Denver Children's Advocacy Center

Consolidated Financial Statements

December 31, 2023 and 2022

(With Independent Auditor's Report Thereon)

Kundinger, Corder & Montoya, P.C.

Certified Public Accountants

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Certified Public Accountants

Independent Auditor's Report

Board of Directors
Denver Children's Advocacy Center

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Denver Children's Advocacy Center (the Organization), which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2023 and 2022, 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 (GAAP).

Basis of Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 consolidated financial statements in accordance with GAAP, 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 consolidated 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 consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

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Board of Directors
Denver Children's Advocacy Center

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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.

Kundinger, Corder & Montoya, P.C.

June 19, 2024

Denver Children's Advocacy Center
Consolidated Statements of Financial Position
December 31, 2023 and 2022

	2023	2022
Assets		
Cash and cash equivalents	$ 2,009,629	3,261,071
Accounts receivable	102,326	56,345
Grants and contributions receivable (note 3)	259,227	250,813
Investments (note 4)	1,904,807	530,938
Prepaid expenses and other assets	11,426	14,970
Property and equipment, net (note 5)	1,571,117	1,654,474
Total assets	$ 5,858,532	5,768,611
Liabilities and Net Assets		
Accounts payable	$ 14,690	18,285
Accrued expenses	51,037	42,163
Refundable advances	286,251	519,398
Deferred revenue	–	8,500
Total liabilities	351,978	588,346
Net assets (note 6)		
Without donor restrictions		
Board designated	596,576	582,053
Undesignated	4,766,583	4,434,665
	5,363,159	5,016,718
With donor restrictions	143,395	163,547
Total net assets	5,506,554	5,180,265
Commitment (note 8)		
Total liabilities and net assets	$ 5,858,532	5,768,611

See the accompanying notes to the consolidated financial statements.

Denver Children's Advocacy Center
Consolidated Statement of Activities
Year Ended December 31, 2023

	Without donor restrictions	With donor restrictions	Total
Revenue			
Government grants	$ 908,168	–	908,168
Grants and contributions	1,163,731	217,720	1,381,451
Program service revenue	736,381	–	736,381
Donated services (note 7)	103,261	–	103,261
Special events, net	140,573	–	140,573
Investment return (note 4)	106,062	–	106,062
Net assets released from restrictions (note 6)	237,872	(237,872)	–
Total revenue, gains and support	3,396,048	(20,152)	3,375,896
Expenses			
Program services	2,441,367	–	2,441,367
Supporting services			
Management and general	345,161	–	345,161
Fund raising	263,079	–	263,079
Total supporting services	608,240	–	608,240
Total expenses	3,049,607	–	3,049,607
Change in net assets	346,441	(20,152)	326,289
Net assets at beginning of year	5,016,718	163,547	5,180,265
Net assets at end of year	$ 5,363,159	143,395	5,506,554

See the accompanying notes to the consolidated financial statements.

Denver Children's Advocacy Center
Consolidated Statement of Activities
Year Ended December 31, 2022

	Without donor restrictions	With donor restrictions	Total
Revenue			
Government grants	$ 806,852	–	806,852
Forgiveness of Paycheck Protection Program loans (note 9)	281,547	–	281,547
Grants and contributions	1,403,211	240,352	1,643,563
Program service revenue	485,755	–	485,755
Donated services (note 7)	86,564	–	86,564
Special events, net	33,763	–	33,763
Investment return (note 4)	(105,361)	–	(105,361)
Net assets released from restrictions (note 6)	342,364	(342,364)	–
Total revenue, gains and support	3,334,695	(102,012)	3,232,683
Expenses			
Program services	2,056,200	–	2,056,200
Supporting services			
Management and general	270,311	–	270,311
Fund raising	207,117	–	207,117
Total supporting services	477,428	–	477,428
Total expenses	2,533,628	–	2,533,628
Change in net assets	801,067	(102,012)	699,055
Net assets at beginning of year	4,215,651	265,559	4,481,210
Net assets at end of year	$ 5,016,718	163,547	5,180,265

See the accompanying notes to the consolidated financial statements.

