



**U**S SPEEDSKATING

## **Financial Statements**

**For the Years Ended May 31, 2020 and 2019**



## Table of Contents

<b>Description</b>	<b>Page</b>
Independent Auditor's Report	1
Statements of Financial Position	2 - 3
Statements of Activities	4
Statements of Changes in Net Assets	5
Statements of Cash Flows	6
Notes to Financial Statements	7 - 13



CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To The Board of Directors  
U.S. Speedskating  
Kearns, Utah

### Report on the Financial Statements

We have audited the accompanying financial statements of U.S. Speedskating (a nonprofit Organization), which comprise the statements of financial position as of May 31, 2020 and 2019, and the related statements of activities, changes in net assets and cash flows for the years 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 U.S. Speedskating as of May 31, 2020 and 2019, the results of its activities, 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.

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s/Anderson Bradshaw PLLC  
Salt Lake City, Utah  
September 3, 2020

**U.S. Speedskating**  
**Statements of Financial Position**  
**May 31, 2020 and 2019**

**Assets**

Current assets:	5/31/2020	5/31/2019
Cash	\$ 399,307	\$ 253,177
Donor restricted cash (Note 8)	6,844	6,814
Receivables, net of allowance for doubtful accounts of \$0 (Note 1)	84,952	120,625
Prepays and other current assets	38,616	15,824
Total current assets	529,719	396,440
Property and equipment:		
Timing System	90,010	90,010
Computers	110,036	101,736
Performance Pool Equipment	445,989	383,175
Training center and improvements	22,540	20,842
Other	106,972	106,972
Total property and equipment	775,547	702,735
Less accumulated depreciation	(597,329)	(569,435)
Net property and equipment	178,218	133,300
Right of Use Asset (Note 3)	1,817,349	1,817,349
Less accumulated amortization	(57,490)	(19,163)
Net right of use asset	1,759,859	1,798,186
Total assets	\$ 2,467,796	\$ 2,327,926

See accompanying notes to financial statements.

**U.S. Speedskating**  
**Statements of Financial Position**  
**May 31, 2020 and 2019**

**Liabilities and Net Assets**

Current liabilities:	5/30/2020	5/31/2019
Accounts payable	\$ 118,697	\$ 181,553
Accrued liabilities	198,706	192,509
Deferred revenue	49,529	116,714
Note Payable - SBA PPP loan (Note 16)	256,100	-
Financing lease - current portion (Note 3)	12,296	11,898
Total current liabilities	635,328	502,674
Long-term liabilities:		
Financing lease - long-term portion (Note 3)	1,287,350	1,299,647
Total liabilities	1,922,678	1,802,321
Net Assets:		
Net assets without donor restrictions	538,274	518,791
Net assets with donor restrictions	6,844	6,814
Net assets	545,118	525,605
Total liabilities and net assets	\$ 2,467,796	\$ 2,327,926

See accompanying notes to financial statements.

**U.S. Speedskating**  
**Statements of Activities**  
**Years ended May 31, 2020 and 2019**

Changes in net assets Without Donor Restrictions

<b>Revenues:</b>	5/31/2020	5/31/2019
USOC high performance grant	\$ 1,708,376	\$ 1,777,472
USOC Direct Athlete Support	174,100	173,800
UAF Athletic Facility Use	290,000	290,000
Other High Performance Revenue	123,828	196,237
Sports/membership-development events	322,325	188,537
Elite events	1,269,673	345,950
Sponsorship/Marketing/Media	673,915	770,216
Fundraising	281,464	255,982
USISA earnings	153,500	153,500
Other revenue	256,222	210,129
Total revenues	5,253,403	4,361,823
<b>Expenses:</b>		
High Performance	2,814,767	2,877,783
Sports/membership-development events	520,258	438,060
Elite events	1,242,551	319,872
Sponsorship/Marketing/Media	199,224	168,999
Fundraising	61,784	99,203
Other expense	353,471	385,048
Total expenses	5,192,055	4,288,965
Operating income	61,348	72,858
<b>Other income and expenses:</b>		
Interest income	1,237	1,939
Interest expense	(43,102)	(21,696)
Total other income and expenses	(41,865)	(19,757)
Change in net assets		
Without Donor Restrictions	19,483	53,101
Change in assets With Donor Restrictions		
Contributions	3,080	-
Expenses	(3,050)	-
Change in net assets		
With Donor Restrictions	30	-
Change in net assets	\$ 19,513	\$ 53,101

See accompanying notes to financial statements.

