

CASA OF OKLAHOMA COUNTY, INC.

FINANCIAL STATEMENTS

**AS OF AND FOR THE YEARS ENDED
JUNE 30, 2026 AND 2025**

**TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT**



CASA OF OKLAHOMA COUNTY, INC.

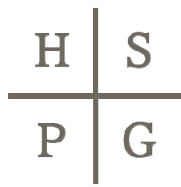
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
CASA of Oklahoma County, Inc.
Oklahoma City, Oklahoma

Opinion

We have audited the accompanying financial statements of CASA of Oklahoma County, Inc., ("CASA" or the "Organization") (a nonprofit organization), which comprise the statements of financial position as of June 30, 2026 and 2025, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CASA as of June 30, 2026 and 2025, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 CASA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

HSPG & Associates, P.C.

October 1, 2026

CASA OF OKLAHOMA COUNTY, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2026 and 2025

	2026	2025
ASSETS		
Cash and cash equivalents	\$ 524,566	\$ 913,140
Certificate of deposit	970,192	436,844
Grants receivable	202,716	186,893
Prepaid expenses and other assets	23,341	22,517
Property and equipment:		
Building	2,115,000	2,115,000
Furniture and equipment	249,666	242,478
Leased assets - financing leases	44,727	44,727
	<u>2,409,393</u>	<u>2,402,205</u>
Less accumulated depreciation and amortization	511,040	424,258
	<u>1,898,353</u>	<u>1,977,947</u>
Funds held by community foundations	216,154	198,770
TOTAL ASSETS	<u><u>\$ 3,835,322</u></u>	<u><u>\$ 3,736,111</u></u>
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 20,593	\$ 11,818
Accrued compensated absences	16,887	12,937
Financing lease obligations	5,532	16,152
TOTAL LIABILITIES	<u>43,012</u>	<u>40,907</u>
NET ASSETS		
Without donor restrictions:		
Undesignated	1,441,643	1,292,947
Board designated endowment	216,154	198,770
Property and equipment, net any associated liabilities	1,892,821	1,961,795
Total net assets without donor restrictions	<u>3,550,618</u>	<u>3,453,512</u>
With donor restrictions	241,692	241,692
TOTAL NET ASSETS	<u>3,792,310</u>	<u>3,695,204</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 3,835,322</u></u>	<u><u>\$ 3,736,111</u></u>

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

CASA OF OKLAHOMA COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026 (with comparative totals for June 30, 2025)

	2026			2025
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUES AND SUPPORT				
Contributions	\$ 534,190	\$ -	\$ 534,190	\$ 499,861
Grants and contracts	464,748	124,000	588,748	497,446
Special events	358,563	-	358,563	394,612
Investment income	66,693	-	66,693	52,508
Rent income	50,850	-	50,850	48,767
Other Income	35,858	-	35,858	20,054
In-kind donations:				
Volunteer services	255,166	-	255,166	254,720
Net assets released from restrictions	124,000	(124,000)	-	-
Total revenues and support	<u>1,890,068</u>	<u>-</u>	<u>1,890,068</u>	<u>1,767,968</u>
EXPENSES				
Program	1,360,703	-	1,360,703	1,336,984
Management and general	201,220	-	201,220	158,066
Cost of direct benefit to donors	71,963	-	71,963	74,260
Fundraising	159,076	-	159,076	167,144
Total expenses	<u>1,792,962</u>	<u>-</u>	<u>1,792,962</u>	<u>1,736,454</u>
CHANGE IN NET ASSETS	97,106	-	97,106	31,514
NET ASSETS AT BEGINNING OF YEAR	3,453,512	241,692	3,695,204	3,663,690
NET ASSETS AT END OF YEAR	<u>\$ 3,550,618</u>	<u>\$ 241,692</u>	<u>\$ 3,792,310</u>	<u>\$ 3,695,204</u>

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

CASA OF OKLAHOMA COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Contributions	\$ 499,861	\$ -	\$ 499,861
Grants and contracts	373,446	124,000	497,446
Special events	394,612	-	394,612
Investment income	52,508	-	52,508
Rent income	48,767	-	48,767
Other income	20,054	-	20,054
In-kind donations			
Volunteer services	254,720	-	254,720
Net assets released from restrictions	130,114	(130,114)	-
 Total revenues and support	<u>1,774,082</u>	<u>(6,114)</u>	<u>1,767,968</u>
 EXPENSES			
Program	1,336,984	-	1,336,984
Management and general	158,066	-	158,066
Cost of direct benefit to donors	74,260	-	74,260
Fundraising	167,144	-	167,144
 Total expenses	<u>1,736,454</u>	<u>-</u>	<u>1,736,454</u>
 CHANGE IN NET ASSETS	 37,628	 (6,114)	 31,514
 NET ASSETS AT BEGINNING OF YEAR	 3,415,884	 247,806	 3,663,690
 NET ASSETS AT END OF YEAR	<u><u>\$ 3,453,512</u></u>	<u><u>\$ 241,692</u></u>	<u><u>\$ 3,695,204</u></u>