Denver Children's Advocacy Center
Consolidated Statement of Functional Expenses
Year Ended December 31, 2023

			Supporting services			
		Total program services	Management and general	Fund raising	Total supporting services	Total
Payroll and related expenses	$	1,867,314	191,764	159,414	351,178	2,218,492
Subgrant expense		95,019	–	–	–	95,019
Contract labor		74,891	76,544	3,754	80,298	155,189
Depreciation and amortization		84,294	5,537	5,171	10,708	95,002
Donated services		102,316	497	448	945	103,261
Occupancy expenses		53,345	3,269	3,020	6,289	59,634
Grant writing and research		–	–	56,700	56,700	56,700
Supplies		27,949	765	570	1,335	29,284
Insurance		34,455	2,141	2,112	4,253	38,708
Professional fees		–	38,520	–	38,520	38,520
Technology		15,134	1,379	3,535	4,914	20,048
Travel and entertainment		39,279	803	1,711	2,514	41,793
Bad debt expense		–	16,594	–	16,594	16,594
Printing and postage		9,966	686	600	1,286	11,252
Staff training		26,404	795	–	795	27,199
Miscellaneous		5,100	2,438	1,675	4,113	9,213
Dues and subscriptions		5,855	3,279	4,369	7,648	13,503
Advertising		46	150	20,000	20,150	20,196
Total expenses	$	2,441,367	345,161	263,079	608,240	3,049,607

See the accompanying notes to the consolidated financial statements.

Denver Children's Advocacy Center
Consolidated Statement of Functional Expenses
Year Ended December 31, 2022

			Supporting services			
		Total program services	Management and general	Fund raising	Total supporting services	Total
Payroll and related expenses	$	1,533,175	157,686	130,454	288,140	1,821,315
Subgrant expense		113,818	–	–	–	113,818
Contract labor		55,971	50,499	3,075	53,574	109,545
Depreciation and amortization		82,624	5,679	4,958	10,637	93,261
Donated services		83,541	539	2,484	3,023	86,564
Occupancy expenses		56,948	3,788	3,562	7,350	64,298
Grant writing and research		–	–	52,500	52,500	52,500
Supplies		42,795	815	658	1,473	44,268
Insurance		31,540	1,771	2,023	3,794	35,334
Professional fees		–	29,400	–	29,400	29,400
Technology		13,538	1,144	3,730	4,874	18,412
Travel and entertainment		16,591	399	779	1,178	17,769
Bad debt expense		–	11,723	–	11,723	11,723
Printing and postage		8,937	586	1,637	2,223	11,160
Staff training		7,900	–	–	–	7,900
Miscellaneous		3,830	3,181	361	3,542	7,372
Dues and subscriptions		3,558	2,950	207	3,157	6,715
Advertising		1,434	151	689	840	2,274
Total expenses	$	2,056,200	270,311	207,117	477,428	2,533,628

See the accompanying notes to the consolidated financial statements.

Denver Children's Advocacy Center

Consolidated Statements of Cash Flows

Years Ended December 31, 2023 and 2022

		2023	2022
Cash flows from operating activities			
Change in net assets	$	326,289	699,055
Adjustments to reconcile change in net assets to cash provided by operating activities			
Depreciation		95,002	93,261
Bad debt expense		16,594	11,723
Unrealized (gains) losses on investments		(91,538)	119,411
Forgiveness of Paycheck Protection Program loan		–	(281,547)
Changes in operating assets and liabilities			
Accounts receivable		(62,575)	1,769
Grants and contributions receivable		(8,414)	(17,555)
Prepaid expense and other assets		3,544	36,037
Accounts payable		(3,595)	(50,620)
Accrued expenses		8,874	4,390
Refundable advances		(233,147)	(72,217)
Deferred revenue		(8,500)	–
Net cash provided by operating activities		42,534	543,707
Cash flows from investing activities			
Net purchases of property and equipment		(11,645)	(19,634)
Net purchases of investments		(1,282,331)	(34,749)
Net cash used in investing activities		(1,293,976)	(54,383)
Net (decrease) increase in cash and cash equivalents		(1,251,442)	489,324
Cash and cash equivalents at beginning of year		3,261,071	2,771,747
Cash and cash equivalents at end of year	$	2,009,629	3,261,071

See the accompanying notes to the consolidated financial statements.

