

PORTLAND HOMELESS
FAMILY SOLUTIONS

Audited Financial Statements

For the Year Ended June 30, 2021



MCDONALD JACOBS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Portland Homeless Family Solutions

We have audited the accompanying financial statements of Portland Homeless Family Solutions (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Organization'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 Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Portland Homeless Family Solutions as of June 30, 2021, and 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

The prior year summarized comparative information has been derived from the Organization's 2020 financial statements, which were audited by other auditors whose report dated May 13, 2021 expressed an unmodified opinion on those statements.

McDonald Jacobz, P.C.

Portland, Oregon
March 17, 2022

PORTLAND HOMELESS FAMILY SOLUTIONS
STATEMENT OF FINANCIAL POSITION
June 30, 2021
(With comparative totals for 2020)

	2021	2020
ASSETS		
Cash and cash equivalents	\$ 1,036,101	\$ 387,011
Grants and contracts receivable	283,535	718,192
Pledges receivable	221,817	77,137
Prepaid expenses	22,255	19,192
Property and equipment, net	6,011,516	6,077,445
TOTAL ASSETS	\$ 7,575,224	\$ 7,278,977
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 9,697	\$ 25,941
Accrued payroll and related expenses	93,132	145,581
Deferred revenue	13,500	7,000
Refundable advance - Paycheck Protection Program	-	281,700
Notes payable	2,375,554	2,420,168
TOTAL LIABILITIES	2,491,883	2,880,390
Net assets		
Without donor restrictions		
Available for general operations	626,804	325,272
Board designated reserve for rent assistance	100,000	50,000
Board designated reserve for operating	300,000	75,000
Net investment in property and equipment	3,635,962	3,657,277
Total without donor restrictions	4,662,766	4,107,549
With donor restrictions	420,575	291,038
TOTAL NET ASSETS	5,083,341	4,398,587
TOTAL LIABILITIES AND NET ASSETS	\$ 7,575,224	\$ 7,278,977

See notes to financial statements.

PORTLAND HOMELESS FAMILY SOLUTIONS
STATEMENT OF ACTIVITIES
For the year ended June 30, 2021
(With comparative totals for 2020)

	2021			2020 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
Operating revenues and other support:				
Government grants	\$ 2,062,674	\$ -	\$ 2,062,674	\$ 2,229,150
Contributions	1,365,742	386,150	1,751,892	1,564,572
Auction, net of expense of \$30,293 and \$62,282 in 2021 and 2020, respectively	180,622	-	180,622	202,685
Interest and dividends	1,025	-	1,025	3,075
In-kind donations	-	-	-	502,116
Net assets released from restrictions:				
Purpose restrictions	251,437	(251,437)	-	-
Time restrictions	35,000	(35,000)	-	-
Total operating revenues and other support	<u>3,896,500</u>	<u>99,713</u>	<u>3,996,213</u>	<u>4,501,598</u>
Expenses:				
Program services	2,952,189	-	2,952,189	3,382,001
Supporting services:				
Management and operations	192,040	-	192,040	155,515
Fundraising	197,054	-	197,054	129,562
Total expenses	<u>3,341,283</u>	<u>-</u>	<u>3,341,283</u>	<u>3,667,078</u>
Increase in net assets before non-operating activities	<u>555,217</u>	<u>99,713</u>	<u>654,930</u>	<u>834,520</u>
Non-operating activities:				
Grants and contributions received for the development of property	-	29,824	29,824	274,029
Change in net assets	555,217	129,537	684,754	1,108,549
Net assets:				
Beginning of year	<u>4,107,549</u>	<u>291,038</u>	<u>4,398,587</u>	<u>3,290,038</u>
End of year	<u>\$ 4,662,766</u>	<u>\$ 420,575</u>	<u>\$ 5,083,341</u>	<u>\$ 4,398,587</u>

See notes to financial statements.

