

NONPROFIT ASSOCIATION OF OREGON

FINANCIAL STATEMENTS

Year Ended December 31, 2024



KERN ▲ THOMPSON
CERTIFIED PUBLIC ACCOUNTANTS

NONPROFIT ASSOCIATION OF OREGON

FINANCIAL STATEMENTS

Year Ended December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Nonprofit Association of Oregon
Portland, Oregon

Opinion

We have audited the accompanying financial statements of Nonprofit Association of Oregon (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nonprofit Association of Oregon as of December 31, 2024, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Board of Directors
Nonprofit Association of Oregon

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

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

Report on Summarized Comparative Information

We have previously audited Nonprofit Association of Oregon's 2023 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated April 15, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Kern & Thompson, LLC

Portland, Oregon
May 17, 2025

NONPROFIT ASSOCIATION OF OREGON

STATEMENT OF FINANCIAL POSITION

December 31, 2024

(With Comparative Totals as of December 31, 2023)

ASSETS

	2024	2023
Cash and cash equivalents	\$ 1,548,108	\$ 1,538,754
Accounts receivable	33,810	42,475
Grants receivable (Note J)	390,000	340,000
Book inventory	535	535
Prepaid expenses	61,668	50,007
Property and equipment (Note C)	-	890
Right of use asset (Note H)	21,060	-
Total assets	\$ 2,055,181	\$ 1,972,661

LIABILITIES AND NET ASSETS

Accounts payable	\$ 55,726	\$ 28,548
Accrued payroll and related expenses	91,573	73,184
Deferred revenue (Note D)	143,767	139,097
Right of use liability (Note H)	21,060	-
Total liabilities	312,126	240,829
Net assets		
Without donor restrictions		
Available for general operations	571,027	540,855
Board designated reserve (Note E)	500,000	500,000
Total without donor restrictions	1,071,027	1,040,855
With donor restrictions (Note E)	672,028	690,977
Total net assets	1,743,055	1,731,832
Total liabilities and net assets	\$ 2,055,181	\$ 1,972,661

See notes to financial statements.

NONPROFIT ASSOCIATION OF OREGON

STATEMENT OF ACTIVITIES

Year Ended December 31, 2024

(With Comparative Totals for the Year Ended December 31, 2023)

	Without Donor Restrictions	With Donor Restrictions	Total	
			2024	2023
Revenues and other support				
Grants and contributions	\$ 703,704	\$ 569,500	\$ 1,273,204	\$ 1,609,523
Program service revenues	519,898	-	519,898	382,084
Membership dues	291,617	-	291,617	287,968
Interest	6,538	-	6,538	4,174
Miscellaneous revenue	120	-	120	3,272
	1,521,877	569,500	2,091,377	2,287,021
Net assets released from restriction	588,449	(588,449)	-	-
Total revenues and other support	2,110,326	(18,949)	2,091,377	2,287,021
Expenses				
Program services	1,828,880	-	1,828,880	1,539,780
Supporting services				
Administration	191,502	-	191,502	156,912
Fundraising	59,772	-	59,772	131,495
Total expenses	2,080,154	-	2,080,154	1,828,187
Change in net assets	30,172	(18,949)	11,223	458,834
Net assets, beginning of year	1,040,855	690,977	1,731,832	1,272,998
Net assets, end of year	\$ 1,071,027	\$ 672,028	\$ 1,743,055	\$ 1,731,832

See notes to financial statements.

NONPROFIT ASSOCIATION OF OREGON

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2024
(With Comparative Totals for the Year Ended December 31, 2023)