(1) Summary of Significant Accounting Policies

(a) Organization

Denver Children's Advocacy Center (the Organization) is a not-for-profit organization whose mission is to prevent abuse, strengthen families, and restore childhood. The Organization strives to ensure that every child in the Denver metropolitan area who has been traumatized by sexual abuse or by witnessing homicide or domestic violence receives immediate, compassionate, and effective forensic interviewing; assessment; and, if needed, mental health and medical treatment.

The Organization supports the following programmatic activities:

The Treatment and Integrated Services Program provides assessment and mental health services for children ages 1 to 17 who have been sexually abused or who have experienced other trauma. The Organization strengthens vulnerable families by ensuring their access to a wide range of supportive services.

The Rapid Response Program provides child forensic interviews that are of vital importance to the investigation and prosecution of child sexual assault and other crimes against children. Bilingual victim advocacy services are available to every client at the Organization.

The Community Outreach Program operates with the goal of providing effective tools to prevent abuse. When working with a school through the Denver Safe from the Start prevention program, the Organization educates parents, caregivers, and teachers on healthy sexual developments, signs of abuse and neglect, and the resources to respond to abuse. Additional education is also offered in the form of training workshops, and seminars for professionals, nonoffending family members, and the service community involved with child abuse and neglect.

The Advocacy Center Foundation (ACF), a supporting 501(c)(3) organization, was formed in May 2005 to administer the proceeds from donations of clothing and household articles given on behalf of the Organization. As a supporting organization, ACF is incorporated as a separate legal entity, and the Organization is the sole voting member of ACF. The activities of ACF are required to be consolidated under generally accepted accounting principles (GAAP). All intercompany transactions have been eliminated in consolidation.

ACF was formed to handle the proceeds from the conversion of donated clothing and household articles to cash in order to help support the Organization's exempt purpose. ACF was formerly contracted with a third party for maintenance duties of donation drop boxes, as well as the pickup and delivery of the donated goods to the contracted purchaser. The contracted purchaser then paid ACF for the goods received, and ACF paid the third party for maintenance duties.

The Organization was notified that the vendor ACF utilized to support the donation of clothes and household articles was no longer able to provide this service beginning in March 2017. The Organization was unable to identify a replacement vendor, and ACF operations ceased in June 2017. ACF continues to hold two cash accounts.

(1) Summary of Significant Accounting Policies, Continued

(b) Basis of Accounting

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

(c) Financial Statement Presentation

The Organization is required to present information regarding its financial position and activities according to the following net asset classifications:

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

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. At December 31, 2023 and 2022, there are no net assets with perpetual donor restrictions.

(d) Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Organization considers all highly liquid instruments with original maturities of three months or less, and which are not held as a part of the investment portfolio, to be cash equivalents.

(e) Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash and cash equivalents, investments and receivables. The Organization places its cash and cash equivalents with creditworthy, high quality, financial institutions. At times, a portion of these cash balances may not be insured by the Federal Deposit Insurance Corporation or related entity. Investments are made and monitored by the management of the Organization pursuant to an investment policy adopted by the Organization. Though the market value of investments is subject to fluctuations on a year-to-year basis, management believes that the investment policy is prudent for the long-term welfare of the Organization. Credit risk with respect to receivables is generally diversified due to the large number of entities and creditworthiness of the organizations from whom amounts are due.

(f) Property and Equipment

Property and equipment is recorded at cost. The organization capitalizes all expenditures for property and equipment in excess of $1,000 with a useful life of more than one year. Depreciation is computed using the straight-line method over estimated useful lives of the assets ranging from five to thirty years.

