



ST. LOUIS REGIONAL HEALTH COMMISSION

Financial Statements and
Independent Auditors' Report

YEARS ENDED DECEMBER 31, 2022 AND 2021



Contents

	<u>Page</u>
Independent Auditors' Report	1 - 2
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4 - 5
Statements of Functional Expenses	6 - 7
Statements of Cash Flows	8
Notes to Financial Statements	9 - 16

Independent Auditors' Report

Board of Directors
St. Louis Regional Health Commission
St. Louis, Missouri

Opinion

We have audited the accompanying financial statements of St. Louis Regional Health Commission (a not-for-profit organization), which comprise the statements of financial position as of December 31, 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 financial statements referred to above present fairly, in all material respects, the financial position of St. Louis Regional Health Commission as of December 31, 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of St. Louis Regional Health Commission 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 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 St. Louis Regional Health Commission's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 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 St. Louis Regional Health Commission'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 St. Louis Regional Health Commission'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.



September 15, 2023

**St. Louis Regional Health Commission
Statements of Financial Position
December 31, 2022 and 2021**

Assets

	2022	2021
Cash and Cash Equivalents	\$ 10,193,243	\$ 7,722,995
Accounts Receivable	205,197	1,385,538
Unconditional Promises to Give	-	153,750
Prepaid Expenses	13,059	1,973
Right-of-Use Asset	162,874	-
Other Assets	6,581	2,958
Total Assets	\$ 10,580,954	\$ 9,267,214

Liabilities and Net Assets

Accounts Payable	\$ -	\$ 1,315,946
Accrued Expenses	112,008	237,515
Deferred Revenue	6,154,259	3,654,409
Operating Lease Liability	163,635	-
Total Liabilities	6,429,902	5,207,870
Net Assets		
Without donor restrictions		
Available for general activities	2,370,160	2,278,452
Board designated	1,780,892	1,780,892
Total without donor restrictions	4,151,052	4,059,344
Total Net Assets	4,151,052	4,059,344
Total Liabilities and Net Assets	\$ 10,580,954	\$ 9,267,214

**St. Louis Regional Health Commission
Statement of Activities
Year Ended December 31, 2022**

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Revenues, Gains and Other Support			
Program fees	\$12,714,871	\$ -	\$12,714,871
Contributions and grants	63,725	-	63,725
Investment income	17,205	-	17,205
Other revenue	<u>67,260</u>	<u>-</u>	<u>67,260</u>
Total Revenues, Gains and Other Support	<u>12,863,061</u>	<u>-</u>	<u>12,863,061</u>
Expenses			
Program Services			
Gateway	12,494,532	-	12,494,532
Core and other programs	<u>245,043</u>	<u>-</u>	<u>245,043</u>
Total Program Services	<u>12,739,575</u>	<u>-</u>	<u>12,739,575</u>
Supporting Activities			
Management and general	21,573	-	21,573
Fundraising	<u>10,205</u>	<u>-</u>	<u>10,205</u>
Total Supporting Activities	<u>31,778</u>	<u>-</u>	<u>31,778</u>
Total Expenses	<u>12,771,353</u>	<u>-</u>	<u>12,771,353</u>
Change in Net Assets	91,708	-	91,708
Net Assets, Beginning of Year	<u>4,059,344</u>	<u>-</u>	<u>4,059,344</u>
Net Assets, End of Year	<u>\$ 4,151,052</u>	<u>\$ -</u>	<u>\$ 4,151,052</u>

**St. Louis Regional Health Commission
Statement of Activities
Year Ended December 31, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Other Support			
Program fees	\$27,879,823	\$ -	\$27,879,823
Contributions and grants	3,100	30,000	33,100
Investment income	6,094	-	6,094
Other revenue (loss)	18,750	(157,854)	(139,104)
Net assets released from restrictions:			
Satisfaction of usage restrictions	<u>473,485</u>	<u>(473,485)</u>	<u>-</u>
Total Revenues, Gains and Other Support	<u>28,381,252</u>	<u>(601,339)</u>	<u>27,779,913</u>
Expenses			
Program Services			
Gateway	27,599,482	-	27,599,482
Core and other programs	<u>583,512</u>	<u>-</u>	<u>583,512</u>
Total Program Services	<u>28,182,994</u>	<u>-</u>	<u>28,182,994</u>
Supporting Activities			
Management and general	50,617	-	50,617
Fundraising	<u>13,569</u>	<u>-</u>	<u>13,569</u>
Total Supporting Activities	<u>64,186</u>	<u>-</u>	<u>64,186</u>
Total Expenses	<u>28,247,180</u>	<u>-</u>	<u>28,247,180</u>
Change in Net Assets	134,072	(601,339)	(467,267)
Net Assets, Beginning of Year	<u>3,925,272</u>	<u>601,339</u>	<u>4,526,611</u>
Net Assets, End of Year	<u>\$ 4,059,344</u>	<u>\$ -</u>	<u>\$ 4,059,344</u>

