

**Boulder Valley Women's  
Health Center, Inc.**

(a nonprofit Colorado corporation)

**Financial Statements**

December 31, 2022 and 2021

# Boulder Valley Women's Health Center, Inc.

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## **Independent Auditor's Report**

To the Board of Directors  
Boulder Valley Women's Health Center, Inc.  
Boulder, Colorado

### **Opinion**

We have audited the financial statements of Boulder Valley Women's Health Center, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Boulder Valley Women's Health Center, Inc. as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Boulder Valley Women's Health Center, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the 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 Boulder Valley Women's Health Center, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## Independent Auditor's Report (continued)

### **Auditor's Responsibility 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 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 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 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 Boulder Valley Women's Health Center, Inc.'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 Boulder Valley Women's Health Center, Inc.'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.

*Brock and Company, CPAs, P.C.*

Certified Public Accountants

Boulder, Colorado  
November 17, 2023

# Boulder Valley Women's Health Center, Inc.

## Statements of Financial Position

| December 31   | 2022                | 2021                |
|---|---------------------|---------------------|
| <b>ASSETS</b>   |                     |                     |
| <b>Current Assets</b>                                 |                     |                     |
| Cash and cash equivalents                             | \$ 1,047,482        | \$ 849,506          |
| Investments   | 214,651             | 252,668             |
| Accounts receivable, net                              | 79,823              | 71,714              |
| Grants and contributions receivable                   | 429,120             | 142,717             |
| Inventory   | 37,721              | 51,067              |
| Prepaid expenses and other current assets             | 51,976              | 20,763              |
| Total current assets                                  | <u>1,860,773</u>    | <u>1,388,435</u>    |
| <b>Property and Equipment, net</b>                    | <u>879,075</u>      | <u>913,406</u>      |
| <b>Other Assets</b>                                   |                     |                     |
| Restricted cash                                       | <u>27,154</u>       | <u>27,089</u>       |
| Total assets  | <u>\$ 2,767,002</u> | <u>\$ 2,328,930</u> |
| <b>LIABILITIES AND NET ASSETS</b>                     |                     |                     |
| <b>Current Liabilities</b>                            |                     |                     |
| Accounts payable                                      | \$ 52,435           | \$ 26,746           |
| Accrued compensation and benefits                     | 47,425              | 53,963              |
| Other current liabilities                             | 1,000               | 2,000               |
| Current maturities of financing lease obligation      | 6,962               | 6,825               |
| Total current liabilities                             | <u>107,822</u>      | <u>89,534</u>       |
| <b>Long-Term Liabilities</b>                          |                     |                     |
| Financing lease obligation, net of current maturities | <u>23,614</u>       | <u>30,575</u>       |
| Total liabilities                                     | <u>131,436</u>      | <u>120,109</u>      |
| <b>Net Assets</b>                                     |                     |                     |
| Without donor restrictions                            |                     |                     |
| Undesignated  | 1,810,353           | 1,667,768           |
| Board-designated reserves                             | 239,311             | 272,621             |
| Total without donor restrictions                      | <u>2,049,664</u>    | <u>1,940,389</u>    |
| With donor restrictions                               | <u>585,902</u>      | <u>268,432</u>      |
| Total net assets                                      | <u>2,635,566</u>    | <u>2,208,821</u>    |
| Total liabilities and net assets                      | <u>\$ 2,767,002</u> | <u>\$ 2,328,930</u> |

The accompanying Notes are an integral part of these financial statements

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# Boulder Valley Women's Health Center, Inc.

## Statement of Activities

Year ended December 31, 2022

|  | <u>Without Donor<br/>Restrictions</u> | <u>With Donor<br/>Restrictions</u> | <u>Total</u>            |
|--|---------------------------------------|------------------------------------|-------------------------|
| <b>Operating Support and Revenue</b>                                       |                                       |                                    |                         |
| <b>Operating Support</b>   |                                       |                                    |                         |
| Government grants  | \$ 918,282                            | \$ 183,760                         | \$ 1,102,042            |
| Other grants and contributions   | 733,174                               | 318,384                            | 1,051,558               |
| In-kind contributions  | 25,352                                | -                                  | 25,352                  |
| Special event, net   | 12,573                                | -                                  | 12,573                  |
| Net assets released from restrictions                                      |                                       |                                    |                         |
| Satisfaction of program restrictions                                       | 44,448                                | (44,448)                           | -                       |
| Expiration of time restrictions  | 122,717                               | (122,717)                          | -                       |
| Total operating support  | <u>1,856,546</u>                      | <u>334,979</u>                     | <u>2,191,525</u>        |
| <b>Operating Revenue</b>   |                                       |                                    |                         |
| Reproductive health and subsidized services                                | 587,966                               | -                                  | 587,966                 |
| Abortion services  | 189,473                               | -                                  | 189,473                 |
| Total operating revenue  | <u>777,439</u>                        | <u>-</u>                           | <u>777,439</u>          |
| <br>Total operating support and revenue                                    | <br><u>2,633,985</u>                  | <br><u>334,979</u>                 | <br><u>2,968,964</u>    |
| <b>Operating Expenses</b>  |                                       |                                    |                         |
| Program services   | 2,107,766                             | -                                  | 2,107,766               |
| Supporting services  |                                       |                                    |                         |
| General and administrative   | 316,104                               | -                                  | 316,104                 |
| Fundraising  | 68,984                                | -                                  | 68,984                  |
| Total operating expenses   | <u>2,492,854</u>                      | <u>-</u>                           | <u>2,492,854</u>        |
| <br>Total operating support and revenue<br>in excess of operating expenses | <br><u>141,131</u>                    | <br><u>334,979</u>                 | <br><u>476,110</u>      |
| <b>Other Changes</b>   |                                       |                                    |                         |
| Net investment loss  | (33,345)                              | -                                  | (33,345)                |
| Other revenue  | 1,489                                 | -                                  | 1,489                   |
| Fiscal sponsorship contributions   | -                                     | 16,150                             | 16,150                  |
| Fiscal sponsorship disbursements   | (33,659)                              | -                                  | (33,659)                |
| Net assets released from restrictions                                      |                                       |                                    |                         |
| Satisfaction of program restrictions                                       | 33,659                                | (33,659)                           | -                       |
| Total other changes  | <u>(31,856)</u>                       | <u>(17,509)</u>                    | <u>(49,365)</u>         |
| <br><b>Change in Net Assets</b>  | <br><u>109,275</u>                    | <br><u>317,470</u>                 | <br><u>426,745</u>      |
| <br><b>Net Assets, Beginning of Year</b>                                   | <br><u>1,940,389</u>                  | <br><u>268,432</u>                 | <br><u>2,208,821</u>    |
| <br><b>Net Assets, End of Year</b>   | <br><u>\$ 2,049,664</u>               | <br><u>\$ 585,902</u>              | <br><u>\$ 2,635,566</u> |

