



Boulder County RSVP Board, Inc. dba

CULTIVATE

Financial Statements

December 31, 2021 and 2020

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Independent Auditors Report

Board of Directors
Cultivate
Boulder, Colorado

We have audited the accompanying financial statements of Boulder County RSVP Board, Inc. (a nonprofit organization), doing business as Cultivate, which are comprised of the statements of financial position as of December 31, 2021 and 2020, the related statements of activities, functional expenses, and cash flows for the years then ended and related notes to the financial statements.

Managements Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organizations internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cultivate as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

CAHILL & ASSOCIATES, P.C.

CAHILL & ASSOCIATES, P.C.
May 9, 2022

**Boulder County RSVP Board, Inc. dba
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Statements of Financial Position
December 31, 2021 and 2020

ASSETS

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 349,555	\$ 358,255
Accounts Receivable	20,360	21,625
Prepaid Expenses	<u>12,043</u>	<u>14,244</u>
TOTAL CURRENT ASSETS	<u>381,958</u>	<u>394,124</u>
PROPERTY AND EQUIPMENT		
Property and Equipment	44,057	44,057
Less Accumulated Depreciation	<u>(40,127)</u>	<u>(37,812)</u>
TOTAL PROPERTY AND EQUIPMENT	<u>3,930</u>	<u>6,245</u>
OTHER ASSETS		
Security Deposits	3,842	3,842
Schwab - BSW Wealth Partners	17,757	-
Beneficial Interest in Assets Held by Others	<u>18,242</u>	<u>17,512</u>
TOTAL OTHER ASSETS	<u>39,841</u>	<u>21,354</u>
TOTAL ASSETS	<u>\$ 425,729</u>	<u>\$ 421,723</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts Payable	\$ 47,488	\$ 1,873
PPP Loan Payable	-	77,500
Credit Cards Payable	1,488	-
Accrued Vacation	595	2,116
Accrued Payroll and Payroll taxes	<u>10,703</u>	<u>16,975</u>
TOTAL CURRENT LIABILITIES	<u>60,274</u>	<u>98,464</u>
NET ASSETS		
Without Donor Restrictions		
Operating	293,283	249,502
Board Designated Operating Reserve	50,000	50,000
Net Investment in Fixed Assets	3,930	6,245
With Donor Restrictions	<u>18,242</u>	<u>17,512</u>
TOTAL NET ASSETS	<u>365,455</u>	<u>323,259</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 425,729</u>	<u>\$ 421,723</u>

**Boulder County RSVP Board, Inc. dba
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Statements of Activities
Year Ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE					
Private Grants	\$ 114,543	\$ -	\$ -	\$ -	\$ 114,543
State and Local Governments	247,518	-	-	-	247,518
Individual and Corporate Donations	72,790	-	-	-	72,790
Federal Funding	120,875	-	-	-	120,875
Interest Income	437	-	-	323	760
PPP Forgiveness	155,000	-	-	-	155,000
Realized Gain on Disposal of Assets	-	-	-	757	757
Unrealized Loss on Beneficial Interest	-	-	-	661	661
Net Assets Released from Restrictions	1,011	-	-	(1,011)	-
TOTAL SUPPORT AND REVENUE	712,174	-	-	730	712,904
EXPENSES					
Program Services	506,988	-	-	-	506,988
Fundraising	28,450	-	-	-	28,450
General and Administrative	135,272	-	-	-	135,272
TOTAL EXPENSES	670,709	-	-	-	670,709
CHANGE IN NET ASSETS	41,465	-	-	730	42,195
NET ASSETS - Beginning of Year	305,747	-	-	17,512	323,259
NET ASSETS - End of Year	\$ 347,212	\$ -	\$ -	\$ 18,242	\$ 365,455

Boulder County RSVP Board, Inc. dba
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Statements of Activities
Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE				
Private Grants	\$ 152,213	\$ -	\$ -	\$ 152,213
State and Local Governments	270,559	-	-	270,559
Individual and Corporate Donations	131,260	-	-	131,260
Federal Funding	112,077	-	-	112,077
Interest Income	888	-	288	1,176
Realized Gain on Disposal of Assets	-	-	790	790
Unrealized Gain/ (Loss) on Beneficial Interest	-	-	960	960
Net Assets Released from Restrictions	939		(939)	-
TOTAL SUPPORT AND REVENUE	667,936	-	1,099	669,035
EXPENSES				
Program Services	515,455	-	-	515,455
Fundraising	29,545	-	-	29,545
General and Administrative	125,092	-	-	125,092
TOTAL EXPENSES	670,092	-	-	670,092
CHANGE IN NET ASSETS	(2,156)	-	1,099	(1,057)
NET ASSETS - Beginning of Year	307,903	-	16,412	324,316
NET ASSETS - End of Year	\$ 305,747	\$ -	\$ 17,512	\$ 323,259

