

Big Brothers Big Sisters of Northern Nevada, Inc.

**AUDITED FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION**

December 31, 2020



CONTENTS

Independent Auditors' Report	1
Financial Statements	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Activities	5
Statement of Cash Flows	6
Notes to Financial Statements	7





Jonathan S. Steele, CPA CGMA

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Big Brothers Big Sisters of Northern Nevada, Inc.

We have audited the accompanying financial statements of Big Brothers Big Sisters of Northern Nevada, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year 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.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Big Brothers Big Sisters of Northern Nevada, Inc. as of December 31, 2020, 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.

Report on Summarized Comparative Information

We have previously audited the Big Brothers Big Sisters of Northern Nevada, Inc.'s 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 28, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Stube & Associates, LLC

Carson City, Nevada
September 30, 2021



Big Brothers Big Sisters of Northern Nevada, Inc.

STATEMENT OF FINANCIAL POSITION

December 31, 2020

(With summarized financial information for the year ended December 31, 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 303,177	\$ 89,041
Grants receivable	22,199	38,034
Pledge receivable, net	31,216	32,639
Prepaid expenses	2,892	2,748
Investments	392,886	398,043
Total Current Assets	<u>752,370</u>	<u>560,505</u>
Long-term Assets		
Equipment and furniture, net	12,521	18,808
Pledges receivable, net	53,304	62,338
Investments	400,000	400,000
	<u>465,825</u>	<u>481,146</u>
Total Assets	<u>\$ 1,218,195</u>	<u>\$ 1,041,651</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 6,197	\$ 25,475
Credit card payable	4,066	1,849
Deferred revenue	-	14,500
Accrued expenses	23,529	21,154
Total Current Liabilities	<u>33,792</u>	<u>62,978</u>
Net Assets		
Net assets without donor restrictions	1,131,803	975,073
Net assets with donor restrictions	52,600	3,600
	<u>1,184,403</u>	<u>978,673</u>
	<u>\$ 1,218,195</u>	<u>\$ 1,041,651</u>

See Accompanying Notes and Independent Auditors' Report

Big Brothers Big Sisters of Northern Nevada, Inc.

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

(With summarized financial information for the year ended December 31, 2019)

	2020			
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total	2019
Revenue, Gains, Losses and Other Support				
Contributions	\$ 330,513	\$ -	\$ 330,513	\$ 162,351
Foundation & Corporate donations	210,348	50,000	260,348	167,350
Third party events	15,817		15,817	20,916
Grants	190,247		190,247	173,291
Special events	198,485		198,485	378,422
Donation center	-		-	-
Investment return	46,527		46,527	126,148
In Kind donations	-		-	-
Miscellaneous Income	173,762		173,762	5,758
Donations from Friends of BBBS	(97,456)		(97,456)	(35,112)
Recovery on uncollectible promises to give	5,700		5,700	(21,075)
Net assets released from restrictions satisfied by payments	1,000	(1,000)	-	-
Total Revenue, Gains, Losses and Other Support	1,074,943	49,000	1,123,943	978,049
Expenses				
Program services	722,975		722,975	623,592
Management and general	51,191		51,191	50,104
Fundraising	144,047		144,047	261,971
Total Expenses	918,213	-	918,213	935,667
Increase (Decrease) in Net Assets	156,730	49,000	205,730	42,382
Net Assets, Beginning of Period	975,073	3,600	978,673	936,291
Net Assets, End of Period	\$ 1,131,803	\$ 52,600	\$ 1,184,403	\$ 978,673

See Accompanying Notes and Independent Auditors' Report

Big Brothers Big Sisters of Northern Nevada, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2020

(With summarized financial information for the year ended December 31, 2019)

	2020			2019	
	Program Services	Management and General	Fund Raising	Total	Total
Salaries and wages	\$452,077	\$ 8,218	\$ 69,572	\$529,867	\$572,038
Payroll taxes	46,169	839	7,105	54,113	42,249
Employee benefits	33,913	3,444	14,375	51,732	67,620
	<u>532,159</u>	<u>12,501</u>	<u>91,052</u>	<u>635,712</u>	<u>681,907</u>
Advertising	129	5	198	332	974
Annual Dinner	-	-	7,962	7,962	58,482
Awards	-	-	-	-	931
Background Checks	3,486	-	4	3,490	4,795
Bank fees	3,350	3,971	780	8,101	10,244
Conferences & meetings	(1,536)	1,224	312	-	4,420
Depreciation	-	6,287	-	6,287	10,828
Dues & subscriptions	2,303	999	327	3,629	11,844
Equipment	1,789	121	242	2,152	4,562
Golf tournament	7,381	-	21,671	29,052	21,671
Insurance	17,259	1,545	2,381	21,185	18,476
Membership expense	26,219	-	-	26,219	-
Miscellaneous	264	80	-	344	140
Occupancy	25,875	2,063	4,125	32,063	34,050
Over the Edge	-	-	-	-	-
Postage	35	30	600	665	1,001
Printing	59	20	968	1,047	2,911
Professional fees	14,682	21,404	1,816	37,902	25,480
Program expenses	9,790	-	9,534	19,324	20,171
Repairs & maintenance	57,752	-	-	57,752	-
Supplies	13,181	235	607	14,023	10,908
Telephone	8,566	632	1,310	10,508	7,140
Training	216	74	41	331	2,413
Travel	16	-	117	133	2,319
	<u>\$722,975</u>	<u>\$ 51,191</u>	<u>\$ 144,047</u>	<u>\$918,213</u>	<u>\$935,667</u>

