HealthCorps, Inc.

Financial Report
June 30, 2021

Contents

Independent Auditor's Report

Board of Directors
HealthCorps, Inc.

Report on the Financial Statements
We have audited the accompanying financial statements of HealthCorps, Inc. (the Organization), which comprise the statement of financial position as of June 30, 2021, 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 the entity'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 the entity'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 HealthCorps, Inc. 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.

Report on Summarized Comparative Information

We have previously audited the Organization's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 29, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

RSM US LLP

New York, New York
February 11, 2022

HealthCorps, Inc.

Statement of Financial Position
June 30, 2021 and 2020

	2021	2020
Assets		
Cash and cash equivalents	**$ 4,248,046**	$ 2,857,493
Grants, contracts and contributions receivable	**199,349**	474,826
Prepaid expenses	**145,437**	89,061
Property and equipment, net	**43,591**	59,851
Security deposits and other assets	**54,935**	105,403
Total assets	**$ 4,691,358**	$ 3,586,634
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	**$ 125,061**	$ 67,642
Deferred revenue	**551,750**	419,790
Deferred rent obligation	**8,176**	43,389
Capital lease obligations	**39,965**	54,570
Security deposits payable	**200**	200
Total liabilities	**725,152**	585,591
Commitments and contingencies		
Net assets:		
Without donor restrictions	**2,933,229**	2,570,073
With donor restrictions	**1,032,977**	430,970
Total net assets	**3,966,206**	3,001,043
Total liabilities and net assets	**$ 4,691,358**	$ 3,586,634

See notes to financial statements.

HealthCorps, Inc.

Statement of Activities
Year Ended June 30, 2021
(With Summarized Comparative Information for the Year Ended June 30, 2020)

	2021			2020
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	Summarized Comparative Information
Support and revenue:				
Grants and contracts	**$ -**	**$ 2,417,638**	**$ 2,417,638**	$ 4,109,482
Contributions	**2,165,333**	**-**	**2,165,333**	1,497,424
Special events	**46,538**	**-**	**46,538**	650,836
Program services	**195,000**	**-**	**195,000**	260,000
Rental income and other income	**28,961**	**-**	**28,961**	13,090
Net assets released from restrictions used for programs	**1,815,631**	**(1,815,631)**	**-**	-
Total support and revenue	**4,251,463**	**602,007**	**4,853,470**	6,530,832
Operating expenses:				
Program services	**3,321,521**	**-**	**3,321,521**	5,675,811
General and administrative	**480,225**	**-**	**480,225**	480,983
Fundraising	**86,561**	**-**	**86,561**	110,962
Total operating expenses	**3,888,307**	**-**	**3,888,307**	6,267,756
Change in net assets	**363,156**	**602,007**	**965,163**	263,076
Net assets:				
Beginning	**2,570,073**	**430,970**	**3,001,043**	2,737,967
Ending	**$ 2,933,229**	**$ 1,032,977**	**$ 3,966,206**	$ 3,001,043

See notes to financial statements.

HealthCorps, Inc.

Statement of Functional Expenses
Year Ended June 30, 2021
(With Summarized Comparative Information for the Year Ended June 30, 2020)

	2021				2020
	Program Services	**General and Administrative**	**Fundraising**	**Total**	Summarized Comparative Information
Payroll, payroll taxes and benefits	**$ 1,573,027**	**$ 110,675**	**$ 47,580**	**$ 1,731,282**	$ 2,502,302
Curriculum and educational material	**91,398**	**-**	**-**	**91,398**	182,782
Grants	**1,209,482**	**-**	**-**	**1,209,482**	2,701,041
Outside service contracts	**122,446**	**52,477**	**-**	**174,923**	232,325
Travel and meetings	**1,414**	**301**	**131**	**1,846**	20,776
Payroll administrative fee	**9,217**	**1,164**	**501**	**10,882**	12,573
Professional fees	**52,468**	**11,165**	**4,863**	**68,496**	76,967
Marketing and promotion	**39,958**	**16,649**	**9,990**	**66,597**	30,541
Rent, parking and utilities	**120,854**	**25,717**	**11,202**	**157,773**	159,047
Office expense	**14,068**	**105,593**	**1,214**	**120,875**	140,359
Telecommunications	**14,163**	**3,014**	**1,313**	**18,490**	15,904
Technical support	**13,289**	**2,828**	**1,232**	**17,349**	-
Insurance	**43,560**	**9,269**	**4,038**	**56,867**	61,602
Postage	**4,796**	**1,431**	**444**	**6,671**	4,642
Depreciation and amortization	**11,381**	**4,879**	**-**	**16,260**	25,532
Bad debt expense	**-**	**135,063**	**-**	**135,063**	70,425
Subtotal	**3,321,521**	**480,225**	**82,508**	**3,884,254**	6,236,818
Direct cost of special events	**-**	**-**	**4,053**	**4,053**	30,938
Total expenses	**$ 3,321,521**	**$ 480,225**	**$ 86,561**	**$ 3,888,307**	$ 6,267,756
2020 total expenses	$ 5,675,811	$ 480,983	$ 110,962	$ -	$ 6,267,756