**St. Louis Regional Health Commission
Statement of Functional Expenses
Year Ended December 31, 2022**

	Program Services			Supporting Activities			Total Expenses
	Gateway	Core	Total	Management and General	Fundraising	Total	
Assistance to individuals	\$ 9,154,568	\$ 1,000	\$ 9,155,568	\$ -	\$ -	\$ -	\$ 9,155,568
Salaries and related expenses	1,200,730	171,216	1,371,946	7,484	8,399	15,883	1,387,829
Legal fees	4,520	-	4,520	6,817	-	6,817	11,337
Accounting	344,133	4,361	348,494	3,286	-	3,286	351,780
Other professional fees	1,565,509	16,890	1,582,399	808	-	808	1,583,207
Information technology	12,660	888	13,548	648	-	648	14,196
Office expenses	111,503	8,409	119,912	1,451	519	1,970	121,882
Occupancy	70,338	8,516	78,854	923	1,117	2,040	80,894
Travel	565	-	565	16	-	16	581
Conferences and meetings	793	9,477	10,270	68	83	151	10,421
Insurance	28,665	868	29,533	72	87	159	29,692
Subscriptions and dues	548	13,343	13,891	-	-	-	13,891
Outreach activity	-	10,075	10,075	-	-	-	10,075
Total Expenses	<u>\$12,494,532</u>	<u>\$245,043</u>	<u>\$12,739,575</u>	<u>\$ 21,573</u>	<u>\$ 10,205</u>	<u>\$31,778</u>	<u>\$ 12,771,353</u>

**St. Louis Regional Health Commission
Statement of Functional Expenses
Year Ended December 31, 2021**

	Program Services					Supporting Activities			Total Expenses	
	Gateway	Core	COVID-19 Response	Bullet Related Injury Clinic	Patient Advisory Board	Total	Management and General	Fundraising		Total
Assistance to individuals	\$ 24,073,945	\$ -	\$ 10,506	\$ 11,000	\$ -	\$ 24,095,451	\$ -	\$ -	\$ -	\$ 24,095,451
Salaries and related expenses	1,219,616	60,144	-	-	-	1,279,760	13,505	10,115	23,620	1,303,380
Pension plan contributions	23,441	898	-	-	-	24,339	183	251	434	24,773
Other employee benefits	155,314	5,867	-	-	-	161,181	2,090	348	2,438	163,619
Payroll taxes	78,444	4,294	-	-	-	82,738	700	440	1,140	83,878
Legal fees	275	-	-	-	-	275	18,139	-	18,139	18,414
Accounting	327,315	-	-	-	-	327,315	7,235	-	7,235	334,550
Other professional fees	1,551,898	5,650	424,060	9,000	2,385	1,992,993	1,780	-	1,780	1,994,773
Information technology	12,839	-	-	-	-	12,839	1,427	-	1,427	14,266
Office expenses	33,724	4,455	9,255	-	2,890	50,324	3,194	689	3,883	54,207
Occupancy	74,647	9,529	-	-	-	84,176	2,032	1,483	3,515	87,691
Travel	-	547	-	-	23	570	23	17	40	610
Conferences and meetings	398	3,702	-	-	-	4,100	150	110	260	4,360
Insurance	25,041	746	-	-	-	25,787	159	116	275	26,062
Subscriptions and dues	22,585	12,261	-	-	-	34,846	-	-	-	34,846
Outreach activity	-	6,300	-	-	-	6,300	-	-	-	6,300
Total Expenses	\$ 27,599,482	\$ 114,393	\$ 443,821	\$ 20,000	\$ 5,298	\$ 28,182,994	\$ 50,617	\$ 13,569	\$ 64,186	\$ 28,247,180

