



THE WHITLOCK CO.

CPAs and Consultants

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.

**FINANCIAL STATEMENTS
and
SUPPLEMENTARY INFORMATION
with
INDEPENDENT AUDITOR'S REPORT
YEARS ENDED JUNE 30, 2023 AND 2022**



CPAs and Consultants

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) (a nonprofit organization)**, which comprise the statements of financial position as of June 30, 2023 and 2022, 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, 2023 and 2022, 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; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of **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 accompanying supplementary information such as 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 16, 2023 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.

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

Springfield, Missouri
November 16, 2023

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
STATEMENTS OF FINANCIAL POSITION

ASSETS

	June 30,	
	2023	2022
Current assets		
Cash and cash equivalents	\$ 272,723	\$ 1,038,074
Short-term investments	555,370	105,611
Grants receivable	851,696	930,921
Prepaid expenses	10,134	9,056
Other receivable	185	14,394
	1,690,108	2,098,056
Non-current assets		
Long-term investments	538,165	519,607
Property and equipment, net	3,614,844	3,773,211
	\$ 5,843,117	\$ 6,390,874
Total assets		

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	\$ 343,006	\$ 427,175
Accrued salaries	70,218	73,795
Accrued vacation	78,782	67,910
Line of credit, current	367,743	-
Current portion of long-term debt	18,470	17,791
Deferred revenue	345,503	754,342
	1,223,722	1,341,013
Non-current liabilities		
Line of credit, non-current	-	377,743
Long-term debt, less current portion	265,667	283,975
	265,667	661,718
Net assets		
Without donor restriction	3,874,511	3,922,344
With donor restriction	479,217	465,799
	4,353,728	4,388,143
Total liabilities and net assets	\$ 5,843,117	\$ 6,390,874

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, 2023 AND 2022

	2023			2022		
	Without donor restriction	With donor restriction	Total	Without donor restriction	With donor restriction	Total
Revenue and other support						
Federal and state grants and contracts	\$ 590,850	\$ 7,025,762	\$ 7,616,612	\$ 503,861	\$ 8,194,971	\$ 8,698,832
Program income	25,036	1,524,953	1,549,989	43,544	1,045,832	1,089,376
Contributions	312,875	46,308	359,183	609,555	100,914	710,469
Miscellaneous income	107,082	-	107,082	97,877	-	97,877
Interest and dividends from designated quasi-endowments	14,932	-	14,932	11,835	-	11,835
Interest and dividends from investments	12,748	1,080	13,828	2,421	141	2,562
Unrealized gain (loss) on designated quasi-endowments	31,089	-	31,089	(71,649)	-	(71,649)
Transfers from (to) other grants	121,715	(121,715)	-	29,905	(29,905)	-
Net assets released from restrictions	8,462,970	(8,462,970)	-	9,271,661	(9,271,661)	-
	9,679,297	13,418	9,692,715	10,499,010	40,292	10,539,302
Expenses						
Program services	9,154,579	-	9,154,579	9,876,277	-	9,876,277
Support services	572,551	-	572,551	611,947	-	611,947
	9,727,130	-	9,727,130	10,488,224	-	10,488,224
Change in net assets	(47,833)	13,418	(34,415)	10,786	40,292	51,078
Net assets - beginning of period	3,922,344	465,799	4,388,143	3,911,558	425,507	4,337,065
Net assets - end of period	\$ 3,874,511	\$ 479,217	\$ 4,353,728	\$ 3,922,344	\$ 465,799	\$ 4,388,143

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, 2023

	Support services				Totals (Memorandum only)
	Program services	Management and general expenses	Fundraising expenses	Total support services	
Salaries and related expenses	\$ 3,767,977	\$ 253,364	\$ 89,047	\$ 342,411	\$ 4,110,388
Professional fees	93,486	20,415	7,175	27,590	121,076
Supplies and materials	904,196	42,565	25,564	68,129	972,325
Telephone	28,022	1,735	-	1,735	29,757
Occupancy	154,017	10,103	-	10,103	164,120
Insurance	24,099	2,936	-	2,936	27,035
Interest	33,183	-	-	-	33,183
Printing	14,111	3,681	182	3,863	17,974
Local travel	88,395	1,031	54	1,085	89,480
Trainings	125,591	6,638	-	6,638	132,229
Educational programming	21,407	13,496	16,222	29,718	51,125
Membership dues	40,309	12,602	5,690	18,292	58,601
Equipment maintenance	5,643	2,077	-	2,077	7,720
Outreach	1,081,285	-	-	-	1,081,285
Public education	323,860	1,176	98	1,274	325,134
Indirect costs reimbursements	500,258	-	-	-	500,258
Contractual services	1,758,809	19,418	23,863	43,281	1,802,090
Miscellaneous expense	30,418	-	-	-	30,418
Total expenses before depreciation	8,995,066	391,237	167,895	559,132	9,554,198
Depreciation of fixed assets	159,513	13,419	-	13,419	172,932
Total expenses	<u>\$ 9,154,579</u>	<u>\$ 404,656</u>	<u>\$ 167,895</u>	<u>\$ 572,551</u>	<u>\$ 9,727,130</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

