

**Service Program for Older People, Inc.**

Financial Statements

June 30, 2022



## Independent Auditors' Report

**Board of Directors  
Service Program for Older People, Inc.**

### ***Opinion***

We have audited the accompanying financial statements of Service Program for Older People, Inc. ("SPOP"), which comprise the statement of financial position as of June 30, 2022 and the related statements of activities, functional expenses and cash flows for the year 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 SPOP as of June 30, 2022, 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SPOP 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.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the 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 SPOP's ability to continue as a going concern within one year after the date the financial statements are available to be issued.

***Auditors' 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 auditors' 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 SPOP'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 SPOP'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.

***Report on Summarized Comparative Information***

We have previously audited SPOP's June 30, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 30, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*PKF O'Connor Davies, LLP*

November 15, 2022

**Service Program for Older People, Inc.**

Statement of Financial Position  
June 30, 2022  
(with comparative amounts at June 30, 2021)

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,672,806	\$ 2,742,153
Accounts receivable	685,381	463,992
Pledges receivable	10,000	14,000
Prepaid expenses	47,396	44,603
Prepaid rent	61,640	86,377
Investments (see note 5)	1,437,600	866,048
Security deposit	61,804	60,849
Property, plant and equipment, net	<u>35,391</u>	<u>40,507</u>
	<u>\$ 5,012,018</u>	<u>\$ 4,318,529</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accrued expenses	\$ 258,541	\$ 180,039
Deferred rent expense	<u>209,384</u>	<u>128,688</u>
Total Liabilities	<u>467,925</u>	<u>308,727</u>
Net Assets		
Without Donor Restriction		
Undesignated	2,786,987	2,851,248
Board designated	<u>1,430,106</u>	<u>858,554</u>
	4,217,093	3,709,802
With donor restriction	<u>327,000</u>	<u>300,000</u>
Total Net Assets	<u>4,544,093</u>	<u>4,009,802</u>
	<u>\$ 5,012,018</u>	<u>\$ 4,318,529</u>

See notes to financial statements

**Service Program for Older People, Inc.**

Statement of Activities  
 Year Ended June 30, 2022  
 (with summarized totals for the year ended June 30, 2021)

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>2022 Total</u>	<u>2021 Total</u>
<b>REVENUE AND SUPPORT</b>				
Program revenues	\$ 4,771,427	\$ -	\$ 4,771,427	\$ 4,415,480
Contributions	83,036	595,208	678,244	1,002,188
Investment return	(28,826)	-	(28,826)	11,386
Paycheck Protection Program loan forgiveness	-	-	-	607,300
Other income	328,476	-	328,476	213,975
Net assets released from restrictions	<u>568,208</u>	<u>(568,208)</u>	<u>-</u>	<u>-</u>
Total Revenue and Support	<u>5,722,321</u>	<u>27,000</u>	<u>5,749,321</u>	<u>6,250,329</u>
<b>EXPENSES</b>				
Program services	4,458,735	-	4,458,735	4,165,163
General and administrative	651,838	-	651,838	633,193
Fundraising	<u>104,457</u>	<u>-</u>	<u>104,457</u>	<u>98,476</u>
Total Expenses	<u>5,215,030</u>	<u>-</u>	<u>5,215,030</u>	<u>4,896,832</u>
Change in Net Assets	507,291	27,000	534,291	1,353,497
<b>NET ASSETS</b>				
Beginning of year	<u>3,709,802</u>	<u>300,000</u>	<u>4,009,802</u>	<u>2,656,305</u>
End of year	<u>\$ 4,217,093</u>	<u>\$ 327,000</u>	<u>\$ 4,544,093</u>	<u>\$ 4,009,802</u>

See notes to financial statements

**Service Program for Older People, Inc.**

**Statement of Functional Expenses**  
**Year Ended June 30, 2022**  
(with summarized totals for the year ended June 30, 2021)

