

**Nebraska Synod of the
Evangelical Lutheran Church in America
Omaha, Nebraska**

**Financial Statements and Supplementary Information
January 31, 2023 and 2022**

Together with Independent Auditor's Report

**Nebraska Synod of the
Evangelical Lutheran Church in America**

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1 – 2
Financial Statements:	
Statements of Financial Position January 31, 2023 and 2022.....	3
Statement of Activities For the Year Ended January 31, 2023.....	4
Statement of Activities For the Year Ended January 31, 2022.....	5
Statements of Cash Flows For the Years Ended January 31, 2023 and 2022.....	6
Notes to Financial Statements January 31, 2023 and 2022.....	7 – 21
Supplementary Information:	
Exhibit 1 – Divisional Statements of Financial Position January 31, 2023.....	22
Exhibit 2 – Divisional Statements of Changes in Net Assets Without Donor Restrictions For the Year Ended January 31, 2023	23



Independent Auditor's Report

To the Council of
Nebraska Synod of the
Evangelical Lutheran Church in America
Omaha, Nebraska:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Nebraska Synod of the Evangelical Lutheran Church in America (the Synod), which comprise the statement of financial position as of January 31, 2023, the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Synod as of January 31, 2023, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Synod and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As discussed in Note 1(N) to the financial statements, in 2023, the Synod adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update 2016-02, *Leases (Topic 842)*, for the year ended January 31, 2023. Our opinion is not modified with respect to this matter.

Restatement of Prior Year Financial Statements

The financial statements of the Synod, as of and for the year ended January 31, 2022, were audited by Seim Johnson, LLP, who joined Eide Bailly LLP on July 25, 2022, and whose report dated May 25, 2022 contained an unmodified opinion on those statements and contained an unmodified opinion that the accompanying supplementary information as of and for the year ended January 31, 2022, was fairly stated in all material respects in relation to the 2022 financial statements as a whole.

As discussed in Note 16 to the financial statements, the 2022 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

As part of our audit of the 2023 financial statements, we audited the adjustments described in Note 16 that were applied to restate the 2022 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review or apply any procedures to the 2022 financial statements of the Synod other than with respect to the adjustments, and accordingly, we do not express an opinion or any other form of assurance on the 2022 financial statements as a whole.

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 Synod's ability to continue as a going concern within one year after the date of that the financial statements are 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 Synod'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 Synod'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information as of and for the year ended January 31, 2023 is presented for purposes of additional analysis rather than to present the financial position, change in net assets, and cash flows of the Synod and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Omaha, Nebraska,
July 20, 2023.

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Statements of Financial Position
January 31, 2023 and 2022**

	<u>2023</u>	<u>As Restated 2022</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 885,797	632,105
Pledges receivable	176,500	248,625
Other receivables	126,979	265,542
Current portion of notes receivable	14,176	13,486
Prepaid expenses	4,616	3,916
	<u>1,208,068</u>	<u>1,163,674</u>
Investments, including assets limited as to use	5,447,072	5,586,377
Property and equipment, net	490,041	509,166
Operating lease right of use asset	110,197	--
Notes receivable, net of current portion	316,550	330,613
	<u>7,571,928</u>	<u>7,589,830</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Current portion of operating lease liability	\$ 36,966	--
Accounts payable	29,254	26,017
Payable to affiliated organizations	299,118	291,633
Accrued expenses	92,013	120,983
	<u>457,351</u>	<u>438,633</u>
Operating lease liability, net of current portion	73,231	--
	<u>530,582</u>	<u>438,633</u>
Commitments and contingencies		
Net assets:		
Without donor restrictions -		
Undesignated	1,801,893	2,009,860
Council designated	3,068,152	3,001,216
With donor restrictions	2,171,301	2,140,121
	<u>7,041,346</u>	<u>7,151,197</u>
Total liabilities and net assets	<u>\$ 7,571,928</u>	<u>7,589,830</u>

See notes to financial statements

Nebraska Synod of the Evangelical Lutheran Church in America

Statement of Activities For the Year Ended January 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE AND OTHER SUPPORT:			
Church support - mission share	\$ 2,841,730	--	2,841,730
LPGS membership fees	262,754	--	262,754
Gifts, grants, events and expense reimbursements	1,121,579	617,602	1,739,181
Investment return, net	(197,333)	(53,119)	(250,452)
Other income	53,321	--	53,321
Net assets released from restrictions	533,303	(533,303)	--
	<u>4,615,354</u>	<u>31,180</u>	<u>4,646,534</u>
EXPENSES:			
Program	4,046,600	--	4,046,600
Management and general	526,430	--	526,430
Fundraising	183,355	--	183,355
	<u>4,756,385</u>	<u>--</u>	<u>4,756,385</u>
CHANGE IN NET ASSETS	(141,031)	31,180	(109,851)
NET ASSETS, beginning of year, as restated	<u>5,011,076</u>	<u>2,140,121</u>	<u>7,151,197</u>
NET ASSETS, end of year	<u>\$ 4,870,045</u>	<u>2,171,301</u>	<u>7,041,346</u>

