BIG BROTHERS BIG SISTERS OF
EASTERN MISSOURI AND AFFILIATES

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

Big Brothers
Big Sisters®
EASTERN MISSOURI

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Independent Auditors' Report

Board of Directors
Big Brothers Big Sisters of Eastern Missouri
St. Louis, Missouri

Opinion

We have audited the consolidated financial statements of Big Brothers Big Sisters of Eastern Missouri and affiliates (collectively, the Organization), which comprise the consolidated statement of financial position as of December 31, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2021 and 2020, and the results of their consolidated operations and 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities For The Audit Of The Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 auditing standards generally accepted in the United States of America 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 consolidated financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 the Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

RubinBrown LLP

June 2, 2022

BIG BROTHERS BIG SISTERS OF EASTERN MISSOURI AND AFFILIATES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

	December 31, 2021	December 31, 2020
Cash and cash equivalents	$ 2,819,537	$ 1,988,958
Promises to give (Note 3)	1,002,830	1,434,613
Grants receivable (Note 2)	395,339	636,421
Other receivables	12,723	44,231
Employee retention credit receivable (Note 2)	332,292	—
Prepaid expenses	7,004	3,992
Other assets	9,081	10,324
Investments (Note 4)	3,169,433	2,599,441
Investment in 501 North Grand Condominium Association (Note 2)	135,553	138,440
Property and equipment, net (Notes 5, 7, 8 and 9)	10,643,967	11,026,672
Note receivable (Note 6)	2,689,000	2,689,000
Assets restricted for permanent investment (Notes 4 and 10)	55,472	55,472
Total Assets	$ 21,272,231	$ 20,627,564

Liabilities And Net Assets

	December 31, 2021	December 31, 2020
Liabilities		
Accounts payable and accrued expenses	$ 242,576	$ 228,093
Deferred revenue	31,200	749
Capital lease obligations (Note 8)	—	2,608
Debt (Note 9)	3,965,000	3,965,000
Total Liabilities	4,238,776	4,196,450
Net Assets		
Without donor restrictions:		
Undesignated, available for operations	6,061,280	5,184,157
Invested in note and interest receivable	2,689,000	2,689,000
Invested in property and equipment, net	6,678,967	7,059,064
Total without donor restrictions	15,429,247	14,932,221
With donor restrictions (Note 10)	1,604,208	1,498,893
Total Net Assets	17,033,455	16,431,114
Total Liabilities And Net Assets	$ 21,272,231	$ 20,627,564

BIG BROTHERS BIG SISTERS OF EASTERN MISSOURI AND AFFILIATES

CONSOLIDATED STATEMENT OF ACTIVITIES

	For The Years Ended December 31,					
	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public Support						
Contributions (Notes 13 and 15)	$ 755,991	$ 1,200,596	$ 1,956,587	$ 1,232,280	$ 927,992	$ 2,160,272
United Way allocation	—	413,617	413,617	—	397,355	397,355
Grants	2,470,211	—	2,470,211	2,094,719	—	2,094,719
In-kind contributions (Note 2)	19,496	82,615	102,111	30,642	76,200	106,842
Special events	—	—	—	78,265	—	78,265
Total Public Support	3,245,698	1,696,828	4,942,526	3,435,906	1,401,547	4,837,453
Revenues And Gains (Losses)						
Contract services - Amachi Initiative (Note 13)	20,400	—	20,400	20,400	—	20,400
Net investment income (Note 4)	225,780	81	225,861	99,845	2,485	102,330
Gain (loss) on equity method investment (Note 2)	(2,887)	—	(2,887)	21,628	—	21,628
Rental income (Note 12)	151,570	—	151,570	147,623	—	147,623
Anew revenue	8,884	—	8,884	2,778	—	2,778
Total Revenues And Gains (Losses)	403,747	81	403,828	292,274	2,485	294,759
Total Public Support, Revenues And Gains (Losses)	3,649,445	1,696,909	5,346,354	3,728,180	1,404,032	5,132,212
Net Assets Released From Restrictions (Note 10)	1,591,594	(1,591,594)	—	2,387,711	(2,387,711)	—
Total Public Support, Revenues And Gains (Losses)	5,241,039	105,315	5,346,354	6,115,891	(983,679)	5,132,212
Expenses						
Mentoring program	4,251,278	—	4,251,278	4,308,155	—	4,308,155
General and administrative	675,126	—	675,126	706,084	—	706,084
Fundraising	459,399	—	459,399	567,381	—	567,381
Volunteer mentor recruitment	310,502	—	310,502	294,380	—	294,380
Total Expenses	5,696,305	—	5,696,305	5,876,000	—	5,876,000
Increase (Decrease) In Net Assets From Operations	(455,266)	105,315	(349,951)	239,891	(983,679)	(743,788)
Forgiveness Of Paycheck Protection Program Loan (Note 2)	620,000	—	620,000	658,000	—	658,000
Employee Retention Credit (Note 2)	332,292	—	332,292	—	—	—
Increase (Decrease) In Net Assets	497,026	105,315	602,341	897,891	(983,679)	(85,788)
Net Assets - Beginning Of Year	14,932,221	1,498,893	16,431,114	14,034,330	2,482,572	16,516,902
Net Assets - End Of Year	$ 15,429,247	$ 1,604,208	$ 17,033,455	$ 14,932,221	$ 1,498,893	$ 16,431,114

