UNITED CEREBRAL PALSY HEARTLAND
DBA: UCP HEARTLAND

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

UNITED CEREBRAL PALSY HEARTLAND
DBA: UCP HEARTLAND
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INDEPENDENT AUDITORS' REPORT

Board of Directors
United Cerebral Palsy Heartland
dba: UCP Heartland
St. Louis, Missouri

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of United Cerebral Palsy Heartland, dba: UCP Heartland, a nonprofit organization, which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Cerebral Palsy Heartland, dba: UCP Heartland, as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 United Cerebral Palsy Heartland, dba: UCP Heartland 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 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 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 United Cerebral Palsy Heartland, dba: UCP Heartland's ability to continue as a going concern for 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Cerebral Palsy Heartland, dba: UCP Heartland'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 United Cerebral Palsy Heartland, dba: UCP Heartland'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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

St. Louis, Missouri
December 12, 2024

UNITED CEREBRAL PALSY HEARTLAND
DBA: UCP HEARTLAND
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	$ 1,346,060	$ 44,208	$ 1,390,268
Investments	10,998,596	4,615,676	15,614,272
Accounts Receivable, Net	3,093,164	-	3,093,164
Accrued Interest Receivable	7,731	2,640	10,371
Pledge Receivable	-	273,902	273,902
Prepaid Expenses and Other Assets	332,022	-	332,022
Total Current Assets	15,777,573	4,936,426	20,713,999
PROPERTY AND EQUIPMENT, NET	5,950,121	-	5,950,121
OPERATING RIGHT-OF-USE ASSETS, NET	1,739,849	-	1,739,849
Total Assets	$ 23,467,543	$ 4,936,426	$ 28,403,969
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts Payable	$ 139,928	$ -	$ 139,928
Accrued Expenses	1,096,904	-	1,096,904
Current Lease Liability - Operating	177,500	-	177,500
Total Current Liabilities	1,414,332	-	1,414,332
LONG-TERM LEASE LIABILITY - OPERATING (LESS CURRENT MATURITIES)	1,595,795	-	1,595,795
Total Liabilities	3,010,127	-	3,010,127
NET ASSETS	20,457,416	4,936,426	25,393,842
Total Liabilities and Net Assets	$ 23,467,543	$ 4,936,426	$ 28,403,969

See accompanying Notes to Financial Statements.

UNITED CEREBRAL PALSY HEARTLAND
DBA: UCP HEARTLAND
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	$ 2,531,410	$ 130,493	$ 2,661,903
Investments	9,174,014	4,097,316	13,271,330
Accounts Receivable, Net	3,045,320	-	3,045,320
Accrued Interest Receivable	6,732	4,298	11,030
Pledge Receivable	-	263,124	263,124
Prepaid Expenses and Other Assets	296,378	-	296,378
Total Current Assets	15,053,854	4,495,231	19,549,085
BENEFICIAL INTEREST IN TRUST	-	68,458	68,458
PROPERTY AND EQUIPMENT, NET	5,208,262	-	5,208,262
OPERATING RIGHT-OF-USE ASSETS, NET	1,897,494	-	1,897,494
Total Assets	$ 22,159,610	$ 4,563,689	$ 26,723,299
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts Payable	$ 84,511	$ -	$ 84,511
Accrued Expenses	709,083	-	709,083
Current Lease Liability - Operating	174,483	-	174,483
Total Current Liabilities	968,077	-	968,077
LONG-TERM LEASE LIABILITY - OPERATING (LESS CURRENT MATURITIES)	1,752,095	-	1,752,095
Total Liabilities	2,720,172	-	2,720,172
NET ASSETS	19,439,438	4,563,689	24,003,127
Total Liabilities and Net Assets	$ 22,159,610	$ 4,563,689	$ 26,723,299

See accompanying Notes to Financial Statements.