**U.S. Speedskating**  
**Statements of Changes in Net Assets**  
**Years ended May 31, 2020 and 2019**

	<u>5/31/2020</u>	<u>5/31/2019</u>
Beginning Balance	\$ 525,605	\$ 472,773
Additions ( reductions ) to assets with donor restrictions	-	(269)
Change in net assets	19,513	53,101
Balance, May 31, 2020 and 2019	<u>\$ 545,118</u>	<u>\$ 525,605</u>

See accompanying notes to financial statements.

**U.S. Speedskating**  
**Statements of Cash Flows**  
**Years ended May 31, 2020 and 2019**

**Reconciliation of change in net assets**

**to net cash flows from operating activities:**

	5/31/2020	5/31/2019
Change in net assets	\$ 19,513	\$ 53,101
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	66,221	54,829
Bad debt expense	8,309	3,108
Decrease (increase) in:		
Accounts receivable	27,364	93,561
Prepaid and other current assets	(22,792)	440
Increase (decrease) in:		
Accounts payable	(62,856)	(244,598)
Accrued liabilities	6,197	(11,059)
Deferred revenue	(67,185)	34,921
Net cash provided (used) by operating activities	(25,229)	(15,697)

**Cash flows from investing activities:**

Decrease of restricted funds	-	-
Purchases of right to use asset	-	(200,000)
Purchases of property and equipment	(72,812)	(45,219)
Net cash (used) by investing activities	(72,812)	(245,219)

**Cash flows from financing activities:**

Loan proceeds	256,100	-
Debt payments	(11,899)	(5,804)
Net cash provided (used) by financing activities	244,201	(5,804)
Net increase (decrease) in cash, cash equivalents and restricted cash	146,160	(266,720)
Cash, cash equivalents and restricted cash at beginning of year	259,991	526,711
Cash, cash equivalents, and restricted cash at end of year	\$ 406,151	\$ 259,991

**Supplemental Disclosure of Cash Flow Information:**

Cash paid during year for:		
Interest	\$ 43,102	\$ 21,696

See accompanying notes to financial statements.

**U.S. Speedskating**  
**Notes to Financial Statements**  
**Years Ended May 31, 2020 and 2019**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

U.S. Speedskating (the Organization) is a Missouri nonprofit organization under Section 501(c)(3) of the Internal Revenue Code. Its purpose is to act as the national governing body for the sport of speedskating on ice in the United States, to advance amateur athletic competition within the United States, and to act for persons in the United States who are interested in the sport of speedskating. The Organization is a member of the United States Olympic Committee (“USOC”), from whom it received the majority of its public support.

**Basis of Presentation**

The Organization presents its financial statements in accordance with Accounting Standards Codification (ASC) 958, “*Not-For-Profit Entities*”. ASC 958 requires information regarding financial position and activities to be reported in two classes of net assets; net assets without donor restrictions, and net assets with donor restrictions.

A description of these categories follows:

Net assets without donor restrictions: Includes the net assets that are free of donor-imposed restrictions.

Net assets with donor restrictions: Includes the net assets from contributions or other inflows where the use is limited by donor-imposed restrictions that either expire by the passage of time or can be fulfilled or removed by actions of the Organization. It also includes the net assets from contributions or other inflows where the use is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or removed by actions of the Organization.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support 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 activity as net assets released from restrictions.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers unrestricted investment instruments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents at May 31, 2020 and May 31, 2019 consist of unrestricted cash and restricted cash.