BIG BROTHERS BIG SISTERS OF EASTERN MISSOURI AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

	For The Years Ended December 31,									
	2021					2020				
	Mentoring Program	General And Administrative	Fundraising	Volunteer Mentor Recruitment	Total	Mentoring Program	General And Administrative	Fundraising	Volunteer Mentor Recruitment	Total
Salaries	$ 2,459,943	$ 356,736	$ 267,443	$ 193,550	$ 3,277,672	$ 2,461,624	$ 386,190	$ 327,356	$ 184,110	$ 3,359,280
Payroll taxes	176,607	25,611	19,201	13,896	235,315	180,672	28,345	24,027	13,513	246,557
Employee benefits	412,470	59,815	44,843	32,453	549,581	415,444	65,177	55,247	31,072	566,940
Amachi Initiative*	18,123	—	18,122	—	36,245	18,000	—	18,000	—	36,000
Background checks	5,054	—	—	—	5,054	8,884	—	—	—	8,884
Bad debts	—	—	663	—	663	—	—	8,260	—	8,260
Conferences and travel	37,485	931	7,026	505	45,947	22,584	360	4,120	172	27,236
Depreciation and amortization	287,226	41,653	31,227	22,599	382,705	290,220	45,531	38,595	21,706	396,052
Equipment repairs	11,565	1,677	1,257	910	15,409	9,756	1,531	1,298	730	13,315
In-kind materials (Note 2)	102,111	—	—	—	102,111	106,842	—	—	—	106,842
Insurance	59,987	2,104	1,577	1,141	64,809	60,322	2,273	1,863	1,048	65,506
Interest (Notes 8 and 9)	42,387	6,147	4,608	3,335	56,477	40,500	7,854	6,658	3,744	58,756
Mileage	6,749	701	181	153	7,784	5,105	285	257	273	5,920
Miscellaneous	5,014	20,549	3,936	395	29,894	13,361	8,941	1,962	271	24,535
Occupancy	273,062	39,599	29,687	21,485	363,833	253,853	39,826	33,758	18,986	346,423
Organization dues	63,726	25,948	—	—	89,674	69,778	27,433	—	—	97,211
Postage	3,354	409	—	—	3,763	5,694	740	—	—	6,434
Printing	28,855	3,121	2,336	13,355	47,667	52,294	7,547	3,597	10,553	73,991
Professional fees:										
Accounting	—	47,342	—	—	47,342	—	48,407	—	—	48,407
Lobbying	18,000	—	18,000	—	36,000	8,200	—	27,800	—	36,000
Other	52,974	35,435	3,784	2,739	94,932	111,953	25,792	6,232	3,505	147,482
Supplies and office	1,537	223	167	121	2,048	4,039	634	537	302	5,512
Telephone	18,533	2,688	2,015	1,458	24,694	21,349	3,349	2,839	1,597	29,134
Utilities	30,596	4,437	3,326	2,407	40,766	37,408	5,869	4,975	2,798	51,050
Volunteer activities	135,920	—	—	—	135,920	110,273	—	—	—	110,273
	$ 4,251,278	$ 675,126	$ 459,399	$ 310,502	$ 5,696,305	$ 4,308,155	$ 706,084	$ 567,381	$ 294,380	$ 5,876,000

* Expenses include lobbying ($36,000 for both 2021 and 2020) and printing ($245 and $0 for 2021 and 2020, respectively).

BIG BROTHERS BIG SISTERS OF EASTERN MISSOURI AND AFFILIATES

CONSOLIDATED STATEMENT OF CASH FLOWS

	For The Years Ended December 31, 2021	2020
Cash Flows From Operating Activities		
Increase (decrease) in net assets	$ 602,341	$ (85,788)
Adjustments to reconcile increase (decrease) in net assets to net cash from operating activities:		
Bad debt expense	663	8,260
Depreciation and amortization	382,705	396,052
Imputed interest on capital lease obligations	43	1,133
Loss on disposal of fixed assets	—	167
Realized losses on investments	—	86,544
Unrealized gains on investments	(83,144)	(86,317)
Loss (gain) on equity method investment	2,887	(21,628)
Changes in assets and liabilities:		
Promises to give	420,661	543,103
Grants receivable	241,082	(316,809)
Employee retention credit receivable	(332,292)	—
Prepaid expenses	(3,012)	(76)
Other receivables	31,508	20,504
Other assets	1,243	2,164
Accounts payable and accrued expenses	14,483	16,236
Deferred revenue	30,451	(2,616)
Net Cash Provided By Operating Activities	1,309,619	560,929
Cash Flows From Investing Activities		
Purchases of property and equipment	—	(11,254)
Proceeds from sale of investments	366,454	444,611
Purchases of investments	(853,302)	(379,563)
Net Cash Provided By (Used In) Investing Activities	(486,848)	53,794
Cash Flows From Financing Activities		
Collection of contributions restricted for capital campaign	10,459	53,500
Repayment of debt borrowings	—	(125,000)
Principal payments on capital lease obligations	(2,651)	(17,571)
Net Cash Provided By (Used In) Financing Activities	7,808	(89,071)
Net Increase In Cash And Cash Equivalents	830,579	525,652
Cash And Cash Equivalents - Beginning Of Year	1,988,958	1,463,306
Cash And Cash Equivalents - End Of Year	$ 2,819,537	$ 1,988,958
Supplemental Disclosure Of Cash Flow Information		
Interest paid	$ 56,434	$ 57,623

1. Organization And Operations

Big Brothers Big Sisters of Eastern Missouri (BBBSEMO) is a not-for-profit corporation organized to promote the welfare of children and to advance and promote public interest in children. BBBSEMO accomplishes this by providing professionally screened volunteers to serve as positive role models in one-to-one friendships with youth ages 5 to 25. BBBSEMO was founded locally in 1914 and serves youth residing in St. Louis City, St. Louis County, St. Charles County, Jefferson County, Scott County and Cape Girardeau and has offices in St. Louis City, St. Charles and Cape Girardeau.

Mentor Missouri, Inc. (Mentor Missouri) is a not-for-profit corporation formed by BBBSEMO on July 5, 2007, to promote and support the charitable activities of BBBSEMO. Mentor Missouri acts as a financial conduit for BBBSEMO to make investments which promote BBBSEMO's efforts to foster youth mentoring, as described in Note 14.

ABCToday Inc. (ABCToday) was formed by BBBSEMO on January 5, 2015, to promote, advance, and support education and educational outcomes for youth. ABCToday had no activity during 2021 or 2020.

BBBSEMO's primary sources of revenue are contributions and grants.

In addition, BBBSEMO is the recipient of a number of awards, including the following:

- For nine years, 2013 to 2021, BBBSEMO has been named a Gold Standard Agency in recognition of demonstrated exemplary achievement and quality outcomes for the children and families served. This is an elite distinction achieved by only a small number of BBBS agencies.

- In 2018, BBBSEMO was named Agency of the Year by Big Brothers Big Sisters of America, BBBSEMO's umbrella organization, which is made up of 230 agencies nationwide. BBBSEMO is one of the larger affiliates among Big Brothers Big Sisters agencies and one of the first affiliates to offer a comprehensive support model from ages 5 to 25.

