

CITY MISSION OF SCHENECTADY

FINANCIAL STATEMENTS

SEPTEMBER 30, 2018

CITY MISSION OF SCHENECTADY

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
City Mission of Schenectady
Schenectady, New York

We have audited the accompanying financial statements of the City Mission of Schenectady (a nonprofit organization), which comprise the statement of financial position as of September 30, 2018, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City Mission of Schenectady as of September 30, 2018, 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.

A handwritten signature in black ink that reads "Cusack & Company, CPA's LLC". The signature is written in a cursive, flowing style.

CUSACK & COMPANY, CPA'S LLC

Latham, New York
February 13, 2019

CITY MISSION OF SCHENECTADY

STATEMENT OF FINANCIAL POSITION

SEPTEMBER 30, 2018

ASSETS

Current Assets	
Cash, Operating and Designated	\$ 2,976,001
Accounts and Legacies Receivable	655,182
Investments	949,188
Inventory	45,000
Prepaid Expenses	63,519
Total Current Assets	<u>4,688,890</u>
Property, Plant and Equipment, Net	<u>5,942,680</u>
Other Assets	
Cash with Donor Restrictions	436,610
Investments with Donor Restrictions	607,262
Donor Advised Fund	912,285
Security Deposits	2,150
Total Other Assets	<u>1,958,307</u>
Total Assets	<u>\$ 12,589,877</u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Current Portion of Long-Term Debt	\$ 58,502
Accounts Payable	83,133
Accrued Payroll and Other Accrued Expenses	129,214
Compensated Absences	133,427
Deferred Revenue	42,260
Total Current Liabilities	<u>446,536</u>
Long-Term Liabilities	
Long-Term Debt, Net of Current Portion	<u>521,801</u>
Total Liabilities	<u>968,337</u>
Net Assets	
Without Donor Restrictions:	
Designated by the Board for Future Ministries	2,862,472
Donor Advised Fund	912,285
Undesignated	6,802,911
Total Net Assets without Donor Restrictions	<u>10,577,668</u>
With Donor Restrictions:	
Purpose Restricted	480,903
Perpetual in Nature	562,969
Total Net Assets with Donor Restrictions	<u>1,043,872</u>
Total Net Assets	<u>11,621,540</u>
Total Liabilities and Net Assets	<u>\$ 12,589,877</u>

CITY MISSION OF SCHENECTADY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Without	With	
	<u>Donor Restrictions</u>	<u>Donor Restrictions</u>	<u>Total</u>
Support, Revenue and Reclassifications			
Contributions	\$ 5,329,376	\$ 521,153	\$ 5,850,529
Special Events	172,591	-	172,591
Store Sales	316,912	-	316,912
Salvage Sales	149,757	-	149,757
Program Fees	165,053	-	165,053
Program Service Contracts	1,546,350	-	1,546,350
In-Kind Donations	192,577	-	192,577
Investment Return, Net	115,779	207	115,986
Miscellaneous Revenue	930	-	930
Loss on Disposal of Assets	(120)	-	(120)
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	<u>875,363</u>	<u>(875,363)</u>	<u>-</u>
Total Support, Revenue and Reclassifications	<u>8,864,568</u>	<u>(354,003)</u>	<u>8,510,565</u>
Expenses			
Program Services			
Community Outreach	422,288	-	422,288
Educational and Career	1,309,240	-	1,309,240
Food Services	575,649	-	575,649
Residential Services	1,382,077	-	1,382,077
Social Enterprise	638,134	-	638,134
Transitional Housing	134,576	-	134,576
Other Program	<u>252,346</u>	<u>-</u>	<u>252,346</u>
Total Program Services	4,714,310	-	4,714,310
General and Administrative	552,465	-	552,465
Development	<u>479,169</u>	<u>-</u>	<u>479,169</u>
Total Expenses	<u>5,745,944</u>	<u>-</u>	<u>5,745,944</u>
Increase (Decrease) in Net Assets	3,118,624	(354,003)	2,764,621
Net Assets, Beginning of Year	<u>7,459,044</u>	<u>1,397,875</u>	<u>8,856,919</u>
Net Assets, End of Year	<u>\$ 10,577,668</u>	<u>\$ 1,043,872</u>	<u>\$ 11,621,540</u>

CITY MISSION OF SCHENECTADY
STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