PORTLAND HOMELESS FAMILY SOLUTIONS
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended June 30, 2021
(With comparative totals for 2020)

	Program Services				Supporting Services		2021 Total	2020 Total
	Housing and Rent Assistance	Family Village	Prevention	Total Program	Management and Operations	Fundraising		
Personnel expenses	\$ 429,750	\$ 925,593	\$ 80,997	\$ 1,436,340	\$ 146,523	\$ 146,484	\$ 1,729,347	\$ 1,512,879
Insurance	8,350	18,013	1,582	27,945	2,862	2,862	33,669	29,790
Office expense	7,560	16,309	1,433	25,302	2,591	2,591	30,484	40,978
Utilities	20,144	43,456	3,818	67,418	6,904	6,216	80,538	72,931
Professional fees	-	-	-	-	14,603	16,573	31,176	55,641
Facilities expense	24,321	54,586	4,609	83,516	8,336	8,336	100,188	121,127
Taxes, licenses and fees	5,402	11,654	1,024	18,080	1,852	1,852	21,784	13,956
Advertising	-	-	-	-	-	3,121	3,121	9,882
Interest expense	21,019	45,344	3,984	70,347	7,204	7,204	84,755	112,408
Equipment and maintenance	6,008	9,294	538	15,840	973	1,623	18,436	39,018
Client assistance	890,879	58,062	98,522	1,047,463	-	-	1,047,463	1,382,935
Depreciation	-	149,011	-	149,011	-	-	149,011	140,567
Miscellaneous	2,445	7,749	733	10,927	192	192	11,311	1,153
Auction expenses	-	-	-	-	-	30,293	30,293	62,282
In-kind volunteer services	-	-	-	-	-	-	-	102,493
In-kind meals	-	-	-	-	-	-	-	31,320
	1,415,878	1,339,071	197,240	2,952,189	192,040	227,347	3,371,576	3,729,360
Less special event direct expenses netted with revenue	-	-	-	-	-	(30,293)	(30,293)	(62,282)
Total expenses	\$ 1,415,878	\$ 1,339,071	\$ 197,240	\$ 2,952,189	\$ 192,040	\$ 197,054	\$ 3,341,283	\$ 3,667,078

See notes to financial statements.

PORTLAND HOMELESS FAMILY SOLUTIONS
STATEMENT OF CASH FLOWS
For the year ended June 30, 2021
(With comparative totals for 2020)

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ 684,754	\$ 1,108,549
Adjustments to reconcile change in net assets to net cash from operating activities:		
In-kind donations	-	(368,303)
Depreciation	149,011	140,567
Amortization of loan fees	1,413	25,396
Proceeds from donations restricted for development	(29,824)	(274,029)
(Increase) decrease in:		
Grants and contracts receivable	434,657	(594,365)
Pledges receivable	(144,680)	157,263
Prepaid expenses	(3,063)	2,157
Increase (decrease) in:		
Accounts payable	(16,244)	(13,138)
Accrued payroll and related expenses	(52,449)	65,204
Deferred revenue	6,500	(11,025)
Refundable advance - Paycheck Protection Program	(281,700)	281,700
Net cash flows from operating activities	<u>748,375</u>	<u>519,976</u>
Cash flows from investing activities:		
Purchase of property and equipment	(83,082)	(1,205,080)
Net cash flows from investing activities	<u>(83,082)</u>	<u>(1,205,080)</u>
Cash flows from financing activities:		
Proceeds from donations restricted for development	29,824	274,029
Net payments on line of credit	-	(50,311)
Proceeds from issuance of debt	-	1,975,000
Principal payments on debt	(46,027)	(1,530,142)
Net cash flows from financing activities	<u>(16,203)</u>	<u>668,576</u>
Net change in cash and cash equivalents	649,090	(16,528)
Cash and cash equivalents - beginning of year	<u>387,011</u>	<u>403,539</u>
Cash and cash equivalents - end of year	<u>\$ 1,036,101</u>	<u>\$ 387,011</u>
Supplemental cash flow information:		
Cash paid for interest	<u>\$ 84,755</u>	<u>\$ 112,408</u>
In-kind capitalized assets	<u>\$ -</u>	<u>\$ 396,041</u>

See notes to financial statements.

