



THE WHITLOCK CO.

*CPAs and Consultants*

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**

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**FINANCIAL STATEMENTS  
and  
SUPPLEMENTARY INFORMATION  
with  
INDEPENDENT AUDITOR'S REPORT  
YEARS ENDED JUNE 30, 2022 AND 2021**

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Independent Auditor's Report

Board of Directors  
Community Partnership of the Ozarks, Inc.  
Springfield, Missouri

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the financial statements of **Community Partnership of the Ozarks, Inc.** (CPO), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Community Partnership of the Ozarks, Inc.** as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **Community Partnership of the Ozarks, Inc.** 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 Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **Community Partnership of the Ozarks, Inc.**'s ability to continue as a going concern for one year after the date that the financial statements are issued.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of **Community Partnership of the Ozarks, Inc.**'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **Community Partnership of the Ozarks, Inc.**'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.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining schedules for All CPO Program Services, State Partnership Contracts, and Programs Excluding State Partnership Contracts are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2022 on our consideration of **Community Partnership of the Ozarks, Inc.**'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of

internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of **Community Partnership of the Ozarks, Inc.**'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **Community Partnership of the Ozarks, Inc.**'s internal control over financial reporting and compliance.

The image shows a handwritten signature in black ink that reads "THE WHITLOCK CO., LP". The signature is written in a cursive, slightly slanted style.

Springfield, Missouri  
November 6, 2022

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**

**STATEMENTS OF FINANCIAL POSITION**

ASSETS

	June 30,	
	2022	2021
<b>Current assets</b>		
Cash and cash equivalents	\$ 1,038,074	\$ 39,434
Short-term investments	105,611	493,366
Grants receivable	930,921	779,790
Prepaid expenses	9,056	7,513
Other receivable	14,394	6,374
	<u>2,098,056</u>	<u>1,326,477</u>
<b>Non-current assets</b>		
Long-term investments	519,607	585,764
Property and equipment, net	3,773,211	3,950,181
	<u>4,292,818</u>	<u>4,535,945</u>
<b>Total assets</b>	<u>\$ 6,390,874</u>	<u>\$ 5,862,422</u>

LIABILITIES AND NET ASSETS

<b>Current liabilities</b>		
Accounts payable	\$ 427,175	\$ 114,860
Accrued salaries	73,795	51,893
Accrued vacation	67,910	63,676
Current portion of long-term debt	17,791	17,137
Deferred revenue	754,342	321,446
	<u>1,341,013</u>	<u>569,012</u>
<b>Non-current liabilities</b>		
Long-term debt, less current portion	283,975	301,602
Line of credit - non-current	377,743	654,743
<b>Long-term debt, less current portion</b>	<u>661,718</u>	<u>956,345</u>
<b>Net assets -</b>		
<b>Without donor restriction</b>		
Undesignated	371,994	451,933
Board designated	3,550,350	3,459,625
Total without donor restriction	<u>3,922,344</u>	<u>3,911,558</u>
<b>With donor restriction</b>	<u>465,799</u>	<u>425,507</u>
Total net assets	<u>4,388,143</u>	<u>4,337,065</u>
<b>Total liabilities and net assets</b>	<u>\$ 6,390,874</u>	<u>\$ 5,862,422</u>

The accompanying notes are an integral part of these financial statements.

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**

**STATEMENTS OF ACTIVITIES**

**FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	2022			2021		
	Without donor restriction	With donor restriction	Total	Without donor restriction	With donor restriction	Total
<b>Revenue and other support</b>						
Federal and state grants and contracts	\$ 503,861	\$ 7,843,516	\$ 8,347,377	\$ 728,147	\$ 4,917,079	\$ 5,645,226
Program income	43,544	1,397,287	1,440,831	25,015	963,294	988,309
Contributions	609,555	100,914	710,469	304,732	167,738	472,470
Miscellaneous income	97,877	-	97,877	93,838	-	93,838
Interest and dividends from designated quasi-endowments	11,835	-	11,835	46,152	-	46,152
Interest and dividends from investments	2,421	141	2,562	5,982	136	6,118
Unrealized gain (loss) on designated quasi-endowments	(71,649)	-	(71,649)	78,189	-	78,189
Transfers from (to) other grants	29,905	(29,905)	-	292,938	(292,938)	-
Net assets released from restrictions	<u>9,271,661</u>	<u>(9,271,661)</u>	<u>-</u>	<u>5,740,851</u>	<u>(5,740,851)</u>	<u>-</u>
	10,499,010	40,292	10,539,302	7,315,844	14,458	7,330,302
<b>Expenses</b>						
Program services	9,876,277	-	9,876,277	6,346,526	-	6,346,526
Support services	611,947	-	611,947	555,102	-	555,102
	10,488,224	-	10,488,224	6,901,628	-	6,901,628
<b>Change in net assets</b>	10,786	40,292	51,078	414,216	14,458	428,674
<b>Net assets - beginning of period</b>	<u>3,911,558</u>	<u>425,507</u>	<u>4,337,065</u>	<u>3,497,342</u>	<u>411,049</u>	<u>3,908,391</u>
<b>Net assets - end of period</b>	<u>\$ 3,922,344</u>	<u>\$ 465,799</u>	<u>\$ 4,388,143</u>	<u>\$ 3,911,558</u>	<u>\$ 425,507</u>	<u>\$ 4,337,065</u>