UNITED CEREBRAL PALSY HEARTLAND
DBA: UCP HEARTLAND
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE			
Grants	$ 228,988	$ -	$ 228,988
Program Service Fees	15,961,300	-	15,961,300
United Way	6,234	547,800	554,034
Contributions	692,762	30,000	722,762
Fundraising	597,263	-	597,263
Investment Earnings	834,971	490,943	1,325,914
Loss on Beneficial Interest in Trust	-	(667)	(667)
Miscellaneous Income	57,449	-	57,449
Net Assets Released from Restrictions	695,339	(695,339)	-
Total Public Support and Revenue	19,074,306	372,737	19,447,043
EXPENSES			
Program Services:			
Family Support	555,876	-	555,876
Community Services (Adult Programs)	4,438,896	-	4,438,896
Supported Employment	1,224,461	-	1,224,461
Community Living	6,395,700	-	6,395,700
Children's Services	2,690,082	-	2,690,082
Supporting Services:			
Management and General	2,093,317	-	2,093,317
Fundraising	657,996	-	657,996
Total Expenses	18,056,328	-	18,056,328
CHANGE IN NET ASSETS	1,017,978	372,737	1,390,715
Net Assets - Beginning of Year	19,439,438	4,563,689	24,003,127
NET ASSETS - END OF YEAR	$ 20,457,416	$ 4,936,426	$ 25,393,842

See accompanying Notes to Financial Statements.

UNITED CEREBRAL PALSY HEARTLAND
DBA: UCP HEARTLAND
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE			
Grants	$ 121,245	$ 89,610	$ 210,855
Program Service Fees	14,135,947	-	14,135,947
United Way	9,879	526,244	536,123
Contributions	950,318	-	950,318
Fundraising	797,590	-	797,590
Investment Earnings	562,541	400,405	962,946
Gain on Beneficial Interest in Trust	-	2,117	2,117
Loss on Disposals of Property and Equipment	(282,939)	-	(282,939)
Net Assets Released from Restrictions	544,232	(544,232)	-
Total Public Support and Revenue	16,838,813	474,144	17,312,957
EXPENSES			
Program Services:			
Family Support	336,512	-	336,512
Community Services (Adult Programs)	3,420,677	-	3,420,677
Supported Employment	910,785	-	910,785
Community Living	5,110,782	-	5,110,782
Children's Services	2,361,401	-	2,361,401
Supporting Services:			
Management and General	1,755,210	-	1,755,210
Fundraising	596,694	-	596,694
Total Expenses	14,492,061	-	14,492,061
CHANGE IN NET ASSETS	2,346,752	474,144	2,820,896
Net Assets - Beginning of Year	17,092,686	4,089,545	21,182,231
NET ASSETS - END OF YEAR	$ 19,439,438	$ 4,563,689	$ 24,003,127

See accompanying Notes to Financial Statements.

UNITED CEREBRAL PALSY HEARTLAND
DBA: UCP HEARTLAND
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

	Program Services					
	Family Support	Community Services	Supported Employment	Community Living	Children's Services	Total Program Services
Salaries and Related Expenses	$ 370,347	$ 3,291,724	$ 1,086,922	$ 5,654,628	$ 2,129,208	$ 12,532,829
Professional Services	11,765	92,401	31,271	187,501	115,761	438,699
Supplies/Client Assistance	154,762	106,185	7,075	87,590	85,471	441,083
Communications	1,272	25,991	20,246	56,289	41,699	145,497
Postage and Shipping	1	213	-	-	-	214
Printing and Photographic	154	92	730	170	188	1,334
Conferences and Training	1,756	10,739	8,177	16,389	6,943	44,004
Recruiting	272	3,181	499	6,325	4,038	14,315
Local Transportation and Mileage	3,790	12,456	47,309	33,067	21,902	118,524
Occupancy	5,555	687,839	18,284	119,893	169,884	1,001,455
Insurance	-	53,718	-	57,774	40,829	152,321
Equipment	2,407	29,634	3,792	25,421	18,659	79,913
Dues	228	1,104	22	1,555	2,661	5,570
Transportation	2,872	28,133	2	21,710	1,080	53,797
Miscellaneous	695	908	132	1,248	266	3,249
Total Expenses Before Depreciation	555,876	4,344,318	1,224,461	6,269,560	2,638,589	15,032,804
Depreciation	-	94,578	-	126,140	51,493	51,493
Total Expenses	$ 555,876	$ 4,438,896	$ 1,224,461	$ 6,395,700	$ 2,690,082	$ 15,305,015

See accompanying Notes to Financial Statements.

