



Connections for Independent Living

Audited Financial Statements
September 30, 2021 and 2020

Connections for Independent Living

Contents

Independent Auditor's Report	1
Financial Statements	
Statements of Financial Position	4
Statements of Activities	5
Statements of Cash Flows	6
Statement of Functional Expenses for the Year Ended September 30, 2021	7
Statement of Functional Expenses for the Year Ended September 30, 2020	8
Notes to Financial Statements	9



Independent Auditor's Report

Board of Directors
Connections for Independent Living
Greeley, Colorado

Opinion

We have audited the financial statements of Connections for Independent Living (the Organization), which comprise the statements of financial position as of September 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of September 30, 2021 and 2020, and the changes in its net assets and its 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 audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 GAAS 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 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 GAAS, 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 the Organization'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 the Organization'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.

BDO USA, LLP

February 16, 2022

Financial Statements

Connections for Independent Living

Statements of Financial Position

<i>September 30,</i>	2021	2020
Assets		
Current assets		
Cash and cash equivalents	\$ 144,001	\$ 340,815
Investment	6,804	5,664
Grants receivable, net	51,092	53,982
Service fees receivable, net	85,310	139,090
Prepaid expenses and other assets	4,972	456
Total current assets	292,179	540,007
Property and equipment		
Land	70,600	70,600
Building and improvements	638,644	638,644
Furniture and equipment	75,012	69,618
Accumulated depreciation	(202,803)	(181,492)
Total property and equipment, net	581,453	597,370
Total assets	\$ 873,632	\$ 1,137,377
Liabilities and net assets		
Current liabilities		
Accounts payable	\$ 27,596	\$ 25,082
Accrued wages payable	10,558	10,887
Accrued compensated absences	44,425	50,706
Note payable - PPP loan	178,419	-
Total current liabilities	260,998	86,675
Total liabilities	260,998	86,675
Commitments and contingencies		
Net assets		
Net assets without donor restrictions	596,936	1,050,702
Net assets with donor restrictions	15,698	-
Total net assets	612,634	1,050,702
Total liabilities and net assets	\$ 873,632	\$ 1,137,377

See accompanying notes to the financial statements.

Connections for Independent Living

Statements of Activities

<i>Years Ended September 30,</i>	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions
Revenues and gains				
Program service fees	\$ 275,299	\$ -	\$ 275,299	\$ 438,468
In-kind donations	-	-	-	7,724
Contributions and grants	9,638	25,000	34,638	23,801
Government grants	970,289	-	970,289	799,587
Investment income, net	1,324	-	1,324	4,862
Miscellaneous	7,059	-	7,059	1,200
Net assets released from restriction	9,302	(9,302)	-	-
Total revenues and gains	1,272,911	15,698	1,288,609	1,275,642
Expenses				
Program services				
Independent living	984,489	-	984,489	945,184
Community transitions	1,248	-	1,248	7,664
Housing and urban development	88,482	-	88,482	64,320
Interpreter services	347,625	-	347,625	518,020
Total program services	1,421,844	-	1,421,844	1,535,188
Supporting services				
Management and general	303,320	-	303,320	173,654
Fundraising	1,513	-	1,513	1,169
Total support services	304,833	-	304,833	174,823
Total expenses	1,726,677	-	1,726,677	1,710,011
Change in net assets	(453,766)	15,698	(438,068)	(434,369)
Net assets at beginning of year	1,050,702	-	1,050,702	1,485,071
Net assets at end of year	\$ 596,936	\$ 15,698	\$ 612,634	\$ 1,050,702

See accompanying notes to the financial statements.