	Support services				Totals (Memorandum only)
	Program services	Management and general expenses	Fundraising expenses	Total support services	
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	3,693	-	-	-	3,693
Total expenses before depreciation	9,682,895	462,120	148,361	610,481	10,293,376
Depreciation of fixed assets	193,382	1,466	-	1,466	194,848
Total expenses	\$ 9,876,277	\$ 463,586	\$ 148,361	\$ 611,947	\$ 10,488,224

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,	
	2023	2022
Cash flows from operating activities		
Federal and state grants	\$ 8,836,987	\$ 10,069,973
Miscellaneous income	480,474	800,326
Interest and dividend income	28,760	14,397
Salaries and related expenditures	(5,617,820)	(7,059,936)
Other operating expenditures	(4,014,330)	(2,896,532)
	(285,929)	928,228
Net cash provided by (used in) operating activities		
Cash flows from investing activities		
Purchase of fixed assets	(14,565)	(17,878)
Purchase of investments	(466,529)	(13,734)
Maturity of investments	-	388,138
Sale of investments	29,301	7,859
	(451,793)	364,385
Net cash provided by (used in) investing activities		
Cash flows from financing activities		
Principal payment on line of credit	(10,000)	(277,000)
Principal payments on long-term debt	(17,629)	(16,973)
	(27,629)	(293,973)
Net cash used in financing activities		
Increase (decrease) in cash and cash equivalents	(765,351)	998,640
Cash and cash equivalents at beginning of period	1,038,074	39,434
Cash and cash equivalents at end of period	\$ 272,723	\$ 1,038,074

(continued)

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

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
STATEMENTS OF CASH FLOWS

(continued)

	Years ended June 30,	
	2023	2022
Reconciliation of change in net assets to net cash provided by (used in) operating activities		
Change in net assets	\$ (34,415)	\$ 51,078
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	172,932	194,848
Unrealized/realized (gain)/loss on designated endowments	(31,089)	71,649
Decrease (increase) in		
Grants receivable	79,225	(151,131)
Prepaid expenses	(1,078)	(1,543)
Accounts receivable	14,209	(8,020)
Increase (decrease) in		
Accounts payable	(84,169)	312,315
Accrued salaries	(3,577)	21,902
Accrued vacations	10,872	4,234
Deferred revenue	(408,839)	432,896
Net cash provided by (used in) operating activities	\$ (285,929)	\$ 928,228

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

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

1. Summary of significant accounting policies

This Summary of significant accounting policies is presented to assist in understanding **Community Partnership of the Ozarks, Inc.'s** (CPO) (a nonprofit organization) financial statements. The financial statements and notes are representations of CPO's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America.

Nature of activities

Community Partnership of the Ozarks, Inc. 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 healthy; 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 of the Ozarks, 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.

Use of estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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.

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

Basis of presentation

CPO's financial statements are presented in accordance with provisions of the 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.

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.

Short-term and long-term investments

Investments are carried at market value. Certificates of deposit held for investment with original maturities greater than three months and remaining maturities less than one year are classified as short-term investments. Assets at Community Foundation of the Ozarks (CFO) reside in agency funds and participate in either a money market pool or a diversified investment pool using the market value unit method to determine the number of shares issued. Gains and losses from the diversified investment pool are allocated based on each participating fund's pro-rata share. Investment income includes dividend, interest, other investment income, and realized and unrealized gains and losses and are included in changes in net assets in the accompanying statements of activities.