UNITED CEREBRAL PALSY HEARTLAND
DBA: UCP HEARTLAND
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Supporting Services				
	Management and General	Allocated Occupancy	Fundraising	Total Supporting Services	Total
Salaries and Related Expenses	$ 1,680,003	$ 3,869	$ 422,206	$ 2,106,078	$ 14,638,907
Professional Services	166,412	1,790	50,698	218,900	657,599
Supplies/Client Assistance	10,269	31,962	1,037	43,268	484,351
Communications	10,785	8,084	3,124	21,993	167,490
Postage and Shipping	2,879	526	3,859	7,264	7,478
Printing and Photographic	2,516	-	6,162	8,678	10,012
Conferences and Training	83,390	-	7,855	91,245	135,249
Recruiting	(3,130)	-	290	(2,840)	11,475
Local Transportation and Mileage	21,337	-	16,105	37,442	155,966
Occupancy	46,079	(258,433)	7,508	(204,846)	796,609
Insurance	-	71,850	-	71,850	224,171
Equipment	7,151	2,588	6,986	16,725	96,638
Dues	52,215	-	33	52,248	57,818
Transportation	4,795	2,567	-	7,362	61,159
Miscellaneous	8,616	-	132,133	140,749	143,998
Total Expenses Before Depreciation	2,093,317	(135,197)	657,996	2,616,116	17,648,920
Depreciation	-	135,197	-	135,197	407,408
Total Expenses	$ 2,093,317	$ -	$ 657,996	$ 2,751,313	$ 18,056,328

See accompanying Notes to Financial Statements.

UNITED CEREBRAL PALSY HEARTLAND
DBA: UCP HEARTLAND
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

	Program Services					
	Family Support	Community Services	Supported Employment	Community Living	Children's Services	Total Program Services
Salaries and Related Expenses	$ 210,831	$ 2,508,081	$ 801,887	$ 4,490,698	$ 1,787,630	$ 9,799,127
Professional Services	10,642	73,418	30,640	147,184	97,363	359,247
Supplies/Client Assistance	92,998	81,217	4,679	78,365	117,978	375,237
Communications	988	8,963	16,878	41,653	29,692	98,174
Postage and Shipping	-	44	-	4	23	71
Printing and Photographic	165	150	581	85	1,665	2,646
Conferences and Training	254	11,077	1,431	6,224	14,620	33,606
Recruiting	762	298	1,636	601	567	3,864
Local Transportation and Mileage	3,506	6,219	30,860	21,833	21,640	84,058
Occupancy	9,208	497,696	13,601	94,171	161,447	776,123
Insurance	-	44,508	-	47,968	32,623	125,099
Equipment	986	70,376	7,586	27,155	26,418	132,521
Dues	118	1,407	920	2,663	956	6,064
Transportation	6,053	31,476	-	29,063	2,087	68,679
Miscellaneous	1	24	86	29	81	221
Total Expenses Before Depreciation	336,512	3,334,954	910,785	4,987,696	2,294,790	11,864,737
Depreciation	-	85,723	-	123,086	66,611	275,420
Total Expenses	$ 336,512	$ 3,420,677	$ 910,785	$ 5,110,782	$ 2,361,401	$ 12,140,157

See accompanying Notes to Financial Statements.

UNITED CEREBRAL PALSY HEARTLAND
DBA: UCP HEARTLAND
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
YEAR ENDED JUNE 30, 2023

	Supporting Services				
	Management and General	Allocated Occupancy	Fundraising	Total Supporting Services	Total
Salaries and Related Expenses	$ 1,335,788	$ 4,543	$ 321,447	$ 1,661,778	$ 11,460,905
Professional Services	148,494	4,872	45,341	198,707	557,954
Supplies/Client Assistance	9,025	29,718	1,370	40,113	415,350
Communications	14,353	10,175	2,628	27,156	125,330
Postage and Shipping	177	-	-	177	248
Printing and Photographic	553	-	6,399	6,952	9,598
Conferences and Training	57,272	-	450	57,722	91,328
Recruiting	(987)	-	639	(348)	3,516
Local Transportation and Mileage	22,452	153	8,128	30,733	114,791
Occupancy	101,387	(286,317)	3,994	(180,936)	595,187
Insurance	-	56,426	-	56,426	181,525
Equipment	4,704	56,678	1,864	63,246	195,767
Dues	21,778	-	114	21,892	27,956
Transportation	247	1,503	-	1,750	70,429
Miscellaneous	39,924	74	204,320	244,327	244,548
Total Expenses Before Depreciation	1,755,167	(122,175)	596,694	2,229,686	14,094,423
Depreciation	43	122,175	-	122,218	397,638
Total Expenses	$ 1,755,210	$ -	$ 596,694	$ 2,351,904	$ 14,492,061

See accompanying Notes to Financial Statements.

