218 and $103,905 is reflected as a current liability on the statements of financial position at December 31, 2023 and 2022, respectively.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates that affect certain reporting amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes - The Organization is a Connecticut non-stock corporation that is exempt from taxes under Section 501(a) of the Internal Revenue Code as an organization described under Section 501(c)(3) of the code. A ruling from the Internal Revenue Service has determined that the Organization will be treated as a publicly supported organization, and not a private foundation.

Leases - The Company determines if an arrangement is a lease at inception. Right-of-use ("ROU") asset represents the Company's right to use an underlying asset for the lease term and operating lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and operating lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As the Company's lease does not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Expenses - The Organization allocates expenses on a functional basis among its various programs (affiliate services, expansion, evaluation, development and general and administrative). Expenses that can be identified with a specific program are allocated directly according to their natural expense classification. Common expenses that benefit all functional areas of the Organization (i.e., professional fees, occupancy, depreciation) are allocated to the various programs based on a percentage of payroll costs charged to the specific program in relation to total payroll costs of the Organization as a whole.

Contributions - The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, pledge, or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barriers and a right of return - are not recognized until the conditions on which they depend have been met. The Organization records contributions received as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to net assets without donor restrictions upon satisfaction of the time or purpose restrictions.

Government Grants - The Organization receives grant funding from various federal, state, and local governments to provide a variety of program services to the public based on specific requirements included in the agreements and/or incurring allowable qualifying expenses. Such governmental grants and contracts are nonreciprocal transactions and include conditions stipulated by the government agencies and are, therefore, accounted for as conditional contributions. Public support is recognized as conditions are satisfied, primarily as expenses are incurred.

Fair Value - *Financial Accounting Standards Board* (FASB) *Accounting Standards Codification* (ASC) 820 defines fair value, requires certain disclosures about fair value measurements, and establishes a three-level hierarchy for fair value measurements based on the observable inputs to the valuation of an asset or liability at the measurement date. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy prioritizes the inputs to the valuation techniques used to measure the fair value into three broad levels:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2 - Observable prices that are based on inputs not quoted in active markets, but corroborated by market data.

Level 3 - Unobservable inputs that are used when little or no market data is available.

The 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 December 31, 2023 and 2022.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value ("NAV") and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Certificate of Deposit: Valued at original cost plus accrued interest, which approximates fair value.

In general, and where applicable, the Organization uses quoted prices in active markets for identical assets or liabilities to determine fair value. This pricing methodology applies to Level 1 instruments such as mutual funds and marketable equity securities. If quoted prices in active markets for identical assets or liabilities are not available to determine fair value, then the Organization uses quoted prices for similar assets and liabilities or inputs other than quoted prices that are observable either directly or indirectly. These investments are included in Level 2 and consist primarily of certificates of deposit.

Subsequent Events - Management has evaluated events and transactions subsequent to December 31, 2023 through April 25, 2024, the date the financial statements were available to be issued, and has determined that there are no material events that would require disclosure in the financial statements.

NOTE 3 - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31,:

	2023	2022
Financial assets at year end:		
Cash and cash equivalents	$ 1,412,018	$ 2,642,168
Short-term investments	1,661,041	1,250,957
Pledges receivable, current	171,345	1,240,620
Pledges receivable, long term	160,000	160,000
Investments	703,364	494,062
Total financial assets	4,107,768	5,787,807
Less, amounts not available to be used within one year:		
Net assets with board restrictions	116,285	116,285
Net assets with donor restrictions	1,170,233	1,515,423
Total net assets with restrictions	1,286,518	1,631,708
Financial assets available to meet general expenditures over the next twelve months	$ 2,821,250	$ 4,156,099

The Organization's goal is generally to maintain financial assets by receiving support from various sources including individual, corporate, foundation and Board contributions, as well as income from investment sources.

NOTE 4 - INVESTMENTS

Short-Term Investments - Short-term investments consist of certificates of deposit maturing in one year or less and are presented on the statement of financial position as current assets. As of December 31, 2023 and 2022, short-term investments had a cost basis that approximated fair value.

Long-Term Investments - Long-term investments consist of the long-term endowment and board designated investments and are presented in the financial statements at fair market value. Long-term investments are reflected in the accompanying financial statements as follows at December 31,:

	2023	2022
Mutual funds and ETFs	$ 703,364	$ 494,062

The following is a summary of investment returns for the years ended December 31,:

	2023	2022
Short-term investments		
Dividends and interest	$ 30,885	$ 3,311
Long-term investments		
Dividends and interest	19,801	21,008
Net realized and unrealized gain/(loss)	67,608	(106,307)
Total return on long-term investments	87,409	(85,299)
Total return	$ 118,294	$ (81,988)

NOTE 5 - FAIR VALUE MEASUREMENTS

The following table sets forth by level, within the fair value hierarchy, the Organization's fair value measurements at December 31,:

	2023			
	Level 1	Level 2	Level 3	Total
Certificates of deposit	$ -	$ 1,661,041	$ -	$ 1,661,041
Mutual funds and ETFs	703,364	-	-	703,364
Total	$ 703,364	$ 1,661,041	$ -	$ 2,364,405

NOTE 5 - FAIR VALUE MEASURMENTS (continued)

