COLUMBUS

Entrepreneurs of the Human Spirit™

Columbus Foundation, Inc.

Consolidated Financial Statements

And

Independent Auditor's Report

As of June 30, 2020 and 2019
and for the years then ended

Columbus Foundation, Inc.

Table of Contents

BOUNTIFUL
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Columbus Foundation, Inc.
Salt Lake City, Utah

Financial Statements

We have audited the accompanying consolidated financial statements of Columbus Foundation, Inc. (a nonprofit organization), which comprise the consolidated statements of financial position as of June 30, 2020 and 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above presents fairly, in all material respects, the financial position of Columbus Foundation, Inc. as of June 30, 2020 and 2019, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The Detail of Consolidated Statement of Financial Position on page 27 is presented for purpose of additional analysis and is not a required part of the consolidated financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

Bountiful Peak Advisors

Bountiful, Utah
June 12, 2021

Columbus Foundation

Consolidated Statements of Financial Position
June 30, 2020 and 2019

	06/30/2020	06/30/2019
ASSETS		
Current assets		
Cash and cash equivalents	$ 2,841,905	$ 1,590,843
Current portion of accounts receivable, including promises to give	990,725	1,250,654
Allowance for doubtful accounts	-	(119,800)
Accounts receivable - related-party	306,063	-
Prepaid expenses	49,436	56,863
Total current assets	4,188,129	2,778,560
Property and equipment, at cost	14,337,958	10,635,970
Less: accumulated depreciation and amortization	(3,682,760)	(3,360,347)
Property and equipment, net	10,655,198	7,275,623
Cash and cash equivalents, restricted	2,228,599	4,924,639
Accounts receivable, including promises to give, less current portion	25,000	820,000
Investments, restricted	128,646	122,934
Beneficial interest in assets held by others	48,265	46,800
Notes receivable	5,418,259	6,365,827
Equity method investments	83	83
Cost method investments	231	231
Hub in progress	987,872	13,954
Total assets	$ 23,680,282	$ 22,348,651
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	$ 33,969	$ 49,435
Related-party accounts payable	189,000	-
Accrued salaries and benefits	308,227	386,093
Lines of credit	-	1,028,133
Current portion of long-term debt	820,036	179,547
Total current liabilities	1,351,232	1,643,208
Long-term debt, less current portion	10,786,927	10,243,598
Total liabilities	12,138,159	11,886,806
Net assets		
Columbus Foundation		
Net assets without donor restrictions	6,804,249	5,974,774
Net assets with donor restrictions	4,719,682	4,468,650
Noncontrolling interests in subsidiaries	18,192	18,421
Total net assets	11,542,123	10,461,845
Total liabilities and net assets	$ 23,680,282	$ 22,348,651

See accompanying notes to financial statements.

Columbus Foundation

Consolidated Statement of Activities
Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Revenues			
Fees for service	$ 4,915,781	$ -	$ 4,915,781
Contract revenue	1,836,087	-	1,836,087
Rental income	137,945	-	137,945
Interest income	9,525	-	9,525
Gain or loss on disposal	4,384	-	4,384
Investment income, net	3,437	-	3,437
Change in value of beneficial interest	1,465	-	1,465
Other income	1,225	-	1,225
Total revenues	6,909,849	-	6,909,849
Support			
Capital campaign	-	39,950	39,950
Contributions	126,829	371,215	498,044
Government grants	137,728	1,002,500	1,140,228
Net assets released from restrictions	1,162,633	(1,162,633)	-
Total support	1,427,190	251,032	1,678,222
Total revenues and support	8,337,039	251,032	8,588,071
EXPENSES			
Program services	5,978,935	-	5,978,935
Management and general	1,187,841	-	1,187,841
Fundraising	341,018	-	341,018
Total expenses	7,507,794	-	7,507,794
Change in net assets	829,245	251,032	1,080,277
Change in net assets attributable to noncontrolling interest in subsidiary	(229)	-	(229)
Change in net assets attributable to Columbus Foundation	829,474	251,032	1,080,506
Columbus Foundation net assets, beginning of year	5,974,775	4,468,650	10,443,425
Columbus Foundation net assets, end of year	$ 6,804,249	$ 4,719,682	$ 11,523,931

See accompanying notes to financial statements.

Columbus Foundation
Consolidated Statement of Activities
Year Ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Revenues			
Fees for service	$ 4,890,309	$ -	$ 4,890,309
Contract revenue	2,368,988	-	2,368,988
Rental income	113,372	-	113,372
Investment income, net	12,799	-	12,799
Gain or loss on disposal	394,723	-	394,723
Other income	294	-	294
Interest income	14,100	-	14,100
Change in value of beneficial interest	1,778	-	1,778
Special event	63,041	-	63,041
Less: cost of direct benefit to donors	(54,453)	-	(54,453)
Total revenues	7,804,951	-	7,804,951
Support			
Capital campaign	-	881,896	881,896
Contributions	132,423	225,667	358,090
Government grants	365,278	250,000	615,278
In-kind contributions	13,512	250,298	263,810
Net assets released from restrictions	318,060	(318,060)	-
Total support	829,273	1,289,801	2,119,074
Total revenues and support	8,634,224	1,289,801	9,924,025
EXPENSES			
Program services	6,685,721	-	6,685,721
Management and general	1,217,151	-	1,217,151
Fundraising	480,078	-	480,078
Total expenses	8,382,950	-	8,382,950
Change in net assets	251,274	1,289,801	1,541,075
Net assets, beginning of year	5,723,500	3,178,849	8,902,349
Net assets, end of year	$ 5,974,774	$ 4,468,650	$ 10,443,424

See accompanying notes to financial statements.