2. Summary Of Significant Accounting Policies

Principles Of Consolidation

The accompanying consolidated financial statements include the accounts of BBBSEMO and its affiliates, Mentor Missouri and ABCToday (collectively, the Organization). Mentor Missouri and ABCToday are consolidated as a result of common control and economic interest by BBBSEMO. All significant inter-entity investments, transactions and account balances have been eliminated in consolidation.

Basis Of Accounting

The accompanying consolidated financial statements of the Organization have been prepared on the accrual basis of accounting.

Basis Of Presentation

Consolidated financial statement presentation follows guidance set forth by generally accepted accounting principles for not-for-profit organizations by presenting assets and liabilities within similar groups and classifying them in ways that provide relevant information about their interrelationships, liquidity, and financial flexibility. As a result, the Organization is required to report information regarding its financial position and activities according to the following two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Estimates And Assumptions

Management uses estimates and assumptions in preparing consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Operating And Non-Operating Activity

Operating results in the consolidated statement of activities reflect all transactions except the forgiveness of the Paycheck Protection Program loan and Employee Retention Credit.

Cash And Cash Equivalents

Cash and cash equivalents include highly liquid short-term investments with original maturities of three months or less.

The Organization maintains cash and cash equivalents at financial institutions with strong credit ratings. At times, such investments may be in excess of Federal Deposit Insurance Corporation (FDIC) insurance limits of $250,000 per financial institution. At December 31, 2021, cash and cash equivalents in excess of FDIC insurance limits approximated $521,000.

Promises To Give And Grants Receivable

Promises to give and grants receivable are stated at the amount management expect to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual balances. Those balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the receivable. Management believes that no valuation allowances are necessary for promises to give or grants receivable at December 31, 2021 or 2020.

Employee Retention Credit

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) provided an employee retention credit which is a refundable tax credit against certain employment taxes up to $5,000 per employee for eligible employers. The credit is equal to 50% of qualified wages paid to employees during a quarter, capped at $10,000 of qualified wages through December 31, 2020.

The Consolidated Appropriations Act of 2021 extended and expanded the availability of the employee retention credit through December 31, 2021. However, certain provision apply only after December 31, 2020. This new legislation amends the employee retention credit to be equal to 70% of qualified wages paid to employees after December 31, 2020, and before December 31, 2021, with a maximum of $10,000 in qualified wages for each employee per calendar quarter. Therefore, the maximum tax credit that can be claimed by an eligible employer in 2021 is $7,000 per employee per calendar quarter. The Infrastructure Investment and Jobs Act, which was signed into law in November 2021, changed the ending date of availability of the employee retention credit to September 30, 2021.

The Organization recognizes the employee retention credit when the conditions for earning it are substantially met. The Organization believes it qualifies for the credit beginning on April 1, 2021 and should receive additional credits for qualified wages through September 30, 2021.

During the year ended December 31, 2021, revenue in the amount of $332,292 was recognized. This amount remains outstanding at December 31, 2021 and is included in employee retention credit receivable on the consolidated statement of financial position. The Organization received these funds in 2022.

Investments

Investments are reported at fair value. The fair values of securities are based on quoted market prices on national exchanges. Investments for which quoted market prices are not available are carried at estimated realizable values as determined by the investment manager and reviewed by management. Gains and losses on sales of investments are determined on the average cost method. Unrealized gains and losses are determined based on year-end fair value fluctuations.

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 such changes could materially affect the amounts reported in the consolidated statement of financial position.

Investment In 501 North Grand Condominium Association

BBBSEMO is a member of 501 North Grand Condominium Association, an entity established to manage, operate and maintain the building. This investment is carried at cost adjusted for BBBSEMO's share of earnings or losses subsequent to acquisition (i.e. the equity method).

The following is a summary of selected financial information for this entity:

	As Of December 31, 2021			As Of December 31, 2020		
	Total Assets	Total Liabilities	Total Equity	Total Assets	Total Liabilities	Total Equity
501 North Grand Condominium Association	$ 165,991	$ 29,440	$ 136,551	$ 197,063	$ 56,564	$ 140,499

	For The Years Ended December 31,						
		2021			2020		
	Ownership Interest	Revenues	Net Loss	Allocated Share Of Loss	Revenues	Net Income	Allocated Share Of Income
501 North Grand Condominium Association	73.13%	$ 299,618	$ (3,948)	$ (2,887)	$ 241,811	$ 29,575	$ 21,628

Property And Equipment

Property and equipment acquired in excess of $2,000 are carried at cost if purchased or fair value at date of donation, less accumulated depreciation and amortization computed using the straight-line method over the following estimated useful lives:

Building	40 years
Building improvements	30 years
Computer equipment	3 - 7 years
Software	5 years
Furniture and fixtures	7 - 15 years

Assets held under capital leases were recorded at the lesser of the net present value of the minimum lease payments or the fair value of the leased assets at the inception of the lease. Amortization expense was computed using the straight-line method over the shorter of the estimated useful lives of the assets or the period of the related lease.

The Organization incurred no costs in the development of the ABC Intelligence tool during the years ended December 31, 2021 or 2020. The Organization expenses all development costs incurred until technological feasibility has been established, which has not occurred as of December 31, 2021.

Note Receivable

Note receivable is stated at the amount management expects to collect from balances outstanding at year end. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of the note. Management's periodic evaluation of the adequacy of the allowance is based on the note's past performance, known and other inherent risks, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral, and current economic conditions. Balances still outstanding after management has used reasonable collection efforts will be written off through a charge to the valuation allowance and a credit to note receivable. Based on management's assessment of its credit history and current relationship with the borrower, management does not believe an allowance is necessary as of December 31, 2021 or 2020.

Donated Services And Facilities

The donated use of facilities and donated materials are recorded at fair value at the date of donation.

The Organization periodically receives materials, including supplies and tickets to cultural and sporting events, which are used in the mentoring program. The fair values of donated materials totaled $102,111 and $106,842 in 2021 and 2020, respectively, and are included in in-kind materials on the consolidated statement of functional expenses.

Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are performed by individuals possessing these skills, and would typically need to be purchased if not provided by donation. No donated services were received in 2021 or 2020.

The Organization generates numerous volunteer hours each year that add a dimension to the quality of life for individuals served by the Organization over and above the amount provided by salaried personnel. These donated services have not been recognized as contributions in the consolidated financial statements since the aforementioned recognition criteria, as stated by generally accepted accounting principles, were not met.

