

SEATTLE JOBS INITIATIVE

Financial Statements

For the Year Ended December 31, 2022

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Independent Auditor's Report

To the Board of Directors
Seattle Jobs Initiative
Seattle, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Seattle Jobs Initiative (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year 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 Seattle Jobs Initiative as of December 31, 2022, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Seattle Jobs Initiative 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.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, Seattle Jobs Initiative adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, and related ASUs, for the year ended December 31, 2022. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited Seattle Jobs Initiative's December 31, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 20, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.



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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 Seattle Jobs Initiative's ability to continue as a going concern for one year after the date that the financial statements are 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 and *Government 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 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 and *Government 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 Seattle Jobs Initiative'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 Seattle Jobs Initiative'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.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report September 28, 2023, on our consideration of Seattle Jobs Initiative's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Seattle Jobs Initiative's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Seattle Jobs Initiative's internal control over financial reporting and compliance.

Clark Nuber P.S.

Certified Public Accountants
September 28, 2023

SEATTLE JOBS INITIATIVE

**Statement of Financial Position
December 31, 2022
(With Comparative Totals for 2021)**

	<u>2022</u>	<u>2021</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$ 589,234	\$ 1,142,794
Grants and contracts receivable	1,589,563	503,768
Prepaid expenses	158,459	83,889
Total Current Assets	2,337,256	1,730,451
Cash designated by the Board for reserves (Note 5)	2,600,000	2,600,000
Property and equipment, net of accumulated depreciation (Note 2)	50,413	48,198
Right-of-use assets (Note 3)	629,985	
Total Assets	\$ 5,617,654	\$ 4,378,649
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ 473,007	\$ 93,233
Accrued liabilities	329,851	257,760
Operating lease liability, current portion (Note 3)	184,509	
Deferred revenue	125,000	124,999
Total Current Liabilities	1,112,367	475,992
Deferred rent (Note 3)		25,057
Operating lease Liability, net of current portion (Note 3)	461,245	
Total Liabilities	1,573,612	501,049
Net Assets:		
Net assets without donor restrictions (Note 5)	3,942,455	3,513,804
Net assets with donor restrictions (Note 6)	101,587	363,796
Total Net Assets	4,044,042	3,877,600
Total Liabilities and Net Assets	\$ 5,617,654	\$ 4,378,649

See accompanying notes.

SEATTLE JOBS INITIATIVE

Statement of Activities and Changes in Net Assets For the Year Ended December 31, 2022 (With Comparative Totals for 2021)

	2022		Total	2021 Total
	Without Donor Restrictions	With Donor Restrictions		
Public Support and Revenue:				
Grants	\$ 4,648,859	\$ -	\$ 4,648,859	\$ 3,105,957
Contributions	97,529		97,529	140,120
Consulting revenue	1,563,711		1,563,711	1,567,115
In-kind contributions				1,010
Interest income	3,488		3,488	3,250
Gain on Paycheck Protection Program Loan forgiveness				251,300
Miscellaneous revenue	670		670	4,072
Net assets released from restriction	262,209	(262,209)		
Total Public Support and Revenue	6,576,466	(262,209)	6,314,257	5,072,824
Expenses:				
Program services-				
Employment through education and training	3,211,895		3,211,895	2,322,672
Innovation, partnerships and policy	411,357		411,357	376,682
Consulting professional services	1,150,037		1,150,037	830,289
Supporting services-				
Management and general	1,240,740		1,240,740	964,887
Fundraising	133,786		133,786	130,430
Total Expenses	6,147,815		6,147,815	4,624,960
Changes in Net Assets	428,651	(262,209)	166,442	447,864
Net assets, beginning of year	3,513,804	363,796	3,877,600	3,429,736
Net Assets, End of Year	\$ 3,942,455	\$ 101,587	\$ 4,044,042	\$ 3,877,600

See accompanying notes.