	PROGRAM SERVICES							SUPPORTING SERVICES			Total	
	Capacity Building	Member Services	Principles and Practices	Convening	Voice	Thought Leadership	Total Program	Admin- istration	Development	2024	2023	
Personnel	\$ 432,206	\$ 146,629	\$ 96,953	\$ 103,758	\$ 194,717	\$ 21,812	\$ 996,075	\$ 90,721	\$ 46,021	\$ 1,132,817	\$ 981,634	
Payroll taxes	29,469	9,943	6,580	7,058	13,215	1,474	67,739	26,402	3,130	97,271	84,406	
Professional fees	127,618	15,776	15,014	27,857	114,881	70,647	371,793	36,566	5,045	413,404	324,836	
Trainings and workshops	99,478	1,078	300	77,412	922	168	179,358	5,656	101	185,115	232,095	
Rent	6,014	1,506	1,433	2,106	2,873	801	14,733	1,543	481	16,757	17,062	
Postage	142	33	31	97	62	17	382	33	10	425	491	
Communication	1,541	386	367	540	736	205	3,775	395	123	4,293	4,250	
Printing	4,315	1,328	301	477	603	168	7,192	324	101	7,617	10,216	
Supplies	1,500	243	231	615	464	129	3,182	592	78	3,852	3,329	
Travel	11,804	1,951	207	9,383	3,772	162	27,279	4,265	1,495	33,039	23,952	
Dues, taxes, and sponsorships	8,534	1,888	1,795	22,499	13,608	950	49,274	17,873	1,316	68,463	30,512	
Insurance	7,210	1,805	1,718	2,525	3,525	960	17,743	1,849	577	20,169	17,981	
Meetings and events	783	782	86	2,231	231	48	4,161	450	154	4,765	6,094	
Bank charges	8,433	2,085	1,984	2,917	3,978	1,109	20,506	2,221	667	23,394	20,630	
Depreciation	-	-	-	-	-	-	-	890	-	890	3,307	
Grants to others	-	-	49,495	-	-	-	49,495	-	-	49,495	43,900	
Miscellaneous	7,577	1,461	1,367	2,009	3,015	764	16,193	1,722	473	18,388	23,492	
	\$ 746,624	\$ 186,894	\$ 177,862	\$ 261,484	\$ 356,602	\$ 99,414	\$ 1,828,880	\$ 191,502	\$ 59,772	\$ 2,080,154	\$ 1,828,187	

See notes to financial statements.

NONPROFIT ASSOCIATION OF OREGON

STATEMENT OF CASH FLOWS

Year Ended December 31, 2024

(With Comparative Totals for the Year Ended December 31, 2023)

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Cash received from grantors and contributors	\$ 1,219,988	\$ 1,349,523
Cash received from program fees and contracts	531,081	416,617
Cash received from member dues	279,759	307,107
Cash received from other	2,469	1,962
Cash received from interest income	6,538	4,174
Cash paid to employees, suppliers and others	<u>(2,030,481)</u>	<u>(1,843,842)</u>
Net cash provided by (used in) operating activities	<u>9,354</u>	<u>235,541</u>
Net change in cash	9,354	235,541
Cash and cash equivalents, beginning of year	<u>1,538,754</u>	<u>1,303,213</u>
Cash and cash equivalents, end of year	<u>\$ 1,548,108</u>	<u>\$ 1,538,754</u>

See notes to financial statements.

NONPROFIT ASSOCIATION OF OREGON

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

NOTE A – DESCRIPTION OF ORGANIZATION

The Nonprofit Association of Oregon (NAO, or the Organization) is the statewide network of charitable nonprofits, foundations, businesses, and individuals dedicated to supporting Oregon's nonprofit sector. NAO serves as a resource for nonprofit organizations and as a central source of information about and for the nonprofit sector. It connects nonprofits of all sizes, missions, and geographic locations to one another. NAO offers programs and services that enhance the capacity of nonprofits to fulfill their essential missions and their public benefit purpose.

NAO is supported through grants from foundations and corporations as well as fees for service through ticket sales to training and convening events; membership sales and renewals; and contracts with government and organizations seeking to build the capacity of nonprofit organizations.

Services provided by NAO include the following:

Capacity Building (Learning and Convening): NAO offers a wide variety of professional and volunteer development learning and convening opportunities for nonprofit leaders and their staff through high quality affordable training programs on issues of board development, funding strategy, financial management, diversity, supervision and technology. NAO supports the nonprofit sector to convene, network, discuss issues, offer solutions, and share best practices. NAO frequently partners with local, statewide and national networks, funders and research partners to convene these gatherings to create meaningful dialogue and discussion.