See notes to financial statements.

HealthCorps, Inc.

Statement of Cash Flows
Years Ended June 30, 2021 and 2020

	2021	2020
Cash flows from operating activities:		
Change in net assets	**$ 965,163**	$ 263,076
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	**16,260**	25,532
Decrease in deferred rent obligation	**(35,213)**	(30,672)
Change in operating assets and liabilities:		
Decrease in grants, contracts and contributions receivable	**275,477**	477,299
Increase in prepaid expenses	**(56,376)**	(30,487)
Decrease in security deposits and other assets	**50,468**	29,432
Increase (decrease) in accounts payable and accrued expenses	**57,419**	(125,710)
Increase in deferred revenue	**131,960**	27,208
Net cash provided by operating activities	**1,405,158**	635,678
Cash flows from financing activities:		
Principal payments on capital lease obligations	**(14,605)**	(22,264)
Net cash used in financing activities	**(14,605)**	(22,264)
Net change in cash and cash equivalents	**1,390,553**	613,414
Cash and cash equivalents:		
Beginning	**2,857,493**	2,244,079
Ending	**$ 4,248,046**	$ 2,857,493

See notes to financial statements.

Note 1. Organization

HealthCorps, Inc. (the Organization) is a corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Organization was founded in 2003 by cardio-thoracic surgeon Dr. Mehmet Oz and is a national non-profit organization devoted to strengthening communities with the most innovative wellness approaches to make the next generation more resilient. The Organization shares life and cost saving skills with students, educators and other adults in resilience, nutrition and fitness to make people stronger both mentally and physically.

The Organization executes its mission through school and community programming and events, research and advocacy.

Living Labs: For over a decade, the Organization has placed full-time Coordinators in high-need high schools across the nation to deliver its skills-based curriculum in the classroom, after school clubs, guest speakers, lunchroom demonstrations and school-wide and community events such as health fairs and public CPR trainings. The schools, now lower through high school, serve as “Living Labs” through which the Organization explores the complex, underlying causes of the country’s resilience crisis to discover solutions that can be replicated nationwide.

The Living Lab Coordinator model has since launched in a non-school site, specifically housing for homeless women. Additionally, the Organization officially added a Regional Living Lab Coordinator model to its programming. The Regional Living Lab Coordinator delivers programming to both students and educators at more than one school.

The Organization curriculum is aligned with National Health Education Standards and vetted through a board of medical experts. The curriculum is revised every other year based upon feedback from the Living Labs. Through a partnership with CK-12, a California based non-profit, the Organization distributes free, interactive and customizable versions of the curriculum.

HealthCorps University: The Organization conducts programming called HealthCorps University (HCU), an intense one-day professional development program that certifies participants to bring the Organization curriculum to their school, organization or community.

Since 2003, the Organization has operated programming in 23 states impacting approximately 2.5 million students.

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).

Net asset classifications: Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed stipulations.

Note 2. Summary of Significant Accounting Policies (Continued)

Net assets with donor restrictions: Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization or the passage of time. Net assets subject to donor-imposed stipulations that must be held in perpetuity by the Organization. Generally, the donors permit the Organization to use or expend all or part of the income earned on those assets to support current operations or program purposes and, accordingly, income would be recorded as with donor restrictions until the purpose is satisfied. The Organization did not have net assets held in perpetuity as of June 30, 2021 and 2020.

Use of estimates: The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the financial statements, and revenue and expenses recognized during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents: Cash and cash equivalents on the statement of financial position include highly liquid investments with initial maturities of three months or less.