Connections for Independent Living

Statements of Cash Flows

<i>Years Ended September 30,</i>	2021	2020
Cash flow from operating activities		
Change in net assets	\$ (438,068)	\$ (434,369)
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	27,303	24,700
Bad Debt	292	71,391
Net unrealized gain on investments	(1,140)	-
(Increase) decrease in operating assets:		
Service fees receivable	53,488	(129,150)
Grants receivable	2,890	23,751
Prepaid expenses and other assets	(4,516)	(456)
Increase (decrease) in operating liabilities:		
Accounts payable	2,514	(12,637)
Accrued expenses	(6,610)	11,765
Net cash flows from operating activities	(363,847)	(445,005)
Cash flows from investing activities		
Redemption of investments	-	344,362
Re-invested interest on investments	-	(4,862)
Purchase of property and equipment	(11,386)	(35,143)
Net cash flows from investing activities	(11,386)	304,357
Cash flows from financing activities		
Proceeds from note payable - PPP loan	178,419	-
Net cash flows from financing activities	178,419	-
Change in cash and cash equivalents	(196,814)	(140,648)
Cash and cash equivalents at beginning of year	340,815	481,463
Cash and cash equivalents at end of year	\$ 144,001	\$ 340,815

See accompanying notes to the financial statements.

Connections for Independent Living

Statements of Functional Expenses

Year Ended September 30, 2021	Program Services				Supporting Services				
	Independent Living	Community Transitions	Housing and Urban Development	Interpreter Services	Total Program Services	Management and General	Fund - Raising	Total Support Services	Total Expenses
Personnel expenses	\$ 795,358	\$ 934	\$ 82,828	\$ 170,789	\$ 1,049,909	\$ 80,078	\$ -	\$ 80,078	\$ 1,129,987
Professional fees	99,526	-	93	1,115	100,734	147,370	-	147,370	248,104
Supplies	34,130	41	2,482	1,958	38,611	20,156	1,326	21,482	60,093
Telephone	10,140	-	551	1,236	11,927	6,215	-	6,215	18,142
Postage and shipping	930	-	385	-	1,315	529	37	566	1,881
Insurance	8,847	-	-	-	8,847	7,152	-	7,152	15,999
Repairs and maintenance	4,751	-	713	7,445	12,909	-	-	-	12,909
Printing and publications	1,547	-	-	-	1,547	6,386	-	6,386	7,933
Travel	1,853	-	-	2	1,855	276	-	276	2,131
Training and education	1,732	-	-	150	1,882	5,535	150	5,685	7,567
Specific assistance to individuals	-	-	-	-	-	3,302	-	3,302	3,302
Bad debt	-	-	-	292	292	-	-	-	292
Miscellaneous	6,930	-	338	8,389	15,657	14,173	-	14,173	29,830
Utilities	2,219	-	-	-	2,219	2,318	-	2,318	4,537
Interpreter expenses	418	-	-	156,249	156,667	-	-	-	156,667
Total expenses before depreciation	968,381	975	87,390	347,625	1,404,371	293,490	1,513	295,003	1,699,374
Depreciation	16,108	273	1,092	-	17,473	9,830	-	9,830	27,303
Total expenses	\$ 984,489	\$ 1,248	\$ 88,482	\$ 347,625	\$ 1,421,844	\$ 303,320	\$ 1,513	\$ 304,833	\$ 1,726,677

See accompanying notes to the financial statements.