**Use of Accounting Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the 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 revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates that may change in the near term include fair value of long-lived assets and related impairment, if any.

**U.S. Speedskating**  
**Notes to Financial Statements**  
**Years Ended May 31, 2020 and 2019**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Revenue Recognition**

Support and revenue are recorded on the accrual basis. Amounts pledged to the Organization are recorded as income and a receivable at the time the pledge is made. Sales and winnings income are recorded upon shipment or when a qualified event is won by a qualified athlete. Payments received in advance of when deemed earned are deferred until earned.

**Non-Profit Status**

The Organization has received a determination letter from the Internal Revenue Service dated September 1966, stating that it is exempt from federal income tax under Section 501 (c)(3) of the Internal Revenue Code. Tax years ended May 31, 2016 through May 31, 2020 remain subject to examination by major tax jurisdictions.

**Receivables**

Receivables represent amounts due from sponsors and the International Skating Union. The total accounts receivable consists of \$84,952 and \$120,625 net trade receivables as of 5/31/2020 and 5/31/2019 respectively. The receivables are charged to bad debt expense when an amount is determined to be potentially uncollectible based on periodic review of accounts by management. The Organization charged \$8,309 and \$3,108 to bad debt expense during the years ended May 31, 2020 and May 31, 2019 respectively.

**Property and Equipment**

Property and equipment is recorded at cost when purchased and depreciated using the straight-line method of depreciation over the estimated useful lives of the assets, as shown below. Donated equipment is recorded at fair value, which is generally determined by a donation agreement. When assets are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period. Maintenance and repairs, including the replacement of minor items, are expensed as incurred. The Organization does not have a formal capitalization policy.

The useful lives of property and equipment for purposes of computing depreciation are:

Timing system	3 years
Performance pool equipment	5 years
Computers	3 years
Other	3-48 years

**Recently Issued Accounting Pronouncements**

The Organization has reviewed all recently issued accounting pronouncements for the year ended May 31, 2020, and has determined that none of the recently issued accounting pronouncements will have a material effect on the fair presentation of these financial statements.

**NOTE 2 – CASH DEPOSITS**

Custodial credit risk is the risk that, in the event of bank failure, the Organization's deposits may not be returned. At May 31, 2020 and 2019, the carrying amount of the Organization's deposits were \$406,151 and \$259,991 respectively and the bank balances were \$428,940 and \$268,594 respectively. Of the bank balance, \$250,000 was covered by the Federal Deposit Insurance Corporation (FDIC).

**U.S. Speedskating**  
**Notes to Financial Statements**  
**Years Ended May 31, 2020 and 2019**

**NOTE 3 – RIGHT OF USE ASSET AND FINANCING LEASE PAYABLE**

Effective December 1, 2018 the Organization entered into a long-term lease. The lease is for office space in the Utah Olympic Oval as well as athletic training space, sports nutrition and commercial kitchen space in the Kearns Athlete Training and Event Center (“KATEC”). There are three automatic extension terms of twelve years each unless the Organization elects not to exercise at least sixty days prior to the expiration of the current term. Rent may be adjusted on or before May 1, 2022, then every four years thereafter on or before May 1 with the written consent of both landlord and the Organization. Current monthly payments are \$4,583. The Organization made the determination to early adopt ASC Topic 842, Leases. The new lease qualifies as a financing lease. The Organization used a risk-free discount rate of 3.3% to value the lease.

Future maturities on long-term debt are as follows:

Year ending May 31, 2021	\$12,296	
Year ending May 31, 2022	12,708	Amortization expense for the next five years is
Year ending May 31, 2023	13,134	expected to be \$38,327 per year.
Year ending May 31, 2024	13,574	
Year ending May 31, 2025	14,029	
Thereafter	<u>1,233,905</u>	
	<u>\$1,299,646</u>	

**NOTE 4 – RISK MANAGEMENT**

The Organization is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. Various insurance policies have been purchased to cover the risks described above. The insurance policies require minimal deductible amounts which the Organization pays in the event of any loss. The Organization also has purchased a workers’ compensation policy.