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Statements of Functional Expenses

Year Ended December 31, 2021

	<u>Program Services</u>	<u>Fundraising Expenses</u>	<u>General Administrative Expenses</u>	<u>Total</u>
Salaries	\$ 324,134	\$ 19,066	\$ 41,119	\$ 384,318
Payroll Taxes & Benefits	26,395	1,660	53,925	81,980
Advertising/Outreach	26,485	348	829	27,662
Occupancy	34,357	-	25,933	60,290
Postage & Printing	2,634	596	362	3,592
Professional Services	16,085	-	5,799	21,884
Direct Fundraising Expense	243	6,420	-	6,663
Volunteer Transportation	9,193	360	221	9,774
Insurance	19,268	-	-	19,268
Telephone	4,044	-	1,361	5,405
Volunteer Recognition	5,809	-	118	5,927
Staff Acknowledgment	511	-	1,775	2,286
Program/Office Supplies	1,550	-	2,016	3,566
Dues & Licenses	3,069	-	10	3,079
Education - Training	3,378	-	-	3,378
Background Checks	1,496	-	-	1,496
Bank & Credit Card Fees	328	-	254	582
Software & Support	5,012	-	847	5,859
Other Expenses	355	-	-	355
Repair & Maintenance	4,483	-	703	5,186
Tools & Supplies	12,567	-	-	12,567
Conferences/Meetings	3,277	-	-	3,277
Depreciation	2,315	-	-	2,315
TOTAL EXPENSES	\$ <u>506,988</u>	\$ <u>28,450</u>	\$ <u>135,272</u>	\$ <u>670,709</u>

Boulder County RSVP Board, Inc. dba**CULTIVATE**

Statements of Functional Expenses

Year Ended December 31, 2020

	Program Services	Fundraising Expenses	General Administrative Expenses	Total
Salaries	\$ 328,060	\$ 19,298	\$ 38,595	\$ 385,953
Payroll Taxes & Benefits	29,099	3,419	45,103	77,621
Advertising/Outreach	28,721	163	586	29,470
Occupancy	33,038	-	24,082	57,120
Postage & Printing	1,866	458	487	2,811
Professional Services	18,635	-	5,113	23,748
Direct Fundraising Expense	367	6,124	-	6,491
Volunteer Transportation	10,375	83	135	10,593
Insurance	17,023	-	-	17,023
Telephone	4,223	-	1,140	5,363
Volunteer Recognition	6,537	-	35	6,572
Staff Acknowledgment	846	-	2,096	2,942
Program/Office Supplies	3,714	-	5,950	9,664
Dues & Licenses	2,568	-	20	2,588
Education - Training	850	-	153	1,003
Equipment rental	131	-	130	261
Background Checks	1,843	-	19	1,862
Bank & Credit Card Fees	5,169	-	244	5,413
Recruiting	-	-	225	225
Registration Fees	20	-	-	20
Software & Support	4,178	-	687	4,865
Other Expenses	392	-	-	392
Repair & Maintenance	406	-	292	698
Tools & Supplies	14,689	-	-	14,689
Conferences/Meetings	39	-	-	39
Depreciation	2,666	-	-	2,666
TOTAL EXPENSES	\$ 515,455	\$ 29,545	\$ 125,092	\$ 670,092

Boulder County RSVP Board, Inc. dba
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 Statements of Cash Flows
 Years Ended December 31, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Support and Revenue Received	\$ 539,995	\$ 664,035
Salaries and Operating Expenses Paid	(626,883)	(668,135)
NET CASH USED BY OPERATING ACTIVITIES	(86,888)	(4,100)
CASH FLOWS FROM INVESTING ACTIVITIES		
Reinvested Investment Earnings (Net)	688	650
NET CASH PROVIDED BY INVESTING ACTIVITIES	688	650
CASH FLOWS FROM FINANCING ACTIVITIES		
PPP Loan Proceeds	77,500	77,500
NET CASH PROVIDED BY FINANCING ACTIVITIES	77,500	77,500
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(8,700)	74,050
CASH AND CASH EQUIVALENTS - Beginning of Year	358,255	284,205
CASH AND CASH EQUIVALENTS - End of Year	\$ 349,555	\$ 358,255
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Change in Net Assets	\$ 42,195	\$ (1,057)
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:		
Non-Cash (Revenue) Expenses		
Depreciation and Amortization	2,315	2,666
SBA PPP Loans Forgiven	(155,000)	-
Donated Stock	(17,757)	-
Gain on Disposal of Assets	(757)	(790)
Unrealized (Gain) Loss on Beneficial Interest	(661)	(960)
	<u>(171,860)</u>	<u>916</u>
Changes in Operating Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	1,265	(3,250)
(Increase) Decrease in Prepaid Expenses	2,201	(4,713)
Increase (Decrease) in Accounts Payable	47,103	(1,309)
Increase (Decrease) in Accrued Payroll and Payroll Taxes	(7,792)	5,313
	<u>42,777</u>	<u>(3,959)</u>
Total Adjustments	(129,083)	(3,043)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (86,888)	\$ (4,100)