Revenue Recognition

Public Support

The Organization recognizes contributions when cash, securities or other assets or an unconditional promise to give is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. The Organization reports gifts of cash and other assets as restricted 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 to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. The Organization has adopted the policy of reporting net assets released from restrictions upon completion of the donor purpose restriction, regardless of whether the related cash has been received.

A portion of the Organization's support is derived from cost-reimbursable federal and state contracts, which are conditional upon the incurrence of allowable qualifying expenses. Revenue is recognized when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures would be reported as refundable advances in the consolidated statement of financial position. The Organization received cost-reimbursable government contracts of approximately $1,324,000 that have not been recognized at December 31, 2021 because qualifying expenditures have not yet been incurred. At December 31, 2021 and 2020, grants receivable in the consolidated statement of financial position include $395,339 and $636,421, respectively, of qualifying expenditures that have been incurred but not yet reimbursed.

The Organization also receives grants from private institutions that are conditional upon the achievement of certain performance requirements and outcomes. Revenue is recognized when these specific requirements and outcomes are achieved.

Special Events

The Organization records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place. Amounts received in advance of the event for the fair value of direct benefits to donors are recorded as deferred revenue.

Contract Services - Amachi Initiative

The Organization coordinates the Amachi Initiative (Initiative) for the state of Missouri with other Big Brothers Big Sisters affiliates in Missouri. The Organization incurs costs related to this Initiative and charges fees to the other agencies in proportion to their share of the revenues. These fees are recognized as revenue when Initiative costs are incurred.

Rental Income

Rental property is leased to a tenant under a noncancellable operating lease (Note 12). Rental income is recognized on a straight-line basis over the term of the lease.

The opening and closing balances of receivables from contracts with clients for the year ended December 31, 2021 are $12,354 and $12,723, respectively. The opening and closing balances of receivables from contracts with clients for the year ended December 31, 2020 are $11,953 and $12,354, respectively. These balances are included in other receivables on the consolidated statement of financial position.

Anew Income

The Organization executes contracts with outside parties for the rental of the rooftop space for events. Revenue is recognized when the event takes place. Any cash received prior to the event is recorded as deferred revenue.

There were no receivables from contracts with clients for the year ended December 31, 2021. The opening and closing balances of receivables from contracts with clients for the year ended December 31, 2020 are $6,344 and $0, respectively. These balances are included in other receivables on the consolidated statement of financial position.

Forgivable Note Payable

In response to the COVID-19 pandemic, the Paycheck Protection Program (PPP) was established under the CARES Act to be administered by the U.S. Small Business Administration (SBA). Entities who met the eligibility requirements set forth by the PPP could qualify for PPP loans. In accordance with the requirements of the CARES Act, if the Organization used the proceeds from the loan exclusively for qualified expenses under the PPP, including payroll costs, mortgage interest, rent and utility costs, the full principal amount of the PPP loan, along with any accrued interest, may qualify for loan forgiveness, subject to potential reduction based on the level of full-time employees maintained by the Organization.

During 2020, the Organization received a $658,000 loan under the PPP. The unsecured loan bore interest at 1%, with principal and interest payments deferred until ten months following the end of the Organization's eight to twenty-four week loan forgiveness covered period. The loan was set to mature in April 2022.

When it applied for the loan, the Organization believed it would qualify to have the loan forgiven under the terms of the PPP, and therefore considered the loan to be substantively a conditional contribution by the SBA. The Organization had performed initial calculations for PPP loan forgiveness, and expected that the PPP loan would be forgiven in full because (1) the Organization had, prior to the reporting date, utilized all of the proceeds for payroll and other qualified expenses and (2) the Organization believed it would continue to comply with other terms and conditions necessary for forgiveness. Accordingly, the Organization had determined that the PPP loan should be accounted for as a conditional contribution. Under the provisions of Accounting Standards Codification (ASC) 958-605, a conditional contribution is recognized as revenue when the condition or conditions are substantially met.

During 2020, the Organization believed it had substantially met the conditions necessary in order for the loan to be forgiven. As the Organization believed it completed the required activities by utilizing PPP proceeds for payroll and other qualified expenditures prior to the reporting date, the Organization recognized forgiveness of PPP loan of $658,000 on the consolidated statement of activities during 2020. The Organization submitted the PPP loan forgiveness application in December 2020 and received approval of this application from the SBA in January 2021.

In January 2021, the Organization applied and received a second PPP loan in the amount of $620,000. Similar to the first PPP loan, the unsecured loan bore interest at 1%, and had a term of 5 years. During 2021, the Organization met the conditions necessary in order for the loan to be forgiven and received approval of this forgiveness from the SBA in September 2021. As such, the Organization recognized forgiveness of PPP loan of $620,000 on the consolidated statement of activities during 2021.

Description Of Program Services And Supporting Activities

The following program services and supporting activities are included in the accompanying consolidated financial statements:

Program Services

Mentoring Program: BBBSEMO is the oldest and largest one-to-one mentoring organization in the state of Missouri. Additionally, with more than 1,500 young people served annually in one-to-one mentoring relationships, BBBSEMO is one of the larger affiliates in the 230 Big Brothers Big Sisters of America (BBBS) federation of agencies.

Supporting Activities

General And Administrative: Provides the functions necessary to maintain an equitable employment program, ensure an adequate working environment, provide coordination and articulation of the Organization's program strategy, secure proper administrative functioning of the Board of Directors, maintain competent legal services for the program administration of the Organization, and manage the financial and budgetary responsibilities of the Organization.

Fundraising: Provides the structure necessary to encourage and secure private financial support from individuals, organizations, corporations, and public agencies for operations.

Volunteer Mentor Recruitment: Provides the structure and support necessary to recruit volunteer mentors ("Bigs") which allow the Organization to carry out its mission. The Organization's unique mission requires a significant number of volunteer mentors to guarantee a 1:1 match between each Big and Little. Significant volunteer mentor recruitment costs are thus incurred annually to recruit the new Bigs necessary to allow the Organization to continually expand its one-on-one mentoring program.

Functional Expense Allocation

Expenses which are directly identifiable as related to specific functions such as background checks, bad debts, in-kind materials, interest, accounting and professional fees and volunteer activities are charged directly to those specific functions. Expenses such as salaries, payroll taxes, employee benefits, depreciation and amortization, equipment repairs, insurance, occupancy, supplies and office, telephone and utilities are allocated to multiple functions based on an analysis of personnel time and related activities. Amachi Initiative, conferences and travel, mileage, miscellaneous, organization dues, postage, printing and lobbying and other professional fees are allocated to multiple functions based on the nature of the expenditure.