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# Boulder Valley Women's Health Center, Inc.

## Statement of Activities

Year ended December 31, 2021

|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total               |
|--|-------------------------------|----------------------------|---------------------|
| <b>Operating Support and Revenue</b>   |                               |                            |                     |
| <b>Operating Support</b>   |                               |                            |                     |
| Government grants  | \$ 831,297                    | \$ 95,838                  | \$ 927,135          |
| Other grants and contributions   | 438,520                       | 108,895                    | 547,415             |
| Special event, net   | 5,467                         | -                          | 5,467               |
| Net assets released from restrictions  |                               |                            |                     |
| Satisfaction of program restrictions   | 46,318                        | (46,318)                   | -                   |
| Expiration of time restrictions  | 40,936                        | (40,936)                   | -                   |
| Total operating support  | <u>1,362,538</u>              | <u>117,479</u>             | <u>1,480,017</u>    |
| <b>Operating Revenue</b>   |                               |                            |                     |
| Reproductive health and subsidized services  | 724,298                       | -                          | 724,298             |
| Abortion services  | 126,761                       | -                          | 126,761             |
| Total operating revenue  | <u>851,059</u>                | <u>-</u>                   | <u>851,059</u>      |
| <b>Total operating support and revenue</b>   | <u>2,213,597</u>              | <u>117,479</u>             | <u>2,331,076</u>    |
| <b>Operating Expenses</b>  |                               |                            |                     |
| Program services   | 1,952,502                     | -                          | 1,952,502           |
| Supporting services  |                               |                            |                     |
| General and administrative   | 262,188                       | -                          | 262,188             |
| Fundraising  | 97,668                        | -                          | 97,668              |
| Total operating expenses   | <u>2,312,358</u>              | <u>-</u>                   | <u>2,312,358</u>    |
| <b>Total operating support and revenue in excess (deficit) of operating expenses</b> | <u>(98,761)</u>               | <u>117,479</u>             | <u>18,718</u>       |
| <b>Other Changes</b>   |                               |                            |                     |
| Net investment income  | 9,441                         | -                          | 9,441               |
| Other revenue  | 1,291                         | -                          | 1,291               |
| Fiscal sponsorship contributions   | -                             | 17,650                     | 17,650              |
| Fiscal sponsorship disbursements   | (13,760)                      | -                          | (13,760)            |
| Net assets released from restrictions  |                               |                            |                     |
| Satisfaction of program restrictions   | 13,760                        | (13,760)                   | -                   |
| Total other changes  | <u>10,732</u>                 | <u>3,890</u>               | <u>14,622</u>       |
| <b>Change in Net Assets</b>  | <u>(88,029)</u>               | <u>121,369</u>             | <u>33,340</u>       |
| <b>Net Assets, Beginning of Year</b>   | <u>2,028,418</u>              | <u>147,063</u>             | <u>2,175,481</u>    |
| <b>Net Assets, End of Year</b>   | <u>\$ 1,940,389</u>           | <u>\$ 268,432</u>          | <u>\$ 2,208,821</u> |

The accompanying Notes are an integral part of these financial statements

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# Boulder Valley Women's Health Center, Inc.