Change in Net Assets	\$ 2,764,621
Adjustments to Reconcile Change in Net Assets to Net Cash Provided By (Used In) Operating Activities:	
Dividends and Interest Reinvested	(35,489)
Investment Donations	(24,180)
Investment Donations - Donor Advised Fund	(912,285)
Realized Loss on Investments	322
Unrealized Gain on Investments	(86,578)
Loss on Disposal of Assets	120
Depreciation	294,461
Bad Debt Expense	22,506
Changes in Operating Assets and Liabilities	
(Increase) Decrease in:	
Accounts and Legacies Receivable	(409,355)
Inventory	(3,000)
Prepaid Expenses	21,603
Increase (Decrease) in:	
Accounts Payable	29,664
Accrued Payroll and Other Accrued Expenses	10,008
Compensated Absences	(11,299)
Deferred Revenue	<u>34,729</u>
Net Cash Flow Provided By Operating Activities	<u>1,695,847</u>
Cash Flow Provided By (Used In) Investing Activities	
Acquisition of Property, Plant and Equipment	(499,674)
Proceeds from Investment Sales and Maturities	283,161
Purchase of Investments	<u>(245,458)</u>
Net Cash Flow Used In Investing Activities	<u>(461,971)</u>
Cash Flow Provided By (Used In) Financing Activities	
Proceeds from Long-Term Debt	592,967
Payments on Long-Term Debt	<u>(199,240)</u>
Net Cash Flow Provided By Financing Activities	<u>393,727</u>
Increase in Cash	1,627,603
Cash and Cash Restricted, Beginning of Year	<u>1,785,008</u>
Cash and Cash Restricted, End of Year	<u><u>\$ 3,412,611</u></u>
Supplemental Disclosure of Cash Flow Information:	
Interest Paid	<u><u>\$ 11,019</u></u>
Supplemental Disclosure of Non-Cash Flow Information:	
Building Acquired with Debt Proceeds, Net of Refinance	<u><u>\$ 386,392</u></u>

CITY MISSION OF SCHENECTADY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Community Outreach</u>	<u>Educational and Career</u>	<u>Food Services</u>	<u>Residential Services</u>	<u>Social Enterprise</u>	<u>Transitional Housing</u>	<u>Other Program Related</u>	<u>Total Program</u>	<u>General and Administrative</u>	<u>Development</u>	<u>Total All Services</u>
Salaries and Benefits	\$ 187,941	\$ 980,084	\$ 189,021	\$ 1,059,881	\$ 443,587	\$ 33,603	\$ 211,062	\$ 3,105,179	\$ 461,246	\$ 144,696	\$ 3,711,121
Benevolence and Assistance	170,908	67,802	-	39,477	422	40	125	278,774	-	-	278,774
Services Purchased	400	46,039	-	8,944	6,149	-	664	62,196	12,546	114,228	188,970
Advertising and Fundraising	350	107	-	-	-	-	260	717	170	139,653	140,540
Office	1,913	25,050	1,165	9,498	37,474	140	1,313	76,553	38,503	26,673	141,729
Information Technology	2,253	32,773	1,670	15,972	9,538	-	5,683	67,889	6,378	1,719	75,986
Occupancy	17,473	53,833	59,954	86,384	33,147	54,251	6,619	311,661	10,577	-	322,238
Travel	6,574	25,799	328	873	19,939	1	7,441	60,955	644	283	61,882
Meetings, Trainings and Conferences	149	5,147	-	318	-	-	286	5,900	7,022	1,079	14,001
Insurance	2,252	3,034	1,309	3,769	5,609	24	1,313	17,310	4,197	98	21,605
Special Events	1,000	-	-	-	-	-	-	1,000	-	49,291	50,291
Food	17,255	-	262,507	5,463	116	-	-	285,341	-	-	285,341
Supplies	10,408	30,512	7,574	35,029	13,291	-	8,842	105,656	571	16	106,243
Equipment	1,990	2,400	4,247	4,947	13,112	230	817	27,743	1,926	587	30,256
Bad Debt Expense	-	-	-	-	22,506	-	-	22,506	-	-	22,506
Depreciation	1,422	36,660	47,874	111,522	33,244	46,287	7,921	284,930	8,685	846	294,461
	<u>\$ 422,288</u>	<u>\$1,309,240</u>	<u>\$ 575,649</u>	<u>\$ 1,382,077</u>	<u>\$ 638,134</u>	<u>\$ 134,576</u>	<u>\$ 252,346</u>	<u>\$ 4,714,310</u>	<u>\$ 552,465</u>	<u>\$ 479,169</u>	<u>\$ 5,745,944</u>

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The City Mission of Schenectady (the "Mission") was incorporated in 1906 as a non-profit organization under the Religious Corporation Law of the State of New York. The Mission was formed "to maintain and conduct such mission work and shall present and preach the Gospel of Jesus Christ to any who shall need it and especially to such as are not reached by the regular church organizations; provided always that this organization shall not take on a sectarian or denominational character."