Columbus Foundation

Consolidated Statement of Functional Expenses

Year Ended June 30, 2020

	Program Services					Supporting Activities			
	Vocational Support Services	Residential Services	Community Employment	Activities	Total	Management and General	Fundraising	Total	Total Expenses
Salaries and wages	$ 1,373,121	$ 1,395,095	$ 589,616	$ 450,772	$ 3,808,604	$ 645,654	$ 224,445	$ 870,099	$ 4,678,703
Payroll taxes	103,242	105,915	43,244	33,062	285,463	47,674	25,956	73,630	359,093
Employee benefits	139,645	127,867	80,516	70,468	418,496	102,375	26,900	129,275	547,771
Total salaries and related expenses	1,616,008	1,628,877	713,376	554,302	4,512,563	795,703	277,301	1,073,004	5,585,567
Contracted services	238,676	37,610	40,005	49,058	365,349	143,309	47,251	190,560	555,909
Utilities	63,188	42,000	7,292	14,773	127,253	40,833	-	40,833	168,086
Vehicles	89,025	19,662	31,906	4,670	145,263	10,806	-	10,806	156,069
Insurance	43,969	44,810	18,880	14,434	122,093	20,675	7,187	27,862	149,955
Supplies	43,248	28,459	20,345	8,531	100,583	26,672	4,951	31,623	132,206
Rent	-	90,795	-	-	90,795	39,006	-	39,006	129,801
Cost of goods sold	75,469	-	41,667	-	117,136	-	-	-	117,136
Repairs and maintenance	15,973	2,833	-	5,001	23,807	16,626	-	16,626	40,433
Dues and fees	6,093	4,582	2,072	775	13,522	26,005	-	26,005	39,527
Bank charges	-	-	-	-	-	36,783	-	36,783	36,783
Interest	14,387	2,951	1,475	14,756	33,569	2,951	369	3,320	36,889
Travel	500	-	15,968	-	16,468	955	957	1,912	18,380
Food	-	151	657	9,592	10,400	2,129	-	2,129	12,529
Miscellaneous	4,573	167	-	-	4,740	1,372	-	1,372	6,112
Total expenses before depreciation and amortization	2,211,109	1,902,897	893,643	675,892	5,683,541	1,163,825	338,016	1,501,841	7,185,382
Depreciation and amortization	139,292	24,016	12,008	120,078	295,394	24,016	3,002	27,018	322,412
Total functional expenses	$ 2,350,401	$ 1,926,913	$ 905,651	$ 795,970	$ 5,978,935	$ 1,187,841	$ 341,018	$ 1,528,859	$ 7,507,794

See accompanying notes to financial statements.

Columbus Foundation

Consolidated Statement of Functional Expenses

Year Ended June 30, 2019

	Program Services					Supporting Activities			
	Vocational Support Services	Residential Services	Community Employment	Activities	Total	Management and General	Fundraising	Total	Total Expenses
Salaries and wages	$ 1,642,009	$ 1,445,537	$ 577,839	$ 468,617	$ 4,134,002	$ 610,471	$ 298,044	$ 908,515	$ 5,042,517
Payroll taxes	122,750	109,572	42,322	34,477	309,121	43,051	23,324	66,375	375,496
Employee benefits	172,171	148,491	74,897	69,727	465,286	103,930	30,077	134,007	599,293
Total salaries and related expenses	1,936,930	1,703,600	695,058	572,821	4,908,409	757,452	351,445	1,108,897	6,017,306
Contracted services	322,958	26,065	60,096	44,213	453,332	140,518	84,730	225,248	678,580
Supplies	96,356	27,259	16,582	9,633	149,830	26,672	24,832	51,504	201,334
Utilities	64,440	38,226	5,384	14,393	122,443	37,555	-	37,555	159,998
Cost of goods sold	136,530	-	11,111	-	147,641	-	-	-	147,641
Vehicles	66,013	30,503	29,627	4,915	131,058	6,823	4,620	11,443	142,501
Insurance	44,901	39,529	15,801	12,815	113,046	17,399	8,150	25,549	138,595
Repairs and maintenance	30,838	2,928	-	4,336	38,102	14,247	-	14,247	52,349
Rent	-	79,575	-	-	79,575	49,669	-	49,669	129,244
Bad Debt	119,800	-	-	-	119,800	-	-	-	119,800
Bank charges	-	-	-	-	-	90,778	-	90,778	90,778
Dues and fees	8,499	5,113	8,705	1,932	24,249	31,251	-	31,251	55,500
Food	248	290	502	13,951	14,991	60,756	27	60,783	75,774
Interest	26,675	5,472	2,736	27,360	62,243	5,472	684	6,156	68,399
Travel	3,964	-	23,012	-	26,976	7,118	2,380	9,498	36,474
Miscellaneous	105	-	-	-	105	217	-	217	322
Total expenses before depreciation and amortization	2,858,257	1,958,560	868,614	706,369	6,391,800	1,245,927	476,868	1,722,795	8,114,595
Depreciation and amortization	127,023	25,677	12,838	128,383	293,921	25,677	3,210	28,887	322,808
Total expenses	$ 2,985,280	$ 1,984,237	$ 881,452	$ 834,752	$ 6,685,721	$ 1,271,604	$ 480,078	$ 1,751,682	$ 8,437,403

See accompanying notes to financial statements.

Columbus Foundation

Consolidated Statements of Cash Flows
Years Ended June 30, 2020 and 2019

	06/30/2020	06/30/2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 1,080,506	$ 1,541,075
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	322,412	322,808
Amortization of debt issuance costs	5,593	5,593
Bad debt	-	119,800
Accrued interest	12,800	(12,800)
In-kind contributions of investments	-	(250,298)
Contributions restricted for Hub	(147,450)	(681,895)
Change in value of beneficial interest	(1,465)	(1,778)
Noncash investment income, net	(3,437)	(10,779)
Gain on disposal of equipment	(4,384)	(394,723)
Changes in operating assets and liabilities		
Accounts receivable, including promises to give	1,695,704	(1,136,659)
Accounts receivable - related-party	(306,063)	
Inventory	-	-
Prepaid expenses	7,427	(26,858)
Accounts payable	(638,401)	619,592
Related-party accounts payable	189,000	-
Accrued salaries and benefits	(77,865)	40,629
Accrued expenses and other liabilities	(17,840)	9,944
Net cash provided by operating activities	2,116,537	143,651
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(3,862,146)	(3,115,850)
Proceeds from sale of property and equipment	-	1,278,286
Issuance of notes receivable	-	(5,386,932)
Purchases of equity method investments	-	(83)
Purchases of cost method investments	-	(231)
Non-controlling balance sheet accounts	(229)	18,421
Net cash used in investing activities	(3,862,375)	(7,206,389)

See accompanying notes to financial statements.