See notes to financial statements

Nebraska Synod of the Evangelical Lutheran Church in America

Statement of Activities For the Year Ended January 31, 2022

	As Restated Without Donor Restrictions	As Restated With Donor Restrictions	As Restated Total
REVENUE AND OTHER SUPPORT:			
Church support - mission share	\$ 2,983,142	--	2,983,142
LPGS membership fees	142,892	--	142,892
Gifts, grants, events and expense reimbursements	1,070,109	689,802	1,759,911
Investment return, net	277,921	1,047	278,968
Other income	41,664	--	41,664
Contribution of property and equipment	6,173	--	6,173
Net assets released from restrictions	573,702	(573,702)	--
Total revenue and other support	<u>5,095,603</u>	<u>117,147</u>	<u>5,212,750</u>
EXPENSES:			
Program	4,275,766	--	4,275,766
Management and general	525,962	--	525,962
Fundraising	195,676	--	195,676
Total expenses	<u>4,997,404</u>	<u>--</u>	<u>4,997,404</u>
CHANGE IN NET ASSETS	98,199	117,147	215,346
NET ASSETS, beginning of year	<u>4,912,877</u>	<u>2,022,974</u>	<u>6,935,851</u>
NET ASSETS, end of year	<u>\$ 5,011,076</u>	<u>2,140,121</u>	<u>7,151,197</u>

See notes to financial statements

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Statements of Cash Flows
For the Years Ended January 31, 2023 and 2022**

	<u>2023</u>	<u>As Restated 2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (109,851)	215,346
Adjustments to reconcile the change in net assets to net cash provided by (used in) operating activities -		
Depreciation	44,970	53,804
Gain on sale of property and equipment	--	(5,590)
Contribution of property and equipment capitalized	--	(6,173)
Realized and unrealized (gains) losses on investments, net	344,419	(124,596)
(Increase) decrease in current assets -		
Pledges receivable	72,125	(16,707)
Other receivables	138,563	(161,069)
Prepaid expenses	(700)	--
Increase (decrease) in current liabilities -		
Accounts payable	3,237	(32,164)
Payable to affiliated organizations	7,485	23,457
Accrued expenses	(28,970)	(26,351)
Net cash provided by (used in) operating activities	<u>471,278</u>	<u>(80,043)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from the sale of property and equipment	--	5,590
Purchases of property and equipment	(25,845)	--
Sales of investments	1,845,574	1,117,170
Purchases of investments	<u>(2,050,688)</u>	<u>(1,273,852)</u>
Net cash used in investing activities	<u>(230,959)</u>	<u>(151,092)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments received on notes receivable	<u>13,373</u>	<u>12,724</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	253,692	(218,411)
CASH AND CASH EQUIVALENTS - beginning of year	<u>632,105</u>	<u>850,516</u>
CASH AND CASH EQUIVALENTS - end of year	<u>\$ 885,797</u>	<u>632,105</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES:		
Contribution of property and equipment	<u>\$ --</u>	<u>6,173</u>
SUPPLEMENTAL DISCLOSURE OF CASHFLOW INFORMATION:		
Cash paid for operating lease	<u>\$ 38,076</u>	<u>34,800</u>

See notes to financial statements

Nebraska Synod of the Evangelical Lutheran Church in America

Notes to Financial Statements January 31, 2023 and 2022

(1) Description of Organization and Summary of Significant Accounting Policies

The following is a description of the organization and a summary of significant accounting policies of the Nebraska Synod of the Evangelical Lutheran Church in America. These policies are in accordance with accounting principles generally accepted in the United States of America (GAAP).

A. Organization

The financial statements include the accounts of the following:

- Nebraska Synod of the Evangelical Lutheran Church in America (Synod)
- Lutheran Planned Giving Services Nebraska Synod Agencies and Institutions (LPGS), an unincorporated agency of the Synod

The Synod is a Nebraska non-profit corporation located in Omaha, Nebraska, and operates under the governance of the Evangelical Lutheran Church in America (the Church). The Synod provides pastoral care, leadership, discipline and support services to its member congregations and ministry leaders. In addition, it partners with its member congregations to assist them in the development of programs to further the Church's mission and ministries.

LPGS is an unincorporated agency association of the Synod. LPGS' primary function is to build financial support for the ministries of the Synod and promote the Synod's affiliated church-related agencies and institutions. This is accomplished by: (a) interpreting to congregations' estate planning and planned giving programs and identifying individuals who may be interested in those programs, (b) assisting institutions and agencies of the Synod in developing their respective planned giving programs, and (c) generally coordinating cooperative efforts in planned giving among the agencies and institutions of the Synod.

The financial statements do not include the accounts of individual member churches, which are operated by local congregations. If member congregations cease operations, title to their property is transferred to the Synod.

B. Basis of Accounting

The accompanying financial statements have been prepared in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not for Profit Entities*. Resources are reported for accounting purposes into separate classes of net assets based on the existence or absence of donor-imposed restrictions, as described below:

- *Net Assets Without Donor Restrictions* – are those net assets not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of carrying out the operations of the Synod. Net assets without donor restrictions include undesignated net assets and net assets subject to designation by the Council.
- *Net Assets With Donor Restrictions* – are net assets subject to stipulations imposed by donors. 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.

C. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements. Actual results could differ from those estimates.

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Notes to Financial Statements
January 31, 2023 and 2022**

D. Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid debt instruments with original maturities of three months or less, excluding cash equivalents included in investment accounts.

E. Pledges Receivable

Unconditional promises to give that are expected to be collected within one year are recognized at net realizable value. Those that are expected to be collected in future years are recognized at the present value of their estimated future cash flows. The discounts, if material, are determined in years in which the promises are received.

The Synod evaluates pledges receivable for collectability at the end of the fiscal year and establishes an allowance for bad debts for all accounts or portions thereof considered uncollectable. No allowance was recognized against pledges receivable at January 31, 2023 and 2022.

F. Investments

Investments in equity and debt securities with readily determinable fair values are measured at fair value in the statements of financial position. Investment income, realized gains and losses on investment transactions and unrealized gains and losses on investments are included in change in net assets without donor restrictions unless the income or loss is restricted by donor or law.

Investments in certificates of deposit and in the ELCA's Mission Investment Fund are valued at historical cost plus accrued interest.

The Synod also holds an investment in a pooled investment trust. This investment has a fair value that is determined using net asset value (NAV). NAV is a practical expedient to determine the fair value of investments that do not have readily determinable fair values and prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company.

G. Assets Limited as to Use

Assets limited as to use include assets set aside by the Council for designated programs, and assets restricted as to use by donors.

H. Property and Equipment

Property and equipment acquisitions are recorded at cost and capitalized if greater than \$1,500. Depreciation is computed using the straight-line method based upon useful lives of each class of depreciable asset as follows:

Vehicles	2 – 3 years
Furniture and equipment	3 – 10 years
Fontenelle facility	5 – 40 years

Gifts and transfers of long-lived assets such as land, buildings or equipment are reported as support without donor restrictions and are excluded from revenue and other support over (under) expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts and transfers of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed into service.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is expensed as incurred; significant renewals and betterments are capitalized.

Nebraska Synod of the Evangelical Lutheran Church in America

Notes to Financial Statements January 31, 2023 and 2022

I. Contributions

Unconditional promises to give cash and other assets, including pledges of future support are reported at fair value at the date the promise is received, which is then treated as cost. The gifts are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statements of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as contributions without donor restrictions in the accompanying financial statements.

J. Contributed Services

A number of volunteers have donated significant amounts of their time to the Synod and its programs; however, these donated services are not reflected in the financial statements since these services are not readily determinable and do not meet the criteria for recognition as contributed services.

K. Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. See Note 15 for further information.

L. Income Taxes

The Synod is exempt from Federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code as a religious organization by virtue of their inclusion in a group exemption ruling issued to the Evangelical Lutheran Church in America.

The Synod accounts for uncertainties in accounting for income tax assets and liabilities using guidance included in Financial Accounting Standards Board, Accounting Standards Codification (FASB ASC) Topic 740, *Income Taxes*. The Synod recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. At January 31, 2023 and 2022, the Synod had no uncertain tax positions accrued.

M. Concentrations, Risk, and Uncertainties

Financial instruments which potentially subject the Synod to concentrations of credit risk include cash and cash equivalents and investments, including assets limited as to use.

The Synod, at times, may maintain cash deposits in excess of Federal Deposit Insurance Corporation (FDIC) insurance limits. Accounts are guaranteed by the FDIC up to \$250,000 per insured bank, for each account ownership category. At January 31, 2023 and 2022, the Synod had approximately \$591,000 and \$187,000, respectively, in excess of FDIC-insured limits.

Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Notes to Financial Statements
January 31, 2023 and 2022**

N. Recent Accounting Pronouncements

Effective February 1, 2022, the Synod adopted the new lease accounting guidance in Accounting Standards Update No. 2016-02, *Leases (Topic 842)*. The Synod elected to apply the guidance as of February 1, 2022. The Organization determined it not to be practicable to implement the standard as of February 1, 2021, due to the insignificance of the effect on net assets. As a result, only the year ended January 31, 2023 was adjusted for a change in accounting standard. The comparative financial information and disclosures are presented in accordance with the legacy standard, ASC 840. The standard requires the recognition of right-of-use assets and lease liabilities for lease contracts with terms greater than 12 months. Operating lease costs are recognized in the statement of activities as a single cost (occupancy). The Synod has elected the package of practical expedients permitted in ASC Topic 842. Accordingly, the Synod accounted for its existing lease as an operating lease under the new guidance, without reassessing (a) whether the contracts contain leases under ASC Topic 842, (b), whether classification of the operating lease would be different in accordance with ASC Topic 842, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in ASC Topic 842 at lease commencement.

As a result of the adoption of the new lease accounting guidance, the Synod recognized on February 1, 2022, the beginning of the adoption period, no cumulative effect adjustment to net assets, an operating lease liability of \$148,273 and an operating lease right of use assets of \$148,273. The adoption of the new standard did not materially impact the Synod's statements of activities or cash flows. See Note 12 for further disclosure of the Synod's lease contract.

O. Subsequent Events

The Synod considered events occurring through July 20, 2023 for recognition or disclosure in the financial statements as subsequent events. That date is the date the financial statements were available to be issued.

