

**I LIVE HERE, I GIVE HERE
(A NONPROFIT CORPORATION)**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

YEAR ENDED JUNE 30, 2021

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PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
I Live Here, I Give Here
Austin, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of I Live Here, I Give Here (a nonprofit corporation) (ILHIGH) which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to ILHIGH's preparation and fair presentation of the financial statements 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 ILHIGH's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of I Live Here, I Give Here as of June 30, 2021, 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.

Brown, Graham & Company, P.C.

Austin, Texas
February 23, 2022

I LIVE HERE, I GIVE HERE
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021

ASSETS

Current assets:	
Cash	\$ 1,699,496
Accounts receivable	19,814
Contributions receivable	3,000
Prepaid expense	10,230
Deposits	<u>5,466</u>
Total current assets	1,738,006
Computer software and equipment, net	<u>5,394</u>
Total assets	<u>\$ 1,743,400</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable	\$ 13,487
Accrued expenses	22,024
Refundable advance - Payroll Protection Program (Note 2)	114,000
Deferred membership dues	<u>142,114</u>
Total current liabilities	<u>291,625</u>
Net assets:	
Without donor restrictions:	
Board designated operating reserve	206,338
Undesignated	<u>1,208,786</u>
Total net assets without donor restrictions	1,415,124
With donor restrictions (Note 3)	<u>36,651</u>
Total net assets	<u>1,451,775</u>
Total liabilities and net assets	<u>\$ 1,743,400</u>

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

**I LIVE HERE, I GIVE HERE
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support, revenue and gains:			
Contributions and grants	\$ 757,507	\$ 608,400	\$ 1,365,907
Service revenue	550,197	-	550,197
In-kind media and marketing	173,389	-	173,389
Nonprofit and annual business membership dues	252,807	-	252,807
Platform and other revenue	324,973	-	324,973
Net assets released from restrictions:			
Satisfaction of donor purposes	<u>571,749</u>	<u>(571,749)</u>	<u>-</u>
Total support, revenue and gains	<u>2,630,622</u>	<u>36,651</u>	<u>2,667,273</u>
Expenses:			
Programs:			
Amplify Austin Day	847,509	-	847,509
ILHIGH Amplify Fund	601,533	-	601,533
Nonprofit memberships	64,013	-	64,013
Annual businesss memberships	51,431	-	51,431
Other program services	236,332	-	236,332
Fundraising	51,785	-	51,785
Management and general	<u>223,195</u>	<u>-</u>	<u>223,195</u>
Total expenses	<u>2,075,798</u>	<u>-</u>	<u>2,075,798</u>
Change in net assets	554,824	36,651	591,475
Net assets:			
Beginning of year	<u>860,300</u>	<u>-</u>	<u>860,300</u>
End of year	<u>\$ 1,415,124</u>	<u>\$ 36,651</u>	<u>\$ 1,451,775</u>

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

I LIVE HERE, I GIVE HERE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021

	Program Services					Support Services		Total
	Amplify Austin Day	ILHIGH Amplify Fund	Nonprofit Memberships	Annual Business Members	Other Program Services	Fundraising	Management and General	
Personnel:								
Employee salaries and wages	\$ 192,104	\$ 22,057	\$ 42,400	\$ 38,050	\$ 126,692	\$ 22,470	\$ 63,127	\$ 506,900
Contract personnel	13,732	907	1,745	1,565	5,212	925	88,065	112,151
Payroll taxes and benefits	20,639	2,370	4,555	4,088	13,611	2,414	6,782	54,459
Professional development and other personnel expenses	2,700	310	596	535	1,781	316	2,683	8,921
Processing fees:								
Credit cards	201,345	-	-	-	9,889	-	-	211,234
Online platform	85,935	-	-	-	8,022	-	-	93,957
Other processing fees	3,869	10,165	4,265	53	945	-	3,702	22,999
Marketing and communication	189,246	5,027	240	-	30,591	-	1,511	226,615
Professional fees	3,984	394	757	680	2,262	401	8,346	16,824
Contributions and grants	200	555,771	109	-	100	-	2,510	558,690
Rent and utilities (Note 4)	26,255	3,015	5,795	5,200	17,315	3,071	8,627	69,278
Office and other administrative	31	113	-	-	640	-	15,856	16,640
Depreciation	1,625	187	358	322	1,072	190	534	4,288
Insurance	-	-	-	-	-	-	6,322	6,322
Event management:								
Production and entertainment	86,373	-	2,125	-	-	-	-	88,498
Supplies and other event expenses	12,464	281	-	-	13,603	-	75	26,423
Technology and software:								
Hosting, support and maintenance	-	-	-	-	-	21,287	4,297	25,584
Subscriptions	2,716	275	553	476	1,639	438	7,307	13,404
Telephone and website	2,335	269	515	462	2,741	273	768	7,363
Cultivation and appreciation	1,956	392	-	-	217	-	2,683	5,248
	<u>\$ 847,509</u>	<u>\$ 601,533</u>	<u>\$ 64,013</u>	<u>\$ 51,431</u>	<u>\$ 236,332</u>	<u>\$ 51,785</u>	<u>\$ 223,195</u>	<u>\$ 2,075,798</u>