The accompanying notes are an integral part of these financial statements.

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Program Services</b>	Management and General Expenses	Fundraising Expenses	<b>Total Support Services</b>	<b>Totals (Memorandum Only)</b>
Salaries and related expenses	\$3,113,748	\$ 226,150	\$ 89,933	\$ 316,083	\$ 3,429,831
Financial fees	-	139,937	-	139,937	139,937
Professional fees	104,784	16,671	6,630	23,301	128,085
Supplies and materials	661,149	27,351	32,401	59,752	720,901
Telephone	29,917	2,545	1,012	3,557	33,474
Occupancy	134,393	13,626	5,419	19,045	153,438
Insurance	13,755	1,183	471	1,654	15,409
Interest	30,253	-	-	-	30,253
Printing	8,265	4,538	159	4,697	12,962
Local travel	54,703	644	256	900	55,603
Trainings	294,732	1,594	-	1,594	296,326
Educational programming	11,460	6,448	7,692	14,140	25,600
Membership dues	47,021	12,602	2,095	14,697	61,718
Equipment maintenance	4,764	1,048	-	1,048	5,812
Outreach	2,415,358	-	-	-	2,415,358
Public education	288,487	1,098	98	1,196	289,683
Indirect costs reimbursements	460,819	-	-	-	460,819
Contractual services	2,005,594	6,685	2,195	8,880	2,014,474
Miscellaneous expense	<u>3,693</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,693</u>
<b>Total expenses before depreciation</b>	9,682,895	462,120	148,361	610,481	10,293,376
Depreciation of fixed assets	<u>193,382</u>	<u>1,466</u>	<u>-</u>	<u>1,466</u>	<u>194,848</u>
<b>Total expenses</b>	<u><u>\$9,876,277</u></u>	<u><u>\$ 463,586</u></u>	<u><u>\$ 148,361</u></u>	<u><u>\$ 611,947</u></u>	<u><u>\$ 10,488,224</u></u>

The accompanying notes are an integral part of these financial statements.

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Program Services</u>	<u>Management and General Expenses</u>	<u>Fundraising Expenses</u>	<u>Total Support Services</u>	<u>Totals (Memorandum Only)</u>
Salaries and related expenses	\$2,571,515	\$ 165,327	\$ 79,162	\$ 244,489	\$ 2,816,004
Financial fees	-	177,173	-	177,173	177,173
Professional fees	101,508	13,045	6,270	19,315	120,823
Supplies and materials	559,952	10,619	10,895	21,514	581,466
Telephone	28,102	2,225	1,065	3,290	31,392
Occupancy	127,848	7,053	4,876	11,929	139,777
Insurance	10,648	427	204	631	11,279
Interest	34,405	-	-	-	34,405
Printing	11,285	2,687	387	3,074	14,359
Local travel	32,261	386	185	571	32,832
Trainings	103,447	10,204	-	10,204	113,651
Educational programming	4,827	1,498	631	2,129	6,956
Membership dues	34,704	13,320	2,995	16,315	51,019
Equipment maintenance	1,373	1,403	-	1,403	2,776
Outreach	1,778,108	-	-	-	1,778,108
Public education	109,060	1,034	1,055	2,089	111,149
Indirect costs reimbursements	322,898	-	-	-	322,898
Contractual services	345,112	4,697	5,514	10,211	355,323
Miscellaneous expense	<u>17,584</u>	<u>338</u>	<u>89</u>	<u>427</u>	<u>18,011</u>
<b>Total expenses before depreciation</b>	<b>6,194,637</b>	<b>411,436</b>	<b>113,328</b>	<b>524,764</b>	<b>6,719,401</b>
Depreciation of fixed assets	<u>151,889</u>	<u>30,338</u>	<u>-</u>	<u>30,338</u>	<u>182,227</u>
<b>Total expenses</b>	<b><u>\$6,346,526</u></b>	<b><u>\$ 441,774</u></b>	<b><u>\$ 113,328</u></b>	<b><u>\$ 555,102</u></b>	<b><u>\$ 6,901,628</u></b>

The accompanying notes are an integral part of these financial statements.



