Kansas Humane Society of Wichita, Kansas

Independent Auditor’s Report

and

Financial Statements

June 30, 2022
Kansas Humane Society of Wichita, Kansas

Independent Auditor’s Report

and

Financial Statements

June 30, 2022
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Independent Auditor’s Report

Board of Directors
Kansas Humane Society of Wichita Kansas
Wichita, Kansas

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kansas Humane Society of Wichita Kansas, which comprise
the statement of financial position as of June 30, 2022, 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 accompanying financial statements present fairly, in all material respects, the financial
position of Kansas Humane Society of Wichita Kansas as of June 30, 2022, and the changes in its net
assets and its cash flows for the year then ended in accordance with accounting principles generally
accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of
America (GAAS). 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 Kansas Humane Society of Wichita Kansas 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 Kansas Humane Society of Wichita
Kansas’ ability to continue as a going concern for one year after the date that the financial statements are
issued.

Auditor’s Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

January 25, 2023
Wichita, Kansas
## Kansas Humane Society of Wichita, Kansas

### Statement of Financial Position

**June 30, 2022**

- **ASSETS**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$1,475,947</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>31,733</td>
</tr>
<tr>
<td>Bequests receivable</td>
<td>5,521,429</td>
</tr>
<tr>
<td>Inventory</td>
<td>40,029</td>
</tr>
<tr>
<td>Contributions receivable - net of allowance for</td>
<td>31,833</td>
</tr>
<tr>
<td>uncollectible receivables of $0</td>
<td></td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>55,816</td>
</tr>
<tr>
<td>Beneficial interest in charitable remainder trust</td>
<td>70,278</td>
</tr>
<tr>
<td>Beneficial interest in assets held by others</td>
<td>287,586</td>
</tr>
<tr>
<td>Beneficial interest in perpetual trust</td>
<td>186,084</td>
</tr>
<tr>
<td>Mineral rights</td>
<td>21,116</td>
</tr>
<tr>
<td>Investments - other</td>
<td>4,149,826</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>1,100,000</td>
</tr>
<tr>
<td>Property and equipment - net of accumulated depreciation of</td>
<td>3,287,097</td>
</tr>
<tr>
<td>$6,239,772</td>
<td></td>
</tr>
<tr>
<td>Total assets</td>
<td>$16,258,774</td>
</tr>
</tbody>
</table>

- **LIABILITIES AND NET ASSETS**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$1,011,553</td>
</tr>
<tr>
<td>Salaries payable</td>
<td>33,358</td>
</tr>
<tr>
<td>Accrued vacation payable</td>
<td>42,757</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>23,476</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>1,111,144</td>
</tr>
</tbody>
</table>

- **Net assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Without donor restrictions</td>
<td>13,465,513</td>
</tr>
<tr>
<td>With donor restrictions</td>
<td>1,682,117</td>
</tr>
<tr>
<td>Total net assets</td>
<td>15,147,630</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total liabilities and net assets</td>
<td>$16,258,774</td>
</tr>
</tbody>
</table>

*The accompanying notes are an integral part of the financial statements.*

- 3 -
Kansas Humane Society of Wichita, Kansas  
Statement of Activities  
For the Year Ended June 30, 2022