	Program Services					Supporting Services			2022 Total	2021 Total
	PROS	SOMH	DFTA Thrive	Clinic	Geriatric Mental Health Initiative	Total Program Services	General and Administrative	Fundraising		
Salaries	\$ 346,020	\$ 42,606	\$ 600,734	\$ 1,679,090	\$ 87,429	\$ 2,755,879	\$ 319,898	\$ 88,703	\$ 3,164,480	\$ 3,068,785
Payroll taxes and fringe benefits	102,259	16,622	154,287	420,164	29,571	722,903	89,021	10,334	822,258	752,684
Professional fees	-	-	-	-	-	-	31,300	-	31,300	23,800
Consultants	-	50,000	-	1,523	-	51,523	23,319	-	74,842	26,580
Food	13,359	-	-	-	-	13,359	784	-	14,143	8,953
Communications	15,540	-	9,574	29,917	-	55,031	33,891	-	88,922	86,147
Rent	153,602	-	8,890	222,657	-	385,149	68,644	-	453,793	446,539
Insurance	4,650	231	11,093	20,951	-	36,925	8,521	-	45,446	39,040
Utilities	26,865	-	2,214	3,697	-	32,776	4,184	-	36,960	33,400
Printing and postage	388	21	-	946	-	1,355	848	1,110	3,313	5,395
Program supplies	822	-	-	-	-	822	293	-	1,115	1,344
Office supplies	5,296	-	1,328	4,741	-	11,365	3,650	-	15,015	13,040
Travel	-	-	-	-	-	-	151	-	151	4,167
Repairs and maintenance	80	-	-	-	-	80	909	-	989	21,750
Service contracts	30,014	-	22,581	60,360	-	112,955	3,661	-	116,616	121,844
Dues and subscriptions	3,678	449	1,170	7,365	-	12,662	6,393	-	19,055	19,607
Advertising	379	150	8,495	4,434	-	13,458	45	-	13,503	12,491
Technology	11,338	78	15,673	48,348	-	75,437	27,831	-	103,268	77,997
Bad debt expense	46,528	-	-	113,000	-	159,528	-	-	159,528	93,824
Payroll	821	132	1,032	4,266	-	6,251	1,210	-	7,461	7,594
Other	4,224	3,408	112	3,533	-	11,277	13,210	4,310	28,797	17,963
Depreciation	-	-	-	-	-	-	14,075	-	14,075	13,888
<b>Total Expenses</b>	<b>\$ 765,863</b>	<b>\$ 113,697</b>	<b>\$ 837,183</b>	<b>\$ 2,624,992</b>	<b>\$ 117,000</b>	<b>\$ 4,458,735</b>	<b>\$ 651,838</b>	<b>\$ 104,457</b>	<b>\$ 5,215,030</b>	<b>\$ 4,896,832</b>

See notes to financial statements

**Service Program for Older People, Inc.**

Statement of Cash Flows  
Year Ended June 30, 2022

(with comparative amounts for the year ended June 30, 2021)

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 534,291	\$ 1,353,497
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	14,075	13,888
Unrealized loss on investment	32,684	-
Paycheck Protection Program loan forgiveness	-	(607,300)
Bad debt expense	159,528	93,824
Deferred rent	80,696	11,649
Changes in operating assets and liabilities		
Accounts receivable	(380,917)	24,721
Pledges receivable	4,000	(14,000)
Prepaid expenses	(2,793)	(6,993)
Prepaid rent	24,737	12,544
Accrued expenses	78,502	4,669
Due to third party reimbursers	-	(113,530)
Net Cash from Operating Activities	543,848	772,969
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property, plant and equipment	(8,959)	-
Purchases of investments	(1,231,314)	(284,000)
Proceeds from sale of investments	322,000	662,000
Net change from money market activities	305,078	(389,387)
Net Cash from Investing Activities	(613,195)	(11,387)
Net Change in Cash and Cash Equivalents	(69,347)	761,582
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	2,742,153	1,980,571
End of year	\$ 2,672,806	\$ 2,742,153
<b>NON-CASH FINANCING ACTIVITIES</b>		
Forgiveness of Paycheck Protection Program loan	\$ -	\$ 607,300

See notes to financial statements

## **Service Program for Older People, Inc.**

Notes to Financial Statements  
June 30, 2022

### **1. Organization and Tax Status**

Service Program for Older People, Inc. (SPOP) is a community-based non-profit organization incorporated in 1979, dedicated to serving the needs of older adults in Manhattan. SPOP's mission is to enhance the quality of life for older adults and to foster their independent living through the delivery of comprehensive mental health and supportive services, advocacy and education.

SPOP is exempt from taxes under Section 501(c)(3) of the Internal Revenue Code and is a publicly supported organization as described in Section 509(a).

