

OUR HOUSE GRIEF SUPPORT CENTER

FINANCIAL STATEMENTS

December 31, 2023 and 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
OUR HOUSE Grief Support Center

Opinion

We have audited the accompanying financial statements of OUR HOUSE Grief Support Center (a nonprofit organization), which comprise the statement of financial position as of December 31, 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 OUR HOUSE Grief Support Center (the Organization) as of December 31, 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 States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 auditors' 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 judgment 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 the Organization'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 the Organization'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 Organization's 2022 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 10, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Expenses by Program is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in cursive script that reads "Windes, Inc.".

Long Beach, California
October 16, 2024

OUR HOUSE GRIEF SUPPORT CENTER
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

ASSETS

	2023	2022
		(As restated)
		(See Note 12)
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,369,690	\$ 1,213,891
Investments	248,122	994,078
Accounts receivable	16,415	-
Employee Retention Credit	303,787	-
Pledges receivable	467,902	418,070
Prepaid expenses and other assets	76,410	76,410
Total current assets	2,482,326	2,702,449
PROPERTY AND EQUIPMENT, NET	35,498	41,328
OPERATING LEASE RIGHT-OF-USE ASSETS	1,365,034	1,683,052
TOTAL ASSETS	\$ 3,882,858	\$ 4,426,829

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 54,168	\$ 16,287
Accrued expenses	104,720	120,638
Operating lease liabilities, current portion	249,106	233,104
Total current liabilities	407,994	370,029
OPERATING LEASE LIABILITIES, net of current portion	1,255,519	1,504,626
NET ASSETS		
Without donor restrictions		
Board designated for reserve operating fund	500,000	500,000
Undesignated	1,205,720	1,525,766
	1,705,720	2,025,766
With donor restrictions	513,625	526,408
Total net assets	2,219,345	2,552,174
TOTAL LIABILITIES AND NET ASSETS	\$ 3,882,858	\$ 4,426,829

The accompanying notes are an integral part of these financial statements.

OUR HOUSE GRIEF SUPPORT CENTER

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	2023			2022
	Without Donor Restrictions	With Donor Restrictions	Total	Total
SUPPORT AND REVENUE				
Contributions and grants	\$ 502,535	\$ 936,775	\$ 1,439,310	\$ 1,453,807
Special events, net of direct expenses of \$207,558 and \$139,891	635,969	-	635,969	462,141
Contributed services	582,100	-	582,100	542,350
Program receipts	140,660	-	140,660	163,367
Net investment return	49,243	-	49,243	1,924
Paycheck Protection Program forgiveness	-	-	-	252,000
Employee Retention Credit	303,787	-	303,787	-
Other income	16,591	-	16,591	10,029
Net assets released from restrictions	949,558	(949,558)	-	-
Total Support and Revenue	<u>3,180,443</u>	<u>(12,783)</u>	<u>3,167,660</u>	<u>2,885,618</u>
OPERATING EXPENSES				
Program services	3,028,723	-	3,028,723	2,461,186
Fundraising	246,908	-	246,908	190,621
Management and general	224,858	-	224,858	170,083
Total Operating Expenses	<u>3,500,489</u>	<u>-</u>	<u>3,500,489</u>	<u>2,821,890</u>
CHANGES IN NET ASSETS FROM OPERATIONS				
	<u>(320,046)</u>	<u>(12,783)</u>	<u>(332,829)</u>	<u>63,728</u>
NET ASSETS, BEGINNING OF YEAR, AS RESTATED (SEE NOTE 12)				
	<u>2,025,766</u>	<u>526,408</u>	<u>2,552,174</u>	<u>2,488,446</u>
NET ASSETS, END OF YEAR				
	<u>\$ 1,705,720</u>	<u>\$ 513,625</u>	<u>\$ 2,219,345</u>	<u>\$ 2,552,174</u>

The accompanying notes are an integral part of these financial statements.