Connections for Independent Living

Statements of Functional Expenses

Year Ended September 30, 2020	Program Services				Supporting Services				Total Expenses
	Independent Living	Community Transitions	Housing and Urban Development	Interpreter Services	Total Program Services	Management and General	Fund - Raising	Total Support Services	
Personnel expenses	\$ 714,378	\$ -	\$ 56,855	\$ 149,474	\$ 920,707	\$ 48,529	\$ -	\$ 48,529	\$ 969,236
Professional fees	112,347	-	-	10,671	123,018	64,405	-	64,405	187,423
In-kind donations	-	-	-	-	-	150	-	150	150
Supplies	32,633	6,151	3,178	542	42,504	33,949	1,169	35,118	77,622
Telephone	6,238	461	-	2,758	9,457	1,844	-	1,844	11,301
Postage and shipping	1,427	1	537	113	2,078	102	-	102	2,180
Insurance	18,357	-	-	-	18,357	4,482	-	4,482	22,839
Repairs and maintenance	21,864	-	-	74	21,938	905	-	905	22,843
Printing and publications	1,306	-	-	-	1,306	353	-	353	1,659
Travel	3,469	-	177	28,631	32,277	292	-	292	32,569
Training and education	1,320	-	450	-	1,770	-	-	-	1,770
Specific assistance to individuals	-	400	-	-	400	-	-	-	400
Bad debt	-	-	-	71,391	71,391	-	-	-	71,391
Miscellaneous	12,596	57	27	3,098	15,778	8,994	-	8,994	24,772
Utilities	4,580	-	-	-	4,580	833	-	833	5,413
Rent	-	300	2,175	-	2,475	-	-	-	2,475
Interpreter expenses	-	-	-	251,268	251,268	-	-	-	251,268
Total expenses before depreciation	930,515	7,370	63,399	518,020	1,519,304	164,838	1,169	166,007	1,685,311
Depreciation	14,669	294	921	-	15,884	8,816	-	8,816	24,700
Total expenses	\$ 945,184	\$ 7,664	\$ 64,320	\$ 518,020	\$ 1,535,188	\$ 173,654	\$ 1,169	\$ 174,823	\$ 1,710,011

See accompanying notes to the financial statements.

Connections for Independent Living

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Organization

Connections for Independent Living (the "Organization") was incorporated on February 11, 1988, under the laws of the State of Colorado and is a nonprofit organization providing assistance and support to individuals with disabilities. The Organization provides services to the following Colorado counties: Weld, Yuma, Washington, Larimer, Sedgwick, Logan, Phillips, and Morgan. A staff of professionals and volunteers provide advocacy, peer counseling, independent living, skills training, sign language interpreters, and information and referral services. The Organization's business office is located in Greeley, Colorado.

The Organization's major programs are described below:

Independent Living: The Organization has five core independent living services:

Peer Support: Staff members who have disabilities provide support, teaching, and information sharing with participants to help in overcoming barriers, handling the stresses of having a disability, and sharing resources helpful in maintaining independence.

Information and Referral: Information and referral services to all individuals who need help finding the appropriate community support.

Individual and Systems Advocacy: The Organization not only advocates for individuals, but also works to eliminate physical and attitudinal barriers in the community.

Independent Living Skills Training: Instruction to develop independent living skills in areas such as personal care, coping, budgeting, and social skills.

Transition: Staff assists in identifying resources and support systems that allow individuals to relocate from nursing homes to an independent life in the community at large.

Housing and Urban Development: The Organization provides Housing Choice Vouchers as a subcontractor for the Division of Housing and maintains an affordable housing list for people with disabilities.

Community Transitions: Disability expertise is provided to the High Plains Library District and the City of Greeley. Specifically, with respect to the City of Greeley, the Organization routinely provides advice for the Adaptive and Inclusive Recreation Program. The Organization is also available to any other agencies that request expertise.

Interpreter Services: Provide, on a fee for service basis, sign language interpreting for individuals who are hearing impaired. Fees are paid by the business utilizing the service, as an accommodation under the Americans with Disabilities Act ("ADA").

Basis of Accounting

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"), following the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Financial Statements for Not-for-Profit*

Connections for Independent Living

Notes to Financial Statements

Organizations. The financial statements, accordingly, reflect all significant receivables, payables and other liabilities. The Organization reports information regarding its financial position and activities according to two classes of net assets:

Without Donor Restrictions - Net assets that are available for use in general operations and are not subject to donor (or certain grantor) restrictions. The governing board may designate from net assets without donor restrictions for an operating reserve or other purpose. The board has not designated any assets as of September 30, 2021 or 2020.

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 held in perpetuity. Donor imposed restrictions are released when a restriction expires, that is when the time stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents

The Organization considers all highly liquid investments available for current use with an original maturity of three months or less to be cash equivalents.

Investments

Investment purchases are initially recorded at cost, or if donated, at their fair value on the date of donation. At September 30, 2021 and 2020, investments consist of money market funds held for long-term purposes. Money market funds are reported at their fair values in the Statements of Financial Position.