Contributions: Contributions received are recorded as without donor restrictions or with donor restrictions support, depending on the existence and/or nature of any donor restrictions. All donor-restricted revenue is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. 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 on the statement of activities as net assets released from restrictions.

Unconditional promises to give are recognized as revenue or gains in the period acknowledged. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give are carried at net present value less an estimate made for doubtful promises based on a review of all outstanding promises on a periodic basis. Management determines the allowance for doubtful accounts by using the historical experience applied to an aging of promises. Promises are written off when deemed uncollectible.

Grants and contracts: The Organization receives grants from governmental agencies and other sources for various purposes. Grant awards earned but not yet received are accrued to the extent unreimbursed expenses have been incurred for the purposes specified by the approved grants. The Organization defers grant revenue received under approved awards to the extent they exceed expenses incurred for the purposes specified under the grant purposes. These funds are reported as refundable advances; however, there were none as of June 30, 2021 and 2020.

Program services: In May 2014, Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to the customers. The five-step model defined by Accounting Standards Codification (ASC) Topic 606 requires the Organization to (1) identify the contract with the customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract and (5) recognize revenue when each performance obligation is satisfied. Revenue is recognized when promised goods or services are transferred to the customer in an amount that reflects the consideration expected in exchange for those goods or services.

Note 2. Summary of Significant Accounting Policies (Continued)

ASC Topic 606 may be applied retrospectively to each prior period (full retrospective) or retrospectively with the cumulative effect recognized as of the date of initial application (modified retrospective). On July 1, 2020, the Organization adopted ASC Topic 606 under the modified retrospective approach. The Organization has determined that the adoption of ASC Topic 606 did not result in an adjustment to net assets and did not have a significant effect on the amount and timing of revenue recognition for the year ended June 30, 2021.

In exchange for payment, the Organization implements HealthCorps programs at schools and other facilities to promote a culture of health and wellness at the specified locations. As program fees are recorded at established rates according to underlying contract agreements, they are deemed to be fixed and determinable. Program fees are recorded as revenue when performance obligations are satisfied, which is generally over time as services are rendered. Management believes that recognizing revenue over time is the best measure of services rendered based on the timing of services rendered and has not made any changes in the timing of satisfaction of its performance obligations or amounts allocated to those obligations. Management does not consider there to be significant judgment involved in the timing of satisfaction of performance obligations as those are directly linked to the timeframe stated in the contract agreements. Program fees received in advance are deferred and are recognized as revenue over the period of time over which the program is run.

Grants, contracts and contributions receivable: Grants, contracts and contributions receivable are comprised primarily of amounts due to the Organization from grantor agencies. Receivable balances due in more than one year are reported at their outstanding balances discounted to their net present value based on a risk adjusted rate that the Organization could secure when the support and revenue is initially received. Allowance for doubtful accounts is provided by management based on the Organization's experience with the funders and their ability to pay. The Organization evaluates grants, contracts and contributions receivable for collectability on a case-by-case basis.

Property and equipment: Property and equipment are recorded at cost or, if donated, at fair value on the date of donation. The Organization's policy for capitalization of property and equipment is limited to purchases of $1,500 and more with a useful life greater than one year. Property and equipment are depreciated on the straight-line method over the estimated useful lives of the assets, which range from two to seven years.

Functional allocation of expenses: Expenses are reported as decreases in net assets without donor restrictions. The cost of providing the various program and supporting services of the Organization have been summarized on a functional basis in the accompanying financial statements. Certain costs and expenses have been allocated between program services and supporting services on a reasonable basis, as determined by management. Expenses, such as occupancy cost, salaries and benefits, office expenses and insurance, etc. are allocated based on time and effort.

Advertising costs: Advertising costs are charged to operations when incurred. For the years ended June 30, 2021 and 2020, advertising costs were $66,597 and $30,541, respectively.

Income taxes: The Organization qualifies as a charitable organization as defined by IRC Section 501(c)(3) and, accordingly, is exempt from federal income taxes under IRC Section 501(a). The Organization is also exempt from New York State and New York City income taxes. The Organization is not classified as a private foundation. As a not-for-profit organization, the Organization is subject to unrelated business income tax (UBIT), if applicable. For the years ended June 30, 2021 and 2020, the Organization did not owe any UBIT.