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

CASA OF OKLAHOMA COUNTY, INC.**STATEMENT OF FUNCTIONAL EXPENSES****FOR THE YEAR ENDED JUNE 30, 2026 (with comparative totals for June 30, 2025)**

	2026					2025
	Program Services	Management and General	Costs of Direct Benefits to Donors	Fundraising	Total	Total
Salaries	\$ 709,644	\$ 79,988	\$ -	\$ 111,308	\$ 900,940	\$ 841,081
Employee benefits	94,787	22,385	-	13,248	130,420	113,190
Payroll taxes	52,687	5,843	-	8,650	67,180	66,286
Awards and events	12,418	57	-	28	12,503	8,952
Conference and meetings	4,833	580	-	284	5,697	5,418
Depreciation and amortization expense	61,707	17,991	-	8,797	88,495	106,089
Dues and subscriptions	20,579	1,296	-	633	22,508	13,687
Occupancy	29,621	8,636	-	4,223	42,480	52,411
Office expense	22,803	2,722	-	5,311	30,836	43,729
Information technology	14,443	1,881	-	920	17,244	17,350
Insurance	24,483	7,138	-	4,052	35,673	38,035
Professional fees	54,832	52,003	-	1,315	108,150	99,439
Special events	247	72	71,963	-	72,282	74,379
Volunteer hours	255,166	-	-	-	255,166	254,720
Other	2,453	628	-	307	3,388	1,688
Total	<u>\$ 1,360,703</u>	<u>\$ 201,220</u>	<u>\$ 71,963</u>	<u>\$ 159,076</u>	<u>\$ 1,792,962</u>	<u>\$ 1,736,454</u>

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

CASA OF OKLAHOMA COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025

	Program Services	Management and General	Costs of Direct Benefits to Donors	Fundraising	Total
Salaries	\$ 708,232	\$ 23,480	\$ -	\$ 109,369	\$ 841,081
Employee benefits	74,986	28,328	-	9,876	113,190
Payroll taxes	51,495	2,407	-	12,384	66,286
Awards and events	5,819	1,918	-	1,215	8,952
Conference and meetings	3,940	1,032	-	446	5,418
Depreciation and amortization expense	63,194	33,367	-	9,528	106,089
Dues and subscriptions	8,284	4,203	-	1,200	13,687
Occupancy	32,219	15,942	-	4,250	52,411
Office expense	29,060	9,030	-	5,639	43,729
Information technology	14,332	2,348	-	670	17,350
Insurance	22,656	11,963	-	3,416	38,035
Professional fees	66,341	23,968	-	9,130	99,439
Special events	119	-	74,260	-	74,379
Volunteer hours	254,720	-	-	-	254,720
Other	1,587	80	-	21	1,688
Total	<u>\$ 1,336,984</u>	<u>\$ 158,066</u>	<u>\$ 74,260</u>	<u>\$ 167,144</u>	<u>\$ 1,736,454</u>

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

CASA OF OKLAHOMA COUNTY, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2026 and 2025

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 97,106	\$ 31,514
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	88,495	106,088
Noncash investment income	(34,959)	(20,017)
Change in funds held by community foundations	(28,284)	(19,182)
Change in operating assets and liabilities:		
Grants receivable	(15,823)	(42,480)
Prepaid expenses and other assets	(824)	(9,876)
Accounts payable	8,775	(12,451)
Accrued compensated absences	3,950	3,624
Net cash provided by operating activities	<u>118,436</u>	<u>37,220</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of certificate of deposit	(740,000)	-
Maturities of certificates of deposit	241,611	-
Purchase of property and equipment	(8,901)	-
Proceeds from funds held by community foundations	10,900	7,981
Net cash provided by (used in) investing activities	<u>(496,390)</u>	<u>7,981</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on financing lease obligations	(10,620)	(10,052)
Net cash used in financing activities	<u>(10,620)</u>	<u>(10,052)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(388,574)	35,149
CASH AND CASH EQUIVALENTS, Beginning of year	913,140	877,991
CASH AND CASH EQUIVALENTS, End of year	<u><u>\$ 524,566</u></u>	<u><u>\$ 913,140</u></u>

See accompanying notes to financial statements.