OUR HOUSE GRIEF SUPPORT CENTER

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	2023				2022
	Program Services	Fundraising	General And Administrative	Total	Total
Salaries	\$1,638,896	\$ 159,998	\$ 11,648	\$1,810,542	\$1,416,617
Payroll tax	133,901	13,241	970	148,112	112,884
Employee benefits	127,775	11,720	878	140,373	108,260
Advertising and marketing	16,312	1,809	-	18,121	26,907
Bank charges	-	-	33,750	33,750	34,159
Depreciation and amortization	-	-	5,830	5,830	12,850
Dues and subscriptions	-	-	200	200	200
Data software and digital	15,216	-	-	15,216	16,370
Equipment rental	5,237	-	-	5,237	4,716
Insurance	20,395	2,550	6,017	28,962	26,920
Interest expense	-	-	69	69	-
Mileage and parking	32,382	225	-	32,607	9,313
Miscellaneous	1,787	2,450	11,264	15,501	20,140
Occupancy	244,525	43,051	19,886	307,462	150,708
Professional services	27,530	3,876	125,658	157,064	92,057
Payroll processing fees	-	-	3,790	3,790	2,413
Postage and delivery	1,519	188	-	1,707	3,559
Printing and reproduction	1,771	224	-	1,995	5,243
Program activity supplies	124,375	-	-	124,375	97,787
Recruiting	4,404	121	-	4,525	7,804
Relocation	7,699	1,236	2,561	11,496	35,930
Repairs and maintenance	-	751	-	751	95
Staff training and development	11,670	1,996	-	13,666	58,075
Telephone	14,028	2,338	2,337	18,703	17,360
Travel	2,441	-	-	2,441	-
Contributed services	582,100	-	-	582,100	542,350
Volunteer training	5,147	-	-	5,147	6,555
Website expenses	9,613	1,134	-	10,747	12,618
	<u>\$3,028,723</u>	<u>\$ 246,908</u>	<u>\$ 224,858</u>	<u>\$3,500,489</u>	<u>\$2,821,890</u>

The accompanying notes are an integral part of these financial statements.

OUR HOUSE GRIEF SUPPORT CENTER

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (332,829)	\$ 63,728
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation and amortization	5,830	12,850
Net realized and unrealized (gain) loss on investments	(49,243)	1,924
Paycheck Protection Program loan forgiveness	-	(252,000)
Employee Retention Credit	(303,787)	-
Amortization of operating right-of-use assets	318,018	123,919
Changes in operating assets and liabilities:		
Accounts receivable	(16,415)	2,501
Pledges receivable	(49,832)	(369,070)
Prepaid expenses and other assets	-	(56,773)
Accounts payable	37,881	15,169
Accrued expenses	(15,918)	(62,462)
Operating lease liabilities	(233,105)	(69,241)
Net Cash Used In Operating Activities	(639,400)	(589,455)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	1,045,199	-
Purchases of investments	(250,000)	(985,269)
Purchases of property and equipment	-	(41,723)
Net Cash Provided By (Used In) Investing Activities	795,199	(1,026,992)
NET CHANGE IN CASH AND CASH EQUIVALENTS	155,799	(1,616,447)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,213,891	2,830,338
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 1,369,690	\$ 1,213,891

The accompanying notes are an integral part of these financial statements.

OUR HOUSE GRIEF SUPPORT CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 1 – Nature of Activities

OUR HOUSE Grief Support Center (the Organization) is a California nonprofit corporation founded in 1993 to provide grief support services through grief support groups, education, and other resources. The Organization's support comes mainly from donor contributions and some fees for services.

For over 30 years, the Organization has helped thousands of grieving children, teens, and adults embark upon their journey to hope and healing. The Organization offers age and relationship specific grief support groups to adults and children ages 4 through 18. Groups are offered in English and Spanish. The Organization also offers school-based grief support groups, medical and professional education programs, on-site grief intervention for businesses and the community, grief support resources, and referrals. The Organization runs Camp Erin-LA, a camp held two weekends every summer for grieving children.

NOTE 2 – Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Comparative Totals

The financial statements include certain prior-period 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 U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

OUR HOUSE GRIEF SUPPORT CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Financial Statement 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 and revenue are classified based on the existence or absence of donor-imposed restrictions.