(1) Summary of Significant Accounting Policies, Continued

(g) Investments

Investments are recorded at cost if purchased, or at fair value, if donated. Thereafter investments are reported at their fair values in the consolidated statements of financial position and changes in fair value are reported as investment return in the consolidated statements of activities. Fair value is determined as more fully described below. The Organization's management is responsible for the fair value measurement of investments reported in the consolidated financial statements and believes the reported values are reasonable. Investment return consists of the Organization's distributive share of any interest, dividends, and capital gains and losses generated from sales of investments. Gains and losses attributable to investments are realized and reported upon a sale or disposition of the investment. Unrealized gains and losses are included in the change in net assets in the consolidated statements of activities.

(h) Fair Value Measurements

Fair value is defined as 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. GAAP establishes a fair value hierarchy that prioritizes investments based on the assumptions market participants would use when pricing an asset. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs).

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

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

Level 2 Inputs other than quoted market prices that are observable for the asset/liability, either directly or indirectly.

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

(i) Revenue Recognition

Government grants and grants and contributions

Grants and contributions are recognized when cash or unconditional promises to give are received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend are substantially met. Should the Organization substantially meet all the conditions in the same period that the contribution was recognized, and barring any further donor-imposed restrictions, the Organization has elected to recognize the revenue in net assets without donor restrictions. Payments received in advance of conditions being met are recorded as refundable advances in the consolidated statements of financial position.

(1) Summary of Significant Accounting Policies, Continued

(i) Revenue Recognition, Continued

Government grants and grants and contributions, Continued
Refundable advances totaled $286,251 and $519,398 at December 31, 2023 and 2022, respectively. Conditional grants and contributions from foundations and other organizations, totaling $1,139,009, have not been recognized at December 31, 2023 as the conditions have not been met.

Federal, state, and local government grants are treated as contributions that are conditioned upon specific performance requirements and the incurrence of allowable qualifying expenses. At December 31, 2023, conditional government contributions total $629,147.

Grants and contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires (that is, when a 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 consolidated statements of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same year in which the contribution is received are reported as contributions without donor restrictions in the accompanying consolidated financial statements.

Grants and contributions receivable are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. At December 31, 2023 all grants and contributions receivable are expected to be collected within one year. The Organization uses the allowance method to determine uncollectable amounts. In determining the collectability of receivables, management considers past collection experience and performs an analysis of subsequent collections. Accounts deemed uncollectable are charged to the allowance in the year they are deemed uncollectable. At December 31, 2023, management considers all grants and contributions receivable to be collectible; and, therefore, no allowance has been recognized.

Program service revenue
Program service revenue consists of fee for service contracts and miscellaneous income for training programs. Program service revenue is generated through service contracts covering a number of services, including forensic interviews, mental health consultations, and reimbursable therapy sessions. Revenue generated through these services is recognized in the period that the services are provided based on established rates. The Organization has performance obligations related to providing individual services at a point in time, such as interviews, consultations, and therapy sessions. Revenue is recognized at a point in time when the related service is provided and the performance obligation is met. Fees are billed for services provided on a monthly basis. Payments received in advance of services provided are recognized as deferred revenue. The Organization has deferred revenue totaling $0 and $8,500 at December 31, 2023 and 2022, respectively. Total accounts receivable related to contracts with customers as of December 31, 2023 and 2022 were $102,326 and $56,345, respectively.

(1) Summary of Significant Accounting Policies, Continued

(i) Revenue Recognition, Continued

Special events
Special events is comprised of revenue from an exchange transaction equal to the cost of direct benefits to donors, and contribution revenue for amounts received in excess of direct costs. Contribution revenue is recognized following revenue recognition policies discussed above. Exchange transaction revenue is recognized the day the event takes place. For the years ended December 31, 2023 and 2022, special events revenue is shown net of the costs of direct benefits to donors totaling $23,381 and $6,443, respectively.