(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 statements of financial position dates, comprise the following:

	2023	As Restated 2022
Financial assets:		
Cash and cash equivalents	\$ 885,797	632,105
Pledges receivable	176,500	248,625
Other receivables	126,979	265,542
Investments, including assets limited as to use	5,447,072	5,586,377
Notes receivable	330,726	344,099
	<u>6,967,074</u>	<u>7,076,748</u>
Less financial assets limited as to use:		
Net assets without donor restrictions - Council designated	(3,068,152)	(3,001,216)
Net assets with donor restrictions	<u>(2,171,301)</u>	<u>(2,140,121)</u>
	<u>(5,239,453)</u>	<u>(5,141,337)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 1,727,621</u>	<u>1,935,411</u>

The Synod's funds consist of donor-restricted endowments and funds designated by the Council as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Notes to Financial Statements
January 31, 2023 and 2022**

Council designated net assets have been set aside for specific purposes by action of the Council, and are not intended to be spent from for other than those specified purposes. Should it be necessary, these amounts could be made available for expenditure by an action of the Council. As of January 31, 2023, and 2022, there were \$3,068,152 and \$3,001,216, respectively, of Council designated net assets without donor restrictions, inclusive of amounts designated by the Council as endowment funds. See Note 8 for further information regarding Council designated net assets.

(3) Investments, Including Assets Limited as to Use

Investments are presented in the financial statements at fair value. The following is a summary of investments at January 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Assets limited as to use -		
By Council	\$ 2,560,926	2,408,492
By donor	2,171,301	2,140,121
Other investments	<u>714,845</u>	<u>1,037,764</u>
	<u>\$ 5,447,072</u>	<u>5,586,377</u>

(4) Fair Value

Fair Value Hierarchy

The Synod applies FASB ASC Topic 820 for fair value measurements of financial assets and financial liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis. FASB ASC Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly through either corroboration or observable market data.

Level 3 inputs are unobservable for the asset or liability. Therefore, unobservable inputs shall reflect the entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk) developed based on the best information available in the circumstances.

The following methods and assumptions were used to estimate the fair value for each class of financial instrument measured at fair value:

Cash and cash equivalents— Cash and cash equivalents are valued at cost which approximates fair value due to the short-term nature.

Mutual funds – The fair value of mutual funds is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers, and is classified as Level 1.

For the years ended January 31, 2023 and 2022, the application of valuation techniques applied to similar assets and liabilities has been consistent.

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Notes to Financial Statements
January 31, 2023 and 2022**

The following tables present the financial instruments that are measured at fair value on a recurring basis (including items that are required to be measured at fair value) at January 31, 2023 and 2022:

	January 31, 2023			
	Total	Level 1	Level 2	Level 3
Investments, including assets limited as to use,				
Cash and cash equivalents, at cost	\$ 27,903	--	--	--
Mutual funds	<u>3,024,516</u>	<u>3,024,516</u>	<u>--</u>	<u>--</u>
	\$ 3,052,419	<u>3,024,516</u>	<u>--</u>	<u>--</u>
Investments, including assets limited as to use - other:				
Certificates of deposit	259,808			
Investments valued at cost plus accrued interest - Investment in Mission Investment Fund, ELCA	748,839			
Investments valued at net asset value - ELCA Endowment Fund Pooled Trust - Ministry Growth Fund	<u>1,386,006</u>			
Total investments, including assets limited to use	<u>\$ 5,447,072</u>			
	January 31, 2022			
	Total	Level 1	Level 2	Level 3
Investments, including assets limited as to use:				
Cash and cash equivalents, at cost	\$ 214,625	--	--	--
Mutual funds	<u>2,864,281</u>	<u>2,864,281</u>	<u>--</u>	<u>--</u>
	\$ 3,078,906	<u>2,864,281</u>	<u>--</u>	<u>--</u>
Investments, including assets limited as to use - other:				
Certificates of deposit	256,202			
Investments valued at cost plus accrued interest - Investment in Mission Investment Fund, ELCA	749,469			
Investments valued at net asset value - ELCA Endowment Fund Pooled Trust - Ministry Growth Fund	<u>1,501,800</u>			
Total investments, including assets limited to use	<u>\$ 5,586,377</u>			

(5) Investments Valued at Net Asset Value

The Synod applies ASU 2015-07, *Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent)*, which states investments in affiliated and private investment funds valued at net asset value (NAV) are no longer required to be included in the fair value hierarchy. For investments such as pooled trusts, the carrying amount is determined using the calculated NAV provided by the fund. These funds typically value underlying securities traded on a national securities exchange or reported on a national market at the last reported sales price on the day of valuation. Underlying securities traded in the over-the counter market and listed securities for which no sale was reported on the valuation date are typically valued at the mean between representative bid and ask quotes obtained. Where no fair value is readily available, the fund or investment manager may determine, in good faith, the fair value using models that take into account relevant information considered material.