Tax Status

BBBSEMO and Mentor Missouri are exempt from federal income taxes on related, exempt income under Section 501(c)(3) of the Internal Revenue Code.

The Organization's federal tax returns for tax years 2018 and later remain subject to examination by taxing authorities.

Subsequent Events

Management evaluates subsequent events through the date the consolidated financial statements are available for issue, which is the date of the Independent Auditors' Report.

3. Promises To Give

Promises to give are collectible as follows:

	2021	2020
Less than one year		
United Way	$ 392,624	$ 379,814
Building rooftop project	9,000	19,459
Other	593,302	791,517
	994,926	1,190,790
One to five years		
Other	8,083	248,781
Discount to record promise to give at present value	(179)	(4,958)
	$ 1,002,830	$ 1,434,613

A discount rate of 2% has been used to record the promises to give at the present value of estimated future cash flows.

4. Investments

Investments consist of the following:

	2021		2020	
	Cost	Fair Value	Cost	Fair Value
Mutual funds:				
Large cap growth	$ 507,327	$ 786,942	$ 472,928	$ 671,197
Large cap value	962,748	1,122,010	897,318	1,033,411
Inflation protected bonds	363,700	362,698	—	—
Ultrashort bonds	63,041	63,039	62,807	63,191
Short-term bonds	251,092	250,730	247,629	249,129
Intermediate-term bonds	683,369	639,486	663,747	637,985
	$ 2,831,277	3,224,905	$ 2,344,429	2,654,913
Less: Assets restricted for permanent investment (Note 10)		55,472		55,472
		$ 3,169,433		$ 2,599,441

Investments are allocated within the net asset classes as follows:

	2021	2020
Without donor restrictions	$ 3,169,352	$ 2,596,956
With donor restrictions:		
Earnings on assets restricted for endowment	81	2,485
Assets restricted for endowment	55,472	55,472
	$ 3,224,905	$ 2,654,913

Net investment income consists of the following:

	2021	2020
Interest and dividends	$ 157,291	$ 116,679
Realized loss on sale of investments	—	(86,544)
Unrealized gains on investments	83,144	86,317
Investment management fees	(14,574)	(14,122)
	$ 225,861	$ 102,330

In 2021 and 2020, interest and dividends above include $27,263 and $27,413 respectively, of interest income on the note receivable (Note 6).

The Organization accounts for investments at fair value as required by generally accepted accounting principles. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The valuation techniques are required to maximize the use of observable inputs and minimize the use of unobservable inputs.

There are three general valuation techniques that may be used to measure fair value, as described below:

- *Market approach* - Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

- *Cost approach* - Based on the amount that currently would be required to replace the service capacity of an asset.

- *Income approach* - Uses valuation techniques to convert future amounts to a single present amount based on current market expectations about the future amounts.

Investments measured and reported at fair value are classified and disclosed in one of the following three categories:

Level 1 Quoted prices that are readily available in active markets/ exchanges for identical investments.

Level 2 Pricing inputs other than quoted prices included within Level 1 that are observable for the investment, either directly or indirectly.

Level 3 Significant pricing inputs that are unobservable for the investment and includes investments for which there is little, if any, market activity for the investment.

The following are the major categories of assets measured at fair value on a recurring basis during the years ended December 31:

	2021			
	Level 1	**Level 2**	**Level 3**	**Total**
Mutual funds:				
Large cap growth	$ 786,942	$ —	$ —	$ 786,942
Large cap value	1,122,010	—	—	1,122,010
Inflation protected bonds	362,698	—	—	362,698
Ultrashort bonds	63,039	—	—	63,039
Short-term bonds	250,730	—	—	250,730
Intermediate-term bonds	639,486	—	—	639,486
	$ 3,224,905	$ —	$ —	$ 3,224,905

	2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Mutual funds:				
Large cap growth	$ 671,197	$ —	$ —	$ 671,197
Large cap value	1,033,411	—	—	1,033,411
Ultrashort bonds	63,191	—	—	63,191
Short-term bonds	249,129	—	—	249,129
Intermediate-term bonds	637,985	—	—	637,985
	$ 2,654,913	$ —	$ —	$ 2,654,913

During 2021 and 2020, there were no changes in the methods and/or assumptions utilized to derive the fair value of the Organization's assets.

5. Property And Equipment

Property and equipment consists of:

	2021	2020
Land	$ 91,000	$ 91,000
Building and building improvements (Note 14)	12,477,479	12,477,479
Computer equipment and software	137,493	171,297
Furniture and fixtures	613,751	613,751
	13,319,723	13,353,527
Less: Accumulated depreciation and amortization	2,675,756	2,326,855
	$ 10,643,967	$ 11,026,672

6. Note Receivable

At December 31, 2021 and 2020, the note receivable consists of a $2,689,000 note receivable from USBCDC Investment Fund 175, LLC (the Investment Fund) to Mentor Missouri with an origination date of August 2, 2016. During the year ended December 31, 2016, $2,689,000 was loaned to the Investment Fund. The note accrues interest at an annual rate of 1%, with quarterly payments of accrued interest due. Commencing March 10, 2024, quarterly principal and interest payments of $33,344 shall be due with the final payment of principal and accrued interest due on the note's maturity on August 1, 2046. The note is secured primarily by the Investment Fund's membership interest in St. Louis New Markets Tax Credit Fund 42, LLC (the Tax Credit Fund). No accrued interest was outstanding as of December 31, 2021 or 2020.

7. Line Of Credit

The Organization has a line of credit with a bank with maximum borrowings of $1,200,000. This line of credit is secured by substantially all assets of BBBSEMO. Borrowings under the line of credit bear interest at the LIBOR monthly rate plus 1.95% (2.50% and 2.095% at December 31, 2021 and 2020, respectively) and matures in August 2022. There was no outstanding balance at December 31, 2021 or 2020.

No interest expense was incurred during 2021 or 2020.

8. Capital Lease Obligations

The Organization had leases for computer equipment, which were accounted for as capital leases, expiring at dates through January 2021. The assets and liabilities under these capital leases were recorded at the lower of the present value of the minimum lease payments or the fair value of the asset. The assets were amortized over their estimated productive lives. Amortization of assets under capital leases was included in depreciation and amortization expense.