Net Assets Without Donor Restrictions – Undesignated: Net assets that are not subject to donor-imposed stipulations and that may be expendable for any purpose in performing the primary objective of the Organization. *Board-designated:* Net assets that are not subject to donor-imposed stipulations but have been designated by the Organization’s board of directors for use for a reserve operating fund.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations. Some stipulations can be fulfilled by actions of the Organization or by the passage of time. As restrictions are satisfied, the related net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statement of activities as net assets released from restrictions.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

For purposes of the accompanying statement of cash flows, the Organization considers all financial instruments with a maturity of less than three months to be cash equivalents.

OUR HOUSE GRIEF SUPPORT CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Realized gains and losses are computed as the difference between historical cost and sales proceeds. Realized and unrealized gains and losses are the change in the spread between historical cost and fair value during the year. Unrealized gains and losses are included in the change in net assets.

It is the Organization's policy to liquidate contributed securities as soon as practical in order to minimize exposure to market fluctuations and to maximize funds available for program services.

Accounts Receivable

Accounts receivable consists of amounts from clients for grief education-related services. The Organization provides for uncollectible accounts receivable through the allowance method of accounting. Under this method, a provision for uncollectible accounts is charged to expense and the allowance account is increased based on past collection history, an assessment of economic conditions, a review of subsequent collections, and management's evaluation of accounts receivable. All amounts considered uncollectible are charged against the allowance account and recoveries of previously uncollectible accounts are added to the account. Management has determined no allowance was needed at December 31, 2023 and 2022.

Pledges Receivable

Pledges receivable consist of amounts due from individuals, companies, and foundations. Pledges receivable that are expected to be collected in future years are recorded at the present value of their net realizable value. Management does not record a discount on pledges receivable that are expected to be collected in future years if the discount is immaterial. The Organization provides for uncollectible pledges receivable through the allowance method of accounting. Under this method, a provision for uncollectible pledges is charged to expense and the allowance account is adjusted based on past collection history and management's evaluation of pledges receivable. All amounts considered uncollectible are charged against the allowance account and recoveries of previously uncollectible pledges are added to the account. At December 31, 2023, management has reviewed pledges receivable and believes all pledges are fully collectible.

OUR HOUSE GRIEF SUPPORT CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Employee Retention Credit

The Employee Retention Credit (ERC) was enacted in March 2020 by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The ERC is a refundable tax credit against certain employment taxes equal to 50% of the qualified wages an eligible employer paid to employees between March 2020 through December 2020 then 70% from January 2021 through September 2021. During the year ended December 31, 2023, the Organization recorded \$303,787 of refundable ERC claimed under provisions of the CARES Act in the accompanying statement of activities. A current receivable of \$303,787 is disclosed in the accompanying statement of financial position for the year ended December 31, 2023.

Property and Equipment

Property and equipment are stated at cost. Depreciation has been provided using the straight-line method over the estimated useful lives of the assets, which range from three to ten years. Amortization is computed on the straight-line method over the shorter of the useful life or the life of the lease. Expenditures for repairs and maintenance are expensed as incurred.

Contributed Services

Contributed services are recognized at fair value when received if such services (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not donated. During the years ended December 31, 2023 and 2022, the value of contributed services included in revenues and expenses in the accompanying financial statements amounted to \$582,100 and \$542,350, respectively.

The Organization also receives a significant amount of contributed time from volunteers that does not meet the two recognition criteria described above. Accordingly, the value of this contributed time is not reflected in the accompanying financial statements.

OUR HOUSE GRIEF SUPPORT CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Contributions, including endowment gifts and pledges, are recognized as support in the period received or pledged. All contributions are considered to be available for unrestricted use unless specially restricted by the donor. Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as increases in net assets with donor restrictions. When a donor's stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

The Organization's grant revenue is derived from agreements that are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has met required performance requirements and/or when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to meeting the specific conditions are reported as deferred revenue in the statement of financial position. No amounts have been received in advance under grant and program agreements. The majority of the Organization's grants operate on its fiscal year and are renewed annually.

Program receipts consist of fees for group support services and are recognized in the period in which the services are provided.

Advertising Costs

Advertising costs are expensed as incurred and are included in operating expenses. Advertising costs were \$18,121 and \$26,907 for the years ended December 31, 2023 and 2022, respectively.

