

NAMI CENTRAL TEXAS
(A Nonprofit Corporation)

INDEPENDENT AUDITORS' REPORT
AND
FINANCIAL STATEMENTS

December 31, 2021

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
NAMI Central Texas
Austin, Texas

Opinion

We have audited the accompanying financial statements of NAMI Central Texas (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NAMI Central Texas as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about NAMI Central Texas's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of

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internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

Allman & Associates, Inc.

Austin, Texas
October 5, 2022

NAMI CENTRAL TEXAS
(A Nonprofit Corporation)

STATEMENT OF FINANCIAL POSITION

December 31, 2021

Assets

Current Assets	
Cash and cash equivalents	\$ 712,396
Accounts receivable	19,407
Grants and contributions receivable	94,453
Prepaid	<u>280</u>
Total Current Assets	<u>826,536</u>
Property and equipment, net of accumulated depreciation	<u>2,364</u>
Total Assets	<u><u>\$ 828,900</u></u>

Liabilities and Net Assets

Current Liabilities	
Accounts payable	\$ 21,244
Accrued payroll	<u>21,742</u>
Total Current Liabilities	<u>42,986</u>
Total Liabilities	<u>42,986</u>
Net Assets	
Without donor restrictions	
Undesignated	<u>778,914</u>
Total Net Assets Without Donor Restrictions	778,914
With donor restrictions	
Purpose restrictions	<u>7,000</u>
Total Net Assets With Donor Restrictions	7,000
Total Net Assets	<u>785,914</u>
Total Liabilities and Net Assets	<u><u>\$ 828,900</u></u>

See accompanying independent auditors' report and notes to financial statements.

NAMI CENTRAL TEXAS
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STATEMENT OF ACTIVITIES

Year Ended December 31, 2021

Changes in Net Assets	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and support			
Special events	\$ 297,115	\$ -	\$ 297,115
Contributions	236,997	-	236,997
Grants	151,718	7,000	158,718
Contributed services and facilities	86,734	-	86,734
Education and support training	25,081	-	25,081
Memberships	2,290	-	2,290
Interest income	624	-	624
Net assets released from restriction	<u>1,250</u>	<u>(1,250)</u>	<u>-</u>
 Total Revenues and Support	 <u>801,809</u>	 <u>5,750</u>	 <u>807,559</u>
 Expenses			
Program services:			
Training	648,407	-	648,407
Consumer	<u>6,825</u>	<u>-</u>	<u>6,825</u>
Total program services	655,232	-	655,232
Supporting services:			
Management and general	139,228	-	139,228
Fundraising	<u>78,018</u>	<u>-</u>	<u>78,018</u>
Total supporting services	<u>217,246</u>	<u>-</u>	<u>217,246</u>
 Total expenses	 <u>872,478</u>	 <u>-</u>	 <u>872,478</u>
 Change in net assets	 (70,669)	 5,750	 (64,919)
 Net assets at beginning of year	 <u>849,583</u>	 <u>1,250</u>	 <u>850,833</u>
 Net assets at end of year	 <u>\$ 778,914</u>	 <u>\$ 7,000</u>	 <u>\$ 785,914</u>

See accompanying independent auditors' report and notes to financial statements.

NAMI CENTRAL TEXAS
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STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2021