### **2. Summary of Significant Accounting Policies**

#### ***Basis of Presentation and Use of Estimates***

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP), which 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 revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

#### ***Net Asset Presentation***

The financial statements report amounts separately by class of net assets based on the presence or absence of donor-imposed restrictions. Amounts without donor restriction are those currently available at the discretion of SPOP for use in its programs and operations. Amounts with donor restriction that are temporary in nature are those which are subject to donor-imposed restrictions that will be met either by actions of SPOP or the passage of time. Amounts with donor restrictions that are permanently restricted in nature are those subject to donor-imposed restrictions that they be maintained permanently by SPOP. All contributions are considered without donor restriction unless specifically restricted by the donor or subject to other legal restrictions.

#### ***Cash and Cash Equivalents***

For financial statement reporting purposes, cash equivalents include money market funds and other similar investments with a maturity of three months or less at the time of purchase unless held as part of the investing strategies of SPOP.

#### ***Pledges Receivable***

Pledges receivable include unconditional promises to give. As of June 30, 2022, all pledges are due in one year and deemed collectible by management.



## Service Program for Older People, Inc.

Notes to Financial Statements  
June 30, 2022

### 2. Summary of Significant Accounting Policies *(continued)*

#### ***Allowance for Uncollectible Accounts Receivable***

An allowance for uncollectible receivable is estimated based on a combination of collection history, aging analysis and specific known troubled accounts. At June 30, 2022, SPOP believes all receivables are fully collectible.

#### ***Fair Value Measurements***

SPOP follows US GAAP guidance on Fair Value Measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted market prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

#### ***Investment Valuations***

Investments are carried at fair value, except for certificates of deposit and money market funds which are stated at cost plus accrued interest, which approximates fair value.

#### ***Investment Income Recognition***

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of change in net assets.

#### ***Property, Plant and Equipment***

Furniture and equipment with a cost of more than \$1,000 are stated at cost and depreciated using the straight-line method over their useful lives, estimated to be three to ten years. Leasehold improvements with a cost of more than \$2,500 are stated at cost and depreciated using the straight-line method over the term of the lease or the life of the asset, whichever is shorter. Property and equipment purchased through government contracts that remain the property of the funding source or where it is probable that the item will revert back to the grantor are expensed in the year of purchase.

## Service Program for Older People, Inc.

Notes to Financial Statements  
June 30, 2022

### 2. Summary of Significant Accounting Policies (*continued*)

#### ***Accounts Receivable and Revenue***

SPOP's initial estimate of the transaction price for services provided to patients' subject to revenue recognition is determined by reducing the total standard charges related to patient services provided by various elements of variable consideration, including explicit price considerations such as contractual adjustments and implicit price concessions provided, primarily to uninsured patients, and other reductions to SPOP's standard charges. SPOP determines the transaction price associated with services provided to patients who have third-party payor coverage on the basis of contractual or formula-driven rates for the services rendered. The estimates for contractual allowances and discounts are based on contractual agreements and historical experience. For under-insured patients, SPOP determines the transaction price associated with services rendered on the basis of charges reduced by implicit price concessions. Implicit price concessions included in the estimation of the transaction price are based on SPOP's historical collection experience for applicable portfolios.

Subsequent changes to the estimate of the transaction price (determined on a portfolio basis when applicable) are generally recorded as adjustments to net patient services revenue in the period of change. For the year ended June 30, 2022, changes in the estimates of implicit price concessions, discounts, contractual adjustments and other reductions to expected payments for performance obligations satisfied in prior years were not significant. Portfolio collection estimates are updated based on collection trends. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay (determined on a portfolio basis, when applicable) are recorded as bad debt expense.

After satisfaction of amounts due from insurance, SPOP follows established guidelines for placing certain patient balances with collection agencies, subject to certain restrictions on collection efforts as determined by SPOP's policy. Changes in the effectiveness of these collection efforts could impact the amounts expected to be collected and, therefore, could impact net patient service revenue in future periods.

Accounts receivable and net patient service revenue result from health care services provided by SPOP and are reported at the amount that reflects the consideration to which SPOP expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of ongoing and future audits, reviews, and investigations.

SPOP uses a portfolio approach as a practical expedient to account for categories of patient contracts as collective groups, rather than recognizing revenue on an individual contract basis. The portfolio consists of major payor classes for the services provided. The financial statement effects of using this practical expedient are not materially different from an individual contract approach.

## Service Program for Older People, Inc.

Notes to Financial Statements  
June 30, 2022

### 2. Summary of Significant Accounting Policies *(continued)*

#### ***Accounts Receivable and Revenue (continued)***

SPOP has elected the practical expedient and does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to SPOP's expectation that the period between the time the service is provided to a patient and the time that the patient or a third-party payor pays for that service will be one year or less. However, SPOP may, in certain instances, enter into payment agreements with patients that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

As substantially all of its performance obligations relate to contracts with a duration of less than one year, SPOP has elected to apply the optional exemption provided in ASU 2014-09 and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

At June 30, 2022 and 2021, Accounts receivable for revenue related to ASU 2014-09 totaled \$148,390 and \$184,658, and \$262,294 as of July 1, 2020.