OUR HOUSE GRIEF SUPPORT CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Functional Expenses

The Organization's programs include: In-House Children's Program, Children's School Program, Camp Erin, Adult Program, Spanish Satellite Program, and Community Education. Each program provides various grief support services. Expenses attributable to more than one functional expense category are allocated to programs using a variety of cost-allocation techniques such as square footage, and time and effort.

Income Taxes

The Organization is a not-for-profit organization and is exempt from most federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to the financial statements. The statute of limitations for federal and California purposes is generally three and four years, respectively.

Lease Arrangements

The Organization determines if any arrangement contains a lease at inception based on whether the Organization has the right to control the asset during the contract period and other facts and circumstances.

The Organization's policy for determining its lease discount rate used for measuring lease liabilities is to use the rate implicit in the lease whenever that rate is readily determinable. If the rate implicit in the lease is not readily determinable, then the Organization has elected to use the risk-free discount rate, as permitted by U.S. GAAP, determined using a period comparable with that of the lease term.

The Organization has elected a policy to account for short-term leases, defined as any lease with a term less than 12 months, by recognizing all components of the lease payment in the statement of activities in the period in which the obligation for the payments is incurred.

OUR HOUSE GRIEF SUPPORT CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Recently Adopted Accounting Pronouncement

In June 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (ASU 2016-13). ASU 2016-13 requires the measurement of all expected credit losses for financial assets, including trade receivables, held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. This ASU specifically excludes contributions receivable and all investments that are held by the Organization. As a result, the Organization adopted ASU 2016-13 and there was no material effect on the financial statements.

Subsequent Events

Management has evaluated subsequent events from the statement of financial position date through October 16, 2024, the date at which the financial statements were available to be issued and no other subsequent events were noted for disclosure.

NOTE 3 – Liquidity and Availability

The following table reflects the Organization’s financial assets as of December 31, 2023, reduced by amounts that are not available for use to meet general expenditures within one year of the statement of financial position date because of contractual obligations, donor restrictions, or internal board designations.

Cash and cash equivalents	\$ 1,369,690
Investments	248,122
Accounts receivable	16,415
Employee Retention Credit	303,787
Pledges receivable due in one year	467,902
	<u>2,405,916</u>
Less amounts unavailable for general expenditure within one year due to:	
Board designated for reserve operating fund	(500,000)
With donor restrictions	(513,625)
	<u>(1,013,625)</u>
	<u>\$ 1,392,291</u>

OUR HOUSE GRIEF SUPPORT CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 3 – Liquidity and Availability (Continued)

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The board of directors (the Board) has established reserve funds totaling \$500,000 to cover four months of operating expenses. It is the Board's intention that the reserve fund assist in providing stability during unexpected cash flow shortages, expenses, or losses. These funds remain available and may be spent at the discretion of the Board.

NOTE 4 –Pledges Receivable

Pledges receivable at December 31, 2023 was \$467,902, which management expects to be fully collected within the 12 months following the year ended December 31, 2023.

NOTE 5 – Investments

Investments are carried at fair value, which is determined, presented, and disclosed in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*. Under FASB ASC 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date. FASB ASC 820 established a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization’s assumptions about inputs that market participants would use in pricing the investments developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels, based on the inputs, as follows:

- *Level 1* - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization can access at the measurement date.

- *Level 2* - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

OUR HOUSE GRIEF SUPPORT CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 5 – Investments (Continued)

- *Level 3* - Unobservable inputs for the asset or liability. In these situations, the Organization develops inputs using the best information available in the circumstances.

The following table presents information about the Organization’s assets that are measured at fair value on a recurring basis at December 31, 2023 and indicates the fair value hierarchy level of the valuation techniques utilized to determine such fair value:

	<u>Fair Value Measurements at December 31, 2023</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificate of deposits	\$ -	\$ 248,122	\$ -	\$ 248,122

Net investment return consists of the following for the year ended December 31, 2023:

Interest and dividends	\$ 46,023
Net realized and unrealized loss	<u>3,220</u>
Investment return	<u>\$ 49,243</u>

NOTE 6 – Property and Equipment

Property and equipment as of December 31, 2023 and 2022 is summarized as follows:

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
Office equipment	\$ 129,774	\$ 129,774
Computer software	20,859	20,859
Furniture and fixtures	55,523	55,523
Leasehold improvements	<u>25,229</u>	<u>25,229</u>
	231,385	231,385
Less accumulated depreciation and amortization	<u>(195,887)</u>	<u>(190,057)</u>
Net property and equipment	<u>\$ 35,498</u>	<u>\$ 41,328</u>

OUR HOUSE GRIEF SUPPORT CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 6 – Property and Equipment (Continued)

Depreciation and amortization expense for the years ended December 31, 2023 and 2022 was \$5,830 and \$12,850, respectively.