**St. Louis Regional Health Commission
Statements of Cash Flows
Years Ended December 31, 2022 and 2021**

	2022	2021
Cash Flows From Operating Activities		
Change in net assets	\$ 91,708	\$ (467,267)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Non-cash lease expense	761	-
(Increase) decrease in assets:		
Accounts receivable	1,180,341	(78,157)
Unconditional promises to give	153,750	757,444
Prepaid expenses and other assets	(14,709)	11,216
Increase (decrease) in liabilities:		
Accounts payable	(1,315,946)	(68,462)
Accrued expenses	(125,507)	78,393
Deferred revenue	<u>2,499,850</u>	<u>24,517</u>
Net Cash Provided by Operating Activities	<u>2,470,248</u>	<u>257,684</u>
 Cash Flows From Investing Activities		
Proceeds from redemption of certificates of deposit	<u>-</u>	<u>747,000</u>
Net Cash Provided by Investing Activities	<u>-</u>	<u>747,000</u>
 Net Increase in Cash and Cash Equivalents	2,470,248	1,004,684
 Cash and Cash Equivalents, Beginning of Year	<u>7,722,995</u>	<u>6,718,311</u>
 Cash and Cash Equivalents, End of Year	<u>\$ 10,193,243</u>	<u>\$ 7,722,995</u>

Noncash Investing and Financing Activities

During 2022, the Organization capitalized right-of-use asset for assets under leases with corresponding lease liability totaling \$176,986.

St. Louis Regional Health Commission
Notes to Financial Statements
December 31, 2022 and 2021

1. Nature of Operations and Basis of Presentation

Organization

St. Louis Regional Health Commission (the "Organization") is a not-for-profit organization incorporated in St. Louis, Missouri. The Organization's mission and principal activities are to improve healthcare access, reduce health disparities, and improve health outcomes in St. Louis City and County. One of its primary programs, Gateway to Better Health ("Gateway"), helps achieve this mission.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with the provisions of the Financial Accounting Standards Board ("FASB"), Accounting Standards Codification (the "FASB ASC"), which is the source of authoritative, non-governmental accounting principles generally accepted in the United States of America ("GAAP"). All references to authoritative accounting guidance contained in our disclosures are based on the general accounting topics within the FASB ASC.

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified into two categories of net assets, as applicable, and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations. Board designated funds are established by the Board of Directors and represent net assets without donor restrictions that have been set aside to cover six months of expenses after the Gateway program has ended.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may be satisfied by specific activities or the passage of time, or are required to be maintained in perpetuity by the Organization. The income earned on any related investments may be subject to donor-imposed stipulations.

2. Summary of Significant Accounting Policies

Use of Estimates

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

St. Louis Regional Health Commission
Notes to Financial Statements
December 31, 2022 and 2021

Fair Value Measurements

The Organization follows guidance issued by the FASB on fair value measurements, which establishes a framework for measuring fair value, clarifies the definition of fair value within that framework, and expands disclosures about the use of fair value measurements. This guidance applies whenever fair value is the applicable measurement. The three general valuation techniques used to measure fair value are the market approach, cost approach, and income approach.

Cash and Cash Equivalents

The Organization classifies as cash and cash equivalents all checking, savings, and money market accounts and all highly liquid investments maturing within 90 days of purchase.

Accounts Receivable

A majority of accounts receivable are obligations due from the State of Missouri for claims paid by the Organization generally requiring payment within 15 days after month end.

The Organization provides an allowance for doubtful accounts equal to the estimated losses that will be incurred in the collection of accounts receivable. This estimate is based on historical experience coupled with a review of the current status of existing receivables. The allowance and associated accounts receivable are reduced when the receivables are determined to be uncollectible. The Organization considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is deemed necessary.

Unconditional Promises to Give

Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value using risk-free interest rates applicable to the years in which the promises are to be received.

The Organization provides an allowance for doubtful promises to give equal to the estimated losses that will be incurred in the collection of unconditional promises to give. This estimate is based on historical experience coupled with a review of the current status of existing promises. The allowance and associated promises are reduced when the promises are determined to be uncollectible. The Organization considers unconditional promises to give to be fully collectible; accordingly, no allowance for doubtful promises to give is deemed necessary.