Note 2. Summary of Significant Accounting Policies (Continued)

Management has evaluated the Organization's tax positions and has concluded that the Organization had taken no uncertain income tax positions that require adjustments or disclosures to the financial statements. Generally, the Organization is no longer subject to income tax examinations by U.S. federal, state, or local tax authorities for tax years before 2018, which is the standard statute of limitations look-back period.

Concentrations: The Organization maintained its cash balances in two financial institutions in 2021 and 2020. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 at the financial institutions. At times, during the year, such cash balances may exceed the FDIC limit. As of June 30, 2021 and 2020, the Organization's cash balance exceeded the FDIC limit in one financial institution. The Organization has not experienced any losses in such accounts in the past.

For the years ended June 30, 2021 and 2020, two donors accounted for 58% and 64%, respectively, of total contribution revenue.

Subsequent events: The Organization evaluates events occurring after the date of the financial statements to consider whether or not the impact of such events needs to be reflected and/or disclosed in the financial statements. Such evaluation is performed through February 11, 2022, the date the financial statements were available for issuance.

Comparative information: The financial statements include certain prior year summarized comparative information in total but not by net asset or by functional expense classifications. 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 as of and for the year ended June 30, 2020, from which the summarized information was derived.

Recently issued accounting pronouncement: In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. In March 2019, the FASB issued ASU 2019-01, *Leases (Topic 842) Codification Improvements*, which exempts entities from having to provide the interim disclosures required by ASC 250-10-50-3 in the fiscal year in which an organization adopts the new leases standard. In June 2020, the FASB issued ASU 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842) Effective Dates for Certain Entities*, which defers the effective date of ASU 2016-02 for the Organization to fiscal years beginning after December 15, 2021. Early adoption is permitted. The Organization is currently evaluating the impact of pending adoption of the new standard on the financial statements.

Note 3. Grants, Contracts and Contributions Receivable

Outstanding grants, contracts and contributions receivable were as follows as of June 30, 2021 and 2020:

	2021	2020
Receivables due in less than one year	$ 290,008	$ 553,679
Allowance for uncollectible receivables	(90,659)	(78,853)
	$ 199,349	$ 474,826

Note 3. Grants, Contracts and Contributions Receivable (Continued)

At June 30, 2021, grants, contracts and contributions receivable totaling $245,009 were due from one governmental agency and two private donors. At June 30, 2020, grants, contracts and contributions receivable totaling $349,449 were due from one governmental agency and two private donors.

In addition to the receivables noted above, as of June 30, 2021 and 2020, certain donors provided conditional contributions to the Organization of $500,000 and $3,300,000, respectively. These conditional contributions have not been recognized in the accompanying financial statements as they do not meet the criteria for recognition of contributions revenue under FASB ASC 958-605 as of June 30, 2021 and 2020. Revenue on these contributions will be recognized in future periods when the conditions for payment have been substantively met by the Organization.

Note 4. Property and Equipment, Net

As of June 30, 2021 and 2020, property and equipment are comprised of the following:

	2021	2020	Estimated Useful Life (in Years)
Furniture and fixtures	$ 34,283	$ 34,283	5-7
Equipment	96,231	96,231	2-7
	130,514	130,514	
Less accumulated depreciation and amortization	(86,923)	(70,663)	
Total property and equipment	$ 43,591	$ 59,851	

For the years ended June 30, 2021 and 2020, depreciation and amortization expense amounted to $16,260 and $25,532, respectively.

Note 5. Line of Credit

The Organization entered a line of credit on July 15, 2020, with borrowings capacity up to $750,000. Interest is payable at a variable interest rate equal to the London Interbank Offered Rate (LIBOR), plus 6.50%, which was 6.75% and 7.05% as of June 30, 2021 and 2020, respectively. As of June 30, 2021 and 2020, there was no outstanding balance on the line of credit.

Note 6. Paycheck Protection Program

In May 2020, the Organization received $359,790 in funding from the U.S. Small Business Administration (SBA) under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief, and Economic Security Act. The loan, or a portion thereof, is eligible for forgiveness by the SBA if the qualifying entity meets certain conditions. Whether an entity qualifies for a PPP loan, and it meets the necessary conditions for forgiveness, requires careful consideration of the PPP requirements and the individual entity's facts and circumstances. The Organization applied for loan forgiveness during the year ended June 30, 2021, and has not yet received official notification of forgiveness from the SBA by June 30, 2021. The balance is presented within the deferred revenue line item in the statement of financial position, in accordance with ASC 958 as a conditional grant, in line with FASB guidance for treatment of PPP loans, as of June 30, 2021 and 2020.