NOTE 7 – Net Assets With Donor Restrictions

Net assets with donor restrictions that expire upon expenditure for a specified purpose or upon passage of time are as follows:

	<u>Balance at</u> <u>December 31,</u> <u>2022</u>	<u>Restatement</u> <u>See Note 12</u>	<u>Contributions</u>	<u>Releases</u>	<u>Balance at</u> <u>December 31,</u> <u>2023</u>
Net assets restricted for time or purpose:					
In-House Children	\$ 772,814	\$ (639,481)	\$ 138,333	\$(138,333)	\$ 133,333
Spanish Satellite	72,532	-	290,000	(299,310)	63,222
Children's School	-	133,333	255,384	(233,210)	155,507
Camp Erin	-	133,333	203,058	(203,058)	133,333
Cultural affinity groups and workshops	12,500	-	-	(12,500)	-
Health equity	13,600	-	50,000	(35,370)	28,230
Office moving expenses	59,070	(31,293)	-	(27,777)	-
	<u>\$ 930,516</u>	<u>\$ (404,108)</u>	<u>\$ 936,775</u>	<u>\$(949,558)</u>	<u>\$ 513,625</u>

NOTE 8 – Concentrations of Credit Risk

Cash and cash equivalents include all funds on deposit with banks that are available for operations. From time to time, cash on deposit at banks will exceed the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000 per financial institution. The Organization has not experienced any losses in these accounts and does not believe it is exposed to any significant risk as of the date of these financial statements.

OUR HOUSE GRIEF SUPPORT CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 9 – Lease Arrangements

The Organization leases its offices under operating leases with three-to-eight-year initial terms. Most leases include renewal options which can extend the lease term up to two five-year terms. The exercise of these renewal options is at the sole discretion of the Organization, and only lease options that the Organization believes are reasonably certain to exercise are included in the measurement of the lease assets and liabilities.

While all of the agreements provide for minimum lease payments, some include payments for variable payments. Variable payments are not determinable at the lease commencement and are not included in the measurement of the lease assets and liabilities. The lease agreements do not include any material residual value guarantees or restrictive covenants.

The following summarizes the line items in the statement of financial position, which include amounts for operating leases for the years-ended:

	December 31,	
	2023	2022
Operating lease right-of-use assets	\$ 1,365,034	\$ 1,683,052
Current portion of operating lease liabilities	\$ 249,106	\$ 233,104
Long-term portion of operating lease liabilities	<u>1,255,519</u>	<u>1,504,626</u>
	<u>\$ 1,504,625</u>	<u>\$ 1,737,730</u>

The components of operating lease expenses that are included in "Occupancy" in the statement of functional expenses were as follow:

	December 31,	
	2023	2022
Operating lease costs	<u>\$ 293,553</u>	<u>\$ 153,945</u>

OUR HOUSE GRIEF SUPPORT CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 9 – Lease Arrangements (Continued)

The following summarizes the supplemental cash flow information for the years ended:

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 233,105	\$ 69,241

The weighted-average remaining lease term and discount rate were as follows:

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
Weighted-average remaining lease term - operating leases	5.92 years	6.78 years
Weighted-average discount rate - operating leases	3.90%	3.85%

The maturities of operating lease liabilities as of December 31, 2023 are as follows:

<u>Year Ending</u> <u>December 31,</u>	
2024	\$ 299,821
2025	268,524
2026	256,131
2027	263,815
2028	271,729
Thereafter	330,435
Total minimum lease payments	1,690,455
Less amount representing interest	(185,830)
Present value of minimum lease payments	1,504,625
Less current portion	(249,106)
	<u>\$ 1,255,519</u>