## Statement of Functional Expenses

Year ended December 31, 2022

|                                      | Program Services  |   |                        | Supporting Services        |             |              |
|--------------------------------------|-------------------|---|------------------------|----------------------------|-------------|--------------|
|                                      | Abortion Services | Reproductive Health and Subsidized Services | Total Program Services | General and Administrative | Fundraising | Total        |
| Salaries and wages                   | \$ 206,291        | \$ 860,429                                  | \$ 1,066,720           | \$ 171,516                 | \$ 25,761   | \$ 1,263,997 |
| Payroll taxes                        | 15,067            | 67,182                                      | 82,249                 | 16,682                     | 1,287       | 100,218      |
| Employee benefits                    | 6,998             | 41,333                                      | 48,331                 | 4,491                      | 989         | 53,811       |
| Total personnel costs                | 228,356           | 968,944                                     | 1,197,300              | 192,689                    | 28,037      | 1,418,026    |
| Medical operations                   | 20,385            | 209,591                                     | 229,976                | -                          | -           | 229,976      |
| Legal and professional               | 17,685            | 143,123                                     | 160,808                | 35,683                     | 1,363       | 197,854      |
| Information technology               | 30,246            | 110,626                                     | 140,872                | 12,370                     | 3,296       | 156,538      |
| Consulting                           | 23,815            | 46,248                                      | 70,063                 | 49,847                     | 18,126      | 138,036      |
| Occupancy                            | 9,847             | 53,509                                      | 63,356                 | 6,241                      | 549         | 70,146       |
| Marketing and outreach               | 15,205            | 39,616                                      | 54,821                 | 1,341                      | 124         | 56,286       |
| Insurance                            | 9,267             | 36,768                                      | 46,035                 | 2,845                      | 198         | 49,078       |
| Depreciation                         | 8,767             | 30,720                                      | 39,487                 | 3,356                      | 373         | 43,216       |
| Contract labor                       | 35,105            | 625   | 35,730                 | -                          | -           | 35,730       |
| Office expense                       | 3,783             | 13,216                                      | 16,999                 | 1,908                      | 835         | 19,742       |
| Telephone                            | 2,733             | 14,840                                      | 17,573                 | 1,103                      | 122         | 18,798       |
| Development expenses                 | -                 | -   | -                      | -                          | 15,858      | 15,858       |
| Professional development             | 1,334             | 11,201                                      | 12,535                 | -                          | -           | 12,535       |
| Dues and subscriptions               | 1,789             | 7,781                                       | 9,570                  | 1,785                      | 63          | 11,418       |
| Bank and credit card fees            | 2,386             | 4,084                                       | 6,470                  | 1,203                      | -           | 7,673        |
| Travel                               | 4,935             | 1,236                                       | 6,171                  | 602                        | 40          | 6,813        |
| Volunteer, staff, and board expenses | -                 | -   | -                      | 4,414                      | -           | 4,414        |
| Miscellaneous expense                | -                 | -   | -                      | 717                        | -           | 717          |
| Total operating expenses             | \$ 415,638        | \$ 1,692,128                                | \$ 2,107,766           | \$ 316,104                 | \$ 68,984   | \$ 2,492,854 |
| Percentage of total                  | 17%               | 68%   | 85%                    | 12%                        | 3%          | 100%         |

The accompanying Notes are an integral part of these financial statements



# Boulder Valley Women's Health Center, Inc.

## Statement of Functional Expenses

Year ended December 31, 2021

|                                      | Program Services  |   |                        | Supporting Services        |             |              |
|--------------------------------------|-------------------|---|------------------------|----------------------------|-------------|--------------|
|                                      | Abortion Services | Reproductive Health and Subsidized Services | Total Program Services | General and Administrative | Fundraising | Total        |
| Salaries and wages                   | \$ 128,640        | \$ 986,329                                  | \$ 1,114,969           | \$ 160,688                 | \$ 66,060   | \$ 1,341,717 |
| Payroll taxes                        | 10,612            | 82,266                                      | 92,878                 | 13,139                     | 5,003       | 111,020      |
| Employee benefits                    | 8,904             | 53,155                                      | 62,059                 | 15,685                     | 5,455       | 83,199       |
| Total personnel costs                | 148,156           | 1,121,750                                   | 1,269,906              | 189,512                    | 76,518      | 1,535,936    |
| Medical operations                   | 25,413            | 256,478                                     | 281,891                | -                          | -           | 281,891      |
| Information technology               | 11,018            | 96,218                                      | 107,236                | 11,329                     | 2,489       | 121,054      |
| Occupancy                            | 6,308             | 46,583                                      | 52,891                 | 5,801                      | 423         | 59,115       |
| Contract labor                       | 44,480            | 4,490                                       | 48,970                 | -                          | -           | 48,970       |
| Depreciation                         | 8,044             | 34,342                                      | 42,386                 | 3,665                      | 407         | 46,458       |
| Legal and professional               | 1,776             | 15,482                                      | 17,258                 | 28,369                     | 185         | 45,812       |
| Insurance                            | 4,999             | 25,372                                      | 30,371                 | 2,642                      | 154         | 33,167       |
| Marketing and outreach               | 2,345             | 23,327                                      | 25,672                 | 2,293                      | -           | 27,965       |
| Office expense                       | 2,267             | 16,415                                      | 18,682                 | 5,885                      | 1,659       | 26,226       |
| Consulting                           | 2,366             | 14,531                                      | 16,897                 | 3,134                      | 147         | 20,178       |
| Development expenses                 | -                 | -   | -                      | -                          | 15,534      | 15,534       |
| Telephone                            | 1,399             | 12,368                                      | 13,767                 | 952                        | 105         | 14,824       |
| Dues and subscriptions               | 1,559             | 9,241                                       | 10,800                 | 1,752                      | 42          | 12,594       |
| Bank and credit card fees            | 2,024             | 5,626                                       | 7,650                  | 2,527                      | -           | 10,177       |
| Professional development             | 740               | 5,344                                       | 6,084                  | 217                        | 5           | 6,306        |
| Volunteer, staff, and board expenses | -                 | -   | -                      | 4,039                      | -           | 4,039        |
| Travel                               | 1,279             | 638   | 1,917                  | 57                         | -           | 1,974        |
| Interest expense                     | -                 | 124   | 124                    | 14                         | -           | 138          |
| Total operating expenses             | \$ 264,173        | \$ 1,688,329                                | \$ 1,952,502           | \$ 262,188                 | \$ 97,668   | \$ 2,312,358 |
| Percentage of total                  | 12%               | 73%   | 85%                    | 11%                        | 4%          | 100%         |