Grants receivable

Grants receivable consists of receivables outstanding at year-end from varying contracts with federal and state agencies and other organizations. Management has concluded that realization losses on balances outstanding at year-end will be immaterial. All receivables are due within one year at June 30, 2023 and 2022.

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.

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

Grants and contracts

The majority of grants received by CPO are nonreciprocal. Therefore, revenue is recognized as obligations are met. Revenue recorded as support from federal and state grants and contracts is reported in the net assets with donor restriction and then released as the compliance requirements are met.

Program income

Program income revenue is recognized as CPO directs activities from other non-federal donor and memorandum of understanding agreements. CPO recognizes revenue either point in time upon the receipt of the agreement or over time as the terms of the agreement are met.

Contributions

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met and the promises become unconditional.

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.

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, 2023 and 2022, 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 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 2020 through 2022. 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.

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

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

On July 1, 2022, CPO adopted FASB Accounting Standards Codification (ASC) 842, *Leases*, which requires the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. There was no material impact on the CPO's results of operations or financial condition upon adoption of the new standard.

2. Investments

The majority of investments are maintained in externally managed funds held by Community Foundation of the Ozarks. Upon request, CPO can transfer amounts from the funds to CPO's operating funds. Fair market value for investments held with Community Foundation of the Ozarks (CFO) were \$685,457 and \$625,218 at June 30, 2023 and 2022, 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, 2023, a certificate of deposit was acquired at Guaranty Bank. This certificate of deposit has a rate of 4.03%, a carrying value of \$408,078 as of June 30, 2023, and a maturity date of October 25, 2023.

3. Property and equipment

Buildings, furniture, and equipment are stated at cost or fair market value, if donated, and are depreciated on a straight-line basis over a period as explained in Note 1. Fixed asset cost, as well as accumulated depreciation at June 30, 2023 and 2022, is as listed below:

	2023	2022
Land	\$ 60,000	\$ 60,000
Building & improvements	4,015,156	4,005,666
Equipment	358,129	353,054
Computer software	1,800	1,800
Total property and equipment at cost	4,435,085	4,420,520
Less accumulated depreciation	(820,241)	(647,309)
Total property and equipment, net	\$ 3,614,844	\$ 3,773,211

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

Depreciation expense for the years ended June 30, 2023 and 2022 was \$172,932 and \$194,848, respectively.

4. Line of credit

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

	<u>2023</u>	<u>2022</u>
\$500,000 line of credit to Central Bank of the Ozarks, secured by real property, at an interest rate of 6.75%, matures January 11, 2024.	<u>\$ 367,743</u>	<u>\$ 377,743</u>
Total line of credit	<u><u>\$ 367,743</u></u>	<u><u>\$ 377,743</u></u>

5. Long-term debt

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

	<u>2023</u>	<u>2022</u>
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.	<u>\$ 284,137</u>	<u>\$ 301,766</u>
Less current portion	<u>(18,470)</u>	<u>(17,791)</u>
Total long-term debt, less current portion	<u><u>\$ 265,667</u></u>	<u><u>\$ 283,975</u></u>

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

Year Ending June 30,		
2024	\$	18,470
2025		19,174
2026		246,493
2027		-
2028		-

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

6. 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.

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

	2023	2022
Undesignated	\$ 437,914	\$ 371,994
Board designated	3,436,597	3,550,350
	\$ 3,874,511	\$ 3,922,344

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

	2023	2022
Prevention Resource Center Restricted	\$ 105,910	\$ 87,361
CPO Restricted	73,265	30,011
Financial Literacy Restricted	68,125	67,999
Early Childhood Restricted	64,839	23,103
Housing & Homeless Prevention Restricted	55,229	43,025
O'Reilly Center for Hope Restricted	41,815	125,458
Caring Communities Restricted	36,896	41,769
Prosper Springfield	8,461	13,966
Multicultural Business	17,640	-
CPO Collaboratives	5,535	7,785
Every Child Promise	1,502	22,659
Infant Toddler Specialist Network	-	2,663
	\$ 479,217	\$ 465,799

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

7. 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 years ended June 30, 2023 and 2022 was \$247,160 and \$217,920, respectively.

8. Concentration of credit risk

CPO maintains cash balances with financial institutions insured by the Federal Deposit Insurance Corporation (the "FDIC"). These balances are insured up to \$250,000 for interest and non-interest-bearing accounts. At times, such investments may be in excess of the FDIC insurance limit.