**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**

**STATEMENTS OF CASH FLOWS**

	Years ended June 30,	
	2022	2021
<b>Cash flows from operating activities</b>		
Federal and state grants	\$ 10,069,973	\$ 6,211,867
Miscellaneous income	800,326	564,934
Interest and dividend income	14,397	52,270
Salaries and related expenditures	(7,059,936)	(4,085,437)
Other operating expenditures	(2,896,532)	(2,992,436)
	928,228	(248,802)
<b>Net cash provided by (used in) operating activities</b>		
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(17,878)	(375,467)
Purchase of investments	(13,734)	(82,975)
Maturity of investments	388,138	-
Sale of investments	7,859	36,827
	364,385	(421,615)
<b>Net cash provided by (used in) investing activities</b>		
<b>Cash flows from financing activities</b>		
Issuance of long-term debt	-	1,129,885
Principal payments on long-term debt	(293,973)	(838,333)
	(293,973)	291,552
<b>Net cash provided by (used in) financing activities</b>		
<b>Increase (decrease) in cash and cash equivalents</b>	998,640	(378,865)
<b>Cash and cash equivalents at beginning of period</b>	39,434	418,299
<b>Cash and cash equivalents at end of period</b>	\$ 1,038,074	\$ 39,434
<b>Supplemental cash flows information</b>		
SBA Paycheck Protection Program loan forgiveness	\$ -	\$ 373,418

(continued)

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.

STATEMENTS OF CASH FLOWS

(continued)

	Years ended June 30,	
	<u>2022</u>	<u>2021</u>
<b>Reconciliation of change in net assets to net cash provided by operating activities</b>		
Change in net assets	\$ 51,078	\$ 428,674
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	194,848	182,227
Forgiveness of SBA Payroll Protection Program	-	(373,418)
Unrealized gain on designated endowments	71,649	(78,189)
Decrease (increase) in		
Grants receivable	(151,131)	(272,829)
Prepaid expenses	(1,543)	187
Accounts receivable	(8,020)	(1,374)
Increase (decrease) in		
Accounts payable	312,315	(366,243)
Accrued salaries	21,902	7,088
Accrued vacations	4,234	496
Deferred revenue	<u>432,896</u>	<u>224,579</u>
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 928,228</u>	<u>\$ (248,802)</u>

The accompanying notes are an integral part of these financial statements.

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**1. Summary of significant accounting policies**

Nature of activities

**Community Partnership of the Ozarks, Inc.** (CPO) was incorporated on September 11, 1998 as an independently operated non-profit corporation whose mission is to facilitate and promote the building of resilient children, healthy families, and strong neighborhoods & communities through collaboration, programming, and resource development. CPO was formed from the merging of two organizations - Ozarks Fighting Back and the Community Task Force.

CPO's outcome-based services and programs cover a 29-county area in Southwest Missouri where they have taken the lead role in conducting gaps analysis regarding community needs and then developed effective collaborations, partnerships, and programming designed to address those needs. CPO focuses its efforts in four main areas – community and neighborhood development, early childhood and family development, substance misuse prevention and youth support, and affordable housing and homeless prevention to achieve the following seven core outcomes: Children, families and community members safe; children, families and community members health; young children ready to enter school; children succeeding in school; youth ready to enter productive adulthood; parents working; and strong and thriving neighborhoods.

CPO is funded primarily from federal and state grants and contracts, augmented with funding from the City of Springfield, local foundations and civic organizations, the United Way and private donations. CPO is governed by a volunteer Board of Directors that includes no paid staff of the organization. Election of the board occurs annually upon nomination by a committee of the board.

Basis of accounting

Revenues and expenditures are recognized on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when both measurable and available. Expenditures under the accrual basis of accounting are recorded when the liability is incurred. Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional.

Financial statement presentation

CPO's financial statements are presented in accordance with Financial Accounting Standards *Codification Topic 958, "Not-for-Profit Entities."* Under *Topic 958*, the Organization reports information regarding its financial position and activities according to two classes of net assets: with donor restriction and without donor restriction. The classification of net assets into two categories is based on the existence or absence of donor-imposed restrictions, stipulations that specify a use for a contributed asset that is more specific than broad limits resulting from CPO's basic mission and environment in which it operates.

Adoption of new accounting standards

On July 1, 2021, CPO adopted the new accounting standard ASU 2020-07, *Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. CPO recognized the cumulative

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

effect of initially applying the new standard, which required no adjustment to the opening balance of retained earnings.

On July 1, 2020, CPO adopted the new accounting standard ASU 2014-09, *Revenue from Contracts with Customers*, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. CPO recognized the cumulative effect of initially applying the new revenue standard, which required no adjustment to the opening balance of retained earnings.

