THE CONFLICT CENTER

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

THE CONFLICT CENTER

FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

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TAYLORROTH
Certified Public Accountants
WORKING EXCLUSIVELY WITH NONPROFITS

November 8, 2023

Independent Auditors' Report

Board of Directors
The Conflict Center
Denver, Colorado

Opinion

We have audited the accompanying financial statements of **The Conflict Center** (a Colorado nonprofit corporation), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Conflict Center as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United State of America. 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 Conflict Center and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Conflict Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 Conflict Center'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 aggregative, that raise substantial doubt about The Conflict Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited The Conflict Center's 2022 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 31, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Taylor Roth and Company Pllc

TAYLOR, ROTH AND COMPANY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
DENVER, COLORADO

THE CONFLICT CENTER

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	2023	2022
Assets		
Cash and cash equivalents	$ 219,602	$ 334,940
Cash held for others (Note 3)	19,895	18,019
Contracts and other receivables	27,224	53,629
Grant receivable	10,000	25,000
Prepaid expenses	7,774	7,267
Finance lease right of use asset (Note 4)	6,978	-
Property and equipment, net (Note 5)	607,569	664,228
Investments (Note 6)	618,972	480,612
Beneficial interest in assets held by others (Note 7)	193,531	191,078
Total assets	$ 1,711,545	$ 1,774,773
Liabilities and net assets		
Accounts payable	$ 27,422	$ 12,102
Payroll and tax liabilities	46,698	33,797
Fiscal agent liabilities (Note 3)	19,895	18,019
Tenant security deposits and other	20,731	8,074
Lease liability (Note 4)	6,978	4,463
Total liabilities	121,724	76,455
Net assets		
Without donor restrictions		
Undesignated	410,071	491,933
Board designated reserve (Note 8)	350,128	321,558
Net investment in fixed assets	600,591	659,765
	1,360,790	1,473,256
With donor restrictions		
Donor purpose restrictions (Note 9)	35,500	33,984
Endowment (Note 7)	193,531	191,078
	229,031	225,062
Total net assets	1,589,821	1,698,318
Total liabilities and net assets	$ 1,711,545	$ 1,774,773

The accompanying notes are an integral part of these financial statements

THE CONFLICT CENTER

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	2023				2022
		With Donor Restrictions			
	Without Donor Restrictions	Donor Specific Purpose	Endowment	Total	Total
Revenue and other support					
Fees for services - government	$ 241,787	$ -	$ -	$ 241,787	$ 148,610
Foundation awards	87,000	96,500	-	183,500	227,072
Fees for services - general public	161,646	-	-	161,646	82,703
Rent and expense reimbursements	135,934	-	-	135,934	130,122
Contributions	92,889	11,176	-	104,065	123,217
Investment income(loss), net	72,894	-	12,245	85,139	(110,753)
Religious and business organization grants	35,000	5,000	-	40,000	45,000
Special events	16,900	-	-	16,900	26,886
Less special events direct expenses	(7,427)	-	-	(7,427)	(7,329)
Other income	4,969	-	-	4,969	-
Net assets released from restrictions (Note 10)	120,952	(111,160)	(9,792)	-	-
Total revenue and other support	962,544	1,516	2,453	966,513	665,528
Expense					
Program	738,592	-	-	738,592	479,482
Supporting services					
Management and general	103,254	-	-	103,254	77,841
Fund-raising	148,665	-	-	148,665	94,208
Rental expenses	84,499	-	-	84,499	82,052
Total expense	1,075,010	-	-	1,075,010	733,583
Change in net assets	(112,466)	1,516	2,453	(108,497)	(68,055)
Net assets, beginning of year	1,473,256	33,984	191,078	1,698,318	1,766,373
Net assets, end of year	$ 1,360,790	$ 35,500	$ 193,531	$ 1,589,821	$ 1,698,318