PORTLAND HOMELESS FAMILY SOLUTIONS
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

I. DESCRIPTION OF ORGANIZATION

Portland Homeless Family Solutions (the Organization) is a not-for-profit organization whose mission is to empower homeless families with children to get back into housing and stay there. The Organization helps 350+ homeless families with children get back into housing every year. The main activities include a homeless prevention program, a rapid re-housing program to help homeless families move back into homes, trauma-informed emergency shelter for homeless families, and long-term support to help families keep their housing. The Organization also advocates to help alleviate family homelessness on a large scale.

Funding for the Organization comes from the Joint Office of Homeless Services, from local foundations in the form of grants, and hundreds of generous individual donors and businesses. During the years ended June 30, 2021 and 2020, the Organization provided the following program services:

Housing and Rent Assistance:

Housing First Program

The Organization helps families experiencing homelessness move quickly back into homes. The Organization helps families pay security deposits and 12-24 months of rent assistance. The Organization also provides management for 24 months to help families create action plans, balance their budget, connect to their new community, increase their income by getting jobs and education, and learn new skills they use to keep housing. This program served 561 people from 234 families during the 2020-2021 fiscal year.

Emergency Winter Outreach & Engagement

In 2019-2020, the Organization piloted a new kind of winter engagement focusing on finding families literally outside on the streets, camping, or in their car and help them move directly into housing, thus diverting them from shelter all together.

Family Village -Emergency Shelter:

The Organization operates Family Village Shelter for up to 18 homeless families with children at a time. Family Village is the first shelter in Oregon designed using trauma informed design and architecture, which helps families heal from the crisis and trauma of homelessness and can lead to better outcomes like shorter shelter stays and greater success moving into housing. Families staying at Family Village each have their own, private bedroom with real beds, plus they have access to a full-service kitchen and dining room, library, computer lab, classroom, laundry room, playground, basketball court, vegetable garden, and dog walk area.

PORTLAND HOMELESS FAMILY SOLUTIONS
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2021

1. DESCRIPTION OF ORGANIZATION, Continued

Family Village -Emergency Shelter, Continued:

In this fiscal year, Family Village hosted 53 families made up of 201 kids and parents. On average, families stayed in shelter 85 days before transitioning to permanent housing. Additionally, 67% of families were employed while in shelter, and 58% of our total clients are children.

Prevention Program

The Prevention Program helps families with children prevent their homelessness in the first place by helping them stay in their housing. That way, kids can stay in school, parents can be near their jobs, and families can remain in their communities. The Organization pays back rent and utilities for families during times of emergency, with an average investment of only \$2,064 per family. The Prevention Program served 47 families made up of 142 kids and parents.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net Assets With Donor Restrictions* - Net assets subject to donor- (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

PORTLAND HOMELESS FAMILY SOLUTIONS
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2021

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with maturities of three months or less at the time of purchase to be cash equivalents.

Grants and Contracts Receivable

Grants and contracts receivable are reported at the amount management expects to collect on balances outstanding at year-end. Based on an assessment of the credit history with those having outstanding balances and current relationships with them, management has concluded that realization losses on balances outstanding at year-end will be immaterial.

Pledges Receivable

Pledges receivable are reported at the amount management expects to collect on balances outstanding at year-end. Management considers history with donors, and current economic and industry trends when determining the collectability of specific accounts. As a result, management determined that an allowance for doubtful accounts is not necessary.

Loan Fees

Loan fees are netted with the related debt position on the statement of financial position and amortized on a straight-line basis over the term of the loan. Amortization of loan fees is included with interest expense.

Property and Equipment

Acquisitions of property and equipment in excess of \$1,000 are capitalized. Property and equipment purchased are recorded at cost. Donated assets are reflected as contributions at their estimated values on the date received.

Depreciation

Depreciation of property and equipment is calculated using the straight-line method over the estimated useful lives of the assets which range from 3 to 39 years.

Revenue Recognition

Revenues from various sources are recognized as follows:

Government Grants: Government grants are conditioned upon certain performance requirements and/or incurring allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the statement of financial position.