Columbus Foundation

Consolidated Statements of Cash Flows (continued)
Years Ended June 30, 2020 and 2019

	06/30/2020	06/30/2019
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions restricted for Hub	$ 147,450	$ 681,895
Proceeds from sale of investments	(2,275)	242,844
Net change in line of credit	(1,028,133)	1,028,133
Proceeds from issuance of long-term debt	1,374,549	11,358,633
Principal payments on long-term debt	(190,731)	(2,283,874)
Net cash provided by financing activities	300,860	11,027,631
Net change in cash	(1,444,978)	3,964,893
Cash and cash equivalents, beginning of year	6,515,482	2,550,589
Cash and cash equivalents, end of year	$ 5,070,504	$ 6,515,482
Cash and cash equivalents	$ 2,841,905	$ 1,590,843
Cash and cash equivalents, restricted	2,228,599	4,924,639
Total cash and cash equivalents shown in statement of cash flow	$ 5,070,504	$ 6,515,482
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	$ 36,889	$ 68,399
Cash paid for income taxes	$ -	$ -
In-kind contributions of investments	$ -	$ -
Transfer from Hub in progress to notes receivable	$ -	$ 6,977
Transfer from Hub in progress to property and equipment	$ -	$ 6,977

See accompanying notes to financial statements.

1. ORGANIZATION

Columbus Foundation, Inc. dba Columbus Community Center (the "Organization") was incorporated on March 3, 1968 under the laws of the State of Utah as a 501(c)(3) nonprofit corporation. The Organization offers programs and services to individuals with intellectual and physical disabilities to enable them to live with some level of independence in the community.

Vocational Training

Vocational Training is provided to Columbus Community Center clients who are able to perform a wide range of process and packaging tasks in the Columbus Production Services (CPS) warehouse, located in West Valley City. Additional training is provided in the Organization's secure shredding facility, in the Intermountain Health Care laundry facility in North Salt Lake, and at various locations throughout the valley where grounds and janitorial work are performed.

Residential Services

Residential services are provided to approximately sixty clients ranging from medically fragile to reasonably independent in seven facilities located in the Salt Lake area. Some of the residential facilities are staffed 24-hours daily, while other residential facilities are staffed as needed to provide occasional assistance to clients.

Community Employment

Community employment services are provided to clients to assist them in working in the community, outside of Columbus Community Center's work sites. Job coaches assess abilities and needs and work with clients and local businesses to determine appropriate jobs.

Activities

The Organization's staff provide an activities program for medically fragile and other clients who are not capable of working but are able and willing to socialize with each other. The activities program is operated in a separate building.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Organization have been prepared on the accrual basis. The Organization follows the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Date of Management's Review

Subsequent events were evaluated through June 12, 2021, which is the date the financial statements were available to be issued. From their review, management has determined that there were no significant recognizable or unrecognizable subsequent events that were not properly disclosed.

Basis of Accounting and Principles of Consolidation

The consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The consolidated financial statements include the accounts of Columbus Foundation, Inc. dba Columbus Community Center, Hub Nextwork, LLC, Hub of Opportunity III, LLC, and Hub 4% Management, LLC. Hub Nextwork, LLC, Hub of Opportunity III, LLC, and Hub 4% Management, LLC are owned through a majority equity interest by Columbus Foundation, Inc., and, therefore, are presented on a consolidated basis. All intercompany accounts and transactions have been eliminated. These ownership interests were acquired December 2018. During the years ended June 30, 2020 and 2019, there was no change in net assets associated with these entities.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less. Cash and cash equivalents exclude restricted cash.

Restricted Cash and Cash Equivalents

Restricted cash consisted of the following at June 30, 2020 and 2019:

	2020	2019
Scholarship Funds	$ 24,430	$ 29,381
Dignity Through Work scholarships	-	-
Escrow reserve for rented properties	94,253	100,068
Capital campaign	3,366	3,291
Hub Nextwork, LLC NMTC	2,106,550	4,791,899
Total restricted cash	$ 2,228,599	$ 4,924,639

Concentrations of Credit Risk

The Organization maintains its cash in bank deposit accounts, which at times, may exceed federally insured limits. At June 30, 2020 and 2019, cash in bank deposit accounts exceeded the FDIC insured limit of $250,000 by $7,140,537 and $5,832,673, respectively. The Organization has not experienced any losses in such accounts and believe it is not exposed to any significant credit risk on cash and cash equivalents.

Accounts Receivable

Accounts receivable are carried at their estimated collectible amounts. The Organization's accounts receivable are generally short-term in nature; thus, the Organization does not accrue finance or interest charges. Accounts receivable are periodically evaluated for collectability based on past credit history with customers and their current financial condition. The allowance for doubtful accounts was $0 and $119,800 , respectively, as of June 30, 2020 and 2019.

Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. The Organization determines the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. An allowance for uncollectible promises has not been established at June 30, 2020 and 2019 because management believes that all promises to give will be fully collectible.

Fair Value of Financial Instruments

The Organization has a number of financial instruments, none of which are held for trading purposes. The Organization estimates that the fair value of all financial instruments at June 30, 2020 and 2019, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statements of financial position.