The accompanying notes are an integral part of these financial statements

THE CONFLICT CENTER

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	2023					2022
		Supporting Services				
	Program	Management and General	Fund-raising	Rental Expenses	Total	Total
Salaries	$ 337,967	$ 48,382	$ 109,992	$ -	$ 496,341	$ 358,073
Payroll taxes and benefits	53,923	8,846	15,992	-	78,761	55,596
Contract labor (Note 11)	217,625	3,060	772	-	221,457	69,119
Facility costs	21,120	2,472	101	16,309	40,002	29,418
Property taxes	-	-	-	32,171	32,171	38,653
Promotion	4,380	3,856	18,630	529	27,395	17,942
Utilities	13,027	330	128	9,451	22,936	17,077
Dues and subscriptions	8,240	2,870	502	-	11,612	11,477
Supplies	8,352	2,408	13	450	11,223	6,100
Telecommunications	6,906	735	835	2,262	10,738	9,198
Special projects	10,389	-	-	-	10,389	2,258
Insurance	6,757	1,015	-	2,423	10,195	11,190
Audit fees	-	9,375	-	-	9,375	8,900
Accounting fees	-	8,932	-	-	8,932	11,579
Special events expenses	-	-	7,427	-	7,427	7,329
Staff and volunteer development	4,430	1,017	238	-	5,685	4,484
Equipment	1,894	1,153	-	118	3,165	4,941
Bank and transaction fees	2,542	352	213	-	3,107	3,214
Travel	1,578	1,262	79	-	2,919	1,502
Board	286	2,471	-	-	2,757	7,519
Printing and production	1,597	632	41	88	2,358	3,737
Fundraising	-	289	624	-	913	449
Interest expense	221	55	-	-	276	448
Other	5,366	2,432	-	-	7,798	4,077
	706,600	101,944	155,587	63,801	1,027,932	684,280
Depreciation	31,992	1,310	505	20,698	54,505	56,632
Total expenses	738,592	103,254	156,092	84,499	1,082,437	740,912
Expenses netted against revenue:						
Special events expense	-	-	(7,427)	-	(7,427)	(7,329)
Net expenses	$ 738,592	$ 103,254	$ 148,665	$ 84,499	$1,075,010	$ 733,583

The accompanying notes are an integral part of these financial statements

THE CONFLICT CENTER

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	2023	2022
Cash flows from operating activities		
Change in net assets	$ (108,497)	$ (68,055)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	54,505	56,632
(Gains)losses and earnings on investments and endowment, net	(67,486)	117,698
(Gain) on trade-in of right of use asse	(65)	-
Changes in operating assets and liabilities		
Decrease(increase) in contracts and other receivables	26,405	(1,090)
Decrease(increase) in grant receivable	15,000	27,000
Decrease(increase) in prepaid expenses	(507)	943
(Decrease)increase in accounts payable	15,320	4,230
(Decrease)increase in payroll and tax liabilities	12,901	6,101
(Decrease)increase in fiscal agent liabilities	1,876	7,645
(Decrease)increase in tenant security deposits and other	12,657	(301)
Net cash provided by operating activities	(37,891)	150,803
Cash flows from investing activities		
Sale of investments	19,200	18,188
(Purchases) of investments, including reinvestment of dividends and interest	(102,319)	(34,921)
Net cash (used) by investing activities	(83,119)	(16,733)
Cash flows from financing activities		
Distribution from endowment	9,792	9,100
Payments on lease liability	(2,244)	(2,072)
Net cash provided by financing activities	7,548	7,028
Net increase in cash, cash equivalents and cash held for others	(113,462)	141,098
Cash, cash equivalents and cash held for others beginning of year	352,959	211,861
Cash, cash equivalents and cash held for others end of year	$ 239,497	$ 352,959
Supplemental disclosure of information:		
Cash paid during the period for interest	$ 276	$ 448

The accompanying notes are an integral part of these financial statements

NOTE 1 - NATURE OF ACTIVITIES

The Conflict Center (the Organization) is a nonprofit corporation incorporated under the laws of the State of Colorado. The Organization's mission is to "equip people with practical skills to navigate, transform and embrace everyday conflict." For over 35 years, The Conflict Center accomplishes this mission through education and training programs in the Denver-metro area and throughout Colorado.

Through skill-building workshops focused on conflict transformation, both youth and adults are empowered to see and use conflict as an opportunity to build relationships and solve problems. The Conflict Center applies this lens to all its programming, including its foundational classes, Addressing Conflict and Anger Effectively (adults) and Rethinking Conflict (youth ages 11-18), and professional development workshops, providing practical skills and tools to address everyday conflict. Through school partnerships, the Organization partners with schools to foster a community of inclusion, where students feel safe to be themselves and nurtured to build positive relationships through programs such as Building Healthy Relationships: A Social Norming Model, Hot Spot Mapping and Reading for Peace. In line with our mission, the Organization is committed to implementing Restorative Practices in schools, holding students accountable within the school community rather than through exclusionary, punitive discipline. The Conflict Center furthers its commitment to a restorative community through a partnership with the Denver District Attorney's office to run Restorative Denver, a community-based restorative justice model as an alternative to the traditional criminal justice system. The Conflict Center is committed to providing affordable and accessible programs, available both in-person and virtually.

The Organization is supported primarily through fees for services, foundation awards, rent and expense reimbursements, and contributions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

1. 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.

2. Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles which require the Organization to report its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and board of directors.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Continued)

2. Basis of Presentation (Continued)

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a program. These restrictions expire when the assets are placed in service.