Following is a summary of equipment held under capital leases:

	2021	2020
Computer equipment	$ —	$ 81,792
Less: Accumulated amortization	—	(78,868)
	$ —	$ 2,924

The interest rate on the capitalized lease amounted to 9.8%, which was imputed based on the lower of the Organization's incremental borrowing rate at the inception of the lease or the lessor's implicit rate of return. Imputed interest on the capital lease obligations was $43 and $1,133 in 2021 and 2020, respectively. The capital leases allowed for a purchase option representing the expected fair value of the equipment at the expiration of the lease terms.

9. Debt

During 2015, the Organization obtained financing from a bank with maximum borrowings of $2,500,000. This note is secured by substantially all assets of BBBSEMO. Borrowing under the note bears interest at a rate equal to the LIBOR monthly rate plus 1.95% (2.05% and 2.095% at December 31, 2021 and 2020, respectively), and interest payments are due monthly. Beginning in July 2017, the note requires annual principal payments of one-sixth of the outstanding principal balance as of July 27, 2017 (which was $900,000), with all outstanding interest and principal due in July 2022. In January and May 2019, principal payments of $100,000 and $50,000, respectively, were made. In August 2019, the terms of the note were modified to reduce the maximum borrowings to $250,000 and the note's amortization schedule was adjusted accordingly. In February 2020, a principal payment of $125,000 was made. During 2021 and 2020, $4,210 and $4,529, respectively, of interest expense was incurred. At December 31, 2021 and 2020, $125,000 was outstanding.

Future required principal payments on this note are as follows:

Year		Amount
2022	$	125,000

During August 2016, loan financing was provided by the Tax Credit Fund under a loan commitment of $3,840,000 to finance the construction and renovation of the Organization's restaurant and rooftop spaces. This loan is secured primarily by a security interest and lien on all of the Organization's personal property and fixtures within these spaces and a right to the revenues generated from these spaces. This loan bears interest at a rate of 1.36% per annum with quarterly interest payments due. Commencing March 1, 2024, quarterly principal and interest payments of $34,652 shall be due, with a final principal and interest payment due upon the loan's maturity on August 1, 2046. This loan may not be prepaid in whole or in part at any time prior to December 30, 2022. On a semi-annual basis, the Organization must certify to the Tax Credit Fund the Organization's compliance with New Markets Tax Credit (NMTC) compliance requirements, including that the Organization remains a Qualified Active Low- Income Community Business (QALICB). At December 31, 2021 and 2020, principal of $3,840,000 was outstanding. Interest incurred and paid during 2021 and 2020 amounted to $52,224 and $53,094, respectively.

10. Net Assets

Net assets with donor restrictions consist of the following:

		2021		2020
Purpose Restricted:				
Mentoring program	$	559,512	$	784,473
United Way allocation		20,993		17,541
Unappropriated endowment earnings		81		2,485
		580,586		804,499
Time Restricted:				
United Way allocation		371,631		362,273
Corporate contributions		466,399		90,000
Trust and foundation contributions		25,000		—
Multi-year promises to give (net of discounts of $179 and $4,958, respectively)		105,120		186,649
		968,150		638,922
Assets restricted for endowment		55,472		55,472
	$	1,604,208	$	1,498,893

Net assets were released from net assets with donor-imposed restrictions as follows:

	2021	2020
Purpose Restrictions:		
Mentoring program	$ 966,764	$ 1,727,565
United Way allocation	38,534	41,247
	1,005,298	1,768,812
Time Restrictions:		
United Way allocation	362,273	452,841
Corporate contributions	90,000	145,000
Trust and foundation contributions	27,500	—
Multi-year promises to give	106,523	21,058
	586,296	618,899
	$ 1,591,594	$ 2,387,711

Net Assets Restricted For Endowment

The Organization's endowment consists of a donor-restricted endowment fund established to fund the operations, capital and scholarship activities of the Organization. As required by accounting standards, 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 is subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and, thus, classifies earnings amounts in its donor-restricted endowment fund as net assets with donor restrictions because those net assets are time restricted until the Board of Directors appropriates such amounts for expenditure. Some of those earnings also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The Board of Directors of the Organization has interpreted UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment fund, the Organization considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity. The Organization has interpreted UPMIFA to permit spending from underwater funds in accordance with prudent measures required under the law.

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

1) The duration and preservation of the fund,
2) The purposes of the Organization and the donor-restricted endowment fund,
3) General economic conditions,
4) The possible effect of inflation and deflation,
5) The expected total return from income and the appreciation of investments,
6) Other resources of the Organization, and
7) The investment policies of the Organization.

Endowment Asset Composition By Type Of Fund As Of December 31:

	2021		
	With Donor Restrictions		
	Earnings	Principal	Total
Donor-restricted endowment fund	$ 81	$ 55,472	$ 55,553

	2020		
	With Donor Restrictions		
	Earnings	Principal	Total
Donor-restricted endowment fund	$ 2,485	$ 55,472	$ 57,957

Changes In Endowment Assets:

	With Donor Restrictions		
	Earnings	Principal	Total
Endowment assets - January 1, 2020	$ 3,107	$ 55,472	$ 62,713
Investment return	2,485	—	3,107
Appropriation of endowment assets for expenditure	(3,107)	—	(7,241)
Endowment assets - December 31, 2020	2,485	55,472	58,579
Investment return	81	—	2,485
Appropriation of endowment assets for expenditure	(2,485)	—	(2,485)
Endowment assets - December 31, 2021	$ 81	$ 55,472	$ 58,579

Funds With Deficiencies

From time to time, the fair value of assets associated with the donor-restricted endowment fund may fall below the level that the donors require the Organization to retain as a fund of perpetual duration. In accordance with generally accepted accounting principles, deficiencies of this nature related to market fluctuations are reported in net assets with donor restrictions. There were no such deficiencies as of December 31, 2021 or 2020.

Return Objectives And Risk Parameters

The goals of the Organization's investment policy are to manage the Organization's investment portfolio for preservation of capital with a small portion invested in the equity market. Specifically, the investment policy shall offer the necessary guidelines to attain the following goals and objectives: a) safety of funds invested; b) adequate liquidity through marketability and appropriate schedules of maturing investments; c) reasonable total return on all funds invested; and d) full employment of all available funds in earning assets.