9. 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.

CPO received funds from the City of Springfield, Missouri for the acquisition of 1518 E. Dale, Springfield, Missouri. Repayment is contingent upon change of use or sale of the property. Noncompliance with the condition of the loan may require repayment in full. The loan is secured by CPO's real estate.

10. Fair value of financial instruments

The beneficial interest in assets held at CFO have been valued, as a practical expedient, at the fair value of CPO's share of CFO's investment pool as of the measurement date. CFO values securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of CFO, which includes private placements and other securities for which prices are not readily available, are determined by the management of CFO and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a market existed for these investments. CFO's diversified pool investments are composed approximately of 36 percent domestic equities, 25 percent international equities, 18 percent bonds and 21 percent alternative investments including hedge funds, real estate, and private equity funds. CFO's money market pool is held in a cash pool that approximates fair value.

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.

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

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 years ended June 30, 2023 and 2022:

Certificates of deposit: Valued at fair value based on quoted market prices as reported by money management firms.

	June 30, 2023			Carrying amount
	Fair value			
	Level 1	Level 2	Level 3	
<u>Financial Assets:</u>				
Certificates of deposit	\$ 408,078	\$ -	\$ -	\$ 408,078
Community Foundation funds				
Diversified investments pool	-	537,121	-	537,121
Money market pool	148,336	-	-	148,336
	\$ 556,414	\$ 537,121	\$ -	\$ 1,093,535

	June 30, 2022			Carrying amount
	Fair value			
	Level 1	Level 2	Level 3	
<u>Financial Assets:</u>				
Community Foundation funds				
Diversified investments pool	\$ -	\$ 497,406	\$ -	\$ 497,406
Money market pool	127,812	-	-	127,812
	\$ 127,812	\$ 497,406	\$ -	\$ 625,218

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

11. Related party transactions

During the years ended June 30, 2023 and 2022, 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 for employee labor personnel services for the years ending June 30, 2022, and has included these expenses with salaries and related expenses. These employees were under the supervision of the CPO President/CEO who made 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 individuals working with CPO became employees of CPO.

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 \$330,755 and \$266,718 for the years ending June 30, 2023 and 2022, 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 \$537,121 and \$497,406 at June 30, 2023 and 2022, respectively. CPO also has long-term investments totaling \$148,336 and \$127,811 at June 30, 2023 and 2022, respectively.

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, 2023 and 2022 were \$427,608 and \$414,192, 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 \$263,564 and \$1,211,151 as of June 30, 2023 and 2022, respectively. CPO also has investments totaling \$408,078 for the year ended June 30, 2023.

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, 2023 and 2022 were \$771,111 and \$1,803,944, respectively.

Carl Rosenkranz, a member of the CPO Board of Directors, was employed by OACAC as Executive Director with whom CPO has a contract for the CLASS Project. Expenses for the year ended June 30, 2023 and 2022 were \$7,075 and \$6,357, 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, 2023 and 2022 were \$6,555 and \$15,475, respectively.

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

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, 2023 and 2022 was \$0 and \$12,263, respectively.

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 \$284,137 and \$301,766 at June 30, 2023 and 2022, respectively. CPO has a line of credit totaling \$500,000. 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, 2023 and 2022, United Way allocated \$86,198 to CPO, as recorded in miscellaneous income. CPO paid United Way for accounting fees, which amounted to \$139,937 for the year ended June 30, 2022.

12. 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:

	2023	2022
Financial assets, as of June 30:		
Cash and cash equivalents	\$ 272,723	\$ 1,038,074
Short-term investments	555,370	105,611
Grants receivable	851,696	930,921
	1,679,789	2,074,606
Less those unavailable for general expenditure:		
Accounts payable	343,006	427,175
Accrued salaries	70,218	73,795
Accrued vacation	78,782	67,910
Current portion of long-term debt	18,470	17,791
With donor restriction	479,217	465,799
	989,693	1,052,470
Financial assets available to meet cash needs for general expenditure within one year	\$ 690,096	\$ 1,022,136

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.