Cash and cash equivalents

For purposes of the statement of cash flows, CPO considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the accompanying statement of financial position. Unrealized gains or losses are included in changes in net assets in the accompanying statements of activities. Investment income includes dividend, interest, other investment income, and realized and unrealized gains and losses on investments carried at fair value.

Property and equipment

Property and equipment are stated at cost or at their fair market value if donated and are reported in the net asset without donor restriction class. All long-lived assets with a cost, or fair market value if donated, of \$5,000 or greater are capitalized and depreciated. Depreciation is computed on a straight-line basis over the useful life of the asset, typically 39.5 years for buildings, and 3-10 years for furniture and equipment.

Deferred revenue

Deferred revenue amounts, as listed on the statement of financial position, represent grant or other funds, which are available for use in future periods. Revenue recognition will occur as qualifying expenditures are made.

Grants and contracts

Some of the more significant federal, state and local grants and contracts of CPO are:

- State Partnership Contract – including the following amendments:
  - *Capable Kids*
  - *Caring Communities*
  - *Educare*
  - *DYS – Community Mentoring*
  - *Infant Toddler Specialist Network*
- Missouri SPIRIT
- Prevention Resource Center

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Revenue earned from the above sources is recorded as support from federal and state grants and contracts in the net asset without donor restriction class when earned.

Revenue

CPO recognizes contributions received and made, including unconditional promises to give, as revenue in the period received or made. Contributions are reported as either revenues without donor restrictions or revenues with donor restrictions.

CPO accounts for grant revenue as either point in time revenue or over time revenue depending on the structure of the grant. Point in time grant revenue is recorded as revenue upon receipt of the grant. Over time grant revenue is recognized in a similar manner as a contract; the organization is reimbursed at the end of the month for expenses related to the grant income.

Unrealized gains and losses from long term investments are recognized as over time revenue due to the nature of the investments. Realized gains and losses from long term investments are recognized at the point of sale. Gains and losses on the disposal of fixed assets are recognized upon the sale or disposal of the asset.

Certain revenue streams, including grant revenue, contributions, and investment income, do not qualify as exchange transactions. These revenue streams are not considered revenue from contracts with customers and will not be subject to ASU 2014-09.

Functional expenses

CPO allocates its expenses on a functional basis among its various programs and support services and is committed to complying with award cost reduction standards. Expenses that can be identified with a specific program are allocated directly according to their natural expenditure classification. Various statistical bases allocate other expenses that are common to several functions.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Tax-exempt status

CPO is a non-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986.

CPO currently qualifies as a publicly supported organization by the IRS. For the years ended June 30, 2022 and 2021, CPO had no unrelated business activities.

Uncertainty in income taxes

Generally Accepted Accounting Principles (GAAP) prescribe a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

taken in a tax return and also provides guidance on various related matters, such as the position CPO has taken that the organization is exempt from income taxes.

CPO's income tax filings are subject to audit by various taxing authorities. CPO's open tax audit periods are 2019 through 2021. In evaluating CPO's tax positions, interpretations and tax planning strategies are considered. CPO believes their estimates are appropriate based on current facts and circumstances.

Recent accounting pronouncements

In February 2016, the FASB issued ASU 2016-02 *Leases*. ASU 2016-02 requires recognition of the assets and liabilities that arise from leases. The new standard is effective for fiscal years beginning after December 15, 2021. CPO is currently evaluating the effect that implementation of the new standard will have on its financial statements.

The FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*, in June 2016. Its implementation will result in a new Accounts Receivable loss accounting framework, also known as the current expected credit loss (CECL) model. CECL requires credit losses expected throughout the life of the asset to be recorded at the time of origination. Under the current incurred loss model, losses are recorded when it is probable that a loss event has occurred. The new standard will require significant operational changes, especially in data collection and analysis. The ASU is effective for interim and annual periods beginning after December 15, 2022 and is expected to increase the allowance upon adoption. CPO is assessing the standard and is in the process of reviewing the capability of its systems and processes to support the data collection and retention required to implement the new standard.

**2. Investments**

Fair market value for investments held with Community Foundation of the Ozarks (CFO) were \$625,218 and \$690,992 at June 30, 2022 and 2021, respectively. Cost basis for investments held with CFO were \$613,120 and \$601,833 at June 30, 2022 and 2021, respectively. A portion of the funds held by CFO have been designated by the Board as quasi-endowment funds and are carried at market value based on information provided by CFO.

During the year ended June 30, 2022 and 2021, the unrealized gains (losses) on investments held by Community Foundation, Inc. totaled (\$71,649) and \$78,189, respectively.