UNITED CEREBRAL PALSY HEARTLAND
DBA: UCP HEARTLAND
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Change in Net Assets	$ 1,390,715	$ 2,820,896
Adjustments to Reconcile Net Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	407,408	397,638
Net Realized and Unrealized Gain on Investments	(928,718)	(634,741)
Loss on Disposals of Property and Equipment	-	282,939
(Gain) Loss on Beneficial Interest in Trust	667	(2,117)
(Increase) Decrease in Assets:		
Accounts Receivable	(47,844)	(1,079,981)
Accrued Interest Receivable	659	(2,305)
Pledge Receivable	(10,778)	(6,666)
Prepaid Expenses and Other Assets	(35,644)	59,427
Right-of-Use Asset	157,645	(1,897,494)
Increase (Decrease) in Liabilities:		
Accounts Payable	55,417	66,763
Accrued Expenses	387,821	195,479
Lease Liability	(153,283)	1,926,578
Deferred Revenue	-	(1,000)
Net Cash Provided by Operating Activities	1,224,065	2,125,416
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sales of Investments	(7,771,364)	(2,011,982)
Purchases of Investments, Including Reinvested Income	6,357,140	1,664,466
Proceeds from Beneficial Interest in Trust Dissolution	67,791	-
Purchases of Property and Equipment	(1,149,267)	(859,449)
Net Cash Used by Investing Activities	(2,495,700)	(1,206,965)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,271,635)	918,451
Cash and Cash Equivalents - Beginning of Year	2,661,903	1,743,452
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 1,390,268	$ 2,661,903

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

United Cerebral Palsy Heartland dba: UCP Heartland is a nonprofit organization whose mission is to provide children and adults living with differing abilities the extraordinary care and support needed to thrive in school, at home, at work and in the community.

Use of Estimates

The preparation of the 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 at the date of the financial statements and the reported amounts of support, revenues and expenses during the reporting period including grant and contract revenues subject to review by applicable funding agencies. Accordingly, actual results could differ from those estimates.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board. Under accounting guidance, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions include contributed net assets for which donor-imposed time and purpose restrictions have not been met. A portion of net assets with donor restrictions are restricted in perpetuity, including contributed net assets which require, by donor restriction, that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets in total.

Cash and Cash Equivalents

For purposes of statements of financial position presentation and reporting of cash flows, cash and cash equivalents include unrestricted demand deposits, money market funds, and certificates of deposit, which are readily convertible to cash and are stated at cost, which approximates fair value. Short-term cash equivalents that are managed as part of long-term investment strategies are included with investments.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual receivables from state and local agencies, various funding organizations, and individuals. Accounts receivable greater than 90 days outstanding are considered delinquent. The loss rate is based on management's expectations about current and future economic conditions. Management believes this method provides a proper recognition of bad debt expense in the period incurred. The Organization's allowance for credit losses totaled $40,045 and $70,264 at June 30, 2024 and 2023, respectively.

Pledges Receivable

The Organization receives pledges from organizations and individuals in the form of grants and contributions. Pledges, including unconditional promises to give cash and other assets to the Organization in the future, are recognized as revenue at fair value in the period received. The gifts are reported as with donor restrictions support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statements of operations as net assets released from restrictions. Donor-imposed contributions whose restrictions are met in the same year as received are reported as contributions without restrictions in the accompanying financial statements. Gifts with donor stipulations that the corpus be maintained in perpetuity are recorded as net assets with donor restrictions in perpetuity. Unconditional promises to give in subsequent years are reflected as pledges receivable and are recorded at the present value of the expected future cash flows. The pledge receivable at June 30, 2024 and 2023 consists of $273,902 and $263,124, respectively, due from United Way for calendar years 2024 and 2023 support.

Investments

Investments are recorded in accordance with *Accounting for Certain Investments Held by Not-for-Profit Organizations*. As such, investments in marketable securities with readily determinable fair values are reported at fair value in the statements of financial position. Unrealized gains and losses are included in the statements of activities.