Method of Accounting

The financial statements of the Mission have been prepared on the accrual basis of accounting. The Mission adopted the accounting treatment prescribed by the FASB's Accounting Standards Codification (ASC).

Receivables

The Mission utilizes the allowance method to determine the allowance for doubtful accounts. Management determined no allowance was necessary based upon their review of the specific receivables and prior history at September 30, 2018.

Conditional and Unconditional Promises to Give

The Mission did not have any conditional or unconditional promises to give at September 30, 2018.

Inventory

Inventory reflected in the statement of financial position represents office and store supplies purchased by the Mission and is valued at the lower of cost or market. The Mission's supplies and inventory valuation also includes an estimate of value for the clothing, furniture and materials donated to the Mission for resale.

Investments

Marketable equity and debt securities are stated at fair value.

Property, Plant, Equipment and Depreciation

Property, plant and equipment are reflected at cost, with depreciation provided on a straight-line basis over estimated useful lives of three to forty years. The cost of maintenance and repairs is charged to expense as incurred; significant renewals and betterments are capitalized. The Mission's capitalization policy uses a threshold of \$1,000 for individual items or aggregate purchases considered to be capital assets exceeding \$2,500.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

Full and part-time employees accrue vacation leave for use after completing six months of employment. Vacation time is earned and accrued each pay period. Accrued leave was \$133,427 at September 30, 2018.

Deferred Revenue

Deferred revenue primarily consists of future special event revenue collected prior to September 30, 2018. These are recognized as revenue as soon as the event takes place.

Net Assets

Net assets of the Mission, and changes therein, are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that will be met either by actions of the Mission and/or the passage of time.

Support and Expenses

Contributions received and unconditional promises to give are measured at their fair values and reported as an increase in net assets. The Mission 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, or if they are designated as support for future periods. 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 statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

The Mission reports gifts of goods and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets, are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Mission reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Expenses are recorded when incurred in accordance with the accrual basis of accounting

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services, Goods and Facilities

A number of volunteers have donated time to the Mission's program services and fund-raising campaigns during the year; however, these donated services are not reflected in the financial statements since the services did not meet the reporting requirement of the ASC. The Mission estimated that it received approximately 36,600 volunteer hours for the year ended September 30, 2018.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs benefitted. Salaries are allocated based on estimates of total time spent, while other expenses are allocated based on estimates of the resources used, with percentages ranging from 5% to 100%.

Tax-Exempt Status

The Mission is a not-for-profit organization and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, and has been designated a publicly supported organization which is not a private foundation under Section 509(a) of the Code. Accordingly, no provision for income taxes has been made in these financial statements.

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from these estimates.

Fair Value Measurements

The ASC requires expanded disclosures about fair value measurements and establishes a three-level hierarchy for fair value measurements based on the observable inputs to the valuation of an asset or liability at the measurement date. Fair value is defined as the price that the Mission would receive upon selling an asset or pay to transfer a liability in an orderly transaction between market participants. It prioritizes the inputs to the valuation techniques used to measure fair value by giving the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to measurements involving unobservable inputs (Level 3 measurements).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting for Uncertainty in Income Taxes

The Mission implemented the ASC *Accounting for Income Taxes* and its current accounting policy for evaluating uncertain tax positions is in accordance with generally accepted accounting principles. The Mission has not recognized any benefits or liabilities from uncertain tax positions in 2018 and believes it has no uncertain tax positions for which are reasonably possible that the total amounts of unrecognized tax benefits or liabilities will significantly increase or decrease net assets within 12 months of the balance sheet date of September 30, 2018.

Form 990 tax returns filed by the Mission are subject to examination by the IRS up to three years after the extended due date of each return. Form 990 tax filings for the Mission are no longer subject to examination for the years ended December 31, 2014 and prior.