The accompanying Notes are an integral part of these financial statements

# Boulder Valley Women's Health Center, Inc.

## Statements of Cash Flows

Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash

| Years ended December 31   | 2022                | 2021              |
|---|---------------------|-------------------|
| <b>Cash Flows From Operating Activities</b>   |                     |                   |
| Change in net assets  | \$ 426,745          | \$ 33,340         |
| Adjustments to reconcile change in net assets to net cash provided (used) by operating activities |                     |                   |
| Depreciation  | 43,216              | 46,458            |
| Provision for accounts receivable allowances  | 6,778               | (2,415)           |
| Net unrealized loss (gain) on investments   | 38,337              | (4,797)           |
| Increase (decrease) from changes in assets and liabilities  |                     |                   |
| Accounts receivable   | (14,887)            | 25,323            |
| Grants and contributions receivable   | (286,403)           | (101,781)         |
| Inventory   | 13,346              | (9,022)           |
| Prepaid expenses and other current assets   | (31,213)            | 8,261             |
| Deposit   | -                   | 10,450            |
| Accounts payable  | 25,689              | 16,754            |
| Accrued compensation and benefits   | (6,538)             | (40,022)          |
| Other current liabilities   | (1,000)             | 2,000             |
| Net cash provided (used) by operating activities  | 214,070             | (15,451)          |
| <b>Cash Flows From Investing Activities</b>   |                     |                   |
| Purchases of investments  | (320)               | (23,248)          |
| Purchases of property and equipment   | (8,885)             | (23,321)          |
| Net cash used by investing activities   | (9,205)             | (46,569)          |
| <b>Cash Flows From Financing Activities</b>   |                     |                   |
| Principal payments on financing lease obligation  | (6,824)             | (3,819)           |
| Net cash used by financing activities   | (6,824)             | (3,819)           |
| <b>Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash</b>                      | <b>198,041</b>      | <b>(65,839)</b>   |
| <b>Cash, Cash Equivalents and Restricted Cash, Beginning of Year</b>                              | <b>876,595</b>      | 942,434           |
| <b>Cash, Cash Equivalents and Restricted Cash, End of Year</b>                                    | <b>\$ 1,074,636</b> | <b>\$ 876,595</b> |
| <b>Supplemental Information</b>   |                     |                   |
| Cash paid for interest  | \$ 686              | \$ 138            |
| Equipment acquired under a financing lease  | \$ -                | \$ 37,400         |

The accompanying Notes are an integral part of these financial statements

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# Boulder Valley Women's Health Center, Inc.

## Notes to Financial Statements

December 31, 2022 and 2021

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### Note 1 – Nature of Organization and Significant Accounting Policies

*Nature of Organization.* Boulder Valley Women's Health Center, Inc. (the Organization) is a Colorado non-profit corporation established in 1973. The Organization's mission is to provide accessible, confidential and comprehensive gynecological and reproductive health care, including sexual health services and education, regardless of a person's insurance status, economic circumstance, or immigration status.

The Organization provides subsidized reproductive health and gynecological care primarily to people who experience barriers to access, including financial, confidentiality, or language. Most services are provided on a sliding fee scale according to a person's income. Reproductive health services fees slide to \$0 for people under 100% of the federal poverty level based on family size and income. Specialized services are provided to teens, including free Teen Clinics, and comprehensive sexual health education is provided in school districts in Boulder and Broomfield counties. The Organization's main goal is to prevent unintended pregnancies, particularly in high-risk populations, and to encourage healthy behaviors through education and screening. As a patient-centered medical home, patients are provided comprehensive, holistic health care services in a safe, respectful environment. Funding for the Organization is primarily obtained through grants and contributions from interested parties.

*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.

*Basis of Presentation.* The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

*Net Assets Without Donor Restrictions.* Net assets resulting from revenues generated by receiving contributions that have no donor stipulations, providing services, and receiving interest and other income, less expenses incurred in providing program related services, raising contributions, and performing administrative functions.

*Net Assets With Donor Restrictions.* Net assets resulting from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished.

*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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

*Change in Accounting Principle.* On January 1, 2022, the Organization adopted FASB ASU No. 2016-02, *Leases (Topic 842)*, which provides guidance on the accounting for leases that superseded previous guidance.

# Boulder Valley Women's Health Center, Inc.

## Notes to Financial Statements

December 31, 2022 and 2021

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### Note 1 – Nature of Organization and Significant Accounting Policies (continued)

*Change in Accounting Principle (continued).* Topic 842 requires lessees to recognize leases on the statement of financial position for all leases, including operating leases which were not previously recorded as assets and liabilities, and to disclose key information about leasing arrangements. The new standard establishes a right-of-use model (ROU) that requires a lessee to recognize a ROU asset and lease liability on the statement of financial position for all leases with a term longer than 12 months. Leases are now classified as financing, formerly capital, or operating, with classification affecting the pattern and classification of expense recognition in the statement of activities. The Organization adopted ASU 2016-02 under the modified retrospective approach, applying the amendments only to prospective reporting periods. In performing its analysis, the Organization reflected the aggregate effect of all modifications when identifying the lease obligations and ROU assets. The change in accounting method would not have had a material effect on the change in net assets for the year ended December 31, 2021, or on net assets as of December 31, 2021.