#### ***Deferred Rent***

Deferred rent represents the excess of rent expense on a straight-line basis over the annual rent payments required under the lease.

#### ***Contributions***

Contributions are recorded as revenue when the promises become unconditional. Contributions are considered to be without donor restriction and available for general use, unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restriction that increases this net asset class. Contributions of non-cash assets are recorded at their fair values at the time of receipt.

#### ***Gifts-in-Kind***

Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair value when received.

#### ***Advertising Costs***

Advertising costs are expensed when incurred. Advertising costs amounted to \$13,503 for the year ended June 30, 2022.

## **Service Program for Older People, Inc.**

Notes to Financial Statements  
June 30, 2022

### **2. Summary of Significant Accounting Policies (continued)**

#### ***Functional Expenses***

SPOP allocates its expenses on a functional basis among its various programs and supporting services. Expenses that can be identified with a specific program or supporting service are charged directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated based on management's estimates on a time and effort methodology.

#### ***Accounting for Uncertainty in Income Taxes***

SPOP recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that SPOP had no uncertain tax positions that would require financial statement recognition or disclosure. SPOP is no longer subject to examinations by the applicable taxing jurisdictions for tax years prior to fiscal 2019.

#### ***Summarized Comparative Information***

The statements of activities and functional expenses include certain prior year summarized comparative information in total but not by net asset or functional class. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with SPOP's financial statements as of and for the year ended June 30, 2021 from which the summarized information was derived.

#### ***Subsequent Events Evaluation by Management***

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is November 15, 2022.

## Service Program for Older People, Inc.

Notes to Financial Statements  
June 30, 2022

### 3. Liquidity

Financial assets available for general expenditure within one year of June 30, 2022 are as follows:

Total financial assets at year end	
Cash	\$ 2,672,806
Accounts receivable	685,381
Pledges receivable	10,000
Investments	<u>1,437,600</u>
Total Financial Assets	<u>4,805,787</u>
Less amounts not available to be used within one year:	
Net assets with donor restrictions	327,000
Net assets with board designated restriction	1,430,106
Less net assets with donor restrictions expected to be met in less than one year	<u>(327,000)</u>
	<u>1,430,106</u>
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	<u>\$ 3,375,681</u>

As part of its liquidity plan, SPOP's board of directors established the board designated endowment fund, which would be made available for operations if needed. SPOP relies on reimbursements from billing, government agencies and donor contributions. Additionally, SPOP maintains a \$200,000 line of credit.

### 4. Concentration of Credit Risk

#### *Credit Risk*

Financial instruments which potentially subject SPOP to concentrations of credit risk include cash and cash equivalents, money market funds, certificates of deposit, and receivables. SPOP maintains its cash (including certificates of deposit and money market funds) in bank deposit accounts which, at times, may exceed federal insured limits. SPOP has not experienced any losses in such accounts. Concentrations of credit risk with respect to receivables are generally diversified due to separate billings for each client. SPOP performs ongoing collectability evaluations and writes off uncollectible amounts as they become known. The investment portfolio is managed by professional investment advisors and managers and is diversified by type of investments and industry concentrations so that no individual investment or group of investments represents a significant concentration of market risk.

**Service Program for Older People, Inc.**

Notes to Financial Statements  
June 30, 2022

**4. Concentration of Credit Risk (continued)**

***Operating Risk***

The Coronavirus outbreak may have an adverse effect on the results of operations. Given the uncertainty around the extent and timing of the potential future spread or mitigation of the Coronavirus and around the imposition or relaxation of protective measures, management cannot reasonably estimate the impact to future results of operations, cash flows, or financial condition.

**5. Investments**

It is the policy of SPOP that cash funds be invested for liquidity and safety of principal to meet known and unforeseen operational and capital needs. To maximize the portfolio's total rate of return while emphasizing safety of principal and adequate liquidity, the portfolio is of high quality with short-to-intermediate term duration/maturity.