Property and Equipment

It is the Organization's policy to capitalize property and equipment over $5,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized using the straight-line method over the lesser of the useful life or remaining lease terms.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Beneficial Interest in Trust

The Organization is a recipient in a charitable remainder trust. The gift was recorded as an asset and revenue at the time of receipt based on the lower of the present value of the future cash flows or the vested interest in the underlying assets. The asset was classified as with donor restrictions based on a donor-imposed time restriction. Upon the termination of the trust, the Organization will receive a percentage of the assets remaining in the trust. Changes in net assets of the trust are recorded as gains or losses (change in value of the trust) in the statements of activities. Net assets and changes in the net assets are recorded as with donor restrictions.

Fees for Service

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Revenues are recognized based on a single performance obligation over a period of time and are recorded based on published rates of service.

Donated Materials and Services

Donated land, buildings, equipment, investments, and other noncash donations are recorded as contributions at their fair value at the date of donation. The Organization reports the donations as support without donor restrictions, unless explicit donor stipulations specify how the assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets must be used, and gifts of cash or other assets that must be used to acquire long-lived assets, are reported as restricted support. Absent explicit donor stipulations about how those long-lived assets must be maintained, the Organization reports expirations of donor restrictions at the time the assets are placed in service.

The Organization records the value of donated services when there is an objective basis available to measure the donation’s value. In addition, many individuals volunteer time and skills to perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as donated services.

Functional Expenses

The Organization allocates its expenses on a functional basis to its programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions such as information technology, salaries, human resources, and electronic health records, are primarily allocated based on direct payroll allocation, square footage, full time equivalents within each department, and total direct expenses.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

The Organization measures fair value using a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity’s own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The Organization may use valuation techniques consistent with the market, income, and cost approaches to measure fair value.

The inputs used to measure fair value are categorized into the following three categories:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds. The Organization has the ability to access as of the measurement date.

Level 2 – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

Level 3 – Inputs that are unobservable. Unobservable inputs reflect the Organization’s own assumptions about the factors market participants would use in pricing an investment, and is based on the best information available in the circumstances.

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

Debt Securities – Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual Funds – Valued at the closing price reported on the active market on which the individual funds are traded.

Beneficial Interest in Trusts – Valued at the NAV of shares held by the trust at year-end.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements at the reporting date.

The Organization has the option to elect to measure financial instruments at fair value for the initial and subsequent measurement for certain financial assets and liabilities on an instrument-by-instrument basis. The Organization has not elected to measure any existing financial instruments at fair value at June 30, 2024 and 2023. However, the Organization may elect to measure newly acquired financial instruments at fair value in the future.

Tax Status

The Organization is tax-exempt under Section 501(c)(3) of the Internal Revenue Code and, therefore, is exempt from both federal and state income taxes. Accordingly, no provision has been made for income taxes in the accompanying financial statements.

Description of Programs

The accompanying financial statements include the following program services and supporting activities:

Family Support – Provides services navigator connecting families with needed programs and support, youth camps for summer and school breaks, and independence through technology supporting individuals and families with necessary adaptive equipment and assistive technology.

Community Services – Provides educational and training programs, as well as health, social, and support services to adults with various types of disabilities.

Supported Employment – Provides employment opportunities to individuals with disabilities, with support from Organization staff.

Community Living – Provides various levels of support to allow individuals with disabilities to live in the housing and community of their choice, with the person(s) of their choice.

Children's Services – Provides development centers that bring early care and education to families, as well, as early intervention assessments.

Management and General – Includes the functions necessary to manage the program services.

Fundraising – Provides the developmental support necessary to promote and acquire financial support from individuals, organizations, and corporations.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through December 12, 2024, the date the financial statements were available to be issued.

Leases – Lessee

The Organization leases office space and equipment. The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities on the statements of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of leases do not provide an implicit rate, the Organization uses the incremental borrowing rate at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statements of financial position.

The Organization has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component. The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Adoption of New Accounting Standards

The Organization has adopted Accounting Standards Updated (ASU) 2016-13, *Financial Instruments – Credit Losses* (Topic 326): *Measurement of Credit Losses on Financial Instruments*, as amended, which modified the measurement of expected credit losses. The Organization adopted this new guidance utilizing the modified retrospective transition method. The adoption of this standard did not have a material impact on the Organization's financial statements.