3. Cash and Cash Equivalents and Cash Held for Others

The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents. Cash held for others represents funds in which the Organization is acting as a fiscal agent. The following table provides a reconciliation of cash, cash equivalents, and cash held for others reported within the statement of financial position to the total of the amount in the statement of cash flows:

Description	Amount
Cash and cash equivalents	$ 219,602
Cash held for others	19,895
Total	$ 239,497

4. Leases

The Organization determines if an arrangement is or contains a lease at inception and whether it will be classified as an operating or finance lease based upon the accounting criteria. Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. The Organization uses the rate implicit in the lease if it is determinable. When the rate implicit in the lease is not determinable, the Organization uses its incremental borrowing rate to determine the present value of the future lease payments. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization applies the short-term lease exemption of not recognizing a ROU asset and lease liability for leases that have terms of 12 months or less. Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

5. Capitalization and Depreciation

The Organization follows the practice of capitalizing all expenditures for furniture and equipment in excess of $1,000. The fair value of donated assets is similarly capitalized. Depreciation of furniture and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

6. Fair Value Measurements

   Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs).

   The Organization groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

   Level 1 – Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.

   Level 2 – Other observable inputs, either directly or indirectly, including:
   - Quoted prices for similar assets/liabilities in active markets;
   - Quoted prices for identical or similar assets in non-active markets;
   - Input other than quoted prices that are observable for the asset/liability; and,
   - Inputs that are derived principally from or corroborated by other observable market data.

   Level 3 – Unobservable inputs that cannot be corroborated by observable market data.

7. Revenue and Revenue Recognition

   The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give with a measurable performance barrier and a right of return are not recognized until the conditions on which they depend have been met. Fees for community-based services are recognized during the period of service. The Organization has agreements with state and local governmental agencies under which it provides services on a reimbursement basis.

8. Estimates

   The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

9. Income Taxes

   The Organization has received an Internal Revenue Service exemption from federal income taxes under Section 501(c)(3). Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Concluded)

10. Functional Reporting of Expenses

For the year ended June 30, 2023, the costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain categories of expenses attributable to program services or a supporting function are allocated on a reasonable basis that is consistently applied. The significant expenses that are allocated are salaries and payroll taxes and benefits which are allocated based on time and effort. Other expenses are allocated based upon the program or supporting service benefited.

11. Summarized Prior-Year 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 June 30, 2022, from which the summarized information was derived.

12. Recently Adopted Accounting Standards

During the year, the Organization adopted Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842),* which requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. The Organization elected not to restate the comparative period (2022). It also elected not to reassess at adoption (i) expired or existing contracts to determine whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial direct costs for existing leases. The adoption of ASU No. 2016-02 did not have a material impact on the financial statements.

13. Subsequent Events

Management has evaluated subsequent events through November 8, 2023, the date the financial statements were available to be issued.

NOTE 3 - FISCAL AGENT

The Organization serves as fiscal agent for Conflict Resolution Month which organizes and manages Conflict Resolution Month activities in Colorado. At year-end, the Organization held $17,858 for Conflict Resolution Month.

The Organization entered into a contract with the City of Denver to provide a community-based restorative justice model. Some of the cases involved with the program may require restitution. The Organization holds the restitution until payment is made to the victims. At year-end, the Organization held $2,037 in restitution payments.

NOTE 4 - RIGHT OF USE ASSET AND LEASE LIABILITY

During the year, the Organization entered into a replacement lease for a copier machine. Each of the leases were classified finance leases.

NOTE 4 - RIGHT OF USE ASSET AND LEASE LIABILITY (Continued)

The components of lease cost are reflected below:

	Amount
Amortization of right-of-use asset	$ 2,155
Interest on lease liability	276
Total lease cost	$ 2,431

Maturities of the lease liability as of December 31, 2022, were as follows:

Fiscal Year	Amount
2024	$ 1,632
2025	1,632
2026	1,632
2027	1,632
2028	1,632
2029	408
Total lease payments	8,568
Less present value adjustment	(1,590)
Present value of lease liability	$ 6,978

The lease has a remaining term of five years and the payments were discounted using a 8% discount rate.

Supplemental cash flow information follows:

	Amount
Cash paid for amounts included in the measurement of lease liabilities	
Operating cash outflows	$ 276
Financing cash outflows	2,244
Right-of-use asset obtained in exchange for a new lease liability	$ 6,978

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

Description	Amount
Building and improvements	$ 1,451,874
Furniture and equipment	86,757
Land	9,000
Total	1,547,631
Less: accumulated depreciation	(940,062)
Net property and equipment	$ 607,569

NOTE 6 - INVESTMENTS

Investments held by the Organization are valued using Level 1 inputs and consist of the following at June 30, 2023:

Description	Amount
Equity index fund	$ 416,931
Bond index fund	115,876
Cash Reserve	86,165
Total	$ 618,972

Investment income and account activity is summarized as follows:

Description	Amount
Balance, beginning of year	$ 480,612
Contributions	85,000
Interest and dividend income	13,289
Unrealized gains and losses, net	59,271
Total investment return	72,560
Withdrawals	(19,200)
Balance, end of year	$ 618,972

Additionally, the Organization earned interest income of $334 on operating cash accounts and an investment return of $12,245 on an endowment fund as described in Note 8.