Property and Equipment

Property and equipment are recorded at acquisition cost, or if donated, at the fair market value at the date donated. The Organization capitalizes additions that exceed $5,000. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. Depreciation and amortization expense are provided on a straight-line basis over the estimated useful lives of the respective assets or lease terms, which range from five to thirty years. Depreciation and amortization expense for the years ended June 30, 2020 and 2019 was $322,412 and $322,808, respectively.

Impairment of Long-Lived Assets

The Organization evaluates its long-lived assets for any events or changes in circumstances which indicate that the carrying amounts of the assets may not be fully recoverable. The Organization evaluates the recoverability of long-lived assets by measuring the carrying amounts of the assets against the estimated undiscounted future cash flows associated with them. When future undiscounted cash flows of certain long-lived assets are not sufficient to recover the carrying amounts of the assets, the assets are adjusted to their fair values.

Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Therefore, investments are reported at their fair values in the statement of financial position. Investment return, net is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Endowment Fund

The Organization's endowment consists of two funds established to support specific activities (including Dignity Through Work Scholarships) and general operations. The endowment consists of donor-restricted funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Organization has interpreted UPMIFA 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 of June 30, 2020 and 2019, there were no such donor stipulations. Consequently, the Organization classifies net assets with donor restrictions as:

- The original value of gifts donated to the perpetual endowment, and
- The original value of subsequent gifts to the perpetual endowment.
- Investment income, net associated with the endowment that has not been appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the Organization and the donor-restricted endowment fund
- General economic conditions, including the possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other sources of the Organization
- The investment policies of the Organization

Classes of Net Assets

Net assets, revenues and gains are classified based on the presence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

a. *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

b. *Net Assets with Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those 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.

We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Program Service Revenue

Revenue is measured on the consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Organization recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Taxes, if any, assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by the Organization from a customer, are excluded from revenue.
The following is a description of the Organization's principal activities which generate program service revenue.

Fees for Service

The Organization has a formal contract with DSPD to provide a variety of services to clients including residential, activity, community employment, and living skills. Fees for service are earned and recognized when the services are provided, calculated on a daily, hourly, or unit basis.

Contract Revenue

The Organization provides grounds, janitorial, and shredding services to customers. Contract revenue is earned and recognized when the services are provided, calculated on a monthly or unit basis.

Rental Income

The Organization leases residential facilities to clients and customers under formal leasing agreements. Rental income is recognized when use of facilities is provided, calculated on a monthly basis. Customer deposits related to future use of the facilities, if any, are included in deferred revenue.

In-kind Contributions

In-kind contributions are recorded as support at their estimated fair market value at the date of gift. These contributions are considered to be without donor restrictions unless restricted by the donor. Assets donated with donor-imposed restrictions regarding their use are considered net assets with donor restrictions until the asset is placed in service. In-kind contributions received during the year ended June 30, 2020 and 2019 consisted of the following:

	2020	2019
Donated goods		
Investments in marketable securities	$ -	$ 250,298
Professional consulting services	-	13,512
Total in-kind contributions	$ -	$ 263,810

In accordance with FASB ASC 958-605-25-16, *Contributed Services*, the Organization recognizes contributed services only if the services received (a) create or enhance nonfinancial 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.

Contributions

Contributions are recognized when cash or an unconditional promise to give is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Estimates in the Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The cost of providing programs and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Salaries, payroll taxes, and employee benefits are allocated on the basis of estimated time and effort. Depreciation is allocated based on square footage.

Advertising

Advertising costs are expensed when the advertising first takes place. Advertising expense for the years ended June 30, 2020 and 2019 was $1,300 and $11,104, respectively, which is included in supplies expense in the statement of functional expenses.

Income Taxes

The Organization has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(c)(3), qualifying for the charitable contribution deduction under section 170(b)(1)(A)(vi) and has been determined not to be a private foundation under Section 509(a). The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) and is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. Management has determined that the Organization is not subject to unrelated business income tax. Management believes that the Organization has appropriate support for any tax positions taken in its annual filing and does not have any uncertain tax positions that are material to the financial statements. The Organization's Forms 990 are no longer subject to tax examination for years before 2017.

Reclassifications

Certain items from June 30, 2019 have been reclassified to conform to the June 30, 2020 presentation.

3. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2020 consisted of the following:

Cash and cash equivalents	$ 2,841,905
Current portion of accounts receivable, including promises to give	965,725
Current financial assets, at year-end	3,807,630
Less those unavailable for general expenditure within one year, due to donor-imposed time or purpose restrictions	(49,250)
Financial assets available to meet cash needs for general expenditure within one year	$ 3,758,380

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2019 consisted of the following:

Cash and cash equivalents	$ 1,590,843
Current portion of accounts receivable, including promises to give	1,250,654
Allowance for doubtful accounts	(119,800)
Current financial assets, at year-end	2,721,697
Less those unavailable for general expenditure within one year, due to donor-imposed time or purpose restrictions	(250,667)
Financial assets available to meet cash needs for general expenditure within one year	$ 2,471,030

As part of its liquidity management plan, the Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Organization has committed lines of credit in the amount of $2,615,000 and credit cards with an aggregate credit limit of $50,000, which it could draw upon.

4. ACCOUNTS RECEIVABLE, INCLUDING PROMISES TO GIVE

Accounts receivable, including promises to give, consisted of the following at June 30, 2020:

	Accounts Receivable	Promises to Give
Amounts expected to be collected in:		
Less than one year	$ 1,017,244	$ 279,544
One to five years	-	25,000
More than five years	-	-
Total accounts receivable, including promises to give	1,017,244	304,544
Less: current portion	(1,017,244)	(279,544)
Accounts receivable, including promises to give, less current portion	$ -	$ 25,000

Accounts receivable, including promises to give, consisted of the following at June 30, 2019:

	Accounts Receivable	Promises to Give
Amounts expected to be collected in:		
Less than one year	$ 1,175,654	$ 685,000
One to five years	-	210,000
More than five years	-	-
Total accounts receivable, including promises to give	1,175,654	895,000
Less: current portion	(1,175,654)	(75,000)
Accounts receivable, including promises to give, less current portion	$ -	$ 820,000

Management has established an allowance for doubtful accounts as of June 30, 2020 and 2019 of $0 and $119,800, respectively. Promises to give that have been donor-restricted for the capital campaign are included in amounts classified as noncurrent.

5. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2020 and 2019:

	2020	2019
Land	$ 1,051,991	$ 1,051,447
Buildings	11,780,770	8,364,631
Furniture and equipment	594,935	496,003
Vehicles	910,262	723,889
	14,337,958	10,635,970
Less: accumulated depreciation and amortization	(3,682,760)	(3,360,347)
Property and equipment, net	$ 10,655,198	$ 7,275,623

6. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides 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) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
Level 2	Inputs to the valuation methodology include • quoted prices for similar assets or liabilities in active markets; • quoted prices for identical or similar assets or liabilities in inactive markets; • inputs other than quoted prices that are observable for the asset or liability; • inputs that are derived principally from or corroborated by observable market data by correlation or other means If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Level 1
Common stock: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued based on quoted NAV of the shares held by the Organization at year-end. The values of underlying common stocks, corporate bonds, and U.S. Government securities are based on the closing price reported on the active market where the individual securities are traded.

Level 3
Pooled investment funds: Valued at net asset value per unit as reported by the Community Foundation of Utah, as a practical expedient for measuring fair value. The Organization uses this practical expedient because the units do not trade in the marketplace and the Community Foundation of Utah reports all its investment assets at fair value. Redemption of pooled investment funds is restricted as described in Note 8.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value at June 30, 2020:

	Assets at Fair Value as of June 30, 2020			
	Level 1	Level 2	Level 3	Total
Common stock	$ 7,904	$ -	$ -	$ 7,904
Equity mutual funds	120,742	-	-	120,742
Total investments	128,646	-	-	128,646

	Level 1	Level 2	Level 3	Total
Pooled investment funds	-	-	48,265	48,265
Total beneficial interest in assets held by others	-	-	48,265	48,265
Total	$ 128,646	$ -	$ 48,265	$ 176,911

The following table sets forth a summary of changes in the fair value of the Organization's Level 3 assets for the year ended June 30, 2020:

Balance at June 30, 2019	$ 46,800
Change in value of beneficial interest	1,465
Balance at June 30, 2020	$ 48,265

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value at June 30, 2019:

	Assets at Fair Value as of June 30, 2019			
	Level 1	Level 2	Level 3	Total
Common stock	$ 8,276	$ -	$ -	$ 8,276
Equity mutual funds	114,658	-	-	114,658
Total investments	122,934	-	-	122,934
Pooled investment funds	-	-	46,800	46,800
Total beneficial interest in assets held by others	-	-	46,800	46,800
Total	$ 122,934	$ -	$ 46,800	$ 169,734

The following table sets forth a summary of changes in the fair value of the Organization's Level 3 assets for the year ended June 30, 2019:

Balance at June 30, 2018	$ 45,022
Change in value of beneficial interest	1,778
Balance at June 30, 2019	$ 46,800

7. ENDOWMENT FUND

The Organization's endowment (the Endowment) consists of the Peter Demirali Scholarship Fund and the Heather Lyn Bowman Scholarship Fund. The Peter Demirali Scholarship Fund was established in June 2013 by a Gift Agreement to provide annual funding for specific activities (including Dignity Through Work scholarships) and general operations. The Heather Lyn Bowman Scholarship Fund was established in December 2016 to provide annual funding for Dignity Through Work scholarships.

Endowment net asset composition by type of fund at June 30, 2020 was as follows:

	Without Donor Restrictions	With Donor Restrictions
Peter Demirali Scholarship Fund	$ -	$ 127,315
Healther Lyn Bowman Scholarship Fund	-	25,000
	$ -	$ 152,315

Changes in endowment net assets for the fiscal year ending June 30, 2020 was as follows:

	Without Donor Restrictions	With Donor Restrictions
Net assets, June 30, 2019	$ -	$ 152,315
Investment return		
Investment income, net	-	8,154
Appropriation of endowment assets for expenditure	-	(8,154)
Net assets, June 30, 2020	$ -	$ 152,315

Endowment net asset composition by type of fund at June 30, 2019 was as follows:

	Without Donor Restrictions	With Donor Restrictions
Peter Demirali Scholarship Fund	$ -	$ 127,315
Healther Lyn Bowman Scholarship Fund	-	10,000
	$ -	$ 137,315

Changes in endowment net assets for the fiscal year ending June 30, 2019 was as follows:

	Without Donor Restrictions	With Donor Restrictions
Net assets, June 30, 2018	$ -	$ 137,315
Contributions	-	15,000
Investment return		
Investment income, net	-	12,799
Appropriation of endowment assets for expenditure	-	(12,799)
Net assets, June 30, 2019	$ -	$ 152,315

8. HUB IN PROGRESS

The Hub of Opportunity (The Hub) is an innovative transit-oriented, 200,000 square-foot commercial and residential development that will bring together a unique combination of community services, workforce development opportunities, and community living for individuals with disabilities. The Hub is being developed by the Organization in partnership with a government agency and third-party investor through several separate partnerships that will finance the majority of the project through the use of low-income housing tax credits. Amounts paid to fund initial design and construction work related to the project that have not yet been formally invested in one of the partnerships are presented as Hub in Progress. At June 30, 2020 and 2019, Hub in Progress totaled $987,872 and $13,954, respectively. See also Note 2, Note 11, and Note 12.

9. BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

The Organization established the Columbus Dignity Through Work Fund through Community Foundation of Utah. The designated purpose of the fund is for the support of the charitable purposes of the Organization. Once the fund balance reaches $50,000, distributions may be made for charitable purposes in accordance with Community Foundation of Utah's spending policy. Distributions in excess of Community Foundation of Utah's spending policy may also be made to (1) acquire or renovate a capital asset, (2) meet an unexpected and nonrecurring financial need, or (3) benefit the Organization, advance its charitable purpose, and benefit the community.