During the year ended June 30, 2022 and 2021, interest and dividends on all investments listed above and the operating account totaled \$14,396 and \$52,270, respectively.

During the year ended June 30, 2022, a certificate of deposit at Springfield First Community Bank matured and was not renewed. This certificate of deposit had a rate of 0.75%, a carrying value of \$388,138 as of June 30, 2021, and matured on January 24, 2022.

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**3. Property and equipment**

Buildings, furniture, and equipment are stated at cost or fair market value, if donated, and are written off on a straight-line basis over a period as explained in Note 1. Fixed asset cost, as well as accumulated depreciation at June 30, 2022 and 2021, is as listed below:

	2022	2021
Equipment	\$ 353,054	\$ 353,054
Building & improvements	4,065,666	4,047,788
Computer software	1,800	1,800
Total property and equipment at cost	4,420,520	4,402,642
Less accumulated depreciation	(647,309)	(452,461)
Total property and equipment, net	\$ 3,773,211	\$ 3,950,181

Additions to each asset class are described below:

	2022	2021
Equipment	\$ -	\$ 15,298
Building & improvements	17,878	360,169
Total additions	\$ 17,878	\$ 375,467

Depreciation expense for the years ended June 30, 2022 and 2021 was \$194,848 and \$182,227, respectively.

**4. Line of credit**

Line of credit payable at June 30 consists of the following:

	2022	2021
\$800,000 line of credit to Central Bank of the Ozarks, secured by real property, at an interest rate of 4.75%, matures September 11, 2023.	\$ 377,743	\$ 654,743
Total line of credit	\$ 377,743	\$ 654,743

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**5. Long-term debt**

At June 30, long-term debt of the organization consisted of the following:

	2022	2021
Note payable to Central Bank of the Ozarks, secured by real property, payable in monthly installments of \$2,400, including interest at 3.75%. Matures October 8, 2025.	\$ 301,766	\$ 318,739
Less current portion	(17,791)	(17,137)
Total long-term debt, less current portion	\$ 283,975	\$ 301,602

Principal payments due on long-term debt for the years ended June 30, are as follows:

Year Ending June 30,	
2023	\$ 17,791
2024	18,470
2025	19,174
2026	246,240
2027	-

**6. SBA Paycheck Protection Program**

The Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on payroll. The Small Business Administration will forgive the loan if all employee retention criteria are met and the funds are used for eligible expenses. On May 4, 2021, CPO received a notice of forgiveness from the Small Business Administration.

**7. Net assets**

Net assets without donor restriction can be classified as undesignated or board designated. Board designated net assets without donor restriction are those assets which have been designated by the CPO board for use in specific projects.

Net assets with donor restriction are those assets which have been provided by donors for use in specific projects and/or for use in a specific time period. Those funds are held in the net assets with donor restriction class until expended.



**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

Net assets without donor restriction are available for the following purposes at June 30:

<u>Net assets without donor restriction</u>	<u>2022</u>	<u>2021</u>
Undesignated	\$ 371,994	\$ 451,933
Board designated	<u>3,550,350</u>	<u>3,459,625</u>
	<u>\$ 3,922,344</u>	<u>\$ 3,911,558</u>

Net assets with donor restriction are available for the following purposes at June 30:

<u>Net assets with donor restriction</u>	<u>2022</u>	<u>2021</u>
O'Reilly Center for Hope Restricted	\$ 125,458	\$ 44,395
Prevention Resource Center Restricted	87,361	86,874
Financial Literacy Restricted	67,999	73,259
Housing & Homeless Prevention Restricted	43,025	98,248
Caring Communities Restricted	41,769	41,202
CPO Restricted	30,011	3,874
Early Childhood Restricted	23,103	10,336
Every Child Promise	22,659	22,627
Prosper Springfield	13,966	39,049
CPO Collaboratives	7,785	2,980
Infant Toddler Specialist Network	<u>2,663</u>	<u>2,663</u>
	<u>\$ 465,799</u>	<u>\$ 425,507</u>

**8. Revenue recognition**

CPO accounts for a contract when both parties have approved the contract and are committed to perform their obligations, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. During the years ended June 30, 2022 and 2021, CPO generated \$97,877 and \$93,838 in miscellaneous revenue, which is recognized at a point in time.

**9. Retirement plan**

CPO participates in a defined contribution retirement plan covering all employees who have completed one year of service. This plan is in accordance with Internal Revenue Code Sec. 403(b). For employees meeting eligibility requirements, CPO contributes 10% of each employee's salary to a fund administered by Mutual of America. The employer contribution for the year ended June 30, 2022 and 2021 was \$217,920 and \$214,876, respectively.