Note 7. Commitments and Contingencies

Operating lease commitments: The Organization occupied an office facility in New York under an operating lease that expired in September 2021. The lease was subject to rent escalations and subjected the Organization to pro rata share of operating expenses.

For the years ended June 30, 2021 and 2020, rent expense amounted to $150,958.

As part of the Organization's office lease agreement, the Organization obtained an active letter of credit amounting to $38,372 in lieu of a cash security deposit.

The Organization subleased the New York office and is subject to rent escalations. The sublease agreement required a security deposit of $47,575 from the subtenant. During fiscal year 2018, the Organization used the security deposit of $47,575 for delinquent 2018 rent payments owed by the subtenant. During fiscal year 2019, the Organization entered into litigation regarding rent owed, and other matters, as the subtenant has since vacated the premises as of November 2018. The case has since settled in principle and the parties are finalizing stipulations of settlement to be paid to the Organization.

Sublease rent receivable of $144,900, net of an allowance as of June 30, 2021 and 2020, of $119,900 and $69,432, respectively, is included in security deposits and other assets on the statement of financial position. The amount of this receivable reflects management's assessment of the facts and circumstances surrounding the amounts owed by the sub-lessee; however, it is reasonably possible the estimate could change materially in the near-term.

As of June 30, 2021, future aggregate minimum lease payments under these leases are $39,627 during the year ending June 30, 2022.

Deferred rent consists of the excess of the rental expenses on a straight-line basis over the payments required by the lease, and lease incentive received from landlord for a portion of the leasehold improvement cost incurred by the Organization in the New York office. As of June 30, 2021 and 2020, there was $8,176 and $43,389, respectively, of deferred rent obligation included on the statement of financial position.

Capital lease commitment: The Organization entered into noncancelable capital lease agreements for printers and office equipment. The assets and liabilities under the capital leases are recorded at the lower of present value of the minimum lease payments or the fair value of the assets.

The assets are amortized over the lower of the related lease term or their estimated productive lives. Amortization of assets under capital lease is included in depreciation and amortization expense in the statement of functional expenses at June 30, 2021 and 2020.

The following is a summary of computer and office equipment held under the capital lease at June 30:

	2021	2020
Computer and office equipment	$ 78,630	$ 78,630
Less accumulated amortization	(21,109)	(9,339)
	$ 57,521	$ 69,291

Note 7. Commitments and Contingencies (Continued)

Present value of minimum capital lease payments as of June 30, 2021, is as follows:

Years ending June 30:		
2022	$	12,840
2023		12,840
2024		12,840
2025		3,210
	$	41,730

The Organization received risk-free rate of interest on the capital leases. Interest expense on the capital leases amounted to $0 for both years ended June 30, 2021 and 2020.

The Organization is subject to audits from various funding organizations that support its programs. The grants are subject to adjustments for disallowed costs, if any, based upon the results of the audits.

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a Public Health Emergency of International Concern and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Organization operates.

Note 8. Net Assets With Donor Restrictions

Net assets with donor restrictions as of June 30, 2021 and 2020, amounted to $1,032,977 and $430,970, respectively, and are restricted for various school and educational programs.

The release of net assets with donor restrictions during the years ended June 30, 2021 and 2020, consists of $1,815,631 and $3,843,512, respectively, for various school and educational programs.

Note 9. Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets available within one year of the balance sheet date for general expenditures over the next 12 months, reduced by amounts not available for general use because of contractual or donor-imposed restrictions in excess of one year of the balance sheet date as of June 30:

	2021	2020
Cash and cash equivalents	$ 4,248,046	$ 2,857,493
Grants, contracts and contributions receivable	199,349	474,826
Total financial assets	4,447,395	3,332,319
Less those unavailable for general expenditures within one year:		
Donor-restricted assets	(1,224,937)	(490,970)
Financial assets available to meet cash needs for general expenditure within one year	$ 3,222,458	$ 2,841,349

Note 9. Liquidity and Availability of Financial Assets (Continued)

The Organization regularly monitors the cash balance to ensure sufficient liquidity exists to meet its operating needs, as well as other commitments and obligations over the next 12 months.