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Notes to Financial Statements
January 31, 2023 and 2022**

The following table sets forth additional disclosures of the Synod's investments whose fair value is estimated using net asset value per share (or its equivalent) as of January 31, 2023 and 2022:

	2023		
	<u>Net Asset Value</u>	<u>Unfunded Commitments</u>	<u>Notice Period</u>
Quarterly redemption frequency, ELCA Endowment Fund Pooled Trust - Ministry Growth Fund	\$ <u>1,386,006</u>	<u>--</u>	(A)
	2022		
	<u>Net Asset Value</u>	<u>Unfunded Commitments</u>	<u>Notice Period</u>
Quarterly redemption frequency, ELCA Endowment Fund Pooled Trust - Ministry Growth Fund	\$ <u>1,501,800</u>	<u>--</u>	(A)

(A) This category includes an investment in a fund that invests in a diversified balanced portfolio consisting principally of global equities and fixed income securities. The ELCA Endowment Fund Pooled Trust - Ministry Growth Fund is made up of investment pools managed under the supervision of the investment advisor. Redemptions are received through the liquidation of the underlying assets of the funds. Thirty-day notice is required for withdrawals. This fund also has no lock up period associated with it.

(6) Property and Equipment

A summary of property and equipment at January 31, 2023 and 2022 is as follows:

	<u>2023</u>	<u>2022</u>
Furniture and equipment	\$ 231,725	256,139
Vehicles	160,634	138,034
Fontenelle facility	<u>1,081,128</u>	<u>1,081,128</u>
Total property and equipment	1,473,487	1,475,301
Less accumulated depreciation	<u>(983,446)</u>	<u>(966,135)</u>
Property and equipment, net	<u>\$ 490,041</u>	<u>509,166</u>

Depreciation expense of \$44,970 and \$53,804 in 2023 and 2022, respectively, is included in the statements of activities.

(7) Notes Receivable

Notes receivable at January 31, 2023 and 2022 consist of the following:

	<u>2023</u>	<u>2022</u>
Note receivable from a church, due in monthly installments of \$2,523, including interest at 5%, through September 2028, and a final balloon payment due in October 2028 of \$237,888.	\$ 330,726	344,099
Less current portion	<u>(14,176)</u>	<u>(13,486)</u>
Notes receivable, net of current portion	<u>\$ 316,550</u>	<u>330,613</u>

The Synod evaluates notes receivable for collectability at the end of the fiscal year and establishes an allowance for uncollectable notes receivable for any amounts not expected to be collected. No such allowance existed at January 31, 2023 or 2022.

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Notes to Financial Statements
January 31, 2023 and 2022**

(8) Net Assets Without Donor Restrictions – Council Designated

Council designated net assets without donor restrictions are available for the following purposes at January 31, 2023 and 2022:

	<u>2023</u>	<u>As Restated 2022</u>
Council designated endowment for ongoing operations and ministries	\$ 856,936	822,577
Equity in Synod Properties	826,867	895,626
Synod Contingency Fund	485,252	436,904
Immanuel Mission & Vision Initiative Grant	331,983	307,138
Fall Campaign	108,898	93,305
Lutheran Metro Ministries	89,241	95,480
Immanuel Vision Fund	87,044	60,803
Leadership Development Fund	59,300	55,610
Youth / Family Ministry Fund	51,753	52,826
Bethel Trust	29,617	29,617
Assembly / Festival	27,782	31,602
Synod's Discretionary Fund	25,123	32,364
BFC Discretionary	22,216	6,462
Rural Internships	13,111	13,061
Mission Field Nebraska	12,374	2,910
World Hunger	9,615	16,178
Ventures	7,225	7,225
Director of Evangelical Mission	6,564	17,904
We Do Mission	6,564	8,764
Interim Ministry	3,598	3,598
Justice Ministries	2,072	3,322
Ecumenical Boundaries Event	2,034	1,827
Financial Administration	1,746	735
Rural Ministry Endowment Interest	1,237	1,167
Enhancing Rural Ministry for Aging Adults	--	3,061
All the Children of God	--	1,150
	<u>\$ 3,068,152</u>	<u>3,001,216</u>

Council designated net assets without donor restrictions are reported in the following lines in the Statements of Financial Position at January 31, 2023 and 2022:

	<u>2023</u>	<u>As Restated 2022</u>
Current portion of notes receivable	\$ 14,176	13,486
Notes receivable, net of current portion	316,550	330,613
Pledges receivable	176,500	248,625
Investments, including assets limited as to use	<u>2,560,926</u>	<u>2,408,492</u>
	<u>\$ 3,068,152</u>	<u>3,001,216</u>

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Notes to Financial Statements
January 31, 2023 and 2022**

(9) Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes at January 31, 2023 and 2022:

	<u>2023</u>	<u>As Restated 2022</u>
Subject to expenditure for specified purpose:		
Tanzania Funds	\$ 403,577	402,294
Spiritual Direction	125,135	79,332
Nebraska Disaster Fund	83,977	82,150
Candidacy	58,874	43,252
Leadership Development	52,033	--
Prison Chapel	51,466	51,466
Lutheran Metro Ministries	48,541	67,031
LPGS Future Operational	35,348	35,348
Parish Ministry Associate	32,560	39,832
American Missions	32,156	32,156
Seminarian Assistance	24,977	34,287
Leadership Communications	22,386	6,533
Gage County Seminarian	15,614	15,542
Congregational Vitality	10,032	23,900
Emmaus	9,501	8,287
Argentina	7,303	7,303
Leadership Coaching	6,650	6,875
Excellence in Leadership	3,909	7,444
Seminary Assist SE Nebraska Cluster	3,333	3,333
Archives Grant	2,948	--
Rural Immersion	1,150	1,050
Faith Partners of Nebraska	--	2,868
Total purpose restrictions	<u>1,031,470</u>	<u>950,283</u>
Endowment funds, subject to the Synod's spending policy and appropriation:		
Hunger and Disaster Relief endowment	1,108,733	1,157,146
Rural Ministries endowment	14,000	14,000
Operational endowment	17,098	18,692
Total endowments	<u>1,139,831</u>	<u>1,189,838</u>
Total net assets with donor restrictions	<u>\$ 2,171,301</u>	<u>2,140,121</u>

(10) Endowment Fund

The Synod's endowment fund was established to support the ongoing operations and ministries of the Synod. Funds in the endowment consist of donor restricted contributions as well as funds designated by the Council to function as endowments. As required by GAAP, net assets associated with the endowment fund are classified and reported based on the existence or absence of donor-imposed restrictions.

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Notes to Financial Statements
January 31, 2023 and 2022**

The Council of the Synod has interpreted the Nebraska Uniform Prudent Management of Institutional Funds Act (NUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Synod classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund is classified as without donor restrictions. The Council designates net assets until those amounts are appropriated for expenditure by the Synod in a manner consistent with the standard of prudence prescribed by NUPMIFA. In accordance with NUPMIFA, the Synod considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Synod and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Synod
7. The investment policies of the Synod

The composition of and change in endowment net assets for the years ended January 31, 2023 and 2022 are as follows:

	2023		
	Council Designated	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 822,577	1,189,838	2,012,415
Investment return:			
Interest and dividends, net	11,170	12,078	23,248
Net depreciation (realized and unrealized)	(78,601)	(49,752)	(128,353)
Total investment return	(67,431)	(37,674)	(105,105)
Contributions	141,790	--	141,790
Appropriations of endowment assets for expenditure	(40,000)	(12,333)	(52,333)
Endowment net assets, end of year	<u>\$ 856,936</u>	<u>1,139,831</u>	<u>1,996,767</u>
	2022		
	Council Designated	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 775,081	1,133,272	1,908,353
Investment return:			
Interest and dividends, net	25,341	13,918	39,259
Net appreciation (depreciation) (realized and unrealized)	32,265	(24,009)	8,256
Total investment return	57,606	(10,091)	47,515
Contributions	27,853	68,694	96,547
Appropriations of endowment assets for expenditure	(37,963)	(2,037)	(40,000)
Endowment net assets, end of year	<u>\$ 822,577</u>	<u>1,189,838</u>	<u>2,012,415</u>

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Notes to Financial Statements
January 31, 2023 and 2022**

Return Objectives and Risk Parameters

The Synod has adopted investment policies for endowment assets that provide an investment return necessary to achieve the strategic and operating objectives of the Synod, while complying with all donor-imposed restrictions. Under this policy, as approved by the Council, the endowment assets are invested in a manner that maximizes total returns over long periods of time primarily through capital appreciation.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Synod relies on a total return strategy in which investment returns are achieved primarily through the purchase of securities of high quality.

Appropriation Policy and How the Investment Objectives Relate to Appropriation Policy

The Synod preserves the whole dollar value of the original gift as of the gift date of donor-restricted endowments, absent explicit donor stipulations to the contrary. Ninety percent of interest, dividends and net appreciation (depreciation) in excess of inflation (together, real total investment return) of the donor-restricted endowment funds are deemed available for appropriation when earned. The remaining ten percent of investment returns plus inflation of donor-restricted endowment funds are added to the corpus of the donor restricted endowment. Real investment returns of Council designated endowment funds are available for appropriation in the same manner as donor-restricted endowment funds. Corpus of the Council designated endowment fund may be released by Council action.

(11) Membership Fees

The source of financial support for LPGS is exclusively from the membership fees of its members. The amount of financial support from each member is determined annually by a formula consistent with budgetary requirements of LPGS. Membership fees do not provide commensurate value for the member and are not part of an exchange transaction. Fees for the years ended January 31, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
ELCA Foundation	\$ 38,254	22,500
Immanuel	29,000	17,100
Mosaic	29,000	17,100
Tabitha Foundation	29,000	17,100
Midland University	23,700	13,960
Lutheran Family Services of Nebraska, Inc.	23,700	11,864
Lutheran School of Theology	17,800	10,468
Wartburg Seminary	15,400	9,072
Blue Valley Lutheran Homes Society, Inc.	15,400	6,280
NE Lutheran Outdoor Ministries	13,000	6,280
Oaks Indian Center	9,500	5,584
NE Lutheran Campus Ministries	9,500	5,584
Table Grace	9,500	--
	<u>\$ 262,754</u>	<u>142,982</u>

(12) Commitments and Contingencies

Leases

The Synod has a lease agreement for office space under a noncancelable operating lease, expiring in March 2026. Normal maintenance, insurance, and other expenses are the responsibility of the Synod. The Synod also has a lease agreement for office equipment under a noncancelable operating lease, expiring in February 2026. The weighted-average discount rate of 5.50% is based on the Synod's estimate of an incremental borrowing rate, estimated using the Synod's applicable borrowing rates and contractual lease term. Total expense under these leases was \$38,076 for the years ended January 31, 2023 and 2022.