SEATTLE JOBS INITIATIVE

**Statement of Functional Expenses
For the Year Ended December 31, 2022
(With Comparative Totals for 2021)**

	Employment Through Education and Training	Innovation, Partnerships and Policy	Consulting Professional Services	Total Program Services	Management and General	Fundraising	Total Supporting	2022 Total	2021 Total
Payroll and Related Expenses:									
Salaries and wages	\$ 1,506,716	\$ 165,661	\$ 696,439	\$ 2,368,816	\$ 633,531	\$ 96,099	\$ 729,630	\$ 3,098,446	\$ 2,525,090
Payroll taxes	147,197	16,003	65,004	228,204	58,648	8,908	67,556	295,760	234,847
Benefits	219,424	28,337	109,157	356,918	104,101	14,802	118,903	475,821	411,954
Total Payroll Expenses	1,873,337	210,001	870,600	2,953,938	796,280	119,809	916,089	3,870,027	3,171,891
Other Expenses:									
Contracted program services	1,003,724			1,003,724	1,038		1,038	1,004,762	573,776
Professional fees	83,818	147,187	155,616	386,621	306,693	856	307,549	694,170	417,777
Occupancy	98,530	11,419	44,607	154,556	43,906	5,208	49,114	203,670	187,159
Office supplies	40,070	31,954	10,472	82,496	12,932	574	13,506	96,002	118,363
Communications	28,712	2,699	10,684	42,095	13,092	1,881	14,973	57,068	51,249
Equipment rental and maintenance	18,152	3,708	7,798	29,658	13,472	119	13,591	43,249	22,869
Professional development	16,258	373	6,516	23,147	7,818	2,836	10,654	33,801	18,897
Insurance	10,434	1,221	3,826	15,481	5,883	556	6,439	21,920	17,936
Travel	20,542	1,942	29,009	51,493	16,424	370	16,794	68,287	15,974
Miscellaneous	11,572	65	8,421	20,058	20,824	1,216	22,040	42,098	14,427
In-kind expense									1,010
Total Other Expenses	1,331,812	200,568	276,949	1,809,329	442,082	13,616	455,698	2,265,027	1,439,437
Depreciation	6,746	788	2,488	10,022	2,378	361	2,739	12,761	13,632
Total Expenses	\$ 3,211,895	\$ 411,357	\$ 1,150,037	\$ 4,773,289	\$ 1,240,740	\$ 133,786	\$ 1,374,526	\$ 6,147,815	\$ 4,624,960

See accompanying notes.

SEATTLE JOBS INITIATIVE

Statement of Cash Flows For the Year Ended December 31, 2022 (With Comparative Totals for 2021)

	<u>2022</u>	<u>2021</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ 166,442	\$ 447,864
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities-		
Gain on Paycheck Protection Program Loan forgiveness		(251,300)
Depreciation	12,761	13,632
Grants and contracts receivable	(1,085,795)	(66,891)
Prepaid expenses	(74,570)	55,334
Accounts payable	379,774	420
Accrued liabilities	47,034	51,804
Deferred revenue	1	(129,107)
Lease Liability	15,769	
Net Cash (Used in) Provided by Operating Activities	(538,584)	121,756
Cash Flows From Investing Activities:		
Purchases of property and equipment	(14,976)	
Net Cash Used by Investing Activities	(14,976)	
Change in Cash and Cash Equivalents	(553,560)	121,756
Cash and cash equivalents, beginning of year	3,742,794	3,621,038
Cash and Cash Equivalents, End of Year	<u>\$ 3,189,234</u>	<u>\$ 3,742,794</u>
Supplementary Disclosure of Cash Flow Information:		
Cash and cash equivalents are presented in the statement of financial position as follows-		
Cash and cash equivalents	\$ 589,234	\$ 1,142,794
Cash designated by the Board for reserves	2,600,000	2,600,000
	<u>\$ 3,189,234</u>	<u>\$ 3,742,794</u>

See accompanying notes.

SEATTLE JOBS INITIATIVE

Notes to Financial Statements For the Year Ended December 31, 2022 (With Comparative Totals for 2021)

Note 1 - Description of Organization and Summary of Significant Accounting Policies

Description of Organization - Seattle Jobs Initiative (the Organization) began operating on November 22, 2002 as a nonprofit organization under the provision of RCW 24.03 of the State of Washington. The Organization replaced the Seattle Jobs Initiative Program, under the City of Seattle, as a part of the nationally recognized Workforce Development Program. The Organization is dedicated to providing workforce intermediary services, e.g., promoting innovations in the workforce development system to place low income residents in living wage jobs, support retention and upward mobility, and contribute to regional competitiveness by supplying employers with qualified workers.

Financial Statement Preparation - The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors:

Net Assets Without Donor Restrictions - Net assets not subject to donor-imposed stipulations. The board designated operating reserve includes assets set aside by the Board of Directors for discretionary use and represents between 3 to 6 months of annual operating expenses.

Net Assets With Donor Restrictions - Resources that are restricted by the donor to be used for certain purposes, are time restricted based on the period during which the funds may be expended, or donations made with the intent that the principal be maintained intact in perpetuity, and the income may be used for current operations.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets 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. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. Support that is restricted by the donor is reported as an increase in net assets without donor restriction if the restriction expires in the year in which the support is recognized.

Basis of Accounting - The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Cash and Cash Equivalents - All highly liquid instruments with original maturities of three months or less are considered to be cash and cash equivalents.

Grants and Contracts Receivable - Grants and contracts receivable are stated at the amount that management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to expense and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to grants and contracts receivable. Management determined there were no amounts uncollectible as of December 31, 2022 or 2021. All grants and contracts receivable are expected to be collected within one year.