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

13. Subsequent events

In preparing these financial statements, CPO has evaluated events and transactions for potential recognition or disclosure through November 16, 2023, 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, 2023

	Total state partnership contract	Total federal partnership contract	Total all other programs	Total all program services
Salaries and related expenses	\$ 799,789	\$ 853,587	\$ 2,114,601	\$ 3,767,977
Professional fees	17,876	21,346	54,264	93,486
Program supplies and materials	161,253	516,818	226,125	904,196
Telephone	3,407	4,017	20,598	28,022
Occupancy	24,564	31,720	97,733	154,017
Insurance	3,464	6,133	14,502	24,099
Interest	-	-	33,183	33,183
Printing	570	5,089	8,452	14,111
Local travel	13,943	33,016	41,436	88,395
Trainings	7,227	90,210	28,154	125,591
Educational programming	2,970	4,391	14,046	21,407
Membership dues	2,525	12,054	25,730	40,309
Equipment maintenance	685	1,183	3,775	5,643
Outreach	8,043	802,310	270,932	1,081,285
Public education	400	263,610	59,850	323,860
Indirect cost reimbursement	179,431	140,032	180,795	500,258
Contractual services	1,459,384	185,663	113,762	1,758,809
Miscellaneous expense	-	-	30,418	30,418
Total expenses	2,685,531	2,971,179	3,338,356	8,995,066
Transfers for equipment purchases	795	873	12,897	14,565
Total expenses and transfers	<u>\$ 2,686,326</u>	<u>\$ 2,972,052</u>	<u>\$ 3,351,253</u>	<u>\$ 9,009,631</u>

See Independent Auditor's Report.

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
COMBINING SCHEDULE - STATE PARTNERSHIP CONTRACTS
FOR THE YEAR ENDED JUNE 30, 2023

	Capable Kids	Caring Communities	Develop Yourself (Geek Foundation)	DYS Community Mentoring	Educare	Infant Toddler Specialist Network
Salaries and related expenses	\$ 50,748	\$ 470,395	\$ -	\$ 58,067	\$ 109,302	\$ 73,912
Professional fees	1,874	6,293	-	6,376	1,861	918
Program supplies and materials	1,919	29,952	-	30,537	16,752	61,875
Telephone	604	1,042	-	675	512	83
Occupancy	1,337	12,075	-	2,044	5,330	3,355
Insurance	147	2,639	-	254	198	177
Printing	-	278	-	-	146	146
Local travel	1,120	2,455	-	551	4,547	2,091
Trainings	-	3,924	-	768	525	1,617
Educational programming	-	2,118	-	-	320	473
Membership dues	150	1,491	-	602	145	94
Equipment maintenance	22	222	-	-	323	118
Outreach	-	5,500	-	345	-	1,050
Public education	-	400	-	-	-	-
Indirect cost reimbursement	5,738	40,822	25,120	9,756	11,284	11,673
Contractual services	25	2,977	350,494	-	1,083	-
Total expenses	63,684	582,583	375,614	109,975	152,328	157,582
Transfers for equipment purchases	66	584	-	145	-	-
Total expenses and transfers	\$ 63,750	\$ 583,167	\$ 375,614	\$ 110,120	\$ 152,328	\$ 157,582

See Independent Auditor's Report.

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
COMBINING SCHEDULE - STATE PARTNERSHIP CONTRACTS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2023

	LifeStrengths (IPourLife)	Nourish the Ozarks (LFPA)	Poverty Prevention Program (Drew Lewis)	Youth Future Career	Total state partnership contract
Salaries and related expenses	\$ -	\$ 14,533	\$ -	\$ 22,832	\$ 799,789
Professional fees	-	303	-	251	17,876
Program supplies and materials	-	1,347	-	18,871	161,253
Telephone	-	59	-	432	3,407
Occupancy	-	190	-	233	24,564
Insurance	-	23	-	26	3,464
Printing	-	-	-	-	570
Local travel	-	15	-	3,164	13,943
Trainings	-	-	-	393	7,227
Educational programming	-	-	-	59	2,970
Membership dues	-	11	-	32	2,525
Equipment maintenance	-	-	-	-	685
Outreach	-	-	-	1,148	8,043
Public education	-	-	-	-	400
Indirect cost reimbursement	10,636	1,591	60,165	2,646	179,431
Contractual services	212,720	-	889,835	2,250	1,459,384
Total expenses	223,356	18,072	950,000	52,337	2,685,531
Transfers for equipment purchases	-	-	-	-	795
Total expenses and transfers	\$ 223,356	\$ 18,072	\$ 950,000	\$ 52,337	\$ 2,686,326

See Independent Auditor's Report.