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**10. Concentration of credit risk**

CPO maintains cash balances in non-interest bearing transaction accounts at financial institutions located in the Springfield, Missouri area. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation and are subject to the \$250,000 limitation. The account balance is held in a sweep account where funds are swept each night into accounts where funds are secured by government securities.

**11. Contingencies**

CPO receives a large portion of their funding for projects through various federal and state grants and contracts for specific purposes that are subject to audit by grantor agencies. Compliance audits conducted by those agencies in the future could lead to disallowed costs relating to the current period; however, CPO expects such amounts, if any, to be immaterial.

**12. Fair value of financial instruments**

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GAAP establishes a fair value hierarchy that prioritizes the inputs used in valuation techniques to measure fair value into three levels, with Level 1 being the highest priority.

*Level 1 inputs:* Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that are accessible at the measurement date.

*Level 2 inputs:* Level 2 inputs are from other than market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. This includes quoted market prices of similar assets or liabilities in active markets, or quoted market prices for identical or similar assets or liabilities in markets that are not active.

*Level 3 inputs:* Level 3 inputs are unobservable and should be used to measure fair value to the extent that observable inputs are not available.

The following are major categories of assets and liabilities measured at fair value on a recurring basis during the year ended June 30, 2022 and 2021:

*Investments* - Fair values have been determined using quoted market prices.

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

		June 30, 2022			
		Fair Value			Carrying
		Level 1	Level 2	Level 3	Amount
<u>Financial Assets</u>					
<u>Investments</u>					
Community Foundation	\$	-	\$ 625,218	\$ -	\$ 625,218
	\$	-	\$ 625,218	\$ -	\$ 625,218
		June 30, 2021			
		Fair Value			Carrying
		Level 1	Level 2	Level 3	Amount
<u>Financial Assets</u>					
<u>Investments</u>					
Community Foundation	\$	-	\$ 690,992	\$ -	\$ 690,992
Certificates of deposit		388,138	-	-	388,138
	\$	388,138	\$ 690,992	\$ -	\$ 1,079,130

**13. Related party transactions**

During the years ended June 30, 2022 and 2021, CPO contracted for services with individuals or businesses with a relationship to the organization as follows:

Leased employees

Through December 31, 2021, CPO leased its whole workforce from the United Way of the Ozarks, Inc., a not-for-profit corporation. CPO paid \$1,618,597 and \$2,816,004 for employee labor personnel services for the years ending June 30, 2022 and 2021, respectively, and has included these expenses with salaries and related expenses. These employees are under the supervision of the CPO President/CEO who makes all hiring, firing and disciplinary decisions and all activities of these employees accrue to the benefit of CPO. Effective January 1, 2022, this arrangement between CPO and United Way of the Ozarks, Inc. was terminated, and all CPO employees were removed from United Way of the Ozarks, Inc.

Indirect relationship

Leslie Peck, a member of the CPO Board of Directors, has an ownership interest in an insurance agency that has written employee benefits policies for CPO with premiums totaling \$266,718 and \$211,340 for the years ending June 30, 2022 and 2021, respectively. The amount reflects premiums paid to insurance carriers, not commission paid to interested party.

Bridget Dierks, a member of the CPO Board of Directors, is the Grants Program Officer of Community Foundation of the Ozarks where CPO has endowments totaling \$497,406 and \$563,649 at June 30, 2022 and 2021, respectively. CPO also has long-term investments totaling \$127,811 and \$127,342 at June 30, 2022 and 2021, respectively.

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

Jason Gage, a member of the CPO Board of Directors, is employed by the City of Springfield as City Manager with whom CPO has contracts and sub awards. Expenses for the year ended June 30, 2022 and 2021 were \$414,192 and \$601,769, respectively.

Shelley Evans, a member of the CPO Board of Directors, is employed as Senior Vice President and Commercial Relationship Manager at Guaranty Bank, with whom CPO has a checking account totaling \$1,211,151 and \$24,614 as of June 30, 2022 and 2021, respectively.

Rusty MacLachlan, a member of the CPO Board of Directors, serves as Commissioner of District 1 of the Greene County Commission, with whom CPO has grants and contracts. Expenses for the year ended June 30, 2022 were \$1,803,944.

Carl Rosenkranz, a member of the CPO Board of Directors, is employed by OACAC as Executive Director with whom CPO has a contract for the CLASS Project. Expenses for the year ended June 30, 2022 and 2021 were \$6,357 and \$6,663, respectively.

Scott Meier, a member of the CPO Board of Directors, is employed by Mid-West Family Broadcasting as President with whom CPO has a vendor relationship. The amount paid to Mid-West Family Broadcasting for the year ended June 30, 2022 and 2021 were \$15,475 and \$12,866, respectively.