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

**I LIVE HERE, I GIVE HERE
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021**

Cash flows from operating activities:	
Change in net assets	\$ 591,475
Adjustments to reconcile change in net assets to net cash flows from operating activities:	
Depreciation	4,288
(Increase) Decrease in:	
Accounts receivable	(8,805)
Contributions receivable	12,982
Prepaid expense	(8,886)
Increase (Decrease) in:	
Accounts payable	(46,545)
Accrued expenses	7,107
Refundable advance	13,000
Deferred membership dues	<u>758</u>
Net cash flows from operating activities	565,374
Net cash flows from investing activities:	
Purchase of property and equipment	<u>(1,409)</u>
Net increase in cash and cash equivalents	563,965
Cash and cash equivalents:	
Beginning of year	<u>1,135,531</u>
End of year	<u>\$ 1,699,496</u>
Supplemental disclosure of noncash transactions:	
Disposal of fully depreciated computer software and equipment	<u>\$ 6,425</u>

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

I LIVE HERE, I GIVE HERE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities:

I Live Here, I Give Here (ILHIGH) was originally established in 2007 and officially filed as a Texas nonprofit corporation in January 2011 to promote philanthropy in Central Texas. In 2013, ILHIGH launched its signature program, Central Texas' first 24-hour day of giving known as Amplify Austin Day (AAD). AAD continues to be a testament to the power of collective giving. Local businesses, foundations, and individuals energize the campaign with contributions to the ILHIGH Amplify Fund, a matching gift and prize pool for nonprofit organizations. In addition, companies can encourage employee charitable giving through business fundraiser pages.

Other major ILHIGH programs include the Annual Business Members (ABM) program and Nonprofit Membership (NPM) program:

Through its ABM program, ILHIGH provides expertise and opportunities for its members to grow corporate social responsibility programs and employee engagement strategies. With deep roots in Central Texas and strong relationships with almost 700 local nonprofits, ILHIGH is a trusted partner for hundreds of local businesses across seven Central Texas counties looking to engage their employees and exercise good corporate citizenship. ABM employees are provided access to year-round programming for mentorship, and community and leadership development. Employers are provided social good marketing, impact reports to measure their corporate social responsibility and employee engagement goals, and the opportunity to engage their employees in finding their personal path to giving back locally.

ILHIGH's year-round NPM program connects local nonprofit organizations with inspired, trained, and motivated givers who are ready to make a difference in their community. The year-round program also emphasizes collaboration across the nonprofit sector and provides new and exciting opportunities, through our unique initiatives, to raise essential funds, develop growth strategies, learn new campaign strategies and meet new donors. This membership program provides workshop training, collaboration and mentorship with a network of other organizations, awareness-building marketing through our social network and corporate and media relations, and capacity-building opportunities provided by our network of local businesses.

Other program services include but are not limited to such programs as GivingTuesday, the Austin Involved Board Internship program, and See Us Give program.

Basis of accounting and presentation:

The accompanying financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

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 ILHIGH. These net assets may be used at the discretion of ILHIGH's management and the board of directors.