SEATTLE JOBS INITIATIVE

Notes to Financial Statements For the Year Ended December 31, 2022 (With Comparative Totals for 2021)

Note 1 - Continued

Exchange-type grants and contracts receivables totaled \$0 and \$90,000 for the years ended December 31, 2022 and 2021, respectively. Contribution-type grants and contracts receivables totaled \$1,554,493 and \$413,768 the years ended December 31, 2022 and 2021, respectively.

Property and Equipment - Equipment and software acquisitions in excess of \$5,000 are capitalized at cost or if donated, at the fair market value on the date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, generally five years for equipment and software.

Compensated Absences - The Organization's employees earn 18 to 28 days of paid time off (PTO) per year based on the employees' length of service and full time equivalent (FTE). Up to a maximum of 120 hours of accrued unused PTO may be carried over from one calendar year to the next. Accrued PTO is payable to a terminating employee up to a maximum of 80 hours if the employee has more than one year of service with the Organization and gives at least two weeks notice. The Organization's standard policy is to only pay accrued PTO at termination. At December 31, 2022 and 2021, accrued PTO totaled \$170,605 and \$135,291, respectively, and was included in accrued liabilities on the statement of financial position.

Right-of-Use Asset and Lease Liability - The Organization determines if an arrangement contains a lease at inception. Operating leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets represent a right to use an underlying asset for the lease term and operating lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization's leases do not provide an implicit rate of return; thus, the Organization uses the risk-free discount rate, determined using a period comparable with that of the lease term from the later of the lease commencement date or implementation date. The ROU asset also includes prepaid lease payments and unamortized initial direct costs, and excludes lease incentives. The Organization has lease agreements with lease and non-lease components which are accounted for as a single lease component. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. A ROU asset and operating lease liability is not recognized for leases with an initial term of 12 months or less.

Revenue Recognition - The Organization recognizes revenue from exchange-type grant contracts when performance obligations are satisfied, as described below. If revenue recognized exceeds cash advances received, then a receivable is recorded. However, if cash advances exceed revenue recognized, then a deferred revenue liability is recognized.

Contracts with customers primarily relate to service contracts and revenue is earned based upon an agreed fixed price or at contracted billing rates. The Organization generally recognizes revenue at contracted billing rates over time, as performance obligations are satisfied, due to the continuous transfer of control to the customer. In most instances, contracts are considered a single performance obligation as the services are highly interdependent and interrelated.

SEATTLE JOBS INITIATIVE

Notes to Financial Statements For the Year Ended December 31, 2022 (With Comparative Totals for 2021)

Note 1 - Continued

For time and materials contracts, recognizing revenue at contracted billing rates (an input method) is the most representative depiction of the Organization's performance because it directly measures the value of the services transferred to the customer. For fixed price contracts, the Company recognizes revenue using the percentage-of-completion method. The percentage-of-completion method (an input method) is the most representative depiction of the Organization's performance on these types of contracts because it directly measures the value of the services transferred to the customer. The total exchange type revenue for the years ended December 31, 2022 and 2021, was \$1,573,529 and \$867,778, respectively.

For contribution-type grants, conditional grants are recognized as revenue in the period in which the conditions have been satisfied by the Organization, which may not reflect the full amount awarded. Conditional grants outstanding totaled \$2,520,076 and \$1,419,783 as of December 31, 2022 and 2021, respectively.

In-Kind Contributions - In-kind contributions are recorded at amounts which would otherwise have been paid for comparable goods and services. The values of in-kind contributions are reported as both support and expenses in the accompanying statement of activities and changes in net assets. Accordingly, in-kind contributions do not affect the financial position of the Organization.

Functional Expense Allocation - Directly identifiable expenses are charged to the function to which they relate. Expenses that are not directly identifiable with any specific function but provide for the overall support of the Organization are allocated between programs and supporting services. These expenses include depreciation, occupancy costs, office operations, administrative support and information technology. All allocations are based on direct labor hours.

Federal Income Taxes - The Internal Revenue Service has determined that the Organization is a not-for-profit organization and has been recognized as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provisions for federal income taxes has been made in the financial statements.

Revenue and Other Concentrations - The Organization recognized fees under government contracts which represented 71% and 52% of total public support and revenue for the years ended December 31, 2022 and 2021, respectively. Receivables from all governmental agencies comprised 79% and 57% of grants and contracts receivable at December 31, 2022 and 2021, respectively.