Donated Goods and Services
Donated goods are recorded at fair value at the date of the donation. Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. In addition, a number of volunteers have donated time in connection with the Organization's activities. No amounts have been reflected in the accompanying consolidated financial statements because the services do not meet the recognition criteria under generally accepted accounting standards.

(j) Advertising

The Organization expenses advertising costs, including donated advertising, as incurred. Total advertising costs for the years ended December 31, 2023 and 2022 was $20,196 and $2,274, respectively.

(k) Functional Allocation of Expenses

The costs of providing various programs and other supporting activities have been summarized on a functional basis in the accompanying consolidated statements of functional expenses. The Organization incurs expenses that directly relate to, and can be assigned to, a specific program or supporting activity. The Organization also conducts a number of activities that benefit both its program objective as well as supporting services (i.e. fund raising and management and general activities). These costs, which are not specifically attributable to a specific program or supporting activity, are allocated by management on a consistent basis among program and supporting services benefited, based on either financial or nonfinancial data, such as headcount, square-footage, or estimates of time and effort incurred by personnel. Costs that are allocated include salaries, benefits, payroll taxes, office expenses, technology, occupancy, and insurance.

(l) Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure on contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(1) Summary of Significant Accounting Policies, Continued

(m) Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and qualifies for the charitable contribution deduction. However, income from activities not directly related to its tax-exempt purpose is subject to taxation as unrelated business income. There were no unrelated business activities during the years ended December 31, 2023 and 2022.

Management is required to evaluate tax positions taken by the Organization and recognize a liability (or asset) if a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, based solely on the technical merits of the position. The Organization has analyzed the tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the consolidated financial statements and determined there are none. The three previous tax years remain subject to examination by the IRS.

(n) Subsequent Events

The Organization has evaluated subsequent events through June 19, 2024, the date the consolidated financial statements were available to be issued.

(o) Adoption of New Accounting Pronouncement

On January 1, 2023, the Organization adopted ASU No. 2016-13 *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The new guidance has replaced the incurred loss methodology of recognizing credit losses on financial instruments with methodology that estimates the expected credit loss on financial instruments and reflects the net amount expected to be collected on the financial instrument. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. An entity must use judgement in determining the relevant credit losses and related credit loss expense replaces previously used allowance for doubtful accounts and related bad debt expenses, respectively, as it relates to accounts receivable. The Organization has adopted this change in accounting principle as of January 1, 2023 using the modified retrospective method. Accordingly, financial information for periods prior to the date of initial application has not been adjusted. The change in accounting principle did not have an impact on the Organization's allowance for credit losses or net assets for the year ended December 31, 2023.

(2) Liquidity and Availability of Financial Assets

The following table reflects the Organization's financial assets that are available for general expenditure within one year as of December 31:

	2023	2022
Financial assets at year-end		
Cash and cash equivalents	$ 2,009,629	3,261,071
Accounts receivable	102,326	56,345
Grants and contracts receivable	259,227	250,813
Investments	1,904,807	530,938
Total financial assets	4,275,989	4,099,167
Less board designated funds	(596,576)	(582,053)
Financial assets available for general expenditures within one year	$ 3,679,413	3,517,114

The Organization has developed an investment policy and holds short-term, conservative investments in the form of stocks, mutual funds, and cash. The Organization has structured its investment priorities to allow for a high level of liquidity. The Organization invests its financial assets in a manner consistent with the concept of prudent money management, seeking returns within reasonable levels of risk.

The Organization's board of directors has designated a portion of net assets without donor restrictions for specific purposes (see note 6). Although the Organization does not intend to spend from the board-designated funds, the funds could be made available for current operations, with board approval, if needed. The Organization considers donor restricted contributions for on-going programs to be available for expenditure, provided they are available for expenditure within the next twelve months.

(3) Contributions Receivable

Contributions receivable at December 31, 2023 total $259,227 and are expected to be collected in 2024.