PORTLAND HOMELESS FAMILY SOLUTIONS
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Revenue Recognition, Continued:

Contributions and Grants: Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period the Organization is notified of the commitment. Bequests are recorded as revenue at the time the Organization has an established right to the bequest and the proceeds are measurable. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Paycheck Protection Program Loan: The Paycheck Protection Program (PPP) loan guaranteed by the Small Business Administration (SBA) is accounted for as a conditional advance and accrues interest at 1%. The advance may be forgiven partially or in its entirety if certain conditions are met, including incurrence of allowable qualifying expenses (mostly personnel and occupancy costs) and acceptance and approval of the forgiveness application by the lender. The Organization satisfied the conditions during 2021 and \$281,700 was recognized as government grant revenue in the statement of activities.

Auction: The Organizations record auction revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place. Sponsorships are recorded as revenue at the time of the commitment unless commensurate value is included a part of the agreements. The portion of the sponsorship revenue that relates to commensurate value of the sponsor received in return is recognized when the related events are held and performance obligations are met.

Donated Assets and Services: Donations of property, equipment, materials and other assets are recorded as support at their estimated fair value at the date of donation. Such donations are reported as support without donor restrictions unless the donor has restricted the donation to a specific purpose.

The Organization recognizes donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. During the year ended June 30, 2020, the Organization received \$502,116 in donated services and facilities for program activities.

In addition, the Organization received contributed shelter supplies such as sheets, towels, blankets, toiletries, and other personal care items. The value of such items, which do not meet the criteria for recording, has not been recognized in the accompanying financial statements.

PORTLAND HOMELESS FAMILY SOLUTIONS
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Income Tax Status

Portland Homeless Family Solutions is a nonprofit corporation exempt from income tax under section 501(c)(3) of the Internal Revenue Code and applicable state law. No provision for income taxes is made in the accompanying financial statements, as the Organization has no activities subject to unrelated business income tax. the Organization is not a private foundation.

The Organization follows the provisions of FASB ASC Topic 740 *Accounting for Uncertainty in Income Taxes*. Management has evaluated the Organization's tax positions and concluded that there are no uncertain tax positions that require adjustment to the financial statements to comply with provisions of this Topic.

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries and related costs, utilities, facilities expenses, office expenses, and miscellaneous which are allocated based on time and effort.

Use of Estimates

The preparation of financial statements in accordance with U.S. generally accepted accounting principles 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.

Subsequent Events

The Organization has evaluated all subsequent events through March 17, 2022, the date the financial statements were available to be issued.

Summarized Financial Information for 2020

The financial information as of June 30, 2020 and for the year then ended is presented for comparative purposes and is not intended to be a complete financial statement presentation.

PORTLAND HOMELESS FAMILY SOLUTIONS
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2021

3. AVAILABLE RESOURCES AND LIQUIDITY

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its primary operations to be general expenditures. It excludes financial assets with donor or other restrictions limiting their use.

Financial assets of the Organization consist of the following at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 1,036,101	\$ 387,011
Grants and contracts receivable	283,535	718,192
Pledges receivable	<u>221,817</u>	<u>77,137</u>
	1,541,453	1,182,340
Less amounts unavailable for general expenditure:		
Net assets with donor restrictions (current)	385,575	84,999
Board designated net assets	<u>400,000</u>	<u>125,000</u>
Financial assets available for general expenditure	<u>\$ 755,878</u>	<u>\$ 972,341</u>

The board designated net assets are available for spending when approved by the Board of Directors. See Note 8 regarding board designated net assets.