Expense Category	Program Services		Total Program Services	Supporting Services		Total Supporting Services	Totals
	Training	Consumer		Management and General	Fundraising		
Personnel costs	\$ 423,211	\$ 4,206	\$ 427,417	\$ 55,500	\$ 52,958	\$ 108,458	\$ 535,875
Contract services	143,919	500	144,419	60,748	10,504	71,252	215,671
Facilities and equipment	28,491	936	29,427	4,585	2,184	6,769	36,196
Miscellaneous	24,715	-	24,715	1,450	750	2,200	26,915
Supplies	6,004	-	6,004	798	4,616	5,414	11,418
Information technology	7,827	600	8,427	2,192	760	2,952	11,379
Telephone	4,146	208	4,354	5,586	188	5,774	10,128
Bank and credit card fees	-	-	-	833	4,790	5,623	5,623
Printing and copying	2,465	360	2,825	275	667	942	3,767
Travel and meetings	1,760	-	1,760	872	327	1,199	2,959
Membership and dues	1,994	-	1,994	518	-	518	2,512
Insurance	-	-	-	2,262	-	2,262	2,262
Donations	2,000	-	2,000	-	-	-	2,000
Depreciation	-	-	-	1,707	-	1,707	1,707
Advertising	735	15	750	556	113	669	1,419
Bad debt expense	-	-	-	1,000	-	1,000	1,000
Postage and mailing	411	-	411	237	161	398	809
Food and beverage	360	-	360	109	-	109	469
Stipends and other assistance	344	-	344	-	-	-	344
Books and subscriptions	25	-	25	-	-	-	25
Total expenses	\$ 648,407	\$ 6,825	\$ 655,232	\$ 139,228	\$ 78,018	\$ 217,246	\$ 872,478

See accompanying independent auditors' report and notes to financial statements.

NAMI CENTRAL TEXAS
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STATEMENT OF CASH FLOWS

Year Ended December 31, 2021

Cash Flows From Operating Activities	
Change in net assets	\$ (64,919)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	1,707
Changes in assets and liabilities	
Accounts receivable	(12,407)
Contributions receivable	(63,642)
Due from/to affiliates	477
Prepaid expenses	30,763
Accounts payable	10,703
Accrued payroll	<u>(12)</u>
Net Cash Used by Operating Activities	<u>(97,330)</u>
Net Change in Cash and Cash Equivalents	(97,330)
Cash and cash equivalents, beginning of the year	<u>809,726</u>
Cash and cash equivalents, end of the year	<u><u>\$ 712,396</u></u>
Amounts paid during the year for:	
Interest expense	<u>\$ -</u>
Income taxes paid	<u><u>\$ -</u></u>

See accompanying independent auditors' report and notes to financial statements.

NAMI CENTRAL TEXAS
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NOTES TO FINANCIAL STATEMENTS

December 31, 2021

1. Organization

NAMI Central Texas (the Organization) was established in 1984 and originally named Austin Alliance for the Mentally Ill. In 2007, the name was changed to NAMI Austin. In 2019, the name was changed to NAMI Central Texas to reflect the growing work outside of Austin. The Organization is a non-profit organization and an affiliate of NAMI (the National Alliance on Mental Illness) and NAMI Texas.

In keeping with the NAMI model and standards of local affiliates, NAMI Central Texas is a grassroots volunteer network of families, friends, professionals and individuals living with a mental illness. NAMI Central Texas volunteers work together, supported by an office staff member to carry forward NAMI signature programs (courses, trainings, support groups, presentations, and advocacy education). NAMI Central Texas is committed to raising community understanding of mental illness, to advocate for improved services, and to directly improve quality of life, knowledge of and access to appropriate services, and heightened wellness for those affected by severe and persistent mental illness – whether as an individual living with an illness, a family member, an interested community member or a dedicated provider.

NAMI Central Texas has continued to achieve major milestones in many areas of community participation and spread of NAMI signature programs across the Greater Austin area and adjacent communities.

NAMI Central Texas growth is attributable to a combination of many factors:

1. Momentum built on broad community outreach and numerous presentations by a committed and diverse Board and enthusiastic volunteers.
2. Success in recruiting and training dedicated volunteers to serve as NAMI-certified trainers, teachers, mentors, facilitators, and presenters for NAMI Signature programs.
3. NAMI Central Texas's active participation in community leadership initiatives among partner agencies (service providers, mental health advocacy groups, criminal justice leaders, city, county, and state agencies, schools and universities).
4. Increased NAMI "Brand Recognition" through strong reliance on the national visibility of NAMI, the quality of NAMI's signature offerings, the support of NAMI Texas and affiliate leadership credibility in the Greater Central Texas area and surrounding communities.

NAMI CENTRAL TEXAS
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NOTES TO FINANCIAL STATEMENTS

December 31, 2021

1. Organization (continued)

NAMI Central Texas offers two types of programs:

Consumer programs – free classes and support groups for adults with mental health conditions and their family and friends.