Fair Value Measurements

The FASB Codification establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1 - Observable inputs such as quoted prices in active markets for identical assets or liabilities;
- Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in inactive markets, or model-derived valuations in which all significant inputs are observable or can be derived principally from, or corroborated by, observable market data;
- Level 3 - Unobservable inputs are used when little or no market data is available.

In determining fair value, the Organization utilizes greatest valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible.

The money market funds are deemed to be a level 1 investment.

Connections for Independent Living

Notes to Financial Statements

Financial Instruments and Credit Risk

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist of cash, certificates of deposit, money market funds and receivables.

Cash and cash equivalents and certificates of deposit are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Organization has never experienced any losses related to these balances. The Organization had no amounts on deposit in excess of federally insured limits at September 30, 2021 and 2020.

Grants Receivable

Grants received from an unconditional promise to give that are expected to be collected within one year are recorded at net realizable value, which approximates fair value. Unconditional promises to give that are expected to be collected in future years are initially recorded at fair value, which is measured as the present value of their expected future cash flows. As there are no long-term promises to give, no present value discount was recorded for September 30, 2021 and 2020. Conditional promises to give are not included as support until the conditions are sustainably met.

The Organization provides an allowance for doubtful accounts equal to the estimated uncollectible amounts. The Organization's estimate is based on historical collection experience and a review of the current status of accounts receivable. It is reasonably possible that the Organization's estimate of the allowance for doubtful accounts will change. The Organization has determined that no allowance is necessary for grants receivable as of September 30, 2021 and 2020.

Service Fees Receivable

Service fees receivable are recorded when the all performance obligations for the related service have been met. These amounts are reported at their net realizable value if the amounts are due within one year. An allowance for doubtful accounts is based on an analysis of expected collection rates determined from experience. No allowance was considered necessary as of September 30, 2021 or 2020. During the years ended September 30, 2021 and 2020, there were certain specific service fees receivable related to one vendor that were deemed to be uncollectible and bad debt expense was recorded.

Property and Equipment

All property and equipment with an estimated useful life of greater than one year and a unit cost of \$5,000 or greater are capitalized and depreciated over the estimated useful lives of the assets using the straight-line method. Estimated useful lives are as follows:

Description	Estimated lives
Building and improvements	15 - 40 years
Furniture and equipment	5 - 10 years

Maintenance and repairs are charged to expense as incurred. When depreciable assets are disposed of, the cost and related accumulated depreciation are removed from the accounts and the resulting gain or loss is reflected in change in net assets.

Connections for Independent Living

Notes to Financial Statements

Long-Lived Assets

The Organization periodically reviews long-lived assets, including identifiable intangibles, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Organization evaluates the recoverability of its long-lived assets based on estimated undiscounted future cash flows and provides for impairment if such undiscounted cash flows are insufficient to recover the carrying amount of the long-lived asset. If impaired, the long-lived asset is written down to its estimated fair value. No events have occurred which indicate the carrying amount of the Organization's long-lived assets may not be recoverable.

Revenue Recognition

On October 1, 2020, the Organization adopted Financial Accounting Standards Board ("FASB") ASC 606, *Revenue from Contracts with Customers*, and all related amendments ("ASC 606") with respect to all contracts. The Organization accounts for contract revenue in accordance with the new revenue standard, which requires the Organization to recognize contract revenue in a manner which depicts the transfer of goods or services to its customers at an amount that reflects the consideration the Organization expects to receive in exchange for those goods or services. The Organization adopted the new revenue standard retrospectively and there were no significant adjustments recognized.

Additionally, on October 1, 2020 the Organization adopted ASU 2018-08, Contributions Receivable and Made. The purpose of this ASU is to clarify and improve the scope and accounting guidance for contributions received and made. The new guidance aids in the classification of contributions and exchange transactions. The Organization adopted the new revenue standard retrospectively and there were no significant adjustments recognized.

Program Service Fees

Program service fee revenue consists of fee for service revenue related to housing and sign language interpreting services. Program service fees are considered exchange transactions, which are subject to ASC 606.