**St. Louis Regional Health Commission
Notes to Financial Statements
December 31, 2022 and 2021**

Property and Equipment

Property and equipment acquisitions with a life of 2 years or greater and a cost in excess of \$5,000 are capitalized and recorded at cost, while maintenance and repairs are expensed as incurred. Donated assets are recorded at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose or period of time. When assets are sold or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts. Any gain or loss arising from such disposition is included as income or expense in the year of disposition.

Depreciation is computed using the straight line method over the estimated useful lives of the assets.

The estimated lives for computing depreciation on property and equipment are:

<u>Classification</u>	<u>Years</u>
Office equipment	2-5

Leases

The Organization leases certain office space. The Organization assesses whether an arrangement qualifies as a lease (conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are modified. The Organization has recognized a liability representing the future lease payments and right-of-use ("ROU") asset representing its right to use the underlying asset for the lease term. The Organization elected to use the practical expedient to use a risk-free rate of return at the commencement date in determining the present value of lease payments. The Organization has elected to treat leases with a lease term of 12 months or less as short term leases and are not recorded on the statement of financial position. Lease expense is recognized on a straight-line basis over the lease term for short term leases, and variable lease expenses are recognized in the period in which they are incurred.

Deferred Revenue

Deferred revenue consists of payments received in advance of claim or grant expenses. These payments will be recognized as income in the period in which they are earned.

St. Louis Regional Health Commission
Notes to Financial Statements
December 31, 2022 and 2021

Support and Revenue

Contributions are recorded as received, and unconditional promises to give are recorded as the promise is made. All contributions are available for general activities unless specifically restricted by the donor. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions with donor restrictions in which the restrictions are met within the same year as received are reported as contributions without donor restrictions in the accompanying financial statements.

Program fees are recognized as income in the period that specific services are provided.

Functional Expense Allocation

The costs of program services and supporting activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. As the Gateway program was the largest program operated by the Organization, substantially all salaries and other compensation amounts are allocated to program expenses.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code"), except on net income derived from unrelated business activities as defined in the Code. Accordingly, the Organization files as a tax exempt organization.

The Organization follows guidance issued by the FASB on accounting for income taxes and has evaluated its tax positions, expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings, and believes that no provision for income taxes is necessary to cover any uncertain tax positions. The Organization's returns for tax years 2019 and later remain subject to examination by taxing authorities.

**St. Louis Regional Health Commission
Notes to Financial Statements
December 31, 2022 and 2021**

Recent Accounting Pronouncements

Credit Losses on Financial Instruments

The FASB has issued new guidance on the presentation of financial assets measured at amortized cost. Such assets will be presented at the net amount expected to be collected over their remaining contractual lives. Estimated credit losses will be based on relevant information about historical experience, current conditions, and reasonable and supportable forecasts that affect the collectibility of the reported amounts. The standard will also change the accounting for credit losses related to securities available for sale and purchased financial assets with a more-than-insignificant amount of credit deterioration since origination. The guidance will be required for the first fiscal year beginning after December 15, 2022. Based on a preliminary analysis, the Organization does not expect the new guidance to have a significant impact on its financial statements.

3. Change in Accounting Principle

Effective January 1, 2022, the Organization adopted FASB ASC 842, *Leases*. The new standard establishes a ROU model that requires a lessee to record an ROU asset and a lease liability on the statement of financial position for all leases. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities.

The Organization elected to adopt FASB ASC 842, *Leases*, using the transition method that allows the Organization to initially apply the new lease standard at the adoption date and, if applicable, recognize a cumulative effect adjustment to the opening balance of net assets in the period of adoption. As a result, the Organization reporting for the comparative period presented in the financial statements is in accordance with FASB ASC 840, *Leases*.

The Organization elected to adopt the package of practical expedients available under the transition guidance. This package includes the following: relief from determination of lease contracts included in existing or expiring leases at the point of adoption, relief from having to reevaluate the classification of leases in effect at the point of adoption, and relief from reevaluation of existing leases that have initial direct costs associated with the execution of the lease contract. The Organization also elected to adopt the practical expedient to use hindsight to determine the lease term and assess the impairment of the ROU assets. The adoption of FASB ASC 842, *Leases*, resulted in the recognition of an ROU asset and operating lease liability of \$176,986 as of January 1, 2022.