Training programs – community presentations and professional trainings for school professionals, faith leaders, mental health professionals and the community to raise awareness, change perceptions, offer hope and teach advocacy.

The Organization's revenue is primarily generated from special events and individual contributions.

2. Summary of Significant Accounting Policies

This summary of significant accounting policies of the Organization is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Financial Statement Presentation

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

Net assets without donor restrictions - Net assets available for use in general operations and not subject to donor-imposed restrictions.

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 and require that the assets 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. When the donor 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. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support was received.

NAMI CENTRAL TEXAS
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NOTES TO FINANCIAL STATEMENTS

December 31, 2021

2. Summary of Significant Accounting Policies (continued)

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 (GAAP) and accordingly, reflect all significant receivables, payables, and other liabilities. Revenue and expenses are recognized in the period earned or incurred.

Change in Not-for-Profit Accounting Standards

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* (“ASU 2020-07”), to increase the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. ASU 2020-07 is effective for annual period beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. Early adoption is permitted. The Organization is currently considering the Impact of ASU 2020-07.

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, *Leases*. This guidance impacts the presentation of an entity’s leasing activities and will require the recognition of lease (right-of-use) assets and related lease liabilities on the statement of financial position and disclosure of key information about leasing arrangements. ASU 2016-02 was scheduled to become effective for fiscal years beginning after December 15, 2019 but has been delayed until annual periods beginning after December 15, 2021. The Organization is currently evaluating the impact the adoption of this guidance will have on its financial statements.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, highly liquid investments with an initial maturity of three months or less are considered to be cash equivalents, unless designated for investment purposes.

Receivables

Receivables are recognized at the estimated value of the future cash flows. At December 31, 2021, there is no allowance for uncollectible receivables recorded in the financial statements as management believes they are fully collectible. Receivables are written off after all reasonable collection attempts have been exhausted. There was bad debt expense of \$1,000 for the current year. At December 31, 2021, all contributions receivables and accounts receivables are due within one year of the statement of financial position date.

Property and Equipment

The Organization records property and equipment additions over \$1,500 at cost, if purchased, and at their estimated fair market value at the date of donation, if donated. Expenditures for maintenance and repair which does not extend the life of an asset are charged to expense as incurred. Depreciation is computed on a straight-line basis over the assets’ estimated useful lives of five to ten years.

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NOTES TO FINANCIAL STATEMENTS

December 31, 2021

2. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include those used in functional allocation of expenses and depreciation. Actual results could differ from those estimates.

Revenue Recognition

Contributions and Grants – Contributions, including unconditional promises to give and grants, are recorded when received. In accordance with FASB ASC 958-605, *Not-For-Profit Entities Revenue Recognition*, contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence or nature of any donor restrictions. Unconditional promises to give, which do not state a due date, are presumed to be time-restricted by the donor until received and are reported as net assets with donor restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Contracts with Customers – Revenue from contracts with customers are recorded when the underlying performance obligations are met, in accordance with FASB ASU 2014-09, Topic 606, *Revenue from Contracts with Customers*. When the Organization receives payment in advance, a contract liability is recorded and liquidated when the revenue is recognized. Related fulfillment costs are recorded as a contract asset and expensed upon contract completion.

Donated Services and Goods – Donated services are recognized as contributions in accordance with GAAP if the services (a) create or enhance nonfinancial assets or (b) require and are provided by individuals with specialized skills and if not provided by donation would typically need to be purchased. The donated professional services are recorded at the respective fair values of the services received. Contributed goods are recorded at fair value at the date of donation. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses or additions to property and equipment.

Training and Special Event revenue – Training and Special Events revenue is recognized when the training and event take place.

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NOTES TO FINANCIAL STATEMENTS

December 31, 2021

2. Summary of Significant Accounting Policies (continued)

Joint Activity

When NAMI Central Texas makes a solicitation that includes elements of other activities, such as program services or management and general, the solicitation is referred to for accounting purposes as a joint activity. The costs of joint activities are reported using the accounting guidance for costs of activities of not-for-profit organizations that include fund-raising.