The following are major categories of investments at June 30, 2022:

Description	Total
At Cost Plus Accrued Interest	
Certificates of deposit	\$ 1,051,953
Money market funds	163,273
Level 1	
Exchange traded funds	<u>222,374</u>
	<u>\$ 1,437,600</u>

Interest income, including interest earned on cash and cash equivalents consist of the following for the year ended June 30, 2022:

Interest	\$ 3,858
Unrealized losses	<u>(32,684)</u>
	<u>\$ (28,826)</u>

**6. Property, Plant and Equipment**

Property, plant and equipment consist of the following at June 30, 2022:

Furniture and equipment	\$ 329,544
Leasehold improvements	<u>445,192</u>
	774,736
Accumulated depreciation	<u>(739,345)</u>
	<u>\$ 35,391</u>

Fully depreciated assets of \$710,225 were still in service as of June 30, 2022.

## Service Program for Older People, Inc.

Notes to Financial Statements  
June 30, 2022

### 7. Paycheck Protection Program Loan

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted to amongst other provisions, provide emergency assistance for individuals, families and business affected by the coronavirus pandemic. SPOP applied for and received a \$607,300 Paycheck Protection Program loan (the "PPP Loan") from the Small Business Administration. The PPP Loan was forgiven in full during the year ended June 30, 2021.

### 8. Line of Credit

SPOP renews its \$200,000 bank credit facility annually. Interest is charged monthly at the bank's prime lending rate plus 2 percent as published in the Wall Street Journal. During the year ended June 30, 2022 there was no outstanding obligation under this agreement.

### 9. Commitments and Contingencies

SPOP occupies office space under operating leases that expire at various times through April 30, 2028. Approximate future minimum lease commitments under these leases are as follows:

2023	\$ 313,593
2024	323,553
2025	333,835
2026	344,456
2027	355,429
Thereafter	<u>308,432</u>
	<u>\$ 1,979,298</u>

During the year ended June 30, 2018, SPOP entered into an agreement to provide construction costs for an annex of \$125,000 at their 91st Street location in lieu of rent payments. The remaining amount is recorded as prepaid rent at June 30, 2022.

On July 8, 2015, SPOP entered into an agreement with the Chief Executive Officer. The agreement provides for a contingent 12-month benefit payable in a lump sum, and an additional taxable cash payment for family medical coverage. The agreement expires on the earlier of the date of separation of service or July 7, 2020. On July 7, 2020, the agreement was renewed and shall continue to automatically renew for additional one-year periods until SPOP or the Chief Executive Officer provides written notice of nonrenewal.

As of and for the year ended June 30, 2022, no balances have been recognized or included in the accompanying financial statements.

**Service Program for Older People, Inc.**

Notes to Financial Statements  
June 30, 2022

**10. Net Assets with Donor Restrictions**

Changes in net assets with donor restrictions for the year ended June 30, 2022 consist of the following:

<u>Restriction / Purpose</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Releases from Restriction</u>	<u>Ending Balance</u>
Isaac H. Tuttle Fund	\$ 25,000	\$ 35,000	\$ (25,000)	\$ 35,000
Altman Foundation	75,000	100,000	(75,000)	100,000
Florence Burden	-	35,000	(25,000)	10,000
The NY Community Trust	-	150,000	-	150,000
Mary J. Hutchins Foundation	-	40,000	(15,000)	25,000
Weinberg Foundation	100,000	-	(100,000)	-
Mother Cabrini Foundation	100,000	-	(100,000)	-
Columbia University	-	7,000	-	7,000
Van Ameringen	-	75,000	(75,000)	-
Edith M. Schweckendieck Trust	-	21,708	(21,708)	-
Metzger Price Fund	-	1,500	(1,500)	-
Rose M. Badgeley Residuart Charitble Trust	-	30,000	(30,000)	-
Rodney White Foundation	-	2,500	(2,500)	-
Adler-Harrington Fund	-	500	(500)	-
Laura Henschel Fund	-	2,500	(2,500)	-
Vladimir & Araxia Buckhantz Foundation	-	15,000	(15,000)	-
Samuels Foundation	-	79,000	(79,000)	-
Stonewall Community Grant	-	500	(500)	-
	<u>\$ 300,000</u>	<u>\$ 595,208</u>	<u>\$ (568,208)</u>	<u>\$ 327,000</u>

**11. Board Designated Net Assets**

SPOP maintains a Board designated endowment fund whose purpose is to provide long term support for future projects and operations. The following is a reconciliation of the Board designated endowment fund for the year ended June 30, 2022:

Balance, beginning of year	\$ 858,554
Transfers	600,378
Investment income	(28,826)
Balance, end of year	<u>\$ 1,430,106</u>

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