(4) Investments

Investments consist of the following at December 31:

	2023	2022
Cash and cash equivalents	$ 8,071	1,698
U.S. Treasury securities	1,431,736	–
Mutual funds	109,874	254,274
Exchange traded funds	355,126	274,966
Total investments	$ 1,904,807	530,938

Investment return consists of the following for the year ended December 31:

	2023	2022
Interest and dividends	$ 14,524	14,050
Net realized and unrealized gain (loss)	91,538	(119,411)
Total investment return	$ 106,062	(105,361)

(4) Investments, Continued

All of the Organization's investments have been valued using level 1 inputs. All assets have been valued using a market approach. There have been no changes in the valuation technique during the current year.

(5) Property and Equipment

Property and equipment consisted of the following at December 31:

	2023	2022
Land	$ 343,066	343,066
Buildings	1,875,123	1,875,123
Building improvements	440,799	440,799
Furniture, fixtures, and equipment	351,967	340,325
Software	110,275	110,275
	3,121,230	3,109,588
Less accumulated depreciation and amortization	(1,550,113)	(1,455,114)
Total property and equipment, net	$ 1,571,117	1,654,474

(6) Net Assets

Board Designated Net Assets
Board designated funds consist of a working capital reserve and a facility reserve to cover the cost of future facility repairs and maintenance.

Board designated net assets consist of the following at December 31:

	2023	2022
Working capital reserve	$ 450,000	450,000
Facility reserve	146,576	132,053
Total board designated funds	$ 596,576	582,053

Net Assets with Donor Restrictions
Net assets with donor restrictions consisted of the following at December 31:

	2023	2022
Net assets restricted for specific purpose:		
Community Outreach	$ 34,196	58,456
Rapid Response	21,665	45,091
Treatment	87,534	60,000
Total net assets with donor restrictions	$ 143,395	163,547

(6) Net Assets, Continued

Net assets released from restrictions consisted of the following for the year ended December 31:

	2023	2022
Community Outreach	$ 85,834	135,756
Rapid Response	53,510	40,261
Treatment	98,528	166,347
Total net assets released from restrictions	$ 237,872	342,364

(7) Donated Services

The Organization received the following donated services during the years ended December 31:

	2023	2022
Program interns	$ 73,088	78,564
Advertising and marketing services	–	2,000
Other professional fees	30,173	6,000
Total donated services	$ 103,261	86,564

The Organization receives in-kind contributions of time and pro bono services from Master's degree interns who provide mental health treatment services. Additionally, the Organization receives contributions of time and pro bono services from Bachelor's degree interns who provide victim advocacy and child abuse prevention services. The Organization reports the value of services provided using current rates for similar professional services. The Organization recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value at the time of donation. A majority of the donated services were utilized by the Organization's program services.

The Organization receives donated advertising, marketing, and other professional services that would typically be purchased if not provided as an in-kind contribution. These services, which require specialized skills, are recognized as in-kind contributions at fair value when the pledge is made and are expensed when the services are rendered. The estimated fair value of these professional services is provided by the service provider, who estimates fair value based on the date, time, and market in which each service is rendered.

Unless otherwise noted, there were no donor-imposed restrictions associated with these donated goods and services. The Organization does not sell donated gifts in-kind and only uses services for its own program or supporting service activities.

(8) Retirement Plan

The Organization sponsors two defined contribution tax deferred annuity plans (the Plans), as outlined in Sections 403(b) and 457(b) of the Code, respectively. Employees are eligible to participate in the 403(b) plan once they have satisfied the age and service requirements. The 457(b) plan is for certain officers of the Organization. For the years ended December 31, 2023 and 2022, the Organization contributed $25,695 and $18,432, respectively, to the Plans on behalf of participating employees. The Organization also provides employees the opportunity to contribute additional amounts on a pretax basis to the Plans. The Plans allow employees to defer a discretionary amount of their salaries, not to exceed the limit defined by the Plans.

(9) Paycheck Protection Program Loan

In April 2021, the Organization received a $281,547 loan under the U.S. Small Business Administration's (SBA) Paycheck Protection Program (PPP) authorized under the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act). In April 2022, the loan was fully forgiven, and contribution revenue totaling $281,547 was recognized.