Financial Instruments and Credit Risk

Financial instruments which potentially subject the Organization to credit risk consist of cash and cash equivalents and receivables. The Organization's cash deposits did not exceed the federal insurance limits as of December 31, 2021. The Organization does not maintain collateral for its receivables, and does not believe significant credit risk exists as of December 31, 2021.

Functional Allocation of Expenses

The costs of providing the various programs and 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. Expenses that can be identified with a specific program or that relate to a specific source of revenue are allocated directly to that program. Expenses that are not specifically identifiable to a function are allocated based on management's estimate of time and resources devoted to that function. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support of the Organization.

Federal Income Taxes

The Organization is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3), except on unrelated business income. No provision for income taxes has been made in the accompanying financial statements.

The Organization has adopted the recognition requirements for uncertain income tax positions as required by GAAP, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more likely than not be sustained upon examination by taxing authorities. The Organization has analyzed the tax positions taken in its filings with the Internal Revenue Service and state jurisdictions where it operates. The Organization believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial position, changes in net assets or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2021. The Organization is subject to income tax audits for the previous three years which are open. There are currently no income tax audits for any tax periods in progress.

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NOTES TO FINANCIAL STATEMENTS

December 31, 2021

2. Summary of Significant Accounting Policies (continued)

Fair Value Measurements

The requirements of *Fair Value Measurements and Disclosures* of the Accounting Standards Codification apply to all financial instruments and all nonfinancial assets and nonfinancial liabilities that are being measured and reported on a fair value basis. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement is the same in both cases – to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (an exit price). *Fair Value Measurements and Disclosures* also establish a fair value hierarchy that prioritizes the inputs used in valuation methodologies into the following three levels:

- Level 1 Inputs – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date.
- Level 2 Inputs – Inputs other than quoted prices included with Level 1 that are observable for the asset or liability either directly or indirectly.
- Level 3 Inputs – Unobservable inputs for the asset or liability.

At December 31, 2021 the fair value of the Organization’s current assets and liabilities approximate the carrying amounts of such instruments due to their short maturity.

3. Cash and Cash Equivalents

The cash and cash equivalent balances consisted of the following at December 31, 2021:

University Federal Credit Union - Savings	\$	249,653
Horizon Bank- Money Market		151,635
Horizon Bank - Checking		45,177
Frost Bank - Checking		101
Frost Bank - Money Market		249,321
Undeposited funds		16,509
		<hr/>
Total cash and cash equivalents	\$	712,396
		<hr/> <hr/>

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NOTES TO FINANCIAL STATEMENTS

December 31, 2021

4. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and cash equivalents	\$ 712,396
Accounts receivable	19,407
Grants and contributions receivable	<u>94,453</u>
Total financial assets at year-end	826,256
Less those unavailable for general expenditure within one year due to:	
Donor-imposed restrictions for a specified purpose	<u>(7,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 819,256</u></u>

The Organization has a goal to maintain financial assets, which consists of cash and money market accounts, on hand to meet 90 days of normal operating expenses, which are, on average, approximately \$60,000 per month. The Organization's Board ensures the Organization's financial stability by approving an annual budget prior to the start of each year and monitoring variances throughout the year.

5. Property and Equipment

The Organization uses furniture and equipment that is borrowed from the Austin State Hospital, donated by board members or membership, or purchased by the Organization. The value of the use of the borrowed fixed assets or the value of donated fixed assets has not been estimated. Major classes of fixed assets purchased by the Organization consist of the following at December 31, 2021:

Furniture and equipment	\$ 2,064
Computers and software	<u>7,170</u>
Sub total	9,234
Less accumulated depreciation	<u>(6,870)</u>
Property and equipment, net	<u><u>\$ 2,364</u></u>

Depreciation expense for the year ended December 31, 2021, was \$1,707.