See Accompanying Notes and Independent Auditors' Report

Big Brothers Big Sisters of Northern Nevada, Inc.

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2020

(With summarized financial information for the year ended December 31, 2019)

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 205,730	\$ 42,382
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation	6,287	10,828
(Gain) loss on investments	(17,585)	(100,291)
(Increase) decrease in:		
Pledges receivable	10,457	15,347
Grants receivable	15,835	(33,273)
Other receivable		
Prepaid expenses	(144)	2,309
(Decrease) increase in:		
Accounts payable	(19,278)	(2,148)
Credit card payable	2,217	(2,937)
Accrued liabilities	2,375	8,943
Deferred grant revenue	(14,500)	(12,000)
Net Cash Provided by Operating Activities	<u>191,394</u>	<u>(70,840)</u>
Cash Flows from Investment Activities		
Purchase of property and equipment	-	-
Proceeds from investments	42,121	52,802
Purchase of investments	(19,379)	(50,231)
Net Cash Provided by Investing Activities	<u>22,742</u>	<u>2,571</u>
Net Increase (Decrease) in Cash and Cash Equivalents	214,136	(68,269)
Cash, Restricted Cash and Equivalents		
Beginning of Period	<u>89,041</u>	<u>157,310</u>
Cash, Restricted Cash and Equivalents		
End of period	<u>\$ 303,177</u>	<u>\$ 89,041</u>

See Accompanying Notes and Independent Auditors' Report

Big Brothers Big Sisters of Northern Nevada, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Operations

Big Brothers Big Sisters of Northern Nevada, Inc., (the Organization) was formed on April 21, 2005. The mission of the Organization is to help children, disadvantaged by poverty and fractured families, reach their potential. The Organization carries out this mission through professionally supported, one-to-one mentoring relationships with measurable impact on youth. The Organization serves the Reno, Carson City, Minden, and Gardnerville areas of Northern Nevada.

B. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting; whereby, income is recognized when earned and costs and expenses are recognized when the obligations are incurred. Accordingly, all significant receivables, payables, and other liabilities are reflected.

C. Basis of Presentation

Net assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups; net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions represent amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met. Net assets with donor restrictions represent assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Organization. Certain restrictions may need to be maintained in perpetuity.

Revenues are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

Big Brothers Big Sisters of Northern Nevada, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Prior-Year Comparative Information

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2018, from which the summarized information was derived.

E. Cash, Restricted Cash and Equivalents

Cash and cash equivalents include both unrestricted and restricted cash. The Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. At December 31, 2020, there were no cash equivalents.

F. Tax Status

The Organization is a nonprofit organization that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no liability for federal income taxes has been provided in the financial statements. It is the Organization's tax position that it has not engaged in activities that would jeopardize its exempt status nor has it engaged in activities that would result in unrelated business income tax. The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the tax years ended 2017, 2018, and 2019 are subject to examination by the IRS, generally for three years after they were filed.

G. Donated Assets

Donated property, marketable securities, and other non-cash donations are recorded as contributions at their estimated date of donation.

H. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Big Brothers Big Sisters of Northern Nevada, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Investments and Investment Return

Investments are carried at fair value based on current market quotes. Investment return includes interest and dividends and is classified as an unrestricted net asset.

J. Revenue Recognition

The Organization reports contributions of cash and other assets as unrestricted support if the contributions are not received with donor stipulations that limit the use of the donated assets. Donations designed for remittance to specific organizations or agencies are excluded from contribution revenue, except for a service charge, and accounted for as agency transactions and obligations. When a donor restriction expires, that is, when a stipulated time restriction ends, or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions, unless the donor restriction is met within the same accounting period. In this case, the contribution is recorded as an increase in net assets without donor restrictions.