*Cash and Cash Equivalents.* Cash consists of checking and savings accounts held at financial institutions. For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments with maturities of three months or less to be cash equivalents.

*Investments.* The Organization's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Organization's management determines the valuation policies utilizing information provided by the investment advisors and custodians.

Unrealized gains and losses are included in the accompanying statements of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

*Fair Value Measurements.* The Organization reports using fair value measurements, which among other things requires enhanced disclosures about investments that are measured and reported at fair value and establishes a framework for measuring fair value. The 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 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 for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for the asset or liability;
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

# Boulder Valley Women's Health Center, Inc.

## Notes to Financial Statements

December 31, 2022 and 2021

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### Note 1 – Nature of Organization and Significant Accounting Policies (continued)

#### *Fair Value Measurements (continued).*

- Level 2     If the asset or liability has a specified (contractual) term, the Level 2 input must be observable 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.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurements. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The Organization values mutual funds with readily determinable market values at fair value as determined by quoted market prices on national securities exchanges valued at the closing price on the last business day of the fiscal year.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodology used at December 31, 2022 and 2021.

Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the statement of financial position.

*Accounts Receivable.* Accounts receivable consist of amounts due from insurance and patients for program services that have occurred and are stated at the amount of consideration from patients, of which the Organization has an unconditional right to receive, less an allowance for doubtful accounts. At the time accounts receivable are originated, the Organization considers an allowance for doubtful accounts based on the creditworthiness of the patient or the third party payor. The allowance is continually reviewed and adjusted to maintain the allowance at a level considered adequate to cover future uncollectible amounts. The allowance is management's best estimate of uncollectible amounts and is determined based on historical performance that is tracked by the Organization on an ongoing basis. The Organization has recorded an allowance of \$9,791 and \$3,013 at December 31, 2022 and 2021, respectively.

*Grants and Contributions Receivable.* Unconditional promises to give are recognized as revenue in the period received. Grants and contributions receivable are recorded at the amount the Organization expects to receive, allowing for estimated uncollectible grants and contributions. The allowance for uncollectible grants and contributions is estimated based on management's review of specific grants and contributions outstanding.

# Boulder Valley Women's Health Center, Inc.

## Notes to Financial Statements

December 31, 2022 and 2021

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### Note 1 – Nature of Organization and Significant Accounting Policies (continued)

*Grants and Contributions Receivable (continued).* As of December 31, 2022 and 2021, management believes all grants and contributions receivable are fully collectible, and accordingly, no allowance for doubtful grants and contributions has been recorded. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

*Inventory.* Inventory consists of medical supplies and drugs, and is stated at the lower of cost (first-in, first-out method) or net realizable value.

*Property and Equipment.* It is the Organization's policy to capitalize property and equipment at cost for purchases over \$2,500, while repair and maintenance items are charged to expense. Donations of property and equipment are capitalized at their estimated fair value on the date of gift. Such donations are reported as contributions without donor restriction unless the donor has restricted the donated asset to a specific purpose. Property and equipment is depreciated using the straight-line method over the estimated useful lives of the assets, which is generally ten to forty years for building, five to ten years for equipment, and five to ten years for furniture and fixtures. Amortization of leased equipment is included in depreciation expense.

*Impairment of Long-Lived Assets.* In the event that facts and circumstances indicate that property and equipment, or other assets, may be impaired, an evaluation of recoverability would be performed. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying amount to determine if a write-down to market value would be necessary. No impairment losses were recorded during the years ended December 31, 2022 and 2021.

*Leases and Right-of-Use Assets.* Commencing January 1, 2022, the Organization recognizes and measures its leases in accordance with FASB ASC 842, *Leases*. The Organization determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The Organization recognizes a lease liability and a right-of-use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate if it is readily determinable, or otherwise, the Organization uses its incremental borrowing rate based on the information available at the commencement date for all leases. The Organization's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment. The ROU asset is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus or minus any prepaid or accrued lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

Right-of-use assets under financing leases are recorded in property and equipment in the accompanying statement of financial position. The Organization has elected to exclude leases of twelve months or less from right-of-use asset recognition. Amortization of right-of-use assets for financing leases is included in depreciation expense.

# Boulder Valley Women's Health Center, Inc.

## Notes to Financial Statements

December 31, 2022 and 2021

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### Note 1 – Nature of Organization and Significant Accounting Policies (continued)

*Restricted Cash.* Restricted cash consists of amounts received from donors restricted to capital expenditures.

*Revenue Recognition.* The Organization earns revenue from contracts with patients through providing reproductive health and subsidized services and abortion services, which primarily includes healthcare. The Organization's patients are individuals. The Organization's contracts typically include a single performance obligation to perform agreed upon services, which generally occur within a single fiscal year.

Reproductive health and subsidized service revenue and abortion service revenue are recognized over time as the Organization's patients' simultaneously receive and consume the benefits of the Organization's performance. The Organization typically provides the healthcare services under fixed fee arrangements which are billed upon completion of the service. Amounts that have been invoiced are recorded in either deferred revenue or revenue, depending on whether the revenue recognition criteria have been met. The Organization does experience changes in the transaction price subsequent to the inception of its contracts as a result of billing adjustments imposed by the third party payors. Billing adjustments are recorded in the period they are known.