At the time the fund was established, the Organization granted variance power to Community Foundation of Utah. That power gives Community Foundation of Utah the right to modify any restriction or condition on the distribution of funds if such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. At June 30, 2020 and 2019, Community Foundation of Utah has not notified the Organization of any decision to exercise its variance power.

The Organization believes that the fair value of the future cash flows to be received from its beneficial interest in assets held by the Community Foundation of Utah approximates the fair value of the underlying assets held by the Community Foundation of Utah. The assets held by the Community Foundation of Utah are entirely comprised of pooled investment funds held and managed by the Community Foundation of Utah. Fair value is based on the net asset value per share as determined by the Community Foundation of Utah and provided to the Organization. The fund consists primarily of various common and preferred stocks, asset backed obligations, mutual and index funds, government obligations, and cash equivalent funds. The investment is directed by the Community Foundation of Utah and the portfolio is designed to achieve returns consistent with the Community Foundation of Utah's adopted investment policies. At June 30, 2020 and 2019 the fund had a value of $48,265 and $46,800, respectively, which is reported in the statements of financial position as beneficial interest in assets held by others.

10. NOTES RECEIVABLE

On December 31, 2018, Columbus Foundation was issued a note receivable due from Hub of Opportunity II, LLC. The note receivable is non-interest bearing and requires no payments through October 31, 2038. On November 1, 2038, the note requires monthly payments or interest and principal totaling $1,171 through November 2058. Monthly rents are limited to the gross operating revenue available after payment of operating expenses. The note receivable is secured by a deed of trust pledging Hub of Opportunity II, LLC's interest in the Hub of Opportunity project. Annual interest is imputed on this note at 1.818%. At June 30, 2020 and 2019, amounts receivable under this note net of the applicable discount totaled $186,043 and $421,448, respectively.

On December 31, 2018, Columbus Foundation was issued a note receivable due from Hub of Opportunity, LLC. The note receivable is non-interest bearing and requires no payments through October 31, 2038. On November 1, 2038, the note requires monthly payments of interest and principal totaling $6,474 through

November 1, 2058. The note receivable is secured by a deed of trust pledging Hub of Opportunity, LLC's interest in the Hub of Opportunity project. Annual interest is imputed on this note at 1.818%. At June 30, 2020 and 2019, amounts receivable under this note net of the applicable discount totaled $552,716 and $1,252,079, respectively.

On December 31, 2018, Hub of Opportunity III, which is wholly owned by Columbus Foundation, Inc. and is included in the consolidated reporting entity, was issued a note receivable due from Hub Investment Fund, LLC. The note receivable bears annual interest of 2.6969% and requires interest-only payments through December 2025. In January 2026, the note requires a balloon payment of $2,100,000. On March 15, 2026 the note requires quarterly payments of interest and principal totaling $37,665 through December 2048. The note receivable is secured by a collateral agreement in ownership of the real property and other assets of the Hub Investment Fund, LLC. At June 30, 2020 and 2019, amounts receivable under this note totaled $4,679,500 and $4,679,500, respectively.

11. EQUITY METHOD INVESTMENTS

On December 31, 2018, the Columbus Foundation, Inc. acquired a 49% ownership interest in Hub 9% Management, LLC. Hub 9% Management, LLC owns .01% of Hub of Opportunity II, LLC. The Organization is considered to have significant influence over Hub 9% Management, LLC, therefore, this investment is accounted for using the equity method.

12. COST METHOD INVESTMENTS

On December 31, 2018, Hub 4% Management, LLC, which is a wholly owned subsidiary of Columbus Foundation, Inc., acquired a .01% ownership interest in Hub of Opportunity, LLC. Hub 4% Management, LLC is not considered to have significant influence over Hub of Opportunity, LLC, therefore, this investment is accounted for using the cost method.

13. LINES OF CREDIT

The Organization maintains a line of credit with a financial institution with a limit of $600,000 bearing annual interest of LIBOR+2.5% and expiring in July 2024. The line of credit is secured by all financial and intangible assets of Columbus Foundation. At June 30, 2020 and 2019 there was no balance on this line of credit.

The Organization maintains a line of credit with a government agency with a limit of $2,015,000 bearing annual interest of 3.2% and expiring in September 2019. The line of credit is secured by a deed of trust in real property owned by Columbus Foundation as well as assignment of rents. At June 30, 2020 and 2019 the balance on this line of credit was $0 and $1,028,133, respectively.

14. LONG-TERM DEBT

The Organization's long-term debt consists of a bond due to Salt Lake County, equipment loans, and notes payable related to the Hub of Opportunity.

Bond

On November 1, 2000, Salt Lake County issued $2,570,000 of Series 2000 Multi-Mode Variable Rate Training Facilities Revenue Bonds (the Bonds). The County then loaned the proceeds of the Bonds to the Organization (formerly known as Community Foundation for the Disabled, Inc.) for construction of production facilities and administrative offices. The Bonds are special limited obligations of the County and are payable solely out of the amounts from the Organization pursuant to the terms and provisions of the indenture and agreement. The Bonds are 2000-year serial bonds maturing in August 2025, with a variable interest rate, which was 2.05 and 1.66 percent as of June 30, 2020 and 2019, respectively. The Organization may from time to time convert the interest rate mode for the bonds to another interest rate mode in accordance with the terms of the Bond Indenture Agreement. Payment of principal and interest on the Bonds is guaranteed by a loan agreement which provides the County with rights and title to the program revenues and is secured by the production facilities and administrative offices. Interest on the Bonds is payable monthly, with various annual installments of principal through 2025.