NOTE 2 CONCENTRATIONS OF CREDIT RISK, MARKET RISK, AND REVENUES

The Organization's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and investments. The majority of the Organization's operating cash is maintained at First Bank and Commerce bank. The banks provide maximum protection of $250,000 for bank accounts under regulations issued by the Federal Deposit Insurance Corporation (FDIC). As of June 30, 2024, there were $1,077,945 of deposits in excess of federally insured limits.

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

Certain programs of the Organization are dependent upon funds being received from the Missouri Department of Mental Health. These funding sources accounted for approximately 64% of the Organization's total public support and revenue for the years ended June 30, 2024 and 2023. A significant reduction in these funds would have a material effect on the Organization's financial position.

NOTE 3 COMMITMENTS AND CONTINGENCIES

From time to time, the Organization may have various lawsuits pending. In the opinion of management after consultation with legal counsel, resolution of these matters are not expected to have a material adverse effect on the accompanying financial statements.

Beginning January 1, 2024, the Organization maintains a self-insurance program for its employees' health care costs. The Organization is liable for losses on claims per employee up to $50,000 plus an additional one-time aggregate limit of $50,000 for all employees exceeding the per employee claim limit. The Organization's overall potential aggregate liability is between $571,763 and $1,000,000, for the policy period ending December 31, 2024, ultimately determined by employee participation during the policy period. The Organization has insurance coverage for any losses in excess of such limits. Self-insurance costs are accrued based on claims reported as of June 30, 2024, as well as an estimated liability for claims incurred but not reported. The total accrued liability for self-insurance costs was approximately $100,000 at June 30, 2024, included with accrued expenses on the statement of financial position.

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30:

	2024	2023
Land and Buildings	$ 4,599,229	$ 4,500,888
Leasehold Improvements	1,821,722	974,380
Construction in Progress	6,242	296,559
Equipment	617,871	433,555
Furniture and Fixtures	261,678	146,077
Vehicles	1,083,844	889,860
Property and Equipment, at Cost	8,390,586	7,241,319
Accumulated Depreciation	(2,440,465)	(2,033,057)
Property and Equipment, Net	$ 5,950,121	$ 5,208,262

Depreciation expense was $407,408 and $397,638 for the years ended June 30, 2024 and June 30, 2023, respectively.

NOTE 5 BENEFICIAL INTEREST IN TRUST

The Organization had a 10% interest in the Robert B. Kahn Trust totaling $-0- and $684,580 at June 30, 2024 and 2023, respectively. The Organization received 10% of the income. The corpus of the trust was restricted until April 2024, at which time the trust estate terminated, and the Organization received 10% of the corpus and any accumulated income. At June 30, 2023, the fair values of the underlying assets held in the trust, which was administered by a bank, were as follows:

Fixed Income Securities	$ 151,687
Alternative Investments	28,253
Cash Equivalents	6,159
Equities	498,481
Subtotal	684,580
Organization's Interest	10%
Total	$ 68,458

The activity in the beneficial interest in trust for the year ended June 30, 2024 and 2023, are as follows:

	2024	2023
Net Investment Gains (Losses)	$ (667)	$ 5,968
Trust Income Distributed to Organization	$ -	$ 3,851
Trust Distributions upon Dissolution	$ 67,791	$ -

NOTE 6 INVESTMENTS

Cash and cash equivalents are carried at cost, which approximates market. Mutual funds and fixed income securities are recorded at fair value. Investments consist of the following at June 30:

	2024	2023
Cash and Cash Equivalents	$ 1,565,234	$ 87,504
Mutual Funds - Equity	7,222,818	6,711,921
Mutual Funds - Fixed Income	6,365,349	5,976,321
Bonds	460,871	495,584
Total	$ 15,614,272	$ 13,271,330

Investment return for the years ended June 30, 2024 and 2023 is summarized as follows:

	2024	2023
Interest, Dividends	$ 419,416	$ 348,735
Expense	(22,220)	(20,530)
Realized and Unrealized Investment Gains, Net	928,718	634,741
Total	$ 1,325,914	$ 962,946

NOTE 7 EMPLOYEE RETENTION CREDITS

Grants from the government are recognized when all conditions of such grants are fulfilled or there is reasonable assurance that they will be fulfilled. The Organization recognized $243,881 of employee retention credits related to performance requirements being met and costs being incurred in compliance with the program during the year ended June 30, 2022. $243,881 was uncollected at June 30, 2023 and was included in accounts receivable. As of June 30, 2024 the balance was received.