Reproductive health and subsidized service revenue and abortion service revenue recognized under contracts with patients for the years ended December 31, 2022 and 2021, was \$777,439 and \$851,059, respectively. The Organization had accounts receivable representing net billed amounts due on contracts with insurance companies and patients of \$79,823, \$71,714, and \$94,622 as of December 31, 2022 and 2021 and January 1, 2021, respectively. The Organization did not have any contract assets associated with healthcare fees as of December 31, 2022 and 2021, or as of January 1, 2021. The Organization rarely collects fees in advance of services being provided. If they are collected, they are recorded as deferred revenue (contract liabilities) on the statements of financial position. There were no contract liabilities as of December 31, 2022 and 2021, or as of January 1, 2021.

*Contributions.* Contributions are recognized when the donation is received. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions and grants that are restricted by the donor or grantor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

*Contributed Services and Materials.* Contributed services are recognized if services received (a) create or enhance non-financial assets or (b) require specialized skills and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributed materials are reported at fair market value on the date of gift.

*Income Taxes.* The Organization is a nonprofit corporation exempt from income taxes as described in Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, no provision for income taxes has been made.

# Boulder Valley Women's Health Center, Inc.

## Notes to Financial Statements

December 31, 2022 and 2021

### Note 1 – Nature of Organization and Significant Accounting Policies (continued)

*Functional Allocation of Expenses.* The costs of providing various programs and other activities have been summarized on a functional basis. Accordingly, direct expenses have been allocated to the applicable program for which the expenses were incurred. Indirect expenses have been allocated between program and supporting services based on an analysis of personnel time and space utilized for the related activities.

*Fiscal Sponsorship.* The Organization had a fiscal sponsorship arrangement with a community group set out to achieve goals similar to the Organization's mission. Support and related expenses of the fiscal sponsorship are recognized in the accompanying financial statements and are not considered to be apart of the Organization's operations. All contributions are considered donor-restricted and are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

*Reclassifications.* Certain amounts from the financial statements for the year ended December 31, 2021 have been reclassified to conform to current year presentation, without affecting the change in net assets.

*Subsequent Events.* The Organization evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through November 17, 2023, the date at which the financial statements were available for release.

### Note 2 – Liquidity and Availability

The Organization's financial assets available for general expenditures within one year are as follows at December 31:

|   | <u>2022</u>         | <u>2021</u>         |
|---|---------------------|---------------------|
| Financial assets at year end:                                       |                     |                     |
| Cash and cash equivalents   | \$ 1,074,636        | \$ 876,595          |
| Investments   | 214,651             | 252,668             |
| Accounts receivable, net  | 79,823              | 71,714              |
| Grants and contributions receivable                                 | 429,120             | 142,717             |
|   | <u>1,798,230</u>    | <u>1,343,694</u>    |
| Less amounts not available to be used within one year:              |                     |                     |
| Assets designated by the board                                      |                     |                     |
| for operational reserve   | (239,311)           | (272,621)           |
| Cash restricted for capital reserves                                | (27,154)            | (27,089)            |
|   | <u>(266,465)</u>    | <u>(299,710)</u>    |
| Financial assets available for general expenditures within one year | <u>\$ 1,531,765</u> | <u>\$ 1,043,984</u> |



# Boulder Valley Women's Health Center, Inc.

## Notes to Financial Statements

December 31, 2022 and 2021

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### Note 2 – Liquidity and Availability (continued)

The Organization receives significant contributions and promises to give that are restricted by donors, and 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 will be discharged. The Organization has a liquidity policy to maintain current financial assets less current liabilities at a minimum of 3 months of budgeted operating expenses. To achieve this target, the Organization forecasts its future cash flows and monitors its liquidity quarterly, and monitors its reserves annually. Additionally, in the event of an unanticipated liquidity need, the Organization could draw upon its \$150,000 line of credit. During the years ended December 31, 2022 and 2021, the level of liquidity and reserves was managed within the policy requirements.

### Note 3 – Fair Value Measurement

The following summarizes the Organization's fair value of assets measured on a recurring basis by fair value hierarchy as of December 31:

|                                      | <u>2022</u>       | <u>2021</u>       |
|--------------------------------------|-------------------|-------------------|
| Mutual funds                         |                   |                   |
| Exchange traded funds (level 1)      | \$ 191,077        | \$ 229,415        |
| U.S. Government securities (level 1) | 23,574            | 23,253            |
|                                      | <u>\$ 214,651</u> | <u>\$ 252,668</u> |

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The Organization evaluated the significance of transfers between levels based upon the nature of the financial instruments and size of the transfer relative to total net assets available for benefits. For the years ended December 31, 2022 and 2021, there were no significant transfers in or out of fair value levels.