NAO produced seven professional networks; Nonprofit Leaders Network, Nonprofit Network of Central Oregon, Nonprofit Fiscal Managers Association, Equity and Inclusion Leaders Network, Lane County Nonprofit Network, the Rogue Valley Nonprofit Network and the Mid-Valley Nonprofit Network. These networks normally meet monthly from September through June, providing professional updates and opportunities to learn from experts and network. Additional workshops, webinars, and online resources ensure that nonprofits all over Oregon have access to these valuable resources and opportunities. NAO also produced several cohorts learning programs for groups of nonprofits to learn and peer-support one another. In addition, NAO undertook compliance training projects with the Oregon Health Authority. All of our Capacity Building services were delivered both virtually and in-person throughout the year.

Member Services: NAO uses a membership business model to provide valuable services for NAO members, including reduced fees at trainings and free events like webinars. NAO continues to expand our benefits for cost saving to our member nonprofits and forged partnerships with NAO Business Verified Affiliate Members who want to support nonprofits. These benefits create opportunities by offering discounts on services and products. NAO Nonprofit Members save money by taking advantage of these cost-savings opportunities.

Principles and Practices and Referral Services: NAO supports nonprofits with resources, information and statistics about the sector. NAO runs a helpline, assists callers, and emails questions from around Oregon with short problem-solving consultations and referrals. NAO disseminates the best principles and most promising practices for nonprofits and their board volunteers. NAO links nonprofits to pro bono legal assistance through partnership with local law firms and provides other information resources for Oregon's nonprofits. NAO refers nonprofits in need of specific consulting services to competent, vetted experts through a Referral Service Placement System. The referral program provides an opportunity for any charitable benefit nonprofit in Oregon to be matched with appropriate technical assistance.

NONPROFIT ASSOCIATION OF OREGON

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE A – DESCRIPTION OF ORGANIZATION (CONTINUED)

Voice: NAO amplifies the nonprofit sector’s voice through public policy and advocacy work on behalf of Oregon’s nonprofit sector. NAO directly advocates on behalf of all nonprofits, as well as catalyzes important conversations with policy makers and among nonprofits. NAO works to raise the awareness of nonprofits’ impact, issues challenging the sector, and need for policy change. NAO educates and informs policy makers and others at the local, state and federal levels. In 2024, NAO’s Director of Public Policy worked extensively with the Oregon Task Force on Modernizing Nonprofit Grants and Contracts arriving to a strong set of recommendations in September 2024. Those recommendations are set to be discussed and hopefully passed in the 2025 Oregon Legislative Session.

Thought Leadership: NAO provides thought leadership at the overall nonprofit sector level about and for the nonprofit sector. NAO leads the effort to conduct, collate and share key research information about and for the nonprofit sector. NAO also ensures that Oregon’s nonprofits and the general public have relevant and timely information about changing ideas, opportunities, and issues that affect nonprofits around the state. In 2024, NAO published a Compensation and Benefits study as well as an econometric study of the suppression of wages by government in the nonprofit sector. NAO also partnered with the other four states in the Northwest and surveyed and created a report on nonprofit capacity.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

- **Net Assets Without Donor Restrictions** – Net assets that are not subject to donor-imposed stipulations. The Board of Directors may designate net assets without donor restrictions for specific purposes.
- **Net Assets With Donor Restrictions** – Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time, or net assets with donor restrictions that are not subject to appropriation or expenditure.

NONPROFIT ASSOCIATION OF OREGON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (Continued)

Expenses are reported as a decrease in net assets without donor restrictions. Gains and losses are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expiration of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

Revenue Recognition

Revenue streams that are accounted for as an exchange transaction include program fees, revenue, and membership revenue.

With regard to revenues from all sources, the Organization evaluates whether each transfer of assets is (1) an exchange reciprocal transaction in which a resource provider receives commensurate value in return for the assets transferred, or (2) a nonreciprocal transfer (a contribution or a grant), where no value is exchanged.