NOTE 8 NET ASSETS

Net assets with donor restrictions are available for the following purposes or periods at June 30:

	2024	2023
Purpose Restrictions:		
Appropriation of Endowment Earnings	$ 2,583,139	$ 2,092,196
Heinkel Foundation - CDC Upgrades	10,000	-
Homebuilders - Respite Center Upgrades	20,000	-
Columbia Daycare Music Therapy	6,825	6,825
MO DESE Grant	-	89,610
Time Restrictions	373,902	432,498
Net Assets With Time and Purpose Restrictions	$ 2,993,866	$ 2,621,129

NOTE 8 NET ASSETS (CONTINUED)

Net assets with donor restrictions in perpetuity at June 30 are:

	2024	2023
Endowment With Donor Restrictions In Perpetuity	$ 519,672	$ 519,672
Wolff Endowment With Donor Restrictions in Perpetuity	1,415,505	1,415,505
Cash - Jackman Fund	7,383	7,383
Total Net Assets With Donor Restrictions in Perpetuity	$ 1,942,560	$ 1,942,560

NOTE 9 FAIR VALUE MEASUREMENTS

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Organization values all other assets and liabilities refer to Note 1 – Organization and Summary of Significant Accounting Policies.

The following table presents the fair value hierarchy for the balances of the assets of the Organization measured at fair value on a recurring basis as of June 30:

	2024			
	Level 1	Level 2	Level 3	Total
Assets:				
Mutual Funds	$ 13,588,167	$ -	$ -	$ 13,588,167
Bonds	460,871	-	-	460,871
Total	$ 14,049,038	$ -	$ -	$ 14,049,038

	2023			
	Level 1	Level 2	Level 3	Total
Assets:				
Mutual Funds	$ 12,688,242	$ -	$ -	$ 12,688,242
Bonds	495,584	-	-	495,584
Beneficial Interest in Trust	-	-	68,458	68,458
Total	$ 13,183,826	$ -	$ 68,458	$ 13,252,284

The table below sets forth a summary of changes in the fair value of the Organization's Level 3 assets for the years ended June 30, 2024 and 2023:

	Beneficial Interest in Trust
Balance - June 30, 2022	$ 66,341
Change in Value of Trust	2,117
Balance - June 30, 2023	68,458
Change in Value of Trust	(68,458)
Balance - June 30, 2024	$ -

NOTE 10 ENDOWMENT

The Organization's endowment funds were established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Endowment Committee to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Endowment Committee to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Endowment Committee has interpreted the Uniform Prudent Management of Institutional Funds Act (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 a result of this interpretation, the Organization classifies as net assets with donor restrictions in perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment with donor restrictions in perpetuity, and (c) accumulations to the endowment with donor restrictions in perpetuity made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as net assets with donor restrictions in perpetuity is classified as net assets with donor restrictions.

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 purposes of the donor-restricted endowment fund.
- General economic conditions.
- The possible effects of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Other resources of the Organization.
- The investment policies of the Organization.

The endowment net asset composition by type of fund is as follows:

June 30, 2024	Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowment Funds	$ -	$ 4,525,699	$ 4,525,699
Board-Designated Endowment Funds	3,641,889	-	3,641,889
Total Funds	$ 3,641,889	$ 4,525,699	$ 8,167,588

June 30, 2023	Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowment Funds	$ -	$ 4,027,373	$ 4,027,373
Board-Designated Endowment Funds	3,280,247	-	3,280,247
Total Funds	$ 3,280,247	$ 4,027,373	$ 7,307,620

NOTE 10 ENDOWMENT (CONTINUED)

Changes to endowment net assets are as follows for the years ended June 30, 2024 and 2023:

	Without Donor Restrictions	With Donor Restrictions	With Donor Restrictions in Perpetuity	Total
Endowment Net Assets - July 1, 2022	$ 2,987,845	$ 1,692,670	$ 1,942,560	$ 6,623,075
Investment Return:				
Investment Income	77,134	90,965	-	168,099
Net Depreciation				
(Realized and Unrealized)	215,268	308,561	-	523,829
Total Investment Return	292,402	399,526	-	691,928
Contributions	-	-	-	-
Releases	-	-	-	-
Endowment Net Assets - June 30, 2023	3,280,247	2,092,196	1,942,560	7,315,003
Investment Return:				
Investment Income	87,940	104,528	-	192,468
Net Appreciation				
(Realized and Unrealized)	273,702	386,415	-	660,117
Total Investment Return	361,642	490,943	-	852,585
Contributions	-	-	-	-
Releases	-	-	-	-
Endowment Net Assets - June 30, 2024	$ 3,641,889	$ 2,583,139	$ 1,942,560	$ 8,167,588

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Organization to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature are reported as net assets without donor restriction. The Organization did not have any such deficiencies at June 30, 2024 and 2023.