NOTE 7 - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

The Organization has established an endowment fund through Community First Foundation (the Foundation) to provide ongoing support for the Organization. Under the terms of the endowment, the Organization may take an annual distribution of up to 4.5% of the average of the net fair market value of the assets of the endowment fund on the last business day of each of the three calendar years preceding the year for which the distribution is being made. The Organization's right to a distribution for any calendar year shall not be cumulative. If the Organization receives less than the previously described annual distribution on a calendar basis, then the Organization shall not be entitled to request a distribution of such undistributed amount in any subsequent year.

The assets in the endowment fund are managed by the Foundation and invested in accordance with the Foundation's asset allocation. The investment returns are based upon the Foundation's returns for commingled investments in the Foundation's Long Term Portfolio. The Long Term Portfolio's objective is to preserve capital and income while maintaining purchasing power and maximizing excess investment returns over inflation. Over the ten years through June 30, 2023, the Foundation's investments in the Long Term Portfolio have an average annual return of 5.79%. The assets held in the endowment are classified in Level 3 of the fair value measurements hierarchy as the value of the interest is independently determined by the Foundation.

NOTE 7 - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS (Continued)

Changes in the endowment fund balances as reported by the Foundation during year are as follows:

Description	Amount
Endowment assets, beginning of year	$ 191,078
Contributions	-
Interest and dividend income	4,030
Realized gains and (losses), net	(2,434)
Unrealized gains and (losses), net	12,508
Management fees	(1,859)
Total investment return	12,245
Distributions	(9,792)
Balance, end of year	$ 193,531

NOTE 8 - BOARD DESIGNATED RESERVE

The Organization received a bequest in a prior year from the estate of a long-time supporter and friend of the Organization. The board established a reserve from the bequest. Under the terms of the operating reserve policy, the balance should not go below $150,000 and distribution requests require the approval of a majority board of director vote. Distributions are to be used for purposes of generating additional revenue for the Organization and cannot be used to pay debt or other ongoing operational expenses.

NOTE 9 - NET ASSETS WITH DONOR PURPOSE RESTRICTIONS

Net assets with donor purpose restrictions are available for the following program purposes:

Description	Amount
Restorative Denver	$ 12,500
Restorative practices	10,000
School based programming	10,000
Youth programming	3,000
Total	$ 35,500

NOTE 10 - NET ASSETS RELEASED FROM DONOR PURPOSE RESTRICTIONS

Net assets were released from donor purpose restrictions by incurring expenses satisfying the following restricted program purposes:

Description	Amount
Restorative Denver	$ 46,251
Restorative practices	37,500
Conflict resolutions podcast	10,484
School based programming	10,175
Youth leadership	6,750
Total	$ 111,160

NOTE 11 - CONTRACT LABOR

Contract labor is primarily comprised of payments to instructors for the Organization's educational and training programs.

NOTE 12 - TENANT LEASES

The Organization leases space to tenants at its facility. The future minimum lease payments to be received under the tenant lease agreements are as follows:

Year	Amount
2024	$ 111,289
2025	102,480
2026	25,952
Total	$ 239,721

NOTE 13 - IN-KIND CONTRIBUTIONS

During the year, the Organization received more than 7,640 volunteer service hours not requiring professional-level skills, consisting primarily of Restorative Denver volunteers, administrative support, event coordinators, and Reading for Peace volunteers. These donated services were not recognized in the financial statements because they did not meet the criteria for recognition.

NOTE 14 - RETIREMENT PLAN

The Organization has a 401(k) retirement plan (Plan). The Plan covers all eligible employees once they reach sixty days of service. The Plan has an automatic deferral election of five percent of compensation for eligible employees. Employees may elect out of the automatic deferral election or change the deferred contribution rates to the Plan. For participating employees who work over 20 hours per week, the Organization matches up to the first three percent of compensation contributed by each employee. Pension expense for the year was $11,249.

NOTE 15 - AVAILABILITY AND LIQUIDITY

The following represents financial assets available for general operating expenditures within one year at June 30, 2023:

Financial assets at year-end:	Amount
Cash and cash equivalents	$ 219,602
Contracts and other receivables	27,224
Grants receivable	10,000
Investments	618,972
Total financial assets	875,798
Less amounts not available to be used within one year:	
Board designated reserve	(350,128)
Financial assets available to meet general operating expenditures within one year	$ 525,670

The Organization considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations and plans will be discharged.

Because of the board of director's designation, the board designated reserve is not available for general operating expenditures within the next year, however, the board of directors could make them available, if necessary. The anticipated upcoming general operating expenses are approximately $850,000 to $875,000.