The Organization receives a fee from the Colorado Division of Housing to assist individuals and the Colorado Division of Housing in processing housing vouchers for Section 8 housing. The Organization receives a set amount per voucher processed. The performance obligation is the processing of the voucher, and revenue is recorded monthly based on the number of vouchers processed and the agreed upon revenue per voucher, including those billed and unbilled. Amounts received prior to meeting the performance obligation are included in deferred revenue. As of September 30, 2021 and 2020, there were no amounts received prior to meeting the performance obligation.

The Organization provides sign language interpretive services to other organizations. The performance obligation is providing the interpretive service, and revenue is recognized when the service is provided at the agreed upon contractual rate. Revenue is recognized when the service is provided. Amounts received prior to meeting the performance obligation are included in deferred revenue. As of September 30, 2021 and 2020, there were no amounts received prior to meeting the performance obligation.

Connections for Independent Living

Notes to Financial Statements

Grants and Contributions

In accordance with ASC 958-605 Not-for-Profit Entities - Revenue Recognition, contributions received are recorded as revenue with or without donor restrictions, depending upon the existence and nature of any donor restrictions. Contributions are recorded when cash or unconditional promises to give have been received or ownership of donated assets to be used directly in operations is transferred. Conditional contributions are recorded as deferred revenue until the condition has been satisfied.

All donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reported in the statement of activities as net assets released from restrictions. Restricted grants and contributions that are received and expire or have restrictions met in the same year are shown as without donor restrictions in the financial statements.

Revenue from expense reimbursement grants is recognized when the expense is incurred that has met the qualification for reimbursement.

In-Kind Donations

Materials and other assets received as donations are recorded and reflected in the accompanying financial statements at their fair values at the date of receipt.

Donated services are recognized at their fair market value when received if those services create or enhance nonfinancial assets or when services are provided by those possessing the specialized skills required to perform the services and that would typically need to be purchased if not otherwise donated.

Functional Allocation of Expenses

The costs of providing the various programs and other activities are presented on a functional basis in the Statements of Functional Expenses. Certain categories of expenses are attributable to program expense or one or more supporting functions. Those expenses include but are not limited to salaries, payroll taxes, benefits and professional fees. These expenses are allocated to program, general and administrative, and fundraising functions based on the estimated usage of time and cost to each class. Other allocated costs include rent, utilities, depreciation, telephone, insurance, repairs and maintenance which is allocated based on square footage.

Income Taxes and Tax Status

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization has been classified by the Internal Revenue Service as a nonprofit organization other than a private foundation. However, income from activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. There was no income from business unrelated to the Organization's exempt purpose during the years ended September 30, 2021 and 2020.

Connections for Independent Living

Notes to Financial Statements

The Organization believes that it has conducted its operations in accordance with, and has properly maintained, its tax-exempt status, and that it has taken no material uncertain tax positions that qualify for recognition or disclosure in the financial statements. The Organization is no longer subject to U.S. federal, state and local, U.S. income tax examinations by tax authorities for fiscal years before 2018.

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, and such differences could be material.

Recently Issued Accounting Pronouncements

In February of 2016, the FASB issued ASU 2016-02, Topic 842, *Leases*. The purpose of this ASU is to establish the principle to report transparent and economically neutral information about the assets and liabilities that arise from leases. The new guidance is effective for public business entities with fiscal years beginning after December 15, 2018. For all other organizations the new guidance is effective for fiscal years beginning after December 15, 2020, and interim period with fiscal years beginning after December 15, 2021. Management is currently evaluating the impact of adoption of this standard on its financial statements.

In September 2020, the FASB issued ASU 2020-07, Topic 958, *Not-for-Profit-Entities*. The purpose of this ASU is to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash and other financial assets. The new guidance is effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. Management is currently evaluating the impact of adoption of this standard on its financial statements.