- Exchange Transactions – If the transfer of assets is determined to be an exchange transaction, the Organization recognizes revenue when or as it satisfies the required performance obligations and transfers the promised good or service to a customer, and when the customer obtains control of that good or service.
- Contributions and Grants – If the transfer of assets is determined to be a contribution, the Organization evaluates whether the contribution is conditional based upon whether the agreement includes both (1) a barrier that must be overcome to be entitled to the funds and (2) either a right of return of assets transferred or a release of a promisor's obligation to transfer assets.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Contributions

All contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as restricted support and increase net assets with donor restrictions. Contributions that are limited to specific uses by donor restrictions is reported as increases in net assets without donor restrictions if the restrictions are met in the same reporting period as the income is recognized.

NONPROFIT ASSOCIATION OF OREGON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Accounts receivable are recognized as services are performed and expenditures are made. The Organization does not assess finance charges on receivables. The Organization uses the allowance method to account for potential credit losses. The allowance for credit losses is estimated by management based on various factors, including past history and current economic conditions. The Organization considers accounts receivable to be fully collectible at December 31, 2024; thus, no allowance for credit losses has been established.

Capital Assets and Depreciation

Furniture and equipment are capitalized at original cost if purchased or at estimated fair value on the date of receipt if contributed. Depreciation is provided using the straight-line method over the estimated economic useful lives of 3-5 years for the related assets. Maintenance and repairs are charged to expense as incurred. NAO capitalizes all expenditures for furniture and equipment in excess of \$5,000.

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.

Income Taxes

The Organization has been approved as a tax exempt organization under the Internal Revenue Code Section 501(c)(3) and applicable state laws. Accordingly, no provision for income taxes is included in the accompanying financial statements. The Organization does not believe it has unrelated trade or business income in excess of \$1,000.

Functional Allocation of Expenses

The costs of providing program and supporting activities have been summarized on a functional basis in the statements of activities. Specific expenses that are readily identifiable to a single program activity are charged directly to that function. Certain categories of expenses are attributable to more than one program or supporting function. Accordingly, these expenses require allocation on a reasonable basis that is consistently applied. Payroll costs are allocated based on employee time and effort. Other expenses that are allocated are maintained in a shared cost pool that includes professional services, occupancy, postage, office supplies, printing and copying, telephone and internet, some travel, depreciation and miscellaneous other costs. The shared cost pool is allocated across program and supporting services functions based on the total direct costs of those functions.

NONPROFIT ASSOCIATION OF OREGON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The Organization determines if an arrangement is a lease or contains a lease at inception of a contract. A contract is determined to be or contain a lease if the contract conveys the right to control the use of identified property, plant, or equipment (an identified asset) in exchange for consideration. The Organization determines these assets are leased because the Organization has the right to obtain substantially all of the economic benefit from and the right to direct the use of the identified asset. Assets in which the supplier or lessor has the practical ability and right to substitute alternative assets for the identified asset and would benefit economically for the exercise of the right to substitute the asset are not considered to be or contain a lease because the Organization determines it does not have the right to contract and direct the use of the identified asset.

In evaluating its contracts, the Organization separately identifies lease and nonlease components, such as fixed common area and other fixed maintenance costs, in calculating the right of use (ROU) assets and liabilities for its office buildings. Leases result in the recognition of ROU assets and lease liabilities on the statement of financial position. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The Organization determines lease classification as operating or finance at the lease commencement date. At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives.

The Organization uses a risk free discount rate for its leased office space. The lease term may include options to extend or to terminate the lease that the Organization is reasonably certain to exercise. Lease expense is generally recognized on a straight-line basis over the lease term. The Organization has elected not to record leases with an initial term of 12 months or less on the statement of financial position.

Prior Year Summarized Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by natural expense classification by function. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

NOTE C – PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31, 2024:

Equipment	\$ 39,984
Less accumulated depreciation	<u>(39,984)</u>
	<u>\$ -</u>

NONPROFIT ASSOCIATION OF OREGON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE D – DEFERRED REVENUE

Deferred revenue presented in the statement of financial position represents unearned revenue from the amounts received by the Organization from members in advance of services provided.