OUR HOUSE GRIEF SUPPORT CENTER
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DECEMBER 31, 2023
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NOTE 10 – Contributions - In-Kind

The Organization receives significant amounts of contributed time from volunteers that consist of skilled support group leaders and program dedicated personnel. Management calculates that the value of these services at December 31, 2023 was \$582,100. During the year ended December 31, 2023, contributions – in-kind included in the accompanying statement of activities consisted of the following:

	Revenue Recognized 2023	Valuation Techniques and Inputs
Contributed services	\$ 582,100	Valued at \$25 per hour multiplied by the hours worked. The rate used to value the hours is based on the lower of management’s calculations and independent surveyed rates of volunteered services.

All donated services were utilized by the Organization’s program services. There were no donor-imposed restrictions associated with the donated services or goods.

NOTE 11 – Employee Savings Plan

The Organization has established a 403(b) savings plan covering substantially all employees. Employees may defer current compensation into the plan within Internal Revenue Service limitations. The Organization made no contribution to the plan for the year ended December 31, 2023.

OUR HOUSE GRIEF SUPPORT CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 12 – Restatement

During the year ended December 31, 2023, management noted errors where certain contributions with donor restrictions were not properly classified. Management recorded a prior-period adjustment to correct the net asset classification. The adjustment resulted in a restatement of certain net asset balances as of December 31, 2022 as follows:

	<u>As Previously Reported</u>	<u>Adjustment</u>	<u>As Restated December 31, 2022</u>
Net assets without donor restrictions	\$ 1,621,658	\$ 404,108	\$ 2,025,766
Net assets with donor restrictions	\$ 930,516	\$ (404,108)	\$ 526,408

SUPPLEMENTAL INFORMATION

OUR HOUSE GRIEF SUPPORT CENTER

**SUPPLEMENTAL INFORMATION
SCHEDULE OF EXPENSES BY PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>In-House Children's Program</u>	<u>Children's School Program</u>	<u>Camp Erin</u>	<u>Adult Program</u>	<u>Spanish Satellite Program</u>	<u>Community Education</u>	<u>Total</u>
Salaries	\$ 143,319	\$ 203,933	\$ 206,555	\$ 713,448	\$ 187,111	\$ 184,530	\$ 1,638,896
Payroll tax	12,809	17,007	17,244	55,917	15,594	15,330	133,901
Employee benefits	13,024	16,714	16,413	47,987	16,946	16,691	127,775
Advertising and marketing	1,500	1,841	1,821	2,098	7,243	1,809	16,312
Data software and digital	1,613	1,926	6,932	1,831	2,095	819	15,216
Equipment rental	975	975	1,337	975	975	-	5,237
Insurance	4,014	3,269	3,402	7,159	2,417	134	20,395
Mileage and parking	5,074	5,203	4,539	9,241	6,435	1,890	32,382
Miscellaneous	1,199	110	-	478	-	-	1,787
Occupancy	39,245	18,113	39,245	81,507	48,302	18,113	244,525
Professional services	5,745	5,745	4,550	5,745	5,745	-	27,530
Postage and delivery	188	188	569	188	198	188	1,519
Printing and reproduction	224	224	224	224	651	224	1,771
Program activity supplies	9,756	9,837	78,782	14,130	7,981	3,889	124,375
Recruiting	595	402	634	1,269	1,504	-	4,404
Relocation	1,236	570	1,236	2,566	1,521	570	7,699
Staff training and development	1,574	1,716	1,720	4,939	1,499	222	11,670
Telephone	734	3,942	2,338	2,338	2,338	2,338	14,028
Travel	561	574	678	628	-	-	2,441
Contributed services	93,136	133,883	162,988	162,988	29,105	-	582,100
Volunteer training	172	1,870	2,656	291	158	-	5,147
Website expenses	1,068	1,068	1,068	1,068	4,273	1,068	9,613
	<u>\$ 337,761</u>	<u>\$ 429,110</u>	<u>\$ 554,931</u>	<u>\$ 1,117,015</u>	<u>\$ 342,091</u>	<u>\$ 247,815</u>	<u>\$ 3,028,723</u>