**NOTE 5 - CONCENTRATIONS**

A significant portion of the Organization’s revenue is received from one relationship. During the years ended May 31, 2020 and May 31, 2019, approximately 43% and 51%, respectively, of the Organization’s revenues were provided by one entity. As of 5/31/20, accounts receivable from two entities accounted for 49% and 45% of total accounts receivable. As of 5/31/19, accounts receivable from two entities accounted for 69% and 29% of total accounts receivable.

**NOTE 6 – RETIREMENT PLAN**

The Organization has a SIMPLE IRA plan. Contributions paid for the years ended May 31, 2020 and May 31, 2019 were \$26,382 and \$21,514 respectively. All employees of the Organization who work 1,080 hours per year and are 21 years of age or older are eligible for the plan. To be eligible for matching contributions, the employees must be full time and be making contributions of their own to the plan.

**NOTE 7 – COMMITMENTS AND CONTINGENCIES**

The Organization was renting space from the Utah Athletic Foundation, Inc. at the location of the Utah Olympic Oval on a month-to-month basis through November 30, 2018. Monthly rent was \$2,050. Rent expense was \$12,300 for the year ended May 31, 2019. The Organization is now operating under a

**U.S. Speedskating**  
**Notes to Financial Statements**  
**Years Ended May 31, 2020 and 2019**

financing lease under which the monthly payments are treated as interest expense and principal payments to reduce the financing lease debt obligation.

On December 20, 2013, the Organization entered into a partnership agreement with Pettit National Ice Center Inc. (“PNIC”) to help grow and promote the sport of speedskating. The partnership agreement expired on April 30, 2018. A new agreement was entered into which expires May 31, 2022.

As part of the partnership agreement, the Organization contributes annually to a high-performance development, talent I.D/recruitment program and regional high-performance development program based at the PNIC and supported by a partnership between the PNIC, the Organization and USOC known as the Academy for Skating Excellence (ASE). In support of the ASE, the Organization shall allocate on a yearly basis and make available to the PNIC the following payments:

- For the 2017/2018 season, \$50,000 payable in four quarterly installments beginning on August 20 (this amount has been paid in full).
- For the 2018/2019 season, \$40,000 payable in two equal installments on 9-15-2018 and 1-15-2019 (this amount has been paid in full).
- For the 2019/2020 season, amount TBD payable in two equal installments 9-15-2019 and 1-15-2020. The amount paid was \$35,000 in two payments of \$17,500 each.
- For the 2020/2021 season, amount TBD payable in two equal installments 9-15-2020 and 1-15-2021. The commitment for the 2020/2021 season was made in the amount of \$35,000 to be paid in two equal installments of \$17,500 each.
- For the 2021/2022 season, amount TBD payable in two equal installments 9-15-2021 and 1-15-2022.

In March 2017, the Organization entered into an agreement with Salt Lake County, the State of Utah, Kearns Recreational Center and the Utah Olympic Legacy Foundation to build a new, state-of-the-art training center for the purpose of housing the Organization’s strength and conditioning, medical, nutrition and other high performance activities along with locker rooms for the athletes. The total cost of the project was \$12,400,000 and was completed in November of 2018. In conjunction therewith, the Organization’s financial commitment to the project was \$1,000,000. The Organization is responsible for the furniture, fixtures and equipment for their attributed portion of the new building and expects to get a predominant portion of such through value in kind contributions and sponsorships. The Organization paid \$1,000,000 as of 5/31/19. The USOC provided a one-time grant of \$500,000 to the Organization and the Organization paid \$300,000 of its own resources during the year ended 5/31/18. This amount was recorded in the May 2018 financial statements as a prepaid expense and then became part of the right of use asset in the year ended May 31, 2019. The Organization paid the final \$200,000 commitment during the year ended 5/31/19, which also is part of the right of use asset.