Strategies Employed For Achieving Objectives

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 of 60% allocated to treasuries, government bonds, CDs and/or AAA corporate paper and 40% allocated to balanced mutual funds including exchange traded funds, I shares, and index funds.

Spending Policy And How The Investment Objectives Relate To Spending Policy

The Organization's investment and spending policies are designed to preserve the value of endowment assets against inflation. The current spending policy is a draw of five percent of the average of the previous 12 quarters' ending endowment value.

The minimum draw rate is 4% of the average of the previous 12 quarters' ending endowment value and the maximum draw rate is 6% of the average of the previous 12 quarters' ending endowment value.

11. Employee Retirement Plan

The Organization's employees may be eligible to receive pension benefits under a 401(k) retirement plan. Employees who have one year of service and are age 18 or older are eligible to receive employer contributions. The Organization provides a matching contribution up to 3% of the employee's salary deferral. Employer contributions to the plan were $83,754 and $68,556 for the years ended December 31, 2021 and 2020, respectively.

12. Lease Commitments

The Organization leases office space in St. Peters, Missouri and Cape Girardeau, Missouri as well as office equipment under operating leases expiring on various dates through 2025.

At December 31, 2021, future minimum lease payments under noncancellable operating leases are as follows:

Year	Amount
2022	$ 37,698
2023	30,377
2024	27,786
2025	10,186
	$ 106,047

Rent expense under operating leases was $39,906 and $31,848 for the years ended December 31, 2021 and 2020, respectively.

Since the acquisition of the building in 2014, the Organization has been negotiating a lease agreement with the building's existing tenant. In 2017, a lease agreement was executed through March 2018. The agreement has been amended at various times to extend the maturity date through March 2024. Rental income of $151,570 and $147,623 was recognized from this tenant in 2021 and 2020, respectively.

Future minimum rents to be received, based on this lease agreement, are as follows:

Year	Amount
2022	$ 157,248
2023	163,534
2024	41,281
	$ 362,063

13. Related Party Transactions

The Organization coordinates the Amachi Initiative for the state of Missouri with other Big Brothers Big Sisters affiliates in Missouri. The Organization incurs costs related to this Initiative and charges fees to the other agencies in proportion to their share of the revenues. The Organization receives the funds from the state and distributes to the other agencies accordingly. No amount was due at December 31, 2021 or 2020.

The Organization receives a significant amount of support from its Board of Directors (including their related organizations and companies). Such support totaled approximately $719,000 and $378,000 for 2021 and 2020, respectively.

14. Building Project

On August 2, 2016, BBBSEMO and its affiliate, Mentor Missouri, entered into a NMTC transaction to provide funds for the expansion of the existing building and to complete the Organization's vision for the building to serve as a community gathering place by constructing a rooftop restaurant and event space. This was accomplished through the Organization's fundraising efforts, borrowings from outside lenders, and borrowings from the Tax Credit Fund as described in Note 9.

The transaction also included a guaranty agreement on behalf of US Bancorp Community Development Corporation (USBCDC) and a put and call agreement with USBCDC as described below.

BBBSEMO is a QALICB, and as a result, guarantees NMTC compliance in connection with the loan obtained from the Tax Credit Fund (Note 9) to prevent recapture of these credits. In addition, BBBSEMO has made other guarantees for the benefit of USBCDC, such as payment of the NMTC Guaranteed Amount and environmental indemnification. The maximum potential amount of future payments cannot readily be determined due to the nature of these guarantees.

BBBSEMO entered into a Put and Call Agreement with USBCDC, which includes both a "put" and a "call" option. These options are expected to be exercised and will ultimately result in BBBSEMO owning USBCDC's interest in USBCDC Investment Fund 75, LLC, including the note receivable from Mentor Missouri (Note 6), as well as the debt to BBBSEMO (Note 9). This ownership acquisition will allow BBBSEMO to "collapse" the NMTC deal, repaying all outstanding obligations with no additional capital outlay.

15. Concentrations

In 2021, the Organization received approximately 26% of its total public support from two donors.

In 2020, the Organization received approximately 16% of its total public support from one donor.

16. Liquidity And Availability Of Resources

The Organization has the following financial assets available for general expenditures in the next year:

	2021	2020
Cash and cash equivalents	$ 2,819,537	$ 1,988,958
Promises to give	1,002,830	1,434,613
Grants receivable	395,339	636,421
Other receivables	12,723	44,231
Employee retention credit receivable	332,292	—
Investments	3,169,433	2,599,441
Total financial assets	7,732,154	6,703,664
Less: Amounts subject to donor restrictions	(1,548,736)	(1,443,421)
	$ 6,183,418	$ 5,260,243

The Organization regularly monitors liquidity required to meet its operating needs and contractual commitments, while also striving to maximize the investment of its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents, mutual funds and a line of credit. As part of its liquidity management plan, the Organization invests excess cash in short-term investments.

17. Risks And Uncertainties

In December 2019, a new strain of the coronavirus (COVID-19) spread worldwide including the United States throughout 2020. The World Health Organization declared COVID-19 a pandemic resulting in federal, state and local governments and private entities mandating various restrictions, including travel restrictions, restrictions on public gatherings, stay-at-home orders and advisories and quarantining of people who may have been exposed to the virus.

In March 2020, the Organization responded quickly, transitioning all staff to working remotely and continued programming in a virtual environment. The Organization committed to building on its long history of mentoring and wraparound support to help its youth and families remain stable and connected to resources during – and beyond – the pandemic.

In 2021, the above-listed restrictions continued to directly impact the Organization, its constituents, and its service model. Despite the challenges imposed by COVID-19, the Organization remained committed to providing uninterrupted support for young people and families in the communities its serve. Throughout 2021, the Organization continued demonstrating incredible adaptability and accountability, including:

- Virtual Recruitment and Matching – In addition to providing ongoing support for young people and families, the Organization transitioned nearly all parts of the volunteer/family experience to virtual platforms (Zoom, Teams, FaceTime, etc.). Initially, the pandemic required the Organization to pause the matching process. However, the Organization shifted the volunteer recruitment process to virtual platforms (e.g., live AND virtual lunch & learn events with local businesses, pre-recorded virtual presentations, and other volunteer recruitment activities via social media) and started making new matches virtually.