In connection with the bond agreements, the Organization agrees that it will not sell, assign, transfer, exchange, or otherwise dispose of the Organization's facilities, and that it will not create, incur, or permit to exist any lien with respect to the Organizations facilities, except for the lien of the bond agreements. The bonds payable is secured by the Organizations facilities and revenues. The Organization has a letter of credit agreement with a bank (equal to the outstanding bond payable balance) which requires an annual payment of 1% of the outstanding bond payable amount.

Letter of credit fees are included in interest expense in the statement of functional expenses. Debt issuance costs, which consist of bond offering costs, are presented as a reduction of bond proceeds payable and are amortized to interest expense using the straight-line method over the life of the bond. At June 30, 2020 and 2019, bond proceeds payable totaled $964,238 and $1,093,645 , which consisted of principal of $995,000 and $1,130,000 reduced by unamortized debt issuance costs of $30,762 and $36,355, respectively.

Equipment Loans

In August 2014, the Organization issued a note payable to private party. The note payable is non-interest-bearing and requires quarterly payments of $4,750 through August 2019. The note payable is secured by equipment costing $95,000. At June 30, 2020 and 2019, the equipment loan payable under this agreement totaled $4,750 and $9,500, respectively.

In June 2019, the Organization issued a note payable to a financial institution. The note payable bears annual interest of 3.99% and requires monthly payments of $4,057 through June 2024. The note payable is secured by equipment costing $222,168. At June 30, 2020 and 2019, the equipment loan payable under this agreement totaled $179,553 and $220,000, respectively.

Hub of Opportunity Notes Payable

In December 2018, Hub Nextwork, LLC, which is majority owned by Columbus Foundation and included in the consolidated reporting entity, issued three notes payable to an investor partnership.

> Loan A bears annual interest of 1.8181% through December 2025 and requires interest-only payments through that date. On January 1, 2026, Loan A will be refinanced at an annual interest rate of 6% and will require monthly payments of interest and principal of $13,976 through December 2048. At June 30, 2020 and 2019, amounts payable under Loan A totaled $2,100,000 and $2,100,000, respectively.
>
> Loans B and C bear annual interest of 1.8181% through December 2025. They require interest-only payments through December 2025. On January 1, 2026, loans B and C require aggregate monthly payments of principal and interest of $21,704 through December 2048. At June 30, 2020 and 2019, amounts payable under Loans B and C totaled $4,900,000 and $4,900,000 , respectively.

In December 2018, Hub of Opportunity III, which is wholly owned by Columbus Foundation and included in the consolidated reporting entity, issued a note payable to a financial institution. This note bears annual interest of 6% and requires interest-only payments through December 31, 2025. The entire principal balance is due in a balloon payment in January 2026. At June 30, 2020 and 2019, amounts payable under this loan totaled $2,100,000 and $2,100,000 , respectively.

The Hub of Opportunity notes payable are secured by collateral agreements in ownership of the real property and other assets of the partnerships. In addition, certain restrictions have been placed on the use of the properties by the lenders completing construction of the Hub of Opportunity according to a specified timeline and budget, operating the facility as qualified low-income housing, and leasing the underlying residential units to individuals whose income does not exceed 80% of the median income of the Metropolitan Statistical area in which it is located.

PPP Loan

Note payable to a financial institution (through the Paycheck Protection Program); the note bears interest at 1% and is due and payable on December 2022. Interest and payments are deferred until seven months after receiving the loan. This loan is eligible for forgiveness if the Organization meets certain criteria. The Organization expects to meet the criteria for the forgiveness. The note is unsecured.

Vehicles leases payable

Capital leases payable to financial institutions; The leases require monthly payments ranging from $573 - $608 per month and come due between 2024 and 2025. The notes are secured by the related vehicles.

Future Maturities

Future maturities of long-term debt are as follows:

Year Ending June 30,	Principal	Amortized Debt Issuance Costs
2021	$ 825,629	$ (5,593)
2022	833,006	(5,593)
2023	248,002	(5,593)
2024	248,546	(5,593)
2025	192,542	(5,593)
Thereafter	9,290,000	(2,797)
Total long-term debt	11,637,725	(30,762)
Less: current portion	(825,629)	5,593
Long-term debt, less current portion	$ 10,812,096	$ (25,169)

15. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at June 30, 2020 and 2019:

	2020	2019
Subject to expenditure for specified purpose:		
Capital Campaign	$ 4,288,117	$ 3,245,667
Community Employment Expansion	49,250	175,667
Promises to give, the proceeds from which have been restricted by donors for:		
Capital Campaign	230,000	820,000
Community Employment Expansion	-	75,000
Total subject to expenditure for specified purpose	4,567,367	4,316,334

	2020	2019
Restricted in perpetuity:		
Peter Demirali Scholarship Fund	127,315	127,315
Heather Lyn Bowman Scholarship Fund	25,000	25,000
Total restricted in perpetuity:	152,315	152,315
Total net assets with donor restrictions	$ 4,719,682	$ 4,468,649

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of the passage of time or other events specified by the donors as following for the year ended June 30, 2020 and 2019:

	2020	2019
Satisfaction of purpose restrictions:		
Community Employment Expansion	$ 468,115	$ 251,555
Dignity Through Work Scholarships	49,518	66,505
Satisfaction of time restrictions:		
Promises to give	645,000	-
Total net assets released from donor restrictions	$ 1,162,633	$ 318,060

16. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Organization's revenue from contracts with customers that are within the scope of Accounting Standards Codification (ASC) *Topic 606* include fees for service, contract revenue, and rental income.