4. PLEDGES RECEIVABLE

Pledges receivable represent unconditional promises to give as follows at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Within one year	\$ 134,317	\$ 57,138
Within two to five years	87,500	19,999
Total pledges receivable	<u>\$ 221,817</u>	<u>\$ 77,137</u>

PORTLAND HOMELESS FAMILY SOLUTIONS
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2021

5. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2021 and 2020:

	2021	2020
Land	\$ 1,212,848	\$ 1,212,848
Building and improvements	5,079,242	4,992,575
Vehicles	26,181	26,181
Equipment	24,320	26,363
Furniture and furnishings	84,962	86,503
	6,427,553	6,344,470
Less accumulated depreciation	(416,037)	(267,025)
Property and equipment, net	\$ 6,011,516	\$ 6,077,445

6. LINE OF CREDIT

The Organization has a \$75,000 stand-alone revolving line of credit with Heritage Bank. Interest on the line is payable monthly at prime plus 0.5% (prime rate 3.25% at June 30, 2021 and 2020). The line matures April 2023, and is secured by all assets of the Organization. No advances were outstanding on the line at June 30, 2021 and 2020.

7. NOTES PAYABLE

Notes payable consist of the following at June 30, 2021 and 2020:

	2021	2020
Note payable to Heritage Bank in monthly installments of \$10,899, including interest at 4.375%. Matures September 2029 with the requirement of a balloon payment of approximately \$1.4 million and secured by real property. The note includes prepayment penalties if repaid in the first five years.	\$ 1,889,967	\$ 1,935,994

Continued

PORTLAND HOMELESS FAMILY SOLUTIONS
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2021

7. NOTES PAYABLE, Continued

	2021	2020
Loan payable to Portland Housing Bureau, at 0% interest; due in May 2078 or earlier; if the property is transferred or sold the loan is in default. In the event that no repayment event has occurred, the equity gap loan will convert into a grant upon maturity date.	500,000	500,000
	2,389,967	2,435,994
Unamortized loan fees	(14,413)	(15,826)
Total notes payable	\$ 2,375,554	\$ 2,420,168
	2021	2020
Current portion	\$ 47,537	\$ 48,033
Long-term portion	2,328,017	2,372,135
Total notes payable	\$ 2,375,554	\$ 2,420,168

Concluded

The following schedule outlines principal payments and loan fee amortization:

	Debt	Loan Fees
Year ending June 30, 2022	\$ 47,537	\$ (1,789)
2023	49,692	(1,789)
2024	51,729	(1,789)
2025	54,292	(1,789)
2026	56,755	(1,789)
Thereafter	2,115,549	(8,946)
	\$ 2,375,554	\$ (17,891)

8. BOARD DESIGNATED NET ASSETS

The Organization has board designated reserves for rent assistance and operations of \$100,000 and \$325,000, respectively, at June 30, 2021 and \$50,000 and \$75,000, respectively, at June 30, 2020.

PORTLAND HOMELESS FAMILY SOLUTIONS
NOTES TO FINANCIAL STATEMENTS, CONTINUED
June 30, 2021

9. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with expiring donor restrictions are restricted for the following purposes at June 30, 2021 and 2020:

	2021	2020
Contributions and pledges - time restricted	\$ 35,000	\$ 70,000
Rapid intervention (prevention)	337,500	130,000
Capital campaign	45,075	75,538
Adult education	3,000	15,500
Total net assets with donor restrictions	\$ 420,575	\$ 291,038

10. RETIREMENT PLAN

The Organization sponsors a simple IRA retirement plan. The plan covers substantially all employees. The Organization contributes 2 percent of salaries to the plan. Retirement plan expense was approximately \$21,700 and \$19,900 for the years ended June 30, 2021 and 2020, respectively. Employees may take contributions to the plan up to the maximum allowed by the Internal Revenue Code.

II. CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances in several financial institutions. Balances in each institution are insured by the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Share Insurance Fund up to \$250,000. Balances, at times, may exceed the insured limit. Balances in excess of insured limits were approximately \$794,300 and \$211,800 as of June 30, 2021 and 2020, respectively.

The Organization's revenues are concentrated with 44% of total revenues coming from two government agencies for the year ended June 30, 2021 (47% from two government agencies for the year ended June 30, 2020). The Organization's credit risk for grants and contracts receivable is concentrated with 88% of the balances coming from two agencies for the year ended June 30, 2021 (81% from two agencies for the year ending June 30, 2020.)