I LIVE HERE, I GIVE HERE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Basis of accounting and presentation - Continued:

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of ILHIGH or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Contributions are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. If an expense is incurred for a purpose for which net assets with donor restrictions are available, a donor-imposed restriction is fulfilled to the extent of the expense incurred. When a restriction is fulfilled or expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donors or by law.

Estimates:

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

Cash and cash equivalents:

Cash equivalents consist primarily of funds invested in short-term interest-bearing accounts. ILHIGH considers all highly liquid investments purchased with initial maturities of three months or less to be cash equivalents. Cash and cash equivalents include cash deposits at banks and money market funds.

Receivables and bad debts:

ILHIGH records contributions receivable that are expected to be collected within one year at net realizable value. Contributions receivable expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. All contributions receivable at June 30, 2021 are expected to be collected within one year.

Receivables from contracts with members and customers are reported as accounts receivable in the accompanying statement of financial position.

ILHIGH determines the allowance for doubtful accounts based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Charging off old receivables is evaluated on a case-by-case basis. Management has evaluated the contributions and accounts receivable as of June 30, 2021, and determined no allowances were necessary.

I LIVE HERE, I GIVE HERE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Revenue and revenue recognition

ILHIGH recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, 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 have been substantially met.

ILHIGH recognizes revenue from ABM and NPM dues over the membership period, which is generally one year. Payments are required at the start of the membership period; amounts received in advance are deferred to the applicable period.

Revenues derived from platform, hosting, processing, and credit card fees are recognized at the point in time when the related contribution transaction occurs.

Special events revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. ILHIGH recognizes special events revenue equal to the fair value of direct benefits to donors when the special event takes place. ILHIGH recognizes the contribution element of special event revenue immediately, unless there is a right of return if the special event does not take place.

Computer software and equipment:

Purchased computer software and equipment is recorded at cost. Donations of computer software and equipment is recorded as support at their estimated fair market value at the date of donation. Expenditures for maintenance and repair which does not extend the life of a capitalized asset are charged to expense as incurred. Computer software and equipment is being depreciated over estimated useful lives of 3 years using the straight-line method.

Functional allocation of expenses:

The costs of providing program and supporting services have been summarized on a functional basis in the statement of functional expenses. Expenses that can be identified with a specific program or supporting services are reported accordingly. Other costs have been allocated among program and supporting services benefited as determined by management on an equitable basis. The time and effort allocation method has been used to allocate the following expenses: personnel, rent and utilities, telephone and website, and depreciation.

Donated services and in-kind contributions:

Volunteers contribute significant amounts of time to ILHIGH's programs and supporting services; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by GAAP. Contributed goods are recorded at fair value at the date of donation. ILHIGH records donated professional services at the respective fair values of the services received.

I LIVE HERE, I GIVE HERE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Income taxes:

ILHIGH is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. ILHIGH has also been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi). There was no unrelated business income for the year ended June 30, 2021.

Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Section 740 requires extensive disclosures about uncertain tax positions. The requirements of this standard are applicable to nonprofit organizations. ILHIGH evaluates any uncertain tax positions using the provisions of FASB ASC 450. Accordingly, a loss contingency is recognized when it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. The amount recognized is subject to estimate and management's judgment with respect to the likely outcome of each uncertain tax position. ILHIGH does not believe that it has engaged in any situation that would result in an uncertain tax position. As a result, management does not believe that any uncertain tax positions currently exist and therefore, no loss contingency has been recognized in the accompanying financial statements. ILHIGH's policy is to record any income tax related penalties and interest incurred as office administration expense. There were no income tax related penalties or interest for the year ended June 30, 2021.

NOTE 2 - REFUNDABLE ADVANCES - PAYROLL PROTECTION PROGRAM

On April 29, 2020, ILHIGH was granted a \$101,000 loan under the Paycheck Protection Program (PPP) administered by a Small Business Administration (SBA) approved partner bank. The loan was uncollateralized and was fully guaranteed by the Federal government. ILHIGH was eligible for loan forgiveness of up to 100% of the PPP loan, upon meeting certain requirements. Proceeds from the PPP loan were eligible for forgiveness if they are used for certain payroll, rent, and utility expenses.