**Boulder County RSVP Board, Inc. dba
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Notes to Financial Statements
December 31, 2021 and 2020

NOTE 1 - ORGANIZATION AND ACTIVITIES

Cultivate (the Organization) was established to serve the communities in Boulder and surrounding counties by providing staff and volunteer services to the growing senior population. The mission is to help seniors flourish through active engagement with the community. Volunteer placements are designed to promote independence, physical and emotional well-being and avoid inappropriate institutional care by providing community-based care. The Organization is primarily supported by private grants, individual and corporate donations and government contracts. The Organization operates the following major programs:

Senior Programs - Provides free services to seniors including Carry-Out Caravan (grocery shopping and delivery), Fix-It (minor home repairs), VetsGo (medical transportation to veterans and their family members), YardBusters (yard clean up), SnowBusters (snow removal), File of Life (emergency information for first response teams), holiday gift programs, community service and referral programs.

Volunteer Support - Provides volunteer services to non-profit, governmental and nonproprietary health agencies in Boulder and surrounding counties.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Organization's financial statements are prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions by classifying fund balances and transactions into the following classes of net assets:

Unrestricted Net Assets – Net assets available for the Organization's stated purposes without restriction

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may be met by appropriate use and/or by the passage of time

Permanently Restricted Assets - Net assets that are permanently restricted as to access for use by the Organization

Cash and Cash Equivalents

The Organization considers all liquid investments with an original maturity of three months or less to be cash equivalents. For purposes of these financial statements, cash and cash equivalents are comprised of demand deposits and money market accounts.

Accounts Receivable

The Organization states accounts receivables at the amount management expects to collect from outstanding balances. A provision is made for estimated uncollectible accounts when deemed applicable.

Investments

Cultivate reports its investments at fair values. When applicable, unrealized gains or losses are reported in the statement of activities.

**Boulder County RSVP Board, Inc. dba
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Notes to Financial Statements
December 31, 2021 and 2020

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Property and Equipment

Property and equipment is stated at cost or estimated value if donated and depreciated over estimated useful lives ranging from three to five years using the straight-line method. Expenditures for maintenance, repairs and minor replacements are charged to operations; expenditures for major replacements and betterments that exceed \$500 are capitalized.

Contributions and Grants

Contributions and grants are recorded as unrestricted or temporarily restricted support, depending on the existence or nature of any donor restrictions. Donor-restricted support is reported as an increase in temporarily restricted net assets. When a restriction expires (a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted.

Donated Services and Materials

Donated goods and services which meet specific criteria are recorded at fair market value as of the date of donation. Accounting principles allow for the recognition of donation for services received if those services (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Volunteer and donated services that meet these requirements are recorded in the financial statements

Expense Allocation

Expenses are charged directly to program services and fundraising based on the character of the costs. Payroll and related payroll costs are allocated based on evaluation of time utilized. Rent expense is allocated based on area usage. General and Administrative Expense include costs that are not directly identifiable with a specific program function and provide for the overall support and direction of the Organization.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from such estimates.

Tax Exempt Status

Cultivate has previously received notice from the Internal Revenue Service of exemption from income tax under Section 501(c)(3) of the Internal Revenue Code and is not considered a private foundation under Section 509(a) of the Internal Revenue Code of 1986. As such, donors are entitled to a charitable deduction for their contributions to Cultivate.

Advertising Costs

The Organization uses advertising to promote its programs among audiences it serves. Advertising costs are expensed as incurred.

Compensated Absences

The employees of the Organization are eligible for paid vacation time depending on the length of services and other factors. Employees may carryover up to 40 hours of unused vacation time, which must be used by March 31st of the following year.

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Notes to Financial Statements
December 31, 2021 and 2020

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Subsequent Events

Management has evaluated all subsequent events through May 9, 2022 which is the date the financial statements were available to be issued.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

	<u>2021</u>	<u>2020</u>
Computer & Software	\$ 25,742	\$ 25,742
Equipment	8,264	8,264
Furniture	6,034	6,034
Leasehold Improvements	<u>4,017</u>	<u>4,017</u>
	44,057	44,057
Less Accumulated Depreciation	<u>(40,127)</u>	<u>(37,812)</u>
Net Property and Equipment	\$ <u>3,930</u>	\$ <u>6,245</u>

NOTE 4 - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

The Organization has an endowment fund as a component of The Community Foundation Serving Boulder County. Under the terms of the endowment, the Organization may use the investment earnings, request up to 5% of the designated portions of the endowment each year or may reinvest all or part of the earnings with the foundation.