As required under Statement of Financial Accounting Standards, FASB ASC 958-605-30-2, *Accounting for Contributions Received and Contributions Made*, all contributions are recognized as support in the Statement of Activities in the period received, including bequests and unconditional pledges receivable, at their estimated net realizable value, discounted to present value if due in more than one year. Uncollectible pledges receivable, if any, are charged as a reduction of revenue in the Statement of Activities. Bequests are recognized at the time the Organization's right to them is established by a court and to the extent the value of the proceeds is subject to reasonable estimation.

K. Contributed Services

In-kind contributions are reflected as contributions at their fair value at date of donation and are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used.

A substantial number of unpaid volunteers have made significant contributions of time to assist the Organization's services and programs. No amounts have been included in the financial statements for these donated services since they do not meet the criteria for recognition under FASB ASC 958-605-25-2 and FASB ASC 958-605-30-2, *Accounting for Contributions Received and Contributions Made*.

Big Brothers Big Sisters of Northern Nevada, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Fixed asset acquisitions in excess of \$500 are capitalized and depreciation is provided using both straight-line and accelerated methods over the estimated useful lives of the assets. The depreciation expense on assets acquired under capital leases is included with the depreciation expense on owned assets. Depreciation expense for the year ended December 31, 2020, was \$6,287.

M. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses and Statement of Activities. Accordingly, certain costs have been allocated amount the programs and supported services benefitted. These expenses require allocation on a reasonable basis consistently applied. The expenses that are allocated include compensation and benefits, which are allocated on the basis of estimates of time and effort, as well as depreciation and occupancy, which are allocated on a square footage basis. All other costs are direct costs allocated to the function affected.

N. Promises to Give (Pledges Receivable)

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. The discounts on those amounts are computed using risk-free interest rates applicable to the year in which the promises are received. Amortization of the discounts is included in contribution revenue.

The Organization uses the allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Big Brothers Big Sisters of Northern Nevada, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Concentrations of Credit Risk

The Organization maintains funds at financial institutions located in Northern Nevada. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2020, the uninsured balances were \$53,177.

The Organization is supported in part by the public. It is always considered reasonably possible that benefactors, grantors or contributors might be lost in the near term. The Organization operates in the Northern Nevada area. Future operations could be affected by changes in the economic or other conditions in that geographical area.

P. Advertising Expense

Advertising costs are for the solicitation of volunteers and are expensed as incurred. Total advertising expense for the year ended December 31, 2020, was \$332.

Q. Subsequent Events

Subsequent events have been evaluated through September 31, 2021, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

R. Reclassifications

Certain reclassifications have been made to the prior year's financial statements to conform to the current year presentation. These reclassifications had no effect on previously reported results of operations or total net assets.

2. EMPLOYEE BENEFIT PLAN

The Organization has a Section 403(b) retirement plan covering all employees who are at least twenty-one years of age and have one year of service. Employer contributions are up to 3.0% of participant compensation and totaled \$4,527 for the year ended December 31, 2020.

Big Brothers Big Sisters of Northern Nevada, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

3. PROPERTY AND EQUIPMENT

At December 31, 2020, property and equipment consisted of:

Equipment, furniture and fixtures	\$	92,237
Computer equipment		42,395
Less: accumulated depreciation		<u>(122,111)</u>
	\$	<u>12,521</u>

4. ACCRUED EXPENSES

Accrued vacation	\$	23,459
Accrued payroll		<u>0</u>
	\$	<u>23,459</u>

5. OPERATING LEASES

The Organization leases its administrative office, program office, and equipment under both month to month and non-cancelable operating lease agreements expiring at various dates through 2020. Certain vehicles are leased by the Organization for use by the Donation Center, which is a separate non-profit organization that collects donations on behalf of the Organization. This separate non-profit organization, Friends of Big Brothers Big Sisters (FOBBBS), reimburses the Organization for the costs of leasing the vehicles and a portion of the office space. Total lease expense incurred for the year ended December 31, 2020, after reimbursements in the amount of \$5,850 by FOBBBS, was \$30,150. All leases have reached the end of their term. The truck was returned and a replacement vehicle was purchased. The office lease has have converted to a month to month operating lease.

Big Brothers Big Sisters of Northern Nevada, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

6. RELATED PARTY TRANSACTIONS

Transactions involving related parties cannot be presumed to be carried out on an arm's-length basis. Except for routine transactions, it is generally not possible to determine whether a particular transaction would have taken place if the parties had not been related or, assuming it would have taken place, what the terms and manner of settlement would have been.

The Organization is related to Friends of Big Brothers Big Sisters (FOBBBS), a separate not-for-profit organization that collects donations on behalf of the Organization. In addition to the operating lease reimbursements detailed in Note 5 above, payroll costs for FOBBBS are advanced by the Organization and subsequently reimbursed by FOBBBS. For the year ended December 31, 2020, the total amounts advanced and reimbursed for payroll, employee benefits and related taxes totaled \$144,661.