Deferred revenue liabilities consisted of the following as of December 31:

	2023	Cash Received	Revenue Recognized	2024
Membership dues	\$ 131,909	\$ 290,847	\$ (291,617)	\$ 131,139
Events and deposits	7,188	233,606	(228,166)	12,628
Total	\$ 139,097	\$ 524,453	\$ (519,783)	\$ 143,767

NOTE E – RESTRICTIONS ON NET ASSETS

The Organization's net assets with donor restrictions are subject to the following purpose or time restrictions:

Subject to purpose restrictions	
Technical assistance	\$ 47,557
Capacity building rural nonprofits	37,158
	84,715
Subject to time restrictions	587,313
Total net assets with donor restrictions	\$ 672,028

The board-designated reserve totaling \$500,000 was established to provide, at the Board's discretion, funding for ongoing operations and strategic investment opportunities; resources to meet unplanned obligations, material uninsured losses, or other unexpected events; and to fulfill other strategic purposes or near-term needs.

NOTE F – IN-KIND CONTRIBUTIONS

NAO reports as revenue the fair value of contributed services received where the services require specialized skills, are provided by individuals possessing those skills, and represent services that would have been purchased had they not been donated. NAO regularly receives contributed services from a large number of volunteers who assist in program activities, fundraising, and other activities. The value of such services has not been recognized on the accompanying financial statements because the criteria for recognition has not been met.

NONPROFIT ASSOCIATION OF OREGON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE G – CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. The Organization places its cash with financial institutions insured by the Federal Deposit Insurance Corporation (FDIC). Amounts in excess of FDIC coverage are not insured. At December 31, 2024, the Organization held cash of approximately \$563,000 in excess of FDIC insurance. The Organization's accounts receivable are unsecured and generally are due within 30 days. The Organization has not experienced any losses on these accounts.

NOTE H – OPERATING RIGHT OF USE ASSET AND LIABILITY

The Organization extended an operating lease, originally expiring March 31, 2024, through to April 30, 2026. Future minimum lease payments and reconciliation to the statement of financial position at December 31, 2024, are as follows:

Lease Cost (annual expense)	\$	10,620
Weighted-average remaining lease term		16 months
Weighted-average discount rate		4.88%
Year Ending December 31,		Operating Lease
2025	\$	16,290
2026		<u>5,511</u>
Total future undiscounted lease payments		21,801
Less present value discount		<u>(741)</u>
Lease liability	\$	<u><u>21,060</u></u>

NOTE I – RETIREMENT PLAN

The Organization has established a 403(b) retirement plan for the benefit of all employees. Employees may make voluntary contributions on a pre-tax basis, up to limits allowed by law. Participant contributions to the plan vest immediately. The Organization contributed \$7,078 to the retirement plan for the year ended December 31, 2024.

NOTE J – GRANTS RECEIVABLE

At December 31, 2024, the Organization has \$390,000 of unconditional grants receivable that are expected to be collected during 2025. Any potential discount for grants collected beyond one year is considered immaterial.

NONPROFIT ASSOCIATION OF OREGON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE K – LIQUIDITY

The following represents the Organization's financial assets available to meet cash needs for general expenditures within one year of December 31, 2024:

Financial assets at year-end	
Cash and cash equivalents	\$ 1,548,108
Accounts receivable	33,810
Grants receivable	<u>390,000</u>
Total financial assets	<u>1,971,918</u>
Less amounts unavailable for use within one year:	
Board-designated reserve	(500,000)
Purpose restricted grants	<u>(84,715)</u>
Total unavailable for use within one year	<u>(584,715)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,387,203</u>

The above calculated financial assets as of December 31, 2025 available to meet general expenditures during 2025 represents approximately 60 percent of NAO's 2024 operating budget. In addition, NAO's board designated reserve of \$500,000 as of December 31, 2024, may be drawn upon by action of the Board of Directors, if necessary, to meet unexpected liquidity needs or in the event of financial distress.

NOTE L – SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 17, 2025, which is the date the financial statements were available to be issued.