Virtual engagement has been a different approach to the Organization's program model, which will continue even when the Organization is working back at the office. The Organization is connecting families with online resources (i.e., counseling, tutoring, utility bill assistance, etc.); keeping them engaged in mentoring; and, for the first time, helping volunteers and youth enroll in its programs virtually. The Organization has had great success using virtual platforms. However, the Organization is pleased to share that it has resumed in-person matching and many of our matches are consistently meeting in person!

- Connecting Families with Resources/Direct Aid - In 2020, with support from funding partners, the Organization began providing temporary aid (utility/rent assistance, food, scholarships, etc.) AND helped families navigate daily hardships and negotiate systemic roadblocks (education, justice, housing, etc.). In 2021, the Organization received 582 resource requests (rent/utility assistance, food, transportation, cleaning supplies, education/technology supports, transportation, legal services, etc.), fulfilling nearly 80% of requests. While the Organization already provided wraparound support to youth and families before the pandemic, this level of resource provision will remain a strategic priority beyond the pandemic, including soliciting funds for this work, when possible.

- Partnerships - Collaboration is a key component of the Organization's work, particularly with regard to resource provision. To fulfill families' requests, the Resource Team collaborates with over 100 community organizations and local businesses across the Organization's service region to connect youth and families with resources. Partner organizations include local school districts (St. Louis Public Schools, University City) and community organizations (including United Way, Employment Connection, Safe Connections).

  To date, the Organization has prevented nearly 1,000 people from becoming homeless through rental and housing assistance, distributed 50+ desks to ensure youth could complete their schoolwork from home, provided over 100 electronic devices to assist with remote learning, and provided over 2,000 books to students to build their at-home libraries.

As the COVID-19 pandemic is complex and rapidly evolving, the Organization's plans as described above may change. At this point, management cannot reasonably estimate the duration and severity of this pandemic, which could have a material adverse impact on the Organization and its results of operations, financial position and cash flows.

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report
On Supplementary Information

Board of Directors
Big Brothers Big Sisters of Eastern Missouri
St. Louis, Missouri

We have audited the consolidated financial statements of Big Brothers Big Sisters of Eastern Missouri and affiliates (collectively, the Organization) as of and for the years ended December 31, 2021 and 2020, and our report thereon dated June 2, 2022, which contained an unmodified opinion on those consolidated financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Consolidated Operating Results Comparison (With 2022 Budget) and the Community And Children's Resource Board Of St. Charles County - Schedule of Project Unit Costs, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements.

The Consolidated Operating Results Comparison (With 2022 Budget) has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

The Community And Children's Resource Board Of St. Charles County - Schedule of Project Unit Costs was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information, except for the total units served, 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 as a whole. The total units served have not been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

RubinBrown LLP

June 2, 2022

BIG BROTHERS BIG SISTERS OF EASTERN MISSOURI AND AFFILIATES

CONSOLIDATED OPERATING RESULTS COMPARISON (WITH 2022 BUDGET)

	2022 Budget (Unaudited)	Consolidated Statement Of Activities 2021	2020
Public Support, Revenues And Gains (Losses)			
Contributions	$ 2,125,000	$ 1,956,587	$ 2,160,272
United Way allocation	414,000	413,617	397,355
Grants	2,600,000	2,470,211	2,094,719
In-kind contributions	—	102,111	106,842
Special events	200,000	—	78,265
Contract services - Amachi Initiative	40,000	20,400	20,400
Net investment income	50,000	225,861	102,330
Gain (loss) on equity method investment	—	(2,887)	21,628
Earned income	157,000	160,454	150,401
Total Public Support, Revenues And Gains (Losses)	5,586,000	5,346,354	5,132,212
Expenses			
Salaries	3,661,000	3,277,672	3,359,280
Payroll taxes	250,000	235,315	246,557
Employee benefits	629,000	549,581	566,940
Amachi Initiative	40,000	36,245	36,000
Background checks	12,000	5,054	8,884
Bad debts	—	663	8,260
Conferences and travel	119,000	45,947	27,236
Depreciation and amortization	—	382,705	396,052
Equipment repairs	—	15,409	13,315
In-kind materials	—	102,111	106,842
Insurance	65,000	64,809	65,506
Interest	12,000	56,477	58,756
Mileage	12,000	7,784	5,920
Miscellaneous	16,000	29,894	24,535
Occupancy	426,000	363,833	346,423
Organization dues	84,000	89,674	97,211
Postage	8,000	3,763	6,434
Printing	114,000	47,667	73,991
Professional fees:			
Accounting	56,000	47,342	48,407
Consulting	42,000	—	—
Lobbying	56,000	36,000	36,000
Other	166,000	94,932	147,482
Special events	300,000	—	—
Supplies and office	12,000	2,048	5,512
Telephone	23,000	24,694	29,134
Utilities	—	40,766	51,050
Volunteer activities	122,000	135,920	110,273
Total Expenses	6,225,000	5,696,305	5,876,000
Decrease In Net Assets From Operations	$ (639,000)	$ (349,951)	$ (743,788)

BIG BROTHERS BIG SISTERS OF EASTERN MISSOURI AND AFFILIATES

COMMUNITY AND CHILDREN'S RESOURCE BOARD OF ST. CHARLES COUNTY - SCHEDULE OF PROJECT UNIT COSTS

		Project Community Based Services
Project Expenses		
Direct Project Expenses:		
1.	Salaries	$ 14,568
2.	Employee benefits	2,443
3.	Payroll taxes	1,046
4.	Occupancy	1,617
5.	Telephone	110
6.	Utilities	181
7.	Supplies	9
8.	Client volunteer activities	604
9.	Background checks	314
10.	Mileage	35
11.	Postage	17
12.	Printing	212
13.	Equipment repairs	68
14.	Insurance	288
15.	Conferences, meetings, and travel	204
16.	Total Direct Project Expenses	21,715
Indirect (Administrative) Expenses:		
17.	Depreciation	1,701
18.	Interest	301
19.	Miscellaneous	79
20.	Organization dues and subscriptions	399
21.	Professional services - Accounting	210
22.	Professional services - Other	422
23.	Total Indirect Project Expenses	3,111
24.	Total Project Expenses	$ 24,827
25.	Total Units Served	735.58
Cost Per Unit: Line 24/25		$ 33.75