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Notes to Financial Statements
January 31, 2023 and 2022**

Future minimum lease payments are as follows as of January 31, 2023:

2024	\$	38,076
2025		38,076
2026		38,076
2027		<u>6,073</u>
Total lease payments		120,301
Less amounts representing interest		<u>10,104</u>
Present value of operating lease liability	\$	<u><u>110,197</u></u>

(13) Pension and Other Benefits Program

The Synod is a participating employer in benefit plans administered by the Evangelical Lutheran Church in America Council of Pensions, doing business as Portico Benefit Services, an affiliated corporation of the Church. These plans include the following:

- Regular Retirement Plan
- Medical and Dental Benefits Plan
- Disability Benefits Plan
- Survivor Benefits Plan

The Synod contributes a fixed percentage of qualifying compensation to each of these plans. The Synod offers no additional benefits and incurs no further liabilities associated with the aforementioned plans. For the years ended January 31, 2023 and 2022, the total cost to the Synod of participating in these plans was \$362,633 and \$395,445, respectively.

(14) Related Party Transactions

The Synod serves as the sole member of Nebraska Lutheran Outdoor Ministries, Inc. and Nebraska Lutheran Campus Ministry, Inc. (collectively, Corporations), both not-for-profit corporations. Upon dissolution of the Corporations, any remaining property and assets are to be distributed to the Synod or its successor(s). Any amendments to the Corporations' articles of incorporation must have written approval from the Synod. The affairs of the Corporations are managed by separate Councils of Directors. The Synod elects directors to the Councils but does not have the authority to remove the Corporations' Council members. Due to the lack of overlapping Councils, and the Synod not being able to remove Council members, the Synod does not control the Corporations. Since control does not exist, the Corporations' financial position and activities are not included in these financial statements. During 2023 and 2022, the Synod provided grants totaling \$210,771 and \$221,253, respectively, to these Corporations.

The Synod had amounts payable to the Church, as described in Note 1, for overall mission support in the amounts of \$211,204 and \$204,480, as of January 31, 2023 and 2022, respectively. Payables also include amounts due to affiliated church related agencies and institutions in the amounts of \$87,914 and \$87,153, as of January 31, 2023 and 2022, respectively.

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Notes to Financial Statements
January 31, 2023 and 2022**

(15) Functional Expenses

The following table illustrates the Synod's expenses by both their nature and their function for the years ended January 31, 2023 and 2022:

					2023				
					<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	
Churchwide mission support	\$	1,537,376			--	--	--	1,537,376	
Salaries and benefits		1,161,849			312,302	165,058		1,639,209	
Direct mission and ministry support		924,417			--	--		924,417	
Grants, gifts, and scholarships		118,379			--	--		118,379	
Assembly and other meetings		187,832			--	--		187,832	
Travel		51,482			269	7,544		59,295	
Communication, printing, and publications		18,281			33,838	1,098		53,217	
Occupancy		7,834			51,300	--		59,134	
Finance, accounting, and legal		--			44,437	--		44,437	
Depreciation		35,881			3,422	5,667		44,970	
Insurance		3,265			24,732	--		27,997	
Other		4			56,130	3,988		60,122	
	\$	<u>4,046,600</u>			<u>526,430</u>	<u>183,355</u>		<u>4,756,385</u>	

					2022				
					<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	
Churchwide mission support	\$	1,613,831			--	--	--	1,613,831	
Salaries and benefits		1,294,070			287,932	165,984		1,747,986	
Direct mission and ministry support		937,848			--	--		937,848	
Grants, gifts, and scholarships		226,715			--	--		226,715	
Assembly and other meetings		80,278			--	--		80,278	
Travel		30,181			2,908	4,664		37,753	
Communication, printing, and publications		25,291			41,879	15,513		82,683	
Occupancy		7,853			51,300	--		59,153	
Finance, accounting, and legal		--			61,787	--		61,787	
Depreciation		45,385			2,752	5,667		53,804	
Insurance		324			25,045	--		25,369	
Other		13,990			52,359	3,848		70,197	
	\$	<u>4,275,766</u>			<u>525,962</u>	<u>195,676</u>		<u>4,997,404</u>	

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function of the Synod. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Expenses allocated on the basis of estimates of time and effort include salaries and benefits, and travel.

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Notes to Financial Statements
January 31, 2023 and 2022**

(16) Restatement

During 2023, the Synod identified a certain unconditional promise to give which had not been recorded as a pledge receivable, in error. The Synod also identified certain funds which were initially classified as with donor restricted that should be classified as without donor restrictions, Council designated.