**U.S. Speedskating**  
**Notes to Financial Statements**  
**Years Ended May 31, 2020 and 2019**

**NOTE 8 – RESTRICTED FUNDS**

The Organization has funds available with certain donor-imposed restrictions. The balances are as follows:

	<u>5/31/2020</u>	<u>5/31/2019</u>
Gold Council Fund	\$ 2,541	\$ 2,541
Less funds used by former Olympians	-	-
	<u>2,541</u>	<u>2,541</u>
George Howie Award Fund and Athlete Fund	4,273	4,542
Adjustments and activity	30	(269)
	<u>4,303</u>	<u>4,273</u>
	<u>\$ 6,844</u>	<u>\$ 6,814</u>

**NOTE 9 – GOING CONCERN CONSIDERATIONS**

Management has evaluated the Organization’s ability to continue as a going concern.

Continued support from the United States Olympic Committee, the International Skating Union and the Organization’s charitable foundation (U.S.I.S.A. Charitable Fund) indicate the Organization will continue as a going concern.

**NOTE 10 – STATEMENT OF FUNCTIONAL EXPENSES**

Below is the Organization’s Statement of Functional Expenses for the years ended May 31, 2020 and 2019 as required by ASC 958 “*Not-for-Profit Entities*”.

	<u>2019/2020</u>			
	<u>Total</u>	<u>Program</u>	<u>Mngt/General</u>	<u>Fundraising</u>
Direct athlete funding	\$ 543,457	\$ 543,457	\$ -	\$ -
Competition support	1,061,196	1,061,196	-	-
Training	482,310	482,310	-	-
Outside services	497,273	407,951	83,270	6,052
Administrative expenses	1,650,847	1,257,842	345,389	47,616
Legal	34,264	24,676	9,588	-
Apparel program	112,980	112,980	-	-
Travel	638,089	599,285	31,154	7,650
Insurance	80,308	31,394	48,914	-
Gifts and awards	16,800	13,375	3,425	-
Interest and other	51,412	47,530	3,882	-
Depreciation and amortization	66,221	58,777	7,444	-
Total expenses	<u>\$ 5,235,157</u>	<u>\$ 4,640,773</u>	<u>\$ 533,066</u>	<u>\$ 61,318</u>
	100.0%	88.6%	10.2%	1.2%

**U.S. Speedskating**  
**Notes to Financial Statements**  
**Years Ended May 31, 2020 and 2019**

	<b>2018/2019</b>			
	<b>Total</b>	<b>Program</b>	<b>Mngt/General</b>	<b>Fundraising</b>
Direct Athlete Funding	\$ 236,265	\$ 236,265	\$ -	\$ -
Competition Support	429,513	429,513	-	-
Training	553,299	553,299	-	-
Outside services	570,201	486,357	79,914	3,930
Administrative expenses	1,589,465	1,194,287	354,750	40,428
Legal	10,190	2,690	7,500	-
Apparel program	116,182	110,992	-	5,190
Travel	631,335	544,712	36,967	49,656
Insurance	61,063	26,208	34,855	-
Gifts and awards	14,057	11,780	2,277	-
Interest and other	47,039	36,997	10,042	-
Depreciation and amortization	52,052	45,497	6,555	-
	<u>\$ 4,310,661</u>	<u>\$ 3,678,597</u>	<u>\$ 532,860</u>	<u>\$ 99,204</u>
	100.0%	85.3%	12.4%	2.3%

Functional expenses for FYE 5/31/2020 and 5/31/2019 includes \$43,102 and \$21,696 of interest expense shown in the other income and expenses section on the statement of activities. 91% of interest expense is allocated to program expense on the interest and other line of the functional expense table. 91% of the square footage of the new lease relates to program facilities.