	2022			
	Level 1	Level 2	Level 3	Total
Certificates of deposit	$ -	$ 1,250,957	$ -	$ 1,250,957
Mutual funds and ETFs	494,062	-	-	494,062
Total	$ 494,062	$ 1,250,957	$ -	$ 1,745,019

NOTE 6 - ENDOWMENT FUNDS

The Organization maintains permanent endowment funds that are recorded as a part of the Organization's net assets. Permanent endowment funds include both donor-restricted endowment funds and funds designated by the Organization's Board of Directors to function as endowment (Board-designated endowment funds). Accounting principles generally accepted in the United States of America (GAAP) require net assets associated with endowment funds, including Board-designated endowment funds, to be classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization's Board of Directors (Board) has concluded, absent explicit donor stipulations to the contrary, that the Organizations' donor-restricted endowment funds be governed under Connecticut law. These provisions of the Uniform Prudent Management of Institutional Fund Act (UPMIFA) are consistent with the Organization's policy, through which that Organization seeks to balance the dual goals of providing maximum funds while also preserving, over the long-term the inflation-adjusted value of a donor's gift.

The Organization has adopted an investment and spending policy that the primary objective is to provide for the long-term sustainability of the Organization and, through annual withdrawals, to enhance the stability of its annual operating income. These investments are to be held as endowment in perpetuity with the objective of maintaining their real purchasing power and providing for a discretionary draw for annual operating purposes.

Because the Organization intends to make regular distributions even when these distributions may temporarily erode a portion of the gift's original value and because the Organization believes that both the value of the original gift and any appreciation on the gift is equally restricted for purposes named by the donor, the Organization records all permanent endowment gifts as permanently restricted. It is the Organization's practice and commitment that every dollar in its permanent endowment funds will be held and managed to meet the dual goals of fund growth and current financial support of the Organization's operations, in accordance with the donor's instructions.

NOTE 6 - ENDOWMENT FUNDS (continued)

The changes in endowment net assets are as follows:

	2023		
	Donor Restricted		
	Endowment Earnings	Held in Perpetuity	Total
Endowment net assets, January 1, 2023	$ 104,993	$ 285,669	$ 390,662
Investment return:			
Dividends and interest	16,194	-	16,194
Net realized and unrealized gain/(loss)	17,295	-	17,295
Net investment income/(loss)	33,489	-	33,489
Endowment net assets, December 31, 2023	$ 138,482	$ 285,669	$ 424,151

	2022		
	Donor Restricted		
	Endowment Earnings	Held in Perpetuity	Total
Endowment net assets, January 1, 2022	$ 176,118	$ 285,669	$ 461,787
Investment return:			
Dividends and interest	6,810	-	6,810
Net realized and unrealized gain/(loss)	(77,935)	-	(77,935)
Net investment income/(loss)	(71,125)	-	(71,125)
Endowment net assets, December 31, 2022	$ 104,993	$ 285,669	$ 390,662

NOTE 7 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31,:

	2023	2022
Furniture, fixtures and equipment	$ 44,729	$ 44,729
Computer software	12,898	12,898
Total	57,627	57,627
Less, accumulated depreciation	57,627	57,627
Property and equipment, net	$ -	$ -

NOTE 8 - PLEDGES RECEIVABLE

The Organization periodically solicits multi-year pledges. Pledges receivable are as follows as of December 31,:

	2023	2022
Amounts due in:		
Less than one year	$ 171,345	$ 1,240,620
One to five years	160,000	160,000
Total pledges receivable	$ 331,345	$ 1,400,620

NOTE 9 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets were comprised of the following at December 31,:

	2023	2022
Time and purpose restrictions:		
High school programming	$ -	$ 150,000
Affiliates support	746,082	974,761
Endowment	138,482	104,993
Total net assets with time and purpose restrictions	884,564	1,229,754
Held in perpetuity:		
Endowment	285,669	285,669
Total net assets held in perpetuity	285,669	285,669
Total net assets with donor restrictions	$ 1,170,233	$ 1,515,423

Net assets released from restriction were as follows for the years ended December 31,:

	2023	2022
Affiliates support	$ 545,179	$ 750,212

NOTE 10 - LEASES

Operating Lease - The Organization entered into an operating lease for office space that expires November 30, 2024. Lease expense for this lease amounted to $179,064 and $178,776 for the years ended December 31, 2023 and 2022, respectively.

The Company uses the risk-free federal funds rate at January 1, 2022 of 5.00% as the incremental borrowing rate. The future minimum lease payments are as follows for the years ended December 31,:

	2024
Lease Liability	$ 170,443
Less, present value discount	(3,452)
Total lease liability	$ 166,991

Rental Income - The Organization has two subleases for a portion of its leased space. Sublease income during the year ended December 31, 2023 and 2022 is $93,416 and $50,215, respectively, and is included in other income on the accompanying statement of activities. Future minimum sublease income to be received under these agreements is $87,697 through December 31, 2024.

NOTE 11 - RETIREMENT PLAN

The Organization maintains a 403(b)employer sponsored retirement plan that covers all salaried employees. Retirement expenses for the years ended December 31, 2023 and 2022 were $108,861 and $103,029, respectively.

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