Net investment (loss) income consisted of the following for the years ended December 31:

|   | <u>2022</u>        | <u>2021</u>     |
|---|--------------------|-----------------|
| Interest and dividends                    | \$ 4,992           | \$ 4,644        |
| Net unrealized (loss) gain on investments | (38,337)           | 4,797           |
|   | <u>\$ (33,345)</u> | <u>\$ 9,441</u> |

# Boulder Valley Women's Health Center, Inc.

## Notes to Financial Statements

December 31, 2022 and 2021

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### Note 4 – Property and Equipment

Property and equipment consisted of the following at December 31:

|                                    | <u>2022</u>        | <u>2021</u>        |
|------------------------------------|--------------------|--------------------|
| Land                               | \$ 117,357         | \$ 117,357         |
| Building and improvements          | 1,589,081          | 1,589,081          |
| Equipment                          | 74,118             | 67,873             |
| Furniture and fixtures             | 256,037            | 253,397            |
| Right-of-use financing lease asset | 37,400             | 37,400             |
|                                    | <u>2,073,993</u>   | <u>2,065,108</u>   |
| Less accumulated amortization      | <u>(1,194,918)</u> | <u>(1,151,702)</u> |
| Net property and equipment         | <u>\$ 879,075</u>  | <u>\$ 913,406</u>  |

Depreciation expense totaled \$43,216 and \$46,458 for the years ended December 31, 2022 and 2021, respectively.

### Note 5 – Line of Credit

The Organization had a \$150,000 revolving line of credit agreement with Wells Fargo Bank, N.A. with no outstanding borrowings as of December 31, 2022 and 2021. The agreement bore interest at 0.25% over the bank's prime rate with a floor rate of 5.0% (stated rate of 7.75% at December 31, 2022), and was collateralized by a deed of trust. The agreement matured in June 2023 and was not renewed.

### Note 6 – Financing Lease and Change in Accounting Principle

*Change in Accounting Principle.* The Organization adopted Topic 842 on January 1, 2022 using the modified retrospective approach and recorded reclassifications to opening right-of-use assets and financing lease liabilities of \$37,400. The adoption changed the terms used to describe the lease obligation and right-of-use asset. The adoption did not change net assets. The Organization elected certain practical expedients allowed under ASC 842 and, accordingly, did not reassess whether any expired or existing contracts are or include leases, or the lease classification of any expired or existing leases, and initial direct costs for any existing leases.

The Organization leases equipment under a noncancelable financing lease. The lease requires the Organization to pay for maintenance and usage and expires in March 2027. The maintenance and usage costs were determined to be variable lease payments and are not included in lease payments used to determine lease obligations and are recognized as variable costs when incurred. The financing lease obligation and related right-of-use asset as of December 31, 2022 totaled \$30,576 and \$30,276, respectively.

# Boulder Valley Women's Health Center, Inc.

## Notes to Financial Statements

December 31, 2022 and 2021

### Note 6 – Financing Lease and Change in Accounting Principle (continued)

Financing lease costs consist of the following for the year ended December 31, 2022:

|                                    | <u>Amount</u>   |
|------------------------------------|-----------------|
| Amortization of right-of-use asset | \$ 7,124        |
| Interest on lease liability        | 686             |
|                                    | <u>\$ 7,810</u> |

Cash paid for amounts included in the measurement of financing lease liabilities totaled \$7,510 for the year ended December 31, 2022.

The weighted average remaining lease term for financing leases was 4.25 years at December 31, 2022. The weighted average discount rate for financing leases was 2.00% at December 31, 2022. The discount rate for the financing lease is estimated based on the Organization's incremental borrowing rate at the commencement of the lease.

Scheduled maturities of financing lease liabilities are as follows at December 31, 2022:

| <u>Year</u>                       | <u>Amount</u>    |
|-----------------------------------|------------------|
| 2023                              | \$ 7,510         |
| 2024                              | 7,510            |
| 2025                              | 7,510            |
| 2026                              | 7,510            |
| 2027                              | 1,879            |
| Total minimum lease payments      | 31,919           |
| Less amount representing interest | (1,343)          |
|                                   | <u>\$ 30,576</u> |

### Note 7 – Net Assets With Donor Restrictions

The following summarizes the changes in net assets with donor restrictions for the year ended December 31, 2022:

|                         | <u>Balance<br/>January 1,<br/>2022</u> | <u>Additions</u>  | <u>Releases</u>     | <u>Balance<br/>December 31,<br/>2022</u> |
|-------------------------|--|-------------------|---------------------|--|
| Purpose restrictions    |  |                   |                     |  |
| Abortion services       | \$ 71,117                              | \$ 155,309        | \$ (13,365)         | \$ 213,061                               |
| Capital expenditures    | 27,089                                 | 65                | -                   | 27,154                                   |
| Reproductive health     | 30,000                                 | 6,500             | (31,083)            | 5,417                                    |
| Human Services Alliance | 17,509                                 | 16,150            | (33,659)            | -  |
| Time restrictions       | 122,717                                | 340,270           | (122,717)           | 340,270                                  |
|                         | <u>\$ 268,432</u>                      | <u>\$ 518,294</u> | <u>\$ (200,824)</u> | <u>\$ 585,902</u>                        |

# Boulder Valley Women's Health Center, Inc.

## Notes to Financial Statements

December 31, 2022 and 2021

### Note 7 – Net Assets With Donor Restrictions (continued)

The following summarizes the changes in net assets with donor restrictions for the year ended December 31, 2021:

|                         | Balance<br>January 1,<br>2021 | Additions         | Releases            | Balance<br>December 31,<br>2021 |
|-------------------------|-------------------------------|-------------------|---------------------|---------------------------------|
| Purpose restrictions    |                               |                   |                     |                                 |
| Abortion services       | \$ 51,947                     | \$ 22,000         | \$ (2,830)          | \$ 71,117                       |
| Capital expenditures    | 27,073                        | 16                | -                   | 27,089                          |
| Reproductive health     | 13,488                        | 60,000            | (43,488)            | 30,000                          |
| Human Services Alliance | 13,619                        | 17,650            | (13,760)            | 17,509                          |
| Time restrictions       | 40,936                        | 122,717           | (40,936)            | 122,717                         |
|                         | <u>\$ 147,063</u>             | <u>\$ 222,383</u> | <u>\$ (101,014)</u> | <u>\$ 268,432</u>               |