**NOTE 11 – SUBSEQUENT EVENTS**

ASC 855-16-50-4 establishes accounting and disclosure requirements for subsequent events. ASC 855 details the period after the balance sheet date during which we should evaluate events or transactions that occur for potential recognition or disclosure in the financial statements, the circumstances under which we should recognize events or transactions occurring after the balance sheet date in our financial statements and the required disclosures for such events. We have evaluated all subsequent events through September 3, 2020, the date these financial statements were available to be issued and no subsequent events occurred that required disclosure except the following: On July 30, 2020 a lawsuit was filed by a female athlete against a male athlete and four other entities including the Organization. The lawsuit alleges sexual misconduct by the male athlete directed toward the female athlete in 1997 and 1998. The Organization intends to contest the lawsuit as the male athlete was neither an employee nor an agent of the Organization at the time of the alleged acts.

**NOTE 12- DIRECT ATHLETE SUPPORT – USOC FUNDING**

The Organization has included in income and in expense in exactly the same, offsetting amounts, funds dedicated to directly supporting elite athletes in the amount of \$174,100 and \$173,800 respectively for the years ended 5/31/2020 and 5/31/2019. This strategy of providing Direct Athlete Support, which is the name of the program, is an important strategy of the Organization and is supported by the USOC. The athletes and amounts paid to each athlete are based on a very detailed criteria established by the Organization and approved by the USOC.

**U.S. Speedskating**  
**Notes to Financial Statements**  
**Years Ended May 31, 2020 and 2019**

**NOTE 13- UAF ATHLETIC FACILITY USE**

The Organization has included in income and in expense in exactly the same, offsetting amounts, the value of services and facility usage provided by the Utah Athletic Foundation (“UAF”) as determined by a 3-way agreement between the USOC, the Organization and the UAF. The value of such services and facility usage as determined by the 3-way agreement for the years ended 5/31/2020 and 5/31/2019 was \$290,000.

**NOTE 14 – HEALTH INSURANCE BENEFITS**

For many years, the Organization has also established criteria for elite athletes to receive Elite Athlete Health Insurance which is a program funded and operated by the USOC. It provides important health insurance benefits to athletes and allows them to not have to obtain health insurance in the individual marketplace. Because this program is self-funded by the USOC, the value of this benefit is not readily discernible. This benefit is available to the athletes only through the relationship between the Organization and the USOC.

**NOTE 15 – VALUE IN KIND**

The Organization has included in income and in expense in approximately the same offsetting amounts, the value of services received in the following areas: medical, tuition, airfare, automobile use, training equipment and supplies, uniforms and other professional services. The values of approximately \$477,000 and \$523,000 are estimates of these value in kind services for the fiscal years ended 5/31/2020 and 5/31/2019.

**NOTE 16 – SBA PPP LOAN**

In connection with the coronavirus pandemic which began affecting the United States in March of 2020, The Organization applied for and received \$256,100 of funds on April 17, 2020 under the SBA Paycheck Protection Program (PPP). The funds were designed to allow the Organization to continue to pay its employees and also to pay for rent and utilities. The Organization has applied for loan forgiveness and believes all but \$10,000 of the loan will be forgiven. \$10,000 was received under the SBA Economic Injury Disaster Loan Program (EIDL) and to the extent a PPP loan and EIDL loan are both received, the EIDL amount can’t be forgiven under the PPP program. The loan is shown as current on the statements of financial position as it is expected the loan will be repaid within one year of the date the final loan amount is determined. The loan bears interest at 1%.

**NOTE 17- CASH FLOW RECONCILIATION**

	<u>5/31/2020</u>	<u>5/31/2019</u>
Cash and cash equivalents	\$ 399,307	\$ 253,177
Restricted cash	<u>6,844</u>	<u>6,814</u>
Total cash, cash equivalents, and unrestricted cash shown in the statements of cash flows	<u>\$ 406,151</u>	<u>\$ 259,991</u>

**NOTE 18 – RECLASSIFICATIONS**

Restricted cash has been reclassified as a current asset as of 5/31/2019 to conform to the presentation as of 5/31/2020.