The Organization pays for other operating costs of Friends of Big Brothers Big Sisters, for which it is reimbursed. Those costs after payroll and leasing costs totaled \$60,688 for the year ended December 31, 2020.

The reimbursement revenue and corresponding expenses were eliminated in the accompanying statement of activities and are not included in the statement of functional expenses. The net loss recognized after all reimbursements for the year ended December 31, 2020 was \$97,456, as is recorded as Donations from Friends of BBBS in the statement of activities

7. INVESTMENTS

The Organization's investments are comprised of certificates of deposit, mutual funds, and corporate bonds and are recorded at fair value. At December 31, 2020, the summary information is:

	<u>Cost</u>	<u>Fair Value</u>
Certificates of deposit	\$ 0	\$ 0
Mutual funds	344,116	413,255
Stocks and bonds	<u>244,565</u>	<u>379,631</u>
	\$ <u>588,681</u>	\$ <u>792,886</u>
Designated for:		
Current operations		392,886
Future operations		<u>400,000</u>
		\$ <u>792,886</u>

Big Brothers Big Sisters of Northern Nevada, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

7. INVESTMENTS (CONTINUED)

The following schedule summarizes investment income for the year ended December 31, 2020:

	Designated for Current Operations	Designated for Future Operations	Total
Interest and dividends	\$ 15,584	\$ 13,358	\$ 28,942
Gain on investment	<u>9,466</u>	<u>8,119</u>	<u>17,585</u>
	<u>\$ 25,050</u>	<u>\$ 21,477</u>	<u>\$ 46,527</u>

8. FAIR VALUE MEASUREMENTS

The Fair Value Measurement topics of the FASB Codification establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under the FASB Codification topic are described below:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access;
- Level 2: Inputs to the valuation methodology include quoted prices, which are not active quoted prices for similar assets or liabilities. In active markets or inputs other than quoted prices that are observable (either directly or indirectly) for substantially, the full term of the asset or liability;
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Big Brothers Big Sisters of Northern Nevada, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

8. FAIR VALUE MEASUREMENTS (CONTINUED)

The following table sets forth by level, within the hierarchy, the Organization's assets at fair value as of December 31, 2020.

	<u>Level 1</u>
Mutual funds	
Bond funds	\$ 58,623
Multi-asset funds	280,874
Equity funds	73,758
Stocks and bonds	
Index funds	62,181
EFT funds	<u>317,450</u>
	<u>\$ 792,886</u>

9. BOARD DESIGNATED FUNDS

At December 31, 2020, the Board designated funds are restricted for the following purposes:

Future operations	\$ <u>400,000</u>
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10. RESTRICTED CASH AND LIQUIDITY

At December 31, 2020, \$52,600 of the balance in the operating cash was restricted as to use by the donor.

At December 31, 2020, the Organization has \$1,118,262 in financial assets, consisting of cash of \$303,177, investments of \$792,886 and grants receivable of \$22,199. These assets less those subject to donor restrictions of \$52,600 are available to meet the cash needs of the Organization in the next 12 months. As noted above, the Board has designated \$400,000 of the financial assets for future operations, however, if those amounts were required to fund current operations, they are available to do so.

The Organization manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due. Cash needs of the Organization are expected to be met on a monthly basis from the revenue received each month.

Big Brothers Big Sisters of Northern Nevada, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

11. PLEDGES RECEIVABLE

The Organization conducts an annual fundraising campaign for general operating funds entitled Big Magic Pledges. Promises to give to be received after one year are discounted based on the year promised at the five-year T-Bill rate of 0.36%.

Pledges receivable to give are summarized below:

Receivable in less than one year	\$	36,716
Less: allowance for uncollectible pledges		<u>(5,500)</u>
Total current pledges receivable	\$	<u>31,216</u>
Receivable in one to five years		59,727
Less: discount to net present value		<u>(423)</u>
		59,304
Less: allowance for uncollectible pledges		<u>(6,000)</u>
Total long-term pledges receivable	\$	<u>56,304</u>

During the year ended December 31, 2020, no uncollectible pledges receivable were written off.

12. GRANT REVENUE

During the year ended December 31, 2020, the Organization obtained a Paycheck Protection Program Loan from the Small Business Administration in the amount of \$171,657. Forgiveness of this loan was applied for and obtained subsequent to year end. As such, the Organization has elected to record the forgiveness of the debt as contribution income pursuant to FASB ASC 958-605.

13. CONTINGENT EVENTS

In December 2019, an outbreak of a novel strain of coronavirus (Covid-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized Covid-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no immediate impact to the Organization's operations. Future potential impacts may include disruptions or restrictions on our employees' ability to work. Operating functions that may be changed include match processing and special events. Changes to the operating environment may increase operating costs as well as reduce operating revenues. The future effects of these issues are unknown at present.