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
COMBINING SCHEDULE - PROGRAMS EXCLUDING STATE PARTNERSHIP CONTRACTS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Double SNAP in Springfield, MO</u>	<u>Greene County Emergency Rental Assistance</u>	<u>Greene County Tobacco & Vape Prevention</u>	<u>Making Sense of Money (MSOM) Fin. Literacy (CDBG)</u>	<u>Mental Health Awareness Training (MHAT)</u>	<u>One Door (CDBG)</u>
Salaries and related expenses	\$ -	\$ 66,929	\$ -	\$ 12,554	\$ 15,751	\$ 104,468
Professional fees	2	1,522	-	-	149	-
Program supplies and materials	24,758	819	29,464	2	1,542	-
Telephone	-	144	-	-	11	-
Occupancy	-	2,831	-	-	539	-
Insurance	230	1,244	235	-	162	-
Printing	161	-	-	-	-	-
Local travel	4	2	24	-	132	-
Trainings	-	-	26	-	15,631	-
Educational programming	-	-	324	-	-	-
Membership dues	-	305	-	-	32	-
Equipment maintenance	25	73	-	-	-	-
Outreach	-	697,110	-	-	-	-
Public education	3,750	-	80,571	-	-	-
Indirect cost reimbursement	2,749	-	12,982	-	3,120	-
Contractual services	<u>1,092</u>	<u>-</u>	<u>54,821</u>	<u>-</u>	<u>5,040</u>	<u>-</u>
Total expenses	32,771	770,979	178,447	12,556	42,109	104,468
Transfers for equipment purchase	<u>-</u>	<u>132</u>	<u>-</u>	<u>-</u>	<u>12</u>	<u>-</u>
Total expenses and transfers	<u>\$ 32,771</u>	<u>\$ 771,111</u>	<u>\$ 178,447</u>	<u>\$ 12,556</u>	<u>\$ 42,121</u>	<u>\$ 104,468</u>

See Independent Auditor's Report.

COMMUNITY PARTNERSHIP OF THE OZARKS, INC.
COMBINING SCHEDULE - PROGRAMS EXCLUDING STATE PARTNERSHIP CONTRACTS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2023

	Partnerships for Success (Greene County)	Partnerships for Success (Regional)	Prevention Resource Center (PRC) Mega Grant	Prevention Resource Center (PRC)	S.P.I.R.I.T. Program	VITA (Volunteer Income Tax Assistance)	Total federal partnership contract
Salaries and related expenses	\$ 135,868	\$ 64,172	\$ 49,710	\$ 269,703	\$ 87,976	\$ 46,456	\$ 853,587
Professional fees	1,404	1,686	890	10,795	4,378	520	21,346
Program supplies and materials	65,002	11,226	294,206	66,174	14,027	9,598	516,818
Telephone	136	76	51	760	370	2,469	4,017
Occupancy	3,578	2,127	1,276	17,461	3,908	-	31,720
Insurance	832	426	-	2,482	522	-	6,133
Printing	1,499	-	-	3,243	146	40	5,089
Local travel	464	5,716	617	13,999	1,734	10,324	33,016
Trainings	11,522	26,386	10,058	25,230	1,357	-	90,210
Educational programming	173	2,149	-	1,708	37	-	4,391
Membership dues	3,612	513	171	7,199	222	-	12,054
Equipment maintenance	19	137	-	792	2	135	1,183
Outreach	-	-	100,000	5,200	-	-	802,310
Public education	35,880	61,542	38,211	41,156	-	2,500	263,610
Indirect cost reimbursement	22,229	13,953	10,399	46,820	20,575	7,205	140,032
Contractual services	<u>32,830</u>	<u>-</u>	<u>-</u>	<u>899</u>	<u>90,981</u>	<u>-</u>	<u>185,663</u>
Total expenses	315,048	190,109	505,589	513,621	226,235	79,247	2,971,179
Transfers for equipment purchases	<u>145</u>	<u>74</u>	<u>66</u>	<u>346</u>	<u>98</u>	<u>-</u>	<u>873</u>
Total expenses and transfers	<u>\$ 315,193</u>	<u>\$ 190,183</u>	<u>\$ 505,655</u>	<u>\$ 513,967</u>	<u>\$ 226,333</u>	<u>\$ 79,247</u>	<u>\$ 2,972,052</u>

See Independent Auditor's Report.