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December 31, 2021

6. Accrued Payroll Expenses

Accrued payroll consists of the following at December 31, 2021:

Salaries	\$ 7,940
Payroll taxes	580
Accrued vacation	<u>13,222</u>
Total accrued payroll	<u><u>\$ 21,742</u></u>

7. Net Assets with Donor Restrictions

Net assets with donor restrictions consisted of the following at December 31, 2021:

Subject to expenditure for specified purpose:

Central Texas Helpline	<u>\$ 7,000</u>
Total net assets with donor restrictions	<u><u>\$ 7,000</u></u>

Net assets with donor restrictions released from restriction consisted of the following at December 31, 2021:

Satisfaction of purpose restrictions	
Bridges to Hope	<u>\$ 1,250</u>
Total released from net assets with donor restrictions	<u><u>\$ 1,250</u></u>

8. Joint Activities

NAMI Central Texas participates in the NAMIWALKS for the Mind of America (“NAMIWALKS”) which is a nationwide mental health awareness and fundraising program. In the first five years of the NAMIWALKS program it grew from 12 sites to 69 sites and has generated over \$20 million for NAMI affiliates and their programs nationwide. Proceeds from NAMIWALKS are used to fund education, support, and advocacy programs.

NAMIWALKS is considered a joint activity. The costs incurred by the Organization on joint activities for the year ended December 31, 2021 was \$28,595 and consisted of video production services, advertisement, production services, contract services, postage, printing, supplies, software programs, and outreach meetings. On the statement of functional expenses, fundraising included \$2,454 of the joint expenses and training included \$26,141 of the costs.

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December 31, 2021

9. Lease Commitments

In June 2019, the Organization signed a lease for the donated office space with Austin State Hospital for 12 months starting June 2019 through May 2020 with monthly consideration payments of \$280 to offset utilities expenses incurred by lessor. The lease was renewed in June 2020 for 24 months at the same rate. NAMI Central Texas paid \$3,364 under this agreement in 2021.

As of December 31, 2021, future minimum lease payments under this lease are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 1,402
Total future minimum lease payments	<u>\$ 1,402</u>

10. Contributed Facilities, Goods, and Services

Volunteers contribute significant amounts of time to the program services, administration, and fundraising activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by GAAP.

The Organization occupied donated office space under an agreement with the Austin State Hospital. The value of the donated office space is reported as contributed services and facilities revenue and expense. The value of the donated space was \$31,200 for the year ended December 31, 2021. Additionally, during the year ended December 31, 2021, the Organization received \$86,734 of contributed goods and services.

Contributed facilities, goods, and services were allocated between programs as shown below:

	Program Services	Management and General	Fundraising	Total
Rent	\$ 25,272	\$ 3,744	\$ 2,184	\$ 31,200
Video Production	9,200	-	-	9,200
Advertisement	3,000	-	-	3,000
Production services	4,823	-	-	4,823
Consulting services	19,595	5,599	2,799	27,993
PR campaign service	9,762	-	-	9,762
Gift Cards	-	-	750	750
Online Software	6	-	-	6
	<u>\$ 71,658</u>	<u>\$ 9,343</u>	<u>\$ 5,733</u>	<u>\$ 86,734</u>

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NOTES TO FINANCIAL STATEMENTS

December 31, 2021

11. Grant Revenue – Employee Retention Credit

Under the provisions of the coronavirus Aid, relief, and Economic Security Act (The CARES ACT”) singed into law on March 27, 2020 and the subsequent extension of the CARES act, the Organization was eligible for a refundable employee retention credit subject to certain criteria.

On October 2021, the Organization filed 2021 Form 941-X Adjusted Employer’s Quarterly Federal Tax return or Claim for Refund for the quarter ended March 31, 2021 in the amount of \$58,153, which was received on April 2022. The Organization recognized the employee retention credit (ERC) as grant revenue and grant receivable for the year ended December 31, 2021.

12. Line of Credit

In March 2020, the Organization opened a line of credit with Horizon Bank for \$100,000 at an interest rate of 6% per year for use if necessary. The Organization did not use the line of credit and closed it on March 2021 upon its expiration.

13. Subsequent Events

Subsequent events are events or transactions that occur after the statement of financial position date but before the financial statements are issued. Management evaluated subsequent events through the issuance date of the independent auditors’ report, October 5, 2022.

On May 2022, the Organization filed 2021 Form 941-X Adjusted Employer’s Quarterly Federal Tax return or Claim for Refund for the quarter ended June 30, 2021 in the amount of \$54,231.