CASA OF OKLAHOMA COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities – The mission of CASA of Oklahoma County, Inc. (“CASA” or the “Organization”) is to provide trained court appointed volunteers who advocate for the best interest of abused and neglected children in the juvenile court system. CASA provides a voice and a caring adult to a child during a very scary time in their lives, the journey into a world of strangers. CASA’s goal is to achieve safe, stable, permanent homes for each and every child served. Implemented in the fall of 1987 as a department under the Oklahoma County Juvenile Bureau, Oklahoma County CASA trained its first class of advocate volunteers in March 1988. As of September 17, 2007, CASA of Oklahoma County, Inc. was incorporated as its own 501(c)(3) organization, and effective July 1, 2008, separated from Oklahoma County in an effort to diversify funding and expand its ability to serve Oklahoma County’s most vulnerable children. The program is a member of both the National CASA and Oklahoma CASA associations.

CASA receives revenue from the Oklahoma CASA Association, Inc., Victims of Crime Act (“VOCA”), Oklahoma County, and the National CASA Association in the form of grants, as well as support from corporations, foundations, and individuals.

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

Basis of Presentation – Net assets, revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Financial statement presentation reports information regarding CASA’s financial position and activities as follows:

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor restrictions.

Net assets with donor restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates, and those differences could be material.

Estimated credit losses – CASA is exposed to credit losses in the event of nonperformance by counterparties to CASA’s financial instruments. Financial instruments that potentially subjects CASA to concentrations of credit risk are primarily cash and cash equivalents, certificates of deposit, beneficial interest in the assets held by others, and grants receivable. CASA regularly evaluates the credit standing of its counterparties.

Revenue recognition – Contributions, including grants and contracts, are recognized as revenues in the period unconditional promises to give are received and are reported as net assets with or without donor restrictions depending on the existence or nature of any donor restrictions. The standards also provide that if the governing body of an organization has the right to remove a donor restriction, the contributions should be classified as without donor restriction. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. Revenue and support from certain grants and contracts are recognized upon the Organization incurring qualifying program expenses. Revenue and support from special fundraising events are recognized in the period the events occur.

The Organization's grants receivable are receivable within the next 12 months and are recorded at their net realizable value. CASA uses the allowance method to estimate the amount of grant receivable for which collection is not probable. The allowance is based on review of outstanding balances, historical collection information, and existing economic conditions. Management believes all receivables are fully collectible within the next year; accordingly, no allowance for doubtful accounts has been recorded.

In-kind donations – Donations of goods and services are recorded in the financial statements at the estimated value of such goods and services. CASA receives significant volunteer services in conjunction with the advocacy program. These services qualify for in-kind matching for some of its grant funding. CASA volunteers recorded approximately 8,144 and 8,316 hours of service valued at \$255,166 and \$254,720 based on volunteer hourly rates approved by the granting source, for 2026 and 2025, respectively.

Cash and cash equivalents – For purposes of the statement of cash flows, CASA considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Certificates of deposit - Certificates of deposit are held at cost plus accrued interest (if applicable) which approximates fair market value.

Funds held by Community Foundations – CASA follows Accounting Standards Codification ("ASC") guidance which requires a not-for-profit organization that transfers assets to a community foundation and specifies itself as the beneficiary to recognize its beneficial interest in the assets transferred (see Note 5). CASA carries its beneficial interest in the assets held by the Oklahoma City Community Foundation, Inc. ("OCCF") and the Communities Foundation of Oklahoma ("CFO") at fair value.

Property and equipment – Property and equipment are recorded at cost, or fair value if donated, and depreciated using the straight-line method over estimated useful lives of five to thirty years. Maintenance and repairs which do not improve or extend the useful lives of the assets are expensed as incurred. It is CASA's policy to capitalize additions and betterments costing more than \$1,000. Upon retirement or replacement, the costs and accumulated depreciation are removed from the respective accounts, and the differences are included in changes in net assets.

Compensated absences – CASA provides paid annual and sick leave ("PTO") to its employees. All full-time employees are eligible for PTO; accrual of which varies depending upon years of service. Maximum accrual is 40 days per year for full-time employees and part-time employees accrue at one

half the rate of full-time employees. Upon termination, employees may be paid for up to 40 hours of accrued but unused PTO.

Functional expenses – The costs of providing the various programs and other activities have been summarized on a functional basis in the financial statements. The statement of functional expense present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and activities benefited.

Income taxes – CASA is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Code as other than a private foundation. CASA is subject to routine audits by taxing jurisdictions. Management believes it is no longer subject to income tax examinations for years prior to 2023.

Subsequent events – CASA has evaluated subsequent events through October 1, 2026, the date the financial statements were available to be issued. There are no subsequent events requiring recognition or disclosure in the financial statements.

2. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2026	2025
Cash and cash equivalents	\$ 524,566	\$913,140
Certificates of deposit	970,192	436,844
Grants receivable	202,716	186,893
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,697,474</u>	<u>\$1,536,877</u>

In addition to financial assets available to meet general expenditures over the next 12 months, CASA utilizes a detailed, monthly, board-approved budget and manages and reports to the board and finance committee on their performance related to that budget. CASA receives contributions restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. CASA manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

3. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods.