2. Availability of Resources and Liquidity

The Organization's goal is generally to maintain financial assets to meet 12 months of operating expenses as of each calendar year end. Total financial assets available as of September 30, 2021 approximate 4 months of expenses. Additionally, as further described in Note 3, the COVID-19 outbreak adds uncertainty as to the impact on the Organization's future funding.

<i>As of September 30,</i>	2021	2020
Cash and cash equivalents	\$ 144,001	\$ 340,815
Investments	6,804	5,664
Service fees receivable	85,310	139,090
Grants receivable	51,092	53,982
Financial assets	287,207	539,551
Less: amounts restricted for specific purpose	(15,698)	-
Financial assets available to meet general expenditures over the next year	\$ 271,509	\$ 539,551

Connections for Independent Living

Notes to Financial Statements

3. COVID-19 and CARES Act

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization’s financial condition, liquidity, and future results of operations. Management continues to monitor the COVID-19 outbreak and its effect on the Organization’s financial condition, liquidity, operations, suppliers, industry, and workforce. The Organization has been an incredible resource for the people with disabilities and the local agencies in the communities they serve during the uncertain times.

On March 27, 2020, President Trump signed into law the “Coronavirus Aid, Relief, and Economic Security (CARES) Act.” The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions, and technical corrections to tax depreciation methods for qualified improvement property.

During the year end September 30, 2021 the Organization has applied for, and received, funds through the Small Business Administration (“SBA”) in the amount of \$178,419, pursuant to the Paycheck Protection Program (“PPP”) under the CARES Act. The loan and accrued interest are subject to forgiveness by the SBA, including usage on certain eligible expenses which include payroll costs, health care benefits, mortgage payments, rent, and utilities as defined in the CARES Act and subsequently issued rulings. The Organization has recognized these funds as a loan within the Statement of Financial Position for the year ended September 30, 2021. The Organization received notice of forgiveness from the SBA on November 16, 2021. The Organization has not accrued liabilities associated with the risks of an adverse SBA review.

Management will continue to examine the impact that the CARES Act may have on the Organization. Currently, management is unable to determine with certainty the impact that the CARES Act will have on the Organization’s financial condition, results of operation, or liquidity.

4. Net Assets

During the year ended September 30, 2021, contributions of \$25,000 were received that were restricted by the donor for a specific program. During the year ended September 30, 2021, \$9,302 were used to meet that specific program. Net assets with donor restrictions as of September 30, 2021 were \$15,698. As of and for the year ended September 30, 2020 there were no net assets with donor restrictions.

Connections for Independent Living

Notes to Financial Statements

5. Retirement Plan

The Organization established a Section 403(b) Retirement Plan for all eligible employees. All employees are eligible to participate in this plan after one full year of service or 1,000 hours. The Organization contributed \$25,408 and \$5,643 to employee accounts for the years ended September 30, 2021 and 2020, respectively.

6. Concentrations

The following table presents concentrations of grants receivables and revenue as of, and for the years ended, September 30, 2021 and 2020. There were no concentrations of program service fee revenue or receivables.

<i>Years Ended September 30,</i>	2021	2020
Revenue and support		
State of Colorado grants	57%	53%
Federal grants	19%	10%
Service fees receivable		
University of Northern Colorado	45%	42%
Colorado Department of Labor	38%	0%
Medical Center of the Rockies	0%	23%
Grants receivable		
State of Colorado grants	0%	100%

7. Subsequent Events

In accordance with ASC 855, Subsequent Events, the Organization has evaluated subsequent events through February 16, 2022, which is the date these financial statements were available to be issued. Other than events identified below, no additional subsequent events were identified.

During the year end September 30, 2021 the Organization has applied for, and received, funds through the Small Business Administration (“SBA”) in the amount of \$178,419, pursuant to the Paycheck Protection Program (“PPP”) under the CARES Act. The loan and accrued interest are subject to forgiveness by the SBA, including usage on certain eligible expenses which include payroll costs, health care benefits, mortgage payments, rent, and utilities as defined in the CARES Act and subsequently issued rulings. The Organization received notice from the SBA on November 16, 2021 that the loan and all accrued interest was fully forgiven.