Summarized Information for 2021 - 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 accounting principles generally accepted in the United States of America (U.S. GAAP). Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

Use of Estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

SEATTLE JOBS INITIATIVE

Notes to Financial Statements For the Year Ended December 31, 2022 (With Comparative Totals for 2021)

Note 1 - Continued

Adoption of New Accounting Standard - Effective January 1, 2022, the organization adopted the new lease accounting guidance in Accounting Standards Update No. 2016-02, Leases (ASC Topic 842) using the modified retrospective approach with comparative accounting periods continuing to be presented under previous lease guidance (ASC Topic 840). The Organization has elected the package of practical expedients permitted in ASC Topic 842. Accordingly, the Organization accounted for its existing leases under the new guidance, without reassessing (a) whether the contract contains a lease under ASC Topic 842, (b) whether classification of the leases would be different in accordance with ASC Topic 842, or (c) whether the unamortized initial direct costs before transition would have met the definition of initial direct costs in ASC Topic 842 at lease commencement. Additionally, the Organization did not elect the practical expedient to use hindsight in determining the lease term (that is, when considering lessee options to extend or terminate the lease and to purchase the underlying asset) and in assessing impairment of the entity's right-of-use (ROU) assets. As a result of the adoption of the new lease accounting guidance, the Organization recognized on January 1, 2022 (a) a lease liability of \$828,362, (b) a right-of-use asset of \$805,675 and (c) removal of deferred rent liabilities of \$25,507.

Subsequent Events - The Organization has evaluated subsequent events through September 28, 2023, the date on which the financial statements were available to be issued.

Note 2 - Property and Equipment

Software and equipment were as follows at December 31:

	<u>2022</u>	<u>2021</u>
Software and equipment	\$ 1,010,133	\$ 995,157
Accumulated depreciation	<u>(959,720)</u>	<u>(946,959)</u>
	<u>\$ 50,413</u>	<u>\$ 48,198</u>

Depreciation expense was \$12,761 and \$13,632 for the years ended December 31, 2022 and 2021, respectively.

SEATTLE JOBS INITIATIVE

Notes to Financial Statements For the Year Ended December 31, 2022 (With Comparative Totals for 2021)

Note 3 - Leases

The Organization leases office space under a long-term, noncancelable lease agreement which expires in June 2026. The operating lease liability and right of use asset as of December 31, 2022 is \$647,754 and \$629,985, respectively. Minimum future operating lease payments required under this lease agreement as of December 31, 2022 are as follows:

For the Year Ended December 31,

2023	\$	190,318
2024		190,318
2025		190,318
2026		<u>86,706</u>
Total undiscount cash flows		657,660
Less present value dicount		<u>(11,906)</u>
Total Lease Liabilities	\$	<u>645,754</u>

Cash paid for operating leases for the year ended December 31, 2022 was \$188,325. With weighted average remaining lease term as of December 31, 2022 is 3.5 years. Expenses related to leases for the years ended December 31, 2022 include \$183,397 of operating lease expense and \$4,928 of short-term and variable lease payments. Future lease payments were discounted at 1.04%. Expenses related to leases for the years ended December 31 2021 were \$188,260.

Note 4 - Retirement Plan

Employees are eligible to participate in the Organization's 401(k) tax deferred savings plan (the Plan) as of the first day of the month following their date of hire. The Plan allows employees to contribute up to a dollar limit set by law. The Organization makes a matching contribution equal to 100% of the deferrals of all active participants, up to 4% of their compensation. The Organization's contributions for the years ended December 31, 2022 and 2021 were \$99,803 and \$91,485, respectively.

Note 5 - Net Assets Without Donor Restrictions

Net assets without donor restrictions consisted of the following at December 31:

	<u>2022</u>	<u>2021</u>
Undesignated and available for operations	\$ 1,335,155	\$ 906,504
Board designated operating reserve	2,600,000	2,600,000
Norm B. Rice Scholarship Fund	<u>7,300</u>	<u>7,300</u>
	<u>\$ 3,942,455</u>	<u>\$ 3,513,804</u>

SEATTLE JOBS INITIATIVE

Notes to Financial Statements For the Year Ended December 31, 2022 (With Comparative Totals for 2021)

Note 6 - Net Assets With Donor Restrictions

Net assets with donor restrictions exclusively consisted of program restricted balances of \$101,587 and \$363,796 for the years ended December 31, 2022 and 2021, respectively.

Note 7 - Liquidity and Availability of Financial Assets

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization considers assets restricted to use in ongoing programs to be available for general expenditure. In addition, the Organization has an operating reserve that had a balance of \$2,600,000 at December 31, 2022 and 2021. This is a governing board-designated reserve with the objective of setting funds aside to be drawn upon in the event of financial distress or an immediate liquidity need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities. The Organization's target for this reserve is 3 to 6 months of operating expenses, which was determined based on management's judgment about the appropriate amount of funds to have set aside in addition to working capital.

At December 31, 2022, the Organization has \$4,778,797 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditure consisting of cash and cash equivalents of \$589,234 grants and contracts receivable of \$1,589,563 and the board designated operating reserve cash of \$2,600,000. Of the financial assets, none of the assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date.