4. Unconditional Promises to Give

Unconditional promises to give at December 31, are as follows:

	2022	2021
Less than one year	\$ -	\$ 153,750

**St. Louis Regional Health Commission
Notes to Financial Statements
December 31, 2022 and 2021**

5. Property and Equipment

Property and equipment at December 31, is as follows:

	2022	2021
Office equipment	\$ 41,955	41,955
Less accumulated depreciation	(41,955)	(41,955)
	\$ -	\$ -

There was no depreciation expense for the years ended December 31, 2022 and 2021.

6. Leases

The Organization leases office space under a operating lease. Rent expense related to the operating lease for the year ended December 31, 2021 totaled \$75,601. See below for lease disclosures under ASC 842, *Leases* related to the year ended December 31, 2022.

The following summarizes the weighted average remaining lease term and discount rate as of December 31, 2022:

Weighted Average Remaining Lease Term	
Operating lease - years	2.67
Weighted Average Discount Rate	
Operating lease	6.25%

The maturities of lease liability as of December 31, are as follows:

<u>Years Ending December 31,</u>	
2023	\$ 64,713
2024	66,997
2025	45,680
Total Lease Payments	177,390
Less: Discount	(13,755)
Present Value of Lease Liability	\$ 163,635

The components of lease expense for the year ended December 31, 2022 are as follows:

Operating lease expense	\$ 22,078
Total net lease expense	\$ 22,078

**St. Louis Regional Health Commission
Notes to Financial Statements
December 31, 2022 and 2021**

The following summarizes cash flow information related to the lease for the year ended December 31, 2022:

Cash paid for amounts included in the measurement of lease liability:	
Operating cash flows from operating lease	<u>\$ 21,317</u>

7. Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of December 31, reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions or internal designations. Amounts not available include amounts set aside for operating reserves that could be drawn upon if the Board approves that action.

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 10,193,243	\$ 7,722,995
Accounts receivable	205,197	1,385,538
Unconditional promises to give	-	153,750
Contractual or donor-imposed restrictions or internal designations:		
Gateway operations	(6,154,259)	(3,654,409)
Board designations	<u>(1,780,892)</u>	<u>(1,780,892)</u>
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	<u>\$ 2,463,289</u>	<u>\$ 3,826,982</u>

The Organization's primary sources of support are unconditional promises to give, program fees, and investment income. Some support is required to be used in accordance with the purpose restrictions imposed by the donors.

8. Board Designated Funds

The Organization's board of directors has designated net assets without donor restrictions at December 31, as follows:

	<u>2022</u>	<u>2021</u>
Designated for close of Gateway program	<u>\$ 1,780,892</u>	<u>\$ 1,780,892</u>

9. Retirement Plan

The Organization maintains a safe harbor simple IRA contributory retirement savings plan covering substantially all employees who meet certain eligibility requirements. Employer contributions to the plan totaled \$20,261 and \$24,773 for the years ended December 31, 2022 and 2021, respectively.

St. Louis Regional Health Commission
Notes to Financial Statements
December 31, 2022 and 2021

10. Risks and Uncertainties

Concentration of Credit Risk

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of cash and cash equivalents, and accounts receivable. The Organization maintains its cash primarily with one financial institution. Deposits at this bank is insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At December 31, 2022, cash balances were within federally insured limits at the bank. The Organization evaluates governmental policies related to health care waivers for potential risk. Although the Organization could be affected by the policies of its funding sources, management does not believe significant credit risk exists at December 31, 2022.

Concentrations

Contributions from three grantees were substantially all of the Organization's contribution revenue during the year ended December 31, 2022. Contributions from two grantees were were substantially all of the Organization's unconditional promises to give and contribution revenue during the year ended December 31, 2021. Accounts receivable from the State of Missouri was substantially all of the Organization's accounts receivable at December 31, 2022 and 2021.

11. Commitments and Contingencies

Contingencies

The Organization's primary program, Gateway, is a temporary program and its continued operations are subject to approval from the Department of Health and Human Services Center for Medicare and Medicaid Services. On September 1, 2017, the program received approval to extend the term of the program through December 31, 2022. The Gateway program concluded as of December 31, 2022, and final administrative transactions occurred through March 31, 2023.

12. Subsequent Events

The Organization has evaluated subsequent events through September 15, 2023, the date the financial statements were available to be issued. Subsequent to December 31, 2022, the Organization entered into a Memorandum of Understanding with Alive and Well Communities ("AWC"), a Missouri nonprofit. Effective February 24, 2023 AWC became a subsidiary of the Organization.