This PPP loan agreement called for repayment of any unforgiven balance, plus interest accrued at one percent (1.00%) in nineteen equal monthly payments, commencing in October 2020. The PPP Flexibility Act of 2020 extended the payment deferment period from six months after the end of the covered period until the earlier of ten months after the end of the covered period or the date the SBA sends the borrower's loan forgiveness amount to the lender. ILHIGH used the entire PPP loan amount for qualifying expenses. In February 2021, the entire amount of the PPP loan was forgiven and legally released resulting in recognition of contribution revenue of \$101,000 in the accompanying statement of activities.

On March 4, 2021, ILHIGH was granted a \$114,000 PPP loan administered by a SBA approved partner bank. ILHIGH has initially recorded the PPP loan as a refundable advance on the accompanying statement of financial position and will record the forgiveness in accordance with guidance for conditional contributions when there is no longer a measurable performance or other barrier and a right to return of the PPP loan.

I LIVE HERE, I GIVE HERE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 2 - REFUNDABLE ADVANCES - PAYROLL PROTECTION PROGRAM - CONTINUED

This second PPP loan agreement calls for repayment of any unforgiven balance, plus interest accrued at one percent (1.00%) in equal monthly payments commencing on the earlier of ten months after the end of the covered period or the date the SBA sends the borrower's loan forgiveness amount to the lender. The note maturity date is March 4, 2026. ILHIGH used the entire PPP loan amount for qualifying expenses.

NOTE 3 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes as of June 30, 2021:

ILHIGH Amplify Fund	\$ 35,711
See Us Give 2022	<u>940</u>
Total	<u>\$ 36,651</u>

NOTE 4 – OFFICE LEASE

In May 2019, ILHIGH entered into a five-year operating lease agreement for its office suite that contains an option to renew for at least three years. Rent expense under these operating leases for the year ended June 30, 2021 was \$69,278, which is included in rent and utilities in the accompanying statement of functional expenses. At June 30, 2021, future minimum lease payments are as follows:

June 30,	
2022	\$ 66,199
2023	72,880
2024	<u>66,807</u>
Total minimal future lease payments	<u>\$ 205,886</u>

ILHIGH entered into a sublease agreement for one office within its office suite with an unrelated nonprofit organization for a monthly rent of \$750. The term of this sublease began in July 2019 and ended in May 2021. Sublease income of \$8,250 is included in platform and other revenue on the accompanying statement of activities.

NOTE 5 – EMPLOYEE BENEFIT PLAN

ILHIGH has a defined contribution plan in accordance with Internal Revenue Code Section 401(k) (the 401(k) Plan). Employees may participate in the 401(k) Plan if they are 18 years or older and have completed one month of eligible service. ILHIGH may make contributions at its discretion. Participants become fully vested in employer contributions after three years.

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 6 – LIQUIDITY

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of June 30, 2021, consists of the following financial assets less management's estimates of amounts not available to be used within one year:

Financial assets at June 30, 2021	
Cash and cash equivalents	\$ 1,699,496
Accounts receivable	19,814
Contributions receivable	<u>3,000</u>
 Total financial assets at June 30, 2021	 1,722,310
 Less amounts not available to be used within one year:	
Board-designated operating reserve	<u>(206,338)</u>
 Financial assets available to meet general expenditures over the next twelve months	 \$ <u><u>1,515,972</u></u>

ILHIGH receives significant contributions and promises to give restricted by donors, and considers contributions restricted for purposes related to its programs which are ongoing and central to its annual operations to be available to meet cash needs for general expenditures.

ILHIGH manages its liquidity by maintaining adequate liquid financial assets to pay its ongoing operating expenses as they become due. In addition to the financial assets available for general expenditure within one year above, ILHIGH has board-designated net assets without donor restrictions of \$206,338 as of June 30, 2021 which could be made available for current operations, with Board approval, if necessary. ILHIGH does not currently intend to release these board-designated net assets without donor restrictions in the next twelve months.

NOTE 7 – RELATED PARTY TRANSACTIONS

A total of \$8,525 was paid to a family member of the ILHIGH Chief Operations Officer for certain graphic design services provided to ILHIGH during the year ended June 30, 2021.

NOTE 8 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 23, 2022, the date on which the financial statements were available to be issued.