Brad Erwin, a member of the CPO Board of Directors, is employed by Paragon Architecture as President with whom CPO has a vendor relationship. The amount paid to Paragon Architecture for the year ended June 30, 2022 and 2021 was \$48,000 and \$0, respectively.

Brian McDonough, a member of the CPO Board of Directors, is employed by KY3, Inc. as President/General Manager with whom CPO has a vendor relationship. The amount paid to KY3, Inc. for the year ended June 30, 2022 and 2021 was \$12,263 and \$4,209.

Joselyn Baldner, a member of the CPO Board of Directors, is employed by Central Bank of the Ozarks as President and CEO where CPO has a note payable totaling \$301,766 and \$318,739 at June 30, 2022 and 2021, respectively. CPO has a line of credit totaling \$800,000. See Note 4 for more information on this line of credit.

Other

CPO is one of the partner organizations of United Way of the Ozarks. For the years ended June 30, 2022 and 2021, United Way allocated \$86,198 to CPO. CPO pays United Way for accounting fees, which amounted to \$139,937 and \$177,173 for the years ended June 30, 2022 and 2021, respectively.

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**14. Liquidity and availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise of the following at June 30:

	2022	2021
Financial assets, as of June 30:		
Cash and cash equivalents	\$ 1,038,074	\$ 39,434
Certificates of deposit	105,611	493,366
Grants receivable	930,921	779,790
	2,074,606	1,312,590
Less those unavailable for general expenditure:		
Accounts payable	427,175	114,860
Accrued salaries	73,795	51,893
Net assets with donor restriction	465,799	425,507
	966,769	592,260
Financial assets available to meet cash needs for general expenditure within one year	\$ 1,107,837	\$ 720,330

CPO's financial assets consist of grant and program income used to support the community. As such, most of the financial assets on hand are reserved for use in various programs. CPO has maintained a balance of funds for their own operations as well.

**15. Subsequent events**

In preparing these financial statements, CPO has evaluated events and transactions for potential recognition or disclosure through November 6, 2022, the date the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**  
**COMBINING SCHEDULE - ALL CPO PROGRAM SERVICES**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Total state partnership contract	Total federal partnership contract	Total all other programs	Total all program services
Salaries and related expenses	\$ 940,093	\$ 899,739	\$ 1,273,916	\$ 3,113,748
Professional fees	11,759	10,560	82,465	104,784
Program supplies and materials	222,185	182,460	256,504	661,149
Telephone	3,606	5,328	20,983	29,917
Occupancy	36,244	34,431	63,718	134,393
Insurance	1,749	3,957	8,049	13,755
Interest	-	-	30,253	30,253
Printing	405	1,152	6,708	8,265
Local travel	13,668	20,754	20,281	54,703
Trainings	21,443	80,387	192,902	294,732
Educational programming	4,313	2,039	5,108	11,460
Membership dues	4,578	9,489	32,954	47,021
Equipment maintenance	1,200	461	3,103	4,764
Outreach	5,583	2,159,121	250,654	2,415,358
Public education	-	266,258	22,229	288,487
Indirect cost reimbursement	143,804	203,795	113,220	460,819
Contractual services	725,951	1,240,109	39,534	2,005,594
Miscellaneous expense	-	-	3,693	3,693
<b>Total expenses</b>	<u>\$ 2,136,581</u>	<u>\$ 5,120,040</u>	<u>\$ 2,426,274</u>	<u>\$ 9,682,895</u>

See Independent Auditor's Report.

**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**  
**COMBINING SCHEDULE - STATE PARTNERSHIP CONTRACTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Capable Kids	Caring Communities	DYS - Community Mentoring	Educare	Infant Toddler Specialist Network	LifeStrengths (IPourLife)	Total state partnership contract
Salaries and related expenses	\$ 54,282	\$ 470,421	\$ 60,927	\$ 208,255	\$ 146,208	\$ -	\$ 940,093
Professional fees	577	5,671	722	3,031	1,758	-	11,759
Program supplies and materials	895	30,143	30,725	42,762	117,660	-	222,185
Telephone	545	973	616	1,222	250	-	3,606
Occupancy	22	14,393	1,880	12,334	7,615	-	36,244
Insurance	76	841	118	377	337	-	1,749
Printing	-	325	-	40	40	-	405
Local travel	1,184	1,477	478	8,244	2,285	-	13,668
Trainings	-	4,995	250	5,472	10,726	-	21,443
Educational programming	-	3,874	-	221	218	-	4,313
Membership dues	63	1,154	452	300	2,609	-	4,578
Equipment maintenance	11	242	-	615	332	-	1,200
Outreach	-	4,952	-	-	631	-	5,583
Indirect cost reimbursement	5,766	40,822	9,488	28,287	23,345	36,096	143,804
Contractual services	-	2,884	-	-	1,150	721,917	725,951
<b>Total expenses</b>	<b>\$ 63,421</b>	<b>\$ 583,167</b>	<b>\$ 105,656</b>	<b>\$ 311,160</b>	<b>\$ 315,164</b>	<b>\$ 758,013</b>	<b>\$ 2,136,581</b>

See Independent Auditor's Report.