Subsequent Events

Management has evaluated subsequent events or transactions as to any potential material impact on operations or financial position occurring through February 13, 2019, the date the financial statements were available to be issued. The Mission paid \$400,000 on its mortgage payable on January 29, 2019.

2. CONCENTRATION OF CREDIT RISK

The Mission has concentrated its credit risk for cash by maintaining deposits in banks located within the same geographic region and the same bank. The maximum loss that would have resulted from this risk totaled \$1,357,434 at September 30, 2018. This amount represents the excess of deposits reported by the banks over the amounts that would have been covered by Federal insurance. The Mission does not have any collateral available to them from the bank. The Mission minimizes this risk by maintaining deposit relationships with quality financial institutions. The Mission also added accounts at two new financial institutions in 2018, and will continue to do so to provide optional risk minimalization.

3. ACCOUNTS AND LEGACIES RECEIVABLE

Accounts and legacies receivable consist of the following at September 30, 2018:

General Electric “More Gifts/More Givers”	\$ 20,878
Estate of David A. Delgrosso	293,164
Estate of June Johnson	65,037
Alliance for Better Healthcare	66,678
Schenectady County Metroplex	16,000
SEFCU	15,000
Proctor’s Theater	40,450
The Work Place	30,352
MVP Healthcare	30,813
Les Produits	15,845
Miscellaneous	60,966
Total Accounts and Legacies Receivable	<u>\$ 655,182</u>

4. INVESTMENTS

The Mission's investments at September 30, 2018 are valued at market prices and consist of equity based mutual fund investments. The Mission intends to hold some of these funds short-term; accordingly, these amounts have been reflected as current in these financial statements. The mission also intends to hold some of these funds long-term for restricted purposes as indicated in Note 7; accordingly, these amounts have been reflected as noncurrent in these financial statements.

Investments are summarized as follows:

	<u>Cost</u>	<u>Market</u>	<u>Unrealized Appreciation (Depreciation)</u>
Level 1 Measurement:			
Money Market	\$ 99,341	\$ 99,341	\$ -
Mutual Funds - Equity Based	496,817	546,098	49,281
Fixed Income	249,021	242,499	(6,522)
Equities	<u>470,234</u>	<u>668,512</u>	<u>198,278</u>
	1,315,413	1,556,450	241,037
Level 3 Measurement:			
Donor Advised Fund	<u>912,285</u>	<u>912,285</u>	<u>-</u>
	<u>\$ 2,227,698</u>	<u>\$ 2,468,735</u>	<u>\$ 241,037</u>

Donor Advised Fund

In December 2017, the Mission entered into a donor advised fund agreement with a related party in which the Mission was provided a 99% partnership interest in a Limited Liability Company appraised at \$912,285 as of September 30, 2018. The Mission owns, maintains, and operates this fund and it is therefore considered unrestricted in these financial statements.

Investment Return, Net

Investment return, net for the year ended September 30, 2018 consists of the following:

Interest on Cash	\$ 8,204
Interest and Dividend Income on Investments	35,489
Realized Loss on Investments	(322)
Unrealized Holding Gain on Investments	86,578
Investment Fees	<u>(13,963)</u>
	<u>\$ 115,986</u>

5. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is comprised of the following at September 30, 2018:

Land, Building and Improvements	\$ 8,516,909
Furniture and Fixtures	347,860
Vehicles	109,973
Pavilion	4,697
Construction in Progress	<u>429,576</u>
Total	9,409,015
Less: Accumulated Depreciation	<u>(3,466,335)</u>
	<u><u>\$ 5,942,680</u></u>

6. LONG-TERM DEBT

Long-term debt consists of the following at September 30, 2018:

Mortgage payable to bank in monthly installments of \$5,642 with interest at 3.41% until August 2025, collateralized by real estate.	\$ 561,971
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Promissory note payable to unrelated party in monthly installments of \$834 with no interest until September 2020, collateralized by equipment.	<u>18,332</u>
Total Long-Term Debt	580,303

Less: Current Portion	<u>58,502</u>
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Long-Term Portion	<u><u>\$ 521,801</u></u>
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Scheduled maturities of long-term debt are as follows as of September 30:

2019	\$ 58,502
2020	61,371
2021	54,838
2022	57,555
2023	60,365
Thereafter	<u>287,672</u>
	<u><u>\$ 580,303</u></u>

CITY MISSION OF SCHENECTADY
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2018