The Organization has adopted investment and spending policies for endowment assets that attempt to achieve the maximum total rate of return consistent with the tolerance for risk determined by the Endowment Committee, while maintaining a funded status that provides appropriate long-term stability and support to the Organization consistent with the purpose of the endowment fund. Under this policy, the endowment assets may be invested in a combination of equities, fixed income securities, and real estate, subject to limitations determined by the Endowment Committee.

NOTE 10 ENDOWMENT (CONTINUED)

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The Endowment Committee has determined that only the endowment fund income may be distributed. On a semiannual basis, the Endowment Committee determines the amount of a distribution, if any, as well as the amount of any undistributed income that will be retained and distributed at a later date. Also, if funds are underwater the board will determine if distributions will be made.

NOTE 11 LIQUIDITY AND AVAILABILITY

The Organization receives significant revenue, approximately 75% for the years ended June 30, 2024 and 2023, from federal and local government sources. These funds are reimbursed monthly based upon services provided. Due to the uncertainness of government funding, the board of directors has established a cash reserves policy to support its operations, programs and services that is equal to between 50%-100% of the current operating budget.

The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. To achieve these targets, the entity forecasts its future cash flows, monitors its liquidity quarterly and its reserves annually. During the years ended June 30, 2024 and 2023, the level of liquidity and reserves was managed within the policy required. Although the Organization does not intend to spend the board restricted endowment funds, the funds could be utilized if needed, and as such, are included in the assets available for general expenditures.

	2024	2023
Total Current Assets	$ 20,713,999	$ 19,549,085
Less: Prepaid Expenses and Other Assets	(332,022)	(296,378)
Total Financial Assets	20,381,977	19,252,707
Less: With Donor Restrictions in Perpetuity	(1,942,560)	(1,942,560)
Less: Long-Term Time and Purpose Restrictions	(2,679,964)	(2,327,089)
Subtotal	(4,622,524)	(4,269,649)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$ 15,759,453	$ 14,983,058

NOTE 12 LEASE COMMITMENTS

The Organization rents office space and equipment under operating lease arrangements that expire at various dates through January 2037. In the normal course of business, it is expected that these leases will be renewed or replaced by similar leases.

The following table provides quantitative information concerning the Organization's leases as of and for the year ended June 30, 2024 and June 30, 2023, respectively:

	2024	2023
Lease Cost:		
Operating Lease Cost	$ 238,578	$ 221,210
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Operating Leases	$ 234,169	$ 192,126
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities:	$ 13,679	$ 2,058,105
Weighted-Average Remaining Lease Term - Operating Leases	10.3 Years	11.10 Years
Weighted-Average Discount Rate - Operating Leases	3.21%	3.22%

The Organization classifies the total undiscounted lease payments that are due in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2024, is as follows:

Years Ending June 30,	
2025	$ 231,130
2026	232,847
2027	234,615
2028	195,218
2029	173,249
Thereafter	1,021,507
Total Lease Payments	2,088,566
Less: Interest	(315,271)
Total	$ 1,773,295

NOTE 13 EMPLOYEE BENEFIT PLANS

The Organization has a 403(b) retirement plan covering substantially all of its employees. The employees may defer compensation up to the maximum percentage allowed by Internal Revenue Service (IRS) guidelines. Employees are eligible to defer immediately and are eligible to receive employer contributions if they are at least 18 years of age, work an average of 20 hours per week or more, and have completed one year of service. Vesting in the employer's discretionary contribution portion of their accounts plus earnings thereon is based on years of continuous service. A participant is fully vested after five years of credited service or upon attaining retirement age, death, or disability. Retirement plan expense for the years ended June 30, 2024 and 2023 was $378,860 and $329,644, respectively.