**COMMUNITY PARTNERSHIP OF THE OZARKS, INC.**  
**COMBINING SCHEDULE - PROGRAMS EXCLUDING STATE PARTNERSHIP CONTRACTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	COVID (CDBG)	Develop Yourself (The Geek Foundation)	Double SNAP in Springfield, MO	Greene County Emergency Rental Assistance	Greene County Tobacco & Vape Prevention	Making Sense of Money (MSOM) Fin. Literacy (CDBG)	Mental Health Awareness Training (MHAT)	One Door (CDBG)
Salaries and related expenses	\$ 20,232	\$ -	\$ -	\$ 90,850	\$ -	\$ 20,011	\$ 10,126	\$ 104,444
Professional fees	-	-	47	1,118	-	-	93	-
Program supplies and materials	-	-	7,043	932	-	-	21,447	24
Telephone	-	-	4	166	-	-	13	-
Occupancy	-	-	-	3,143	-	-	253	-
Insurance	-	-	73	1,757	73	-	48	-
Printing	-	-	-	-	-	-	-	-
Local travel	-	-	123	151	375	-	-	-
Trainings	-	-	-	122	947	-	13,474	-
Educational programming	-	-	-	-	-	-	-	-
Membership dues	-	-	5	-	-	-	11	-
Equipment maintenance	-	-	3	52	-	-	47	-
Outreach	34,808	-	-	1,694,030	-	-	-	-
Public education	-	-	-	1,617	-	-	-	-
Indirect cost reimbursement	-	30,632	1,856	-	1,524	-	3,022	-
Contractual services	-	404,548	12,070	10,006	18,634	-	7,430	-
<b>Total expenses</b>	<b>\$ 55,040</b>	<b>\$ 435,180</b>	<b>\$ 21,224</b>	<b>\$ 1,803,944</b>	<b>\$ 21,553</b>	<b>\$ 20,011</b>	<b>\$ 55,964</b>	<b>\$ 104,468</b>

See Independent Auditor's Report.

	Partnerships for Success (Greene County)	Partnerships for Success (Regional)	Poverty Prevention Program (Drew Lewis Foundation)	Prevention Resource Center (PRC) Mega Grant	Prevention Resource Center (PRC)	S.P.I.R.I.T. Program	VITA (Volunteer Income Tax Assistance)	Youth Future Career	Total federal partnership contract
Salaries and related expenses	\$ 101,866	\$ 56,498	\$ -	\$ 32,069	\$ 285,622	\$ 97,491	\$ 52,692	\$ 27,838	\$ 899,739
Professional fees	1,396	809	-	592	4,465	879	720	441	10,560
Program supplies and materials	30,947	19,718	-	21,303	57,086	11,862	6,697	5,401	182,460
Telephone	196	71	-	62	1,018	298	2,898	602	5,328
Occupancy	3,642	2,029	-	1,183	19,056	4,659	-	466	34,431
Insurance	362	199	-	-	1,166	242	-	37	3,957
Printing	80	-	-	-	982	90	-	-	1,152
Local travel	92	2,570	-	176	7,752	552	6,603	2,360	20,754
Trainings	14,800	30,650	-	2,831	16,474	412	-	677	80,387
Educational programming	-	1,220	-	-	761	32	-	26	2,039
Membership dues	3,768	1,135	-	651	3,800	96	-	23	9,489
Equipment maintenance	6	8	-	-	292	3	50	-	461
Outreach	-	-	-	400,000	30,283	-	-	-	2,159,121
Public education	78,077	111,190	-	32,000	38,833	-	4,500	41	266,258
Indirect cost reimbursement	18,761	20,758	40,904	7,400	47,520	20,576	7,855	2,987	203,795
Contractual services	<u>24,960</u>	<u>-</u>	<u>658,885</u>	<u>1,733</u>	<u>8,317</u>	<u>89,141</u>	<u>4,385</u>	<u>-</u>	<u>1,240,109</u>
<b>Total expenses</b>	<u>\$ 278,953</u>	<u>\$ 246,855</u>	<u>\$ 699,789</u>	<u>\$ 500,000</u>	<u>\$ 523,427</u>	<u>\$ 226,333</u>	<u>\$ 86,400</u>	<u>\$ 40,899</u>	<u>\$5,120,040</u>

See Independent Auditor's Report.