7. NET ASSETS DESIGNATED BY THE BOARD FOR FUTURE MINISTRIES

The Board has designated funds for the following future ministries as of September 30, 2018:

Board Uncommitted Reserve	\$ 1,228,164
Board Strategic Reserve	648,343
Board Operating Reserve	461,000
Board Uncommitted Receivable	363,201
Board Committed Reserve	
Pension	10,000
Donor Acquisition	903
Other	12,000
Board Designated Lally Estate Earnings	138,861
	<u>\$ 2,862,472</u>

8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions represent amounts received and restricted by donors for the following specific purposes. When the restriction has been met, the amounts will be released from net assets with donor restrictions and reclassified to net assets without donor restrictions. A summary of temporarily restricted contributions as of September 30, 2018 follows:

Purpose Restricted:

Mens and ARK Programs

Ministry to Young Men Under 21	\$ 1,836
Drug Court	322

Family Life Center Programs

Books	1,235
General from Fletcher Estate	100,000
Womens Retreat	62
Child Enrichment Program	4,024

Residential Programs

Share Our Strength	900
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Outreach Programs

Back to School Boost	1,472
Toys	1,413
Academic Scholarships	109,309
Operation Warm and Safe	2,018
Community and Ten Eyck	281
Weekend Backpack	34,440
Step Up Moment Fitness Fund	1,650

Other Programs

Schenectady Works	81,486
The Cornerstone Project	33,483
Executive Director's Discretionary	5,293

Restricted for Assets and Projects

Capital Expansion and Equipment	101,679
Total Purpose Restricted	<u>480,903</u>

Perpetual by Nature:

Restricted by Lally Estate	561,111
Restricted by Anonymous	1,858
Total Perpetual by Nature	<u>562,969</u>

Total Net Assets with Donor Restrictions	<u>\$ 1,043,872</u>
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9. NET ASSETS RELEASED FROM RESTRICTIONS

Purpose Restrictions Accomplished for the Following:

<i>Mens and ARK Programs</i>	
Drug Court	\$ 26
United Methodist Church	20,625
<i>Residential Programs</i>	
Emergency Shelter Mats	243
Medical Clinic	341
LifeChurch	36,000
<i>Outreach Programs</i>	
Toys	2,418
Academic Scholarships	85,384
Operation Warm and Safe	1,722
Neighbor to Neighbor	693
Weekend Backpack	17,045
Step Up Moment Fitness Fund	2,850
<i>Other Programs</i>	
Schenectady Works	404,675
The Cornerstone Project	3,963
Capital Expansion and Equipment	296,878
Other	<u>2,500</u>
Total Purpose Restrictions Accomplished	<u><u>\$ 875,363</u></u>

10. PENSION PLAN

The Board of Directors of the Mission has adopted a simplified employee pension plan for all eligible participants who meet certain requirements. Contributions to the plan are determined annually by the Board of Directors at their discretion. During the year ended September 30, 2018, contributions made to eligible employees amounted to 5.0% of qualifying wages, or \$94,131.

11. OPERATING LEASE

The Mission leased office space on a month-to-month basis. Rent expense incurred was \$29,460 for the year ended September 30, 2018, and is included in occupancy expense on the statement of functional expenses.

12. COMMITMENTS AND CONTINGENCIES

During 2018, the Mission had several outstanding bequests and, due to the involved administration process, final distribution and closeout did not occur by September 30, 2018. The amounts in question are unknown and uncertain and will be recorded in the statement of activities when an amount is provided in writing by legal counsel of the estate.

13. RELATED PARTY TRANSACTIONS

The Mission's executive director serves on the Board of Directors of an investment company that manages investment funds of the Mission and the executive director is paid a fee for these services. Additionally, as outlined in the Mission's Policy Guidelines, any party serving as a board member or staff member of a current or prospective external agent must recuse themselves from any investment discussion or deliberation in accordance with the Mission's conflict of interest policy.

14. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Mission has \$5,492,656 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash of \$2,976,001, accounts and legacies receivable of \$655,182, and short-term investments of \$1,861,473. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the balance sheet date. The accounts and legacies receivable are subject to implied time restrictions but are expected to be collected within the subsequent year. The Mission has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 60 days of normal operating expenses, which are, on average, approximately \$925,000. The Mission has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, as part of its liquidity management, the Mission invests cash in excess of daily requirements and management and Board reserves in various short-term investments, as more fully described in Note 4.