The following schedule summarizes the restatement made to the Synod's net asset balances reported in the year ended January 31, 2021:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Previously reported balance, January 31, 2021	\$ 4,512,400	2,191,533	6,703,933
Pledges receivable	(a) 231,918	--	231,918
Change in net asset classification	(b) 168,559	(168,559)	--
Adjusted balance, January 31, 2021	<u>4,912,877</u>	<u>2,022,974</u>	<u>6,935,851</u>

- (a) To recognize unconditional promises to give in the proper period
(b) To reclassify board designated funds previously classified as donor restricted funds

The restatement affected previously reported balances in the statement of financial position as of January 31, 2022 as follows:

	<u>As Previously Reported</u>	<u>Adjustment</u>	<u>As Restated</u>
Pledges receivable	\$ --	248,625	248,625
Total current assets	915,049	248,625	1,163,674
Total assets	7,341,205	248,625	7,589,830
Council designated net assets	2,615,371	385,845	3,001,216
Net assets with donor restrictions	2,277,341	(137,220)	2,140,121
Total net assets	6,902,572	248,625	7,151,197
Total liabilities and net assets	7,341,205	248,625	7,589,830

The restatement affected previously reported balances in the statement of activities for the year ended January 31, 2022 as follows:

	<u>As Previously Reported</u>	<u>Adjustment</u>	<u>As Restated</u>
Gifts, grants, events and expense reimbursements			
Without donor restrictions	\$ 650,055	420,054	1,070,109
With donor restrictions	1,093,149	(403,347)	689,802
Total gifts, grants, events and expense reimbursements	1,743,204	16,707	1,759,911
Total revenue and other support			
Without donor restrictions	5,110,235	(14,632)	5,095,603
With donor restrictions	85,808	31,339	117,147
Total revenue and other support	5,196,043	16,707	5,212,750
Change in net assets			
Without donor restrictions	112,831	(14,632)	98,199
With donor restrictions	85,808	31,339	117,147
Total change in net assets	198,639	16,707	215,346

**Nebraska Synod of the
Evangelical Lutheran Church in America**

**Notes to Financial Statements
January 31, 2023 and 2022**

The restatement affected previously reported balances in the statement of cash flows for the year ended January 31, 2022 as follows:

	<u>As Previously Reported</u>	<u>Adjustment</u>	<u>As Restated</u>
Cash flows from operating activities			
Change in net assets	\$ 198,639	16,707	215,346
(Increase) decrease in current assets; pledges receivable	--	(16,707)	(16,707)
Net cash provided by (used in) operating activities	(80,043)	--	(80,043)

Divisional Statements of Financial Position
January 31, 2023
See Independent Auditor's Report

	Nebraska Synod of the ELCA	Lutheran Planned Giving Services	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 686,109	199,688	885,797
Pledges receivable	176,500	--	176,500
Other receivables	109,954	17,025	126,979
Current portion of notes receivable	14,176	--	14,176
Prepaid expenses	--	4,616	4,616
Total current assets	986,739	221,329	1,208,068
Investments, including assets limited as to use	4,829,851	617,221	5,447,072
Property and equipment, net	479,758	10,283	490,041
Operating lease right of use asset	110,197	--	110,197
Notes receivable, net of current portion	316,550	--	316,550
Total assets	<u>\$ 6,723,095</u>	<u>848,833</u>	<u>7,571,928</u>
LIABILITIES AND NET ASSETS			
Current liabilities:			
Current portion of operating lease liability	\$ 36,966	--	36,966
Accounts payable	16,613	12,641	29,254
Payable to affiliated organizations	299,118	--	299,118
Accrued expenses	81,036	10,977	92,013
Total current liabilities	433,733	23,618	457,351
Operating lease liability, net of current portion	73,231	--	73,231
Total liabilities	506,964	23,618	530,582
Net assets:			
Without donor restrictions -			
Undesignated	1,012,026	789,867	1,801,893
Council designated	3,068,152	--	3,068,152
With donor restrictions	2,135,953	35,348	2,171,301
Total net assets	6,216,131	825,215	7,041,346
Total liabilities and net assets	<u>\$ 6,723,095</u>	<u>848,833</u>	<u>7,571,928</u>

**Divisional Statements of Changes in Net Assets Without Donor Restrictions
For the Year Ended January 31, 2023
See Independent Auditor's Report**

	Nebraska Synod of the ELCA	Lutheran Planned Giving Services	Total
REVENUE AND OTHER SUPPORT:			
Church support - mission share	\$ 2,841,730	--	2,841,730
LPGS membership fees	--	262,754	262,754
Gifts, grants, events and expense reimbursements	1,121,579	--	1,121,579
Investment return, net	(161,082)	(36,251)	(197,333)
Other income	36,821	16,500	53,321
Net assets released from restrictions	533,303	--	533,303
	<u>4,372,351</u>	<u>243,003</u>	<u>4,615,354</u>
Total revenue and other support			
EXPENSES:			
Program	4,046,600	--	4,046,600
Management and general	418,814	107,616	526,430
Fundraising	29,228	154,127	183,355
	<u>4,494,642</u>	<u>261,743</u>	<u>4,756,385</u>
Total expenses			
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(122,291)	(18,740)	(141,031)
NET ASSETS WITHOUT DONOR RESTRICTIONS, beginning of year	<u>4,202,469</u>	<u>808,607</u>	<u>5,011,076</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS, end of year	<u>\$ 4,080,178</u>	<u>789,867</u>	<u>4,870,045</u>