	2026	2025
Subject to expenditure for specified purposes:		
Building fund	\$ 117,692	\$ 117,692
Subject to the passage of time:		
Time restricted for subsequent period	124,000	124,000
Total net assets with donor restrictions	<u>\$ 241,692</u>	<u>\$ 241,692</u>

4. EMPLOYEE RETIREMENT PLAN

CASA has a Simple IRA Plan under which employees are eligible to participate in the plan if they expect to receive at least \$5,000 in compensation in the current calendar year and have received at least \$5,000 during any one prior calendar year. The employees are eligible to make deferrals up to IRS limits and CASA will match the employees' contributions up to 3% of their compensation. CASA's contribution to the retirement plan for the years ended June 30, 2026 and 2025 was \$21,812 and \$18,825, respectively.

5. FUNDS HELD BY COMMUNITY FOUNDATIONS

CASA is the designated beneficiary of donor advised funds at Oklahoma City Community Foundation ("OCCF") and Communities Foundation of Oklahoma ("CFO") (collectively referred to as the "Community Foundations"). These funds were contributed to the Community Foundations by CASA and other third-party contributors. The Community Foundations have variance power over all contributions. Assets transferred by CASA remain on the statements of financial position as funds held by community foundations. Contributions from third parties are disclosed below but not recognized as assets of CASA. CASA receives a distribution from funds held at the Community Foundations each year based on a percentage of the average fair market value of the funds over the previous twelve quarters. The balance of the funds on June 30, 2026 and 2025 was as follows:

	2026		2025	
	Funds Held by Community Foundations	Donated by third parties (disclosure only)	Funds Held by Community Foundations	Donated by third parties (disclosure only)
OCCF	\$ 26,655	\$ 51,572	\$ 26,420	\$ 46,508
CFO	189,499	19,053	172,350	17,330
	<u>\$ 216,154</u>	<u>\$ 70,625</u>	<u>\$ 198,770</u>	<u>\$ 63,838</u>

6. FAIR VALUE MEASUREMENTS

The following methods and assumptions used to estimate the fair value of financial instruments in the financial statements, including a description of the methodologies used for the classifications within the fair value hierarchy, are as follows:

Funds held by Community Foundations – The fair value of CASA’s funds held by Community Foundations is based on the fair value as reported by the Community Foundations. These are considered to be Level 3 assets.

Assets measured at fair value on a recurring basis are classified within the fair value hierarchy at June 30, 2026 and 2025 as follows:

As of June 30, 2026					
	Carrying Value	Total Fair Value	Fair Value Measurements		
			Level 1	Level 2	Level 3
ASSETS					
Funds held by community foundations	<u>\$ 216,154</u>	<u>\$ 216,154</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 216,154</u>
As of June 30, 2025					
	Carrying Value	Total Fair Value	Fair Value Measurements		
			Level 1	Level 2	Level 3
ASSETS					
Funds held by community foundations	<u>\$ 198,770</u>	<u>\$ 198,770</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198,770</u>

7. BOARD DESIGNATED ENDOWMENT FUNDS

The board of directors has designated funds held by community foundations as endowments to support the operations of CASA. Since the endowments resulted from an internal designation and are not donor-restricted, they are classified as net assets without donor restriction. Composition of and changes in unrestricted endowment net assets for the years ended June 30, 2026 and 2025 is as follows:

	2026	2025
Endowment net assets, beginning of year	\$ 198,770	\$ 187,569
Investment return	28,284	19,182
Appropriation of endowment assets for expenditure	(10,900)	(7,981)
Endowment net assets, end of year	<u>\$ 216,154</u>	<u>\$ 198,770</u>

8. OPERATING LEASE

Lessor – CASA’s rental revenue is earned through the lease of space at its properties. CASA’s lease with the tenant for the use of space at its properties is classified as an operating lease. Rental revenues include minimum rent. Early termination subjects the tenant to CASA’s remaining unamortized upfront costs such as improvements, brokerage commissions and legal fees. There is no right for the lessee to purchase the leased asset. Minimum rental revenue from operating leases is recognized on a straight-line basis over the term of the related lease. The undiscounted future fixed lease payments to be received under CASA’s operating leases are as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2027	\$ 50,850
2028	50,850
2029	<u>12,713</u>
Total	<u>\$ 114,413</u>

9. FUNCTIONALIZED EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Management’s reporting of expenses on a functional basis starts with recording expenses directly associated with functions to their functions. All expenses recorded to the management and general function are then allocated based on revenue sources associated with each function. As a result, all expense categories in the statement of functional expenses include an allocation of management and general expenses.

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