Disaggregation of Revenue

The Organization's revenue from contracts with customers, disaggregated by major goods and services for the years ended June 30, 2020 and 2019 was as follows:

	2020	2019
Fees for service		
Vocational	$ 1,079,436	$ 805,650
Residential	2,781,234	2,720,720
Community Employment	312,318	287,153
Activities	742,793	1,076,786
Total fees for service	4,915,781	4,890,309
Contract revenue		
Vocational	1,765,698	2,324,014
Community Employment	70,389	44,974
Total contract revenue	1,836,087	2,368,988
Rental income	137,945	113,372
Total revenue from contracts with customers	$ 6,889,813	$ 7,372,669

The Organization's revenue from contracts with customers, disaggregated by contract type, for the years ended June 30, 2020 and 2019 was as follows:

	2020	2019
Goods and services transferred at a point in time	$ 6,889,813	$ 7,372,669
Total revenue from contracts with customers	$ 6,889,813	$ 7,372,669

Contract Balances

The Organization's receivables from contracts with customers, disaggregated by major goods or services, at June 30, 2020 and 2019 were as follows:

	2020	2019
Vocational	$ 147,527	$ 567,014
Community Employment	144,414	148,020
Residential	382,335	388,044
Total receivables from contracts with customers	$ 674,276	$ 1,103,078

At June 30, 2020 and 2019, the Organization did not have any contract asset or contract liability balances.

Transaction Price Allocated to Remaining Performance Obligations

At June 30, 2020 and 2019, the Organization did not have any future performance obligations that were unsatisfied (or partially unsatisfied).

17. CONCENTRATIONS

During the year ended June 30, 2020, the Organization received 46% of its total revenue and support from Customer A. At June 30, 2020, 29% of total accounts receivable, including promises to give, was due from Customer A.

During the year ended June 30, 2019, the Organization received 44% of its total revenue and support from Customer A. At June 30, 2019, 14% and 11% of total accounts receivable, including promises to give, was due from Customer A and Donor A, respectively.

18. COMMITMENTS AND CONTINGENCIES

The Organization participates in various government-assisted state programs that are subject to review and audit by grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a government audit may become a liability of the Organization. The ultimate disallowance pertaining to these regulations, if any, is estimated to be immaterial to the overall financial condition of the Organization. The Organization may be involved in certain claims arising from the ordinary course of operations, and has purchased insurance policies to cover these risks.

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have had and are likely to continue to have a negative impact on the Organization. Certain activities the Organization typically uses to accomplish its mission have been disrupted. While the disruption is currently expected to be temporary, there is considerable uncertain around the duration. The related financial impact cannot be reasonably estimated at this time.

19. RETIREMENT PLAN

As of January 1, 2015, the Organization began participating in a 401(k)-retirement plan sponsored by a third-party service provider that covers employees who meet certain eligibility requirements. The Organization contributes discretionary matching contributions for eligible employees. The Organization's contribution to the Plan during the years ended June 30, 2020 and 2019 was $41,888 and $41,234, respectively.

20. SUBSEQUENT EVENTS

Subsequent to year end (on March 18, 2021), the Organization received total forgiveness of its PPP loan in the amount of $1,075,000 from the U.S. Small Business Administration and the financial institution that held the loan.

Columbus Foundation
Detail of Consolidated Statement of Financial Position
June 30, 2020

	Columbus Foundation	Hub Nextwork, LLC	Hub of Opportunity III, LLC	Hub 4% Management, LLC	Eliminations	Totals
ASSETS						
Current assets						
Cash and cash equivalents	$ 2,841,905	$ -	$ -	$ -	$ -	$ 2,841,905
Current portion of accounts receivable, including promises to give	2,003,189	36,699	210,000	-	(1,259,163)	990,725
Allowance for doubtful accounts	-	-	-	-	-	-
Accounts receivable - related-party	210,000	96,063	-	-	-	306,063
Prepaid expenses	49,436	-	-	-	-	49,436
Total current assets	5,104,530	132,762	210,000	-	(1,259,163)	4,188,129
Property and equipment, at cost	7,830,822	6,507,136	-	-	-	14,337,958
Less: accumulated depreciation and amortization	(3,682,760)	-	-	-	-	(3,682,760)
Property and equipment, net	4,148,062	6,507,136	-	-	-	10,655,198
Cash and cash equivalents, restricted	122,049	2,106,550	-	-	-	2,228,599
Accounts receivable, including promises to give, less current portion	25,000	-	-	-	-	25,000
Investments, restricted	128,646	-	-	-	-	128,646
Beneficial interest in assets held by others	48,265	-	-	-	-	48,265
Notes receivable	738,759	-	4,679,500	-	-	5,418,259
Equity method investments	83	-	-	-	-	83
Cost method investments	-	-	-	231	-	231
Hub in progress	987,872	-	-	-	-	987,872
Total assets	$ 11,303,266	$ 8,746,448	$ 4,889,500	$ 231	$ (1,259,163)	$ 23,680,282
LIABILITIES AND NET ASSETS						
Current liabilities						
Accounts payable	$ 24,215	$ 9,754	$ -	$ -	$ -	$ 33,969
Related-party accounts payable	-	1,259,163	189,000	-	(1,259,163)	189,000
Accrued salaries and benefits	308,227	-	-	-	-	308,227
Lines of credit	-	-	-	-	-	-
Current portion of long-term debt	706,860	113,176	-	-	-	820,036
Total current liabilities	1,039,302	1,382,093	189,000	-	(1,259,163)	1,351,232
Long-term debt, less current portion	1,686,927	7,000,000	2,100,000	-	-	10,786,927
Total liabilities	2,726,229	8,382,093	2,289,000	-	(1,259,163)	12,138,159
Net assets						
Columbus Foundation						
Net assets without donor restrictions	3,857,355	346,163	2,600,500	231	-	6,804,249
Net assets with donor restrictions	4,719,682	-	-	-	-	4,719,682
Noncontrolling interests in subsidiaries	-	18,192	-	-	-	18,192
Total net assets	8,577,037	364,355	2,600,500	231	-	11,542,123
Total liabilities and net assets	$ 11,303,266	$ 8,746,448	$ 4,889,500	$ 231	$ (1,259,163)	$ 23,680,282

See independent auditor's report and accompanying notes to consolidated financial statements.