The fund is stated at fair value. Following is a summary of the fund activity for the years ending December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Balance, Beginning of Year	\$ 17,512	16,412
Dividend and Interest Income	323	288
Net Appreciation (Depreciation) of Assets	1,418	1,750
Transfers to Operating account	<u>(1,011)</u>	<u>(938)</u>
Total Investment Return (Loss)	<u>730</u>	<u>1,100</u>
Balance, End of Year	\$ <u>18,242</u>	\$ <u>17,512</u>

Additionally, the Community Foundation maintains a separate fund matching donations designated on behalf of Cultivate. As receipt of the funds is conditional upon uncertain future events, this fund is not considered the property of Cultivate and is not recognized within these financial statements. As of December 31, 2021 and 2020 the designated portion of the fund was \$19,694 and \$18,906 respectively.

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Notes to Financial Statements
December 31, 2021 and 2020

NOTE 5 - BOARD DESIGNATED OPERATING RESERVE

The Board of Directors has designated an operating reserve of \$50,000 to cover costs during times of unanticipated needs or funding declines.

NOTE 6 - IN-KIND CONTRIBUTIONS

Accounting principles for charitable organizations recognize the value of donated services in the financial statements if those services (a) create or enhance long-lived assets; or (b) require specialized skills, is provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Most of the volunteer services provided to Cultivate do not meet these criteria. During the years ending December 31, 2021 and 2020, the Organization received approximately 29,780 and 33,981 volunteer hours, respectively.

Cultivate did not receive any donated services or goods for the years ending December 31, 2021 or 2020.

NOTE 7 – EMPLOYEE BENEFIT PLANS

The Company maintains a retirement savings plan under Section 401(k) of the U.S. Internal Revenue Code. This plan covers all full time employees. The Organization matches employee contributions up to 3% of the employee's gross wages. For December 31, 2021 and 2020, the Organization contributed \$10,702 and \$6,455 respectively. All administrative costs associated with this plan are covered by the Company.

NOTE 8 - LEASE COMMITMENTS

The Organization leases office space in Boulder, Colorado. On January 1, 2017 the Organization entered into a lease agreement for rental property in the Gunbarrel area of Boulder. The lease term began January 1, 2017 and terminates on February 28, 2022, with rental payments due on the first of each month beginning March 1, 2017. On September 27, 2021 the lease was extended to February 28, 2027

Lease expense was \$38,232 and \$36,854 for the years ended December 31, 2021 and 2020, respectively and is included with utilities in occupancy expenses on the Statements of Functional Expenses.

Future minimum lease payments are as follows:

2022	36,247
2023	36,768
2024	37,508
2025	38,262
2026	39,028
2027	<u>6,526</u>
	<u>194,339</u>

**Boulder County RSVP Board, Inc. dba
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Notes to Financial Statements
December 31, 2021 and 2020

NOTE 9 - CONCENTRATIONS

For cash management purposes, the Organization concentrates its cash holdings at a commercial bank. From time to time, the balance in these accounts may exceed the federally insured limit of \$250,000 by the Federal Deposit Insurance Corporation. At December 31, 2021 and 2020 there were \$0 and \$2,783 respectively over the \$250,000 F.D.I.C. insurance limit.

For the years ending December 31, 2021 and 2020 approximately 66% and 57% respectively of the Organizations revenue is derived from grants from the federal, state and local governments. The current level of the Organizations operating program services may be impacted or segments discontinued if the funding is not renewed.

NOTE 10 – COVID-19 FINANCIAL CONSIDERATIONS

SBA PPP LOAN

In 2020 the Organization received loan proceeds in the amount of \$77,500 under the SBA's Paycheck Protection Program (PPP). This program was established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), and provides for loans to qualifying organizations and businesses in amounts up to 2.5 times their average monthly payroll expenses. The loans and accrued interest are forgivable if the organization uses the loan proceeds for eligible purposes, maintains its payroll levels and meets other stipulations. Eligible purposes include payroll, benefits, rent and utilities. Any unforgiven portion of the PPP loan is payable over two years at an interest rate of 1% with a deferral of payments for the first six months. The Organization used the proceeds for purposes consistent with the guidelines and believes that its use of the loan proceeds will meet the conditions for loan forgiveness.

In March 2021, the Organization received proceeds in the amount of \$77,500 under the SBA's Second Draw of the Paycheck Protection Program. The Organization intends to use the loan proceeds for eligible purposes and believes this loan will be eligible for forgiveness as well.

Both the first SBA PPP loan received in 2020 and the second received in 2021 for a combined total of \$155,000 have been forgiven as of 12/31/2021.