### Note 8 – In-kind Contributions

The Organization received the following contributions of nonfinancial assets for the years ended December 31:

|                                 | 2022             | 2021        |
|---------------------------------|------------------|-------------|
| Medication and medical supplies | \$ 12,752        | \$ -        |
| Professional services           |                  |             |
| Consulting                      | 6,850            | -           |
| Education                       | 5,450            | -           |
| Outreach and marketing          | 300              | -           |
|                                 | <u>\$ 25,352</u> | <u>\$ -</u> |

The Organization receives contributed medical supplies that is reported at the current price for similar uses as determined on a publicly available website. Contributed professional services are valued using current rates for similar services. All donated materials and services were utilized by the Organization's programs and supporting services. There were no donor-imposed restrictions associated with the in-kind contributions.

### Note 9 – Special Event

The Organization derived net revenue from the Champions of Choice special fundraising event during the years ended December 31:

|               | 2022             | 2021            |
|---------------|------------------|-----------------|
| Contributions | \$ 14,044        | \$ 21,354       |
| Direct costs  | (1,471)          | (15,887)        |
| Net revenue   | <u>\$ 12,573</u> | <u>\$ 5,467</u> |

# Boulder Valley Women's Health Center, Inc.

## Notes to Financial Statements

December 31, 2022 and 2021

### Note 10 – Retirement Plan

The Organization maintains a 403(b) plan covering substantially all employees. The plan allows the Organization to make a discretionary match on employee contributions. The Organization did not contribute to the plan for the years ended December 31, 2022 and 2021.

### Note 11 – Summary of Program Services

A summary of the Organization's net revenue by program service is as follows at December 31, 2022:

|  | <b>Abortion<br/>Services</b> | <b>Reproductive<br/>Health and<br/>Subsidized<br/>Services</b> | <b>Total</b>     |
|--|------------------------------|--|------------------|
| <b>Support and Revenue</b>                                 |                              |  |                  |
| Service fees   | \$ 189,473                   | \$ 587,966   | \$ 777,439       |
| Government grants  | -                            | 1,102,042  | 1,102,042        |
| Other grants and contributions                             | 226,780                      | 17,117   | 243,897          |
| Special events, net  | 12,876                       | -  | 12,876           |
| Total support and revenue                                  | <u>429,129</u>               | <u>1,707,125</u>   | <u>2,136,254</u> |
| <b>Program Expenses</b>                                    | <u>415,638</u>               | <u>1,692,128</u>   | <u>2,107,766</u> |
| Total support and revenue in<br>excess of program expenses | <u>\$ 13,491</u>             | <u>\$ 14,997</u>   | <u>\$ 28,488</u> |

A summary of the Organization's net revenue by program service is as follows at December 31, 2021:

|  | <b>Abortion<br/>Services</b> | <b>Reproductive<br/>Health and<br/>Subsidized<br/>Services</b> | <b>Total</b>     |
|--|------------------------------|--|------------------|
| <b>Support and Revenue</b>                                 |                              |  |                  |
| Service fees   | \$ 126,761                   | \$ 724,298   | \$ 851,059       |
| Government grants  | -                            | 918,244  | 918,244          |
| Other grants and contributions                             | 120,684                      | 76,956   | 197,640          |
| Special events, net  | 20,256                       | -  | 20,256           |
| Total support and revenue                                  | <u>267,701</u>               | <u>1,719,498</u>   | <u>1,987,199</u> |
| <b>Program Expenses</b>                                    | <u>264,173</u>               | <u>1,688,329</u>   | <u>1,952,502</u> |
| Total support and revenue in<br>excess of program expenses | <u>\$ 3,528</u>              | <u>\$ 31,169</u>   | <u>\$ 34,697</u> |

# Boulder Valley Women's Health Center, Inc.

## Notes to Financial Statements

December 31, 2022 and 2021

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### Note 12 – Concentrations of Credit Risk

*Bank Deposits.* The Organization routinely maintains cash balances in excess of federally insured limits.

*Major Grantor.* The Organization had a grantor that comprised 23% and 22% of total revenues for the years ended December 31, 2022 and 2021, respectively. Grants receivable due from the major grantor totaled \$172,127 and \$75,000 at December 31, 2022 and 2021, respectively.

*Geographical.* The Organization receives predominantly all of its support and revenue from Boulder, Colorado and surrounding communities.

### Note 13 – Other Commitments and Contingencies and Subsequent Event

The Organization has received significant financial assistance from governments in the form of grants and contracts. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in contractual agreements, and are subject to audit by the contracting governments. Any disallowed claims resulting from such audits may result in funds being returned to the contracting governments.

The Organization received certain funds that have resulted in liens on its real estate until the years 2109 through 2114. These funds require the payments be returned if the property is sold or is no longer used for its exempt purpose.

In May 2023, the Organization sold real estate in Longmont, Colorado subject to the liens of the gift agreements. The buyer of the property qualified to assume the funds under the grant agreements and as a result the sales price of the property was reduced by \$201,650.

### Note 14 – Subsequent Events

In January 2023, the Organization registered "Boulder Valley Health Center" as a trade name.