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public support and revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions of cash and other financial assets</td>
<td>$1,460,909</td>
<td>$146,291</td>
<td>$1,607,200</td>
</tr>
<tr>
<td>Contribution of nonfinancial assets</td>
<td>377,887</td>
<td>70,658</td>
<td>448,545</td>
</tr>
<tr>
<td>Bequests</td>
<td>6,038,086</td>
<td>-</td>
<td>6,038,086</td>
</tr>
<tr>
<td><em>Woofstock</em> sponsorships</td>
<td>-</td>
<td>72,792</td>
<td>72,792</td>
</tr>
<tr>
<td>Special events</td>
<td>153,724</td>
<td>-</td>
<td>153,724</td>
</tr>
<tr>
<td>Increase (decrease) in value of beneficial interest in perpetual trust</td>
<td>-</td>
<td>(23,928)</td>
<td>(23,928)</td>
</tr>
<tr>
<td>Increase (decrease) in value of beneficial interest in charitable remainder trust</td>
<td>-</td>
<td>(11,570)</td>
<td>(11,570)</td>
</tr>
<tr>
<td><strong>Total public support</strong></td>
<td>8,030,606</td>
<td>254,243</td>
<td>8,284,849</td>
</tr>
<tr>
<td>Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adoption fees</td>
<td>701,362</td>
<td>-</td>
<td>701,362</td>
</tr>
<tr>
<td>Merchandise sales</td>
<td>247,488</td>
<td>-</td>
<td>247,488</td>
</tr>
<tr>
<td>Other animal charges</td>
<td>821,121</td>
<td>-</td>
<td>821,121</td>
</tr>
<tr>
<td>Oil royalty</td>
<td>9,254</td>
<td>-</td>
<td>9,254</td>
</tr>
<tr>
<td>Net investment return</td>
<td>(562,212)</td>
<td>(170,036)</td>
<td>(732,248)</td>
</tr>
<tr>
<td>Loss on disposition of property assets</td>
<td>(292,439)</td>
<td>-</td>
<td>(292,439)</td>
</tr>
<tr>
<td>Other</td>
<td>98,045</td>
<td>-</td>
<td>98,045</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>1,022,619</td>
<td>(170,036)</td>
<td>852,583</td>
</tr>
<tr>
<td><strong>Total public support and revenues</strong></td>
<td>9,053,225</td>
<td>84,207</td>
<td>9,137,432</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>295,362</td>
<td>(295,362)</td>
<td>-</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Functional expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shelter operations</td>
<td>3,756,628</td>
<td>-</td>
<td>3,756,628</td>
</tr>
<tr>
<td>Administrative</td>
<td>340,099</td>
<td>-</td>
<td>340,099</td>
</tr>
<tr>
<td>Fundraising</td>
<td>517,246</td>
<td>-</td>
<td>517,246</td>
</tr>
<tr>
<td><strong>Total functional expenses</strong></td>
<td>4,613,973</td>
<td>-</td>
<td>4,613,973</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>151,850</td>
<td>-</td>
<td>151,850</td>
</tr>
<tr>
<td>Cost of direct benefits of special events</td>
<td>51,788</td>
<td>-</td>
<td>51,788</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>4,817,611</td>
<td>-</td>
<td>4,817,611</td>
</tr>
<tr>
<td>Change in net assets</td>
<td>4,530,976</td>
<td>(211,155)</td>
<td>4,319,821</td>
</tr>
<tr>
<td>Net assets, beginning of year</td>
<td>8,934,537</td>
<td>1,893,272</td>
<td>10,827,809</td>
</tr>
<tr>
<td><strong>Net assets, end of year</strong></td>
<td>$13,465,513</td>
<td>$1,682,117</td>
<td>$15,147,630</td>
</tr>
</tbody>
</table>

*The accompanying notes are an integral part of the financial statements.*

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## Statement of Functional Expenses
For the Year Ended June 30, 2022

### Supporting Services

<table>
<thead>
<tr>
<th></th>
<th>Shelter Operations</th>
<th>Administrative</th>
<th>Fundraising</th>
<th>Cost of Sales</th>
<th>Cost of Direct Benefits to Donors</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$1,795,212</td>
<td>$124,784</td>
<td>$199,935</td>
<td>$-</td>
<td>$-</td>
<td>$2,119,931</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>141,980</td>
<td>12,916</td>
<td>16,797</td>
<td>-</td>
<td>-</td>
<td>171,693</td>
</tr>
<tr>
<td>Retirement</td>
<td>19,870</td>
<td>4,127</td>
<td>4,158</td>
<td>-</td>
<td>-</td>
<td>28,155</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>102,709</td>
<td>7,078</td>
<td>9,892</td>
<td>-</td>
<td>-</td>
<td>119,679</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total salaries and related expenses</td>
<td>2,059,771</td>
<td>148,905</td>
<td>230,782</td>
<td>-</td>
<td>-</td>
<td>2,439,458</td>
</tr>
<tr>
<td>Shelter and animal supplies</td>
<td>285,446</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>285,446</td>
</tr>
<tr>
<td>Spay/neuter clinic supplies</td>
<td>433,646</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>433,646</td>
</tr>
<tr>
<td>Utilities</td>
<td>140,107</td>
<td>30,294</td>
<td>18,934</td>
<td>-</td>
<td>-</td>
<td>189,335</td>
</tr>
<tr>
<td>Insurance</td>
<td>77,780</td>
<td>10,530</td>
<td>4,365</td>
<td>-</td>
<td>-</td>
<td>92,675</td>
</tr>
<tr>
<td>Supplies, postage, and office expenses</td>
<td>97,568</td>
<td>25,726</td>
<td>58,913</td>
<td>-</td>
<td>51,788</td>
<td>233,995</td>
</tr>
<tr>
<td>Direct mail fees</td>
<td>-</td>
<td>-</td>
<td>106,069</td>
<td>-</td>
<td>-</td>
<td>106,069</td>
</tr>
<tr>
<td>Advertising</td>
<td>2,834</td>
<td>-</td>
<td>38,410</td>
<td>-</td>
<td>-</td>
<td>41,244</td>
</tr>
<tr>
<td>Merchandise</td>
<td>-</td>
<td>-</td>
<td>151,850</td>
<td>-</td>
<td>-</td>
<td>151,850</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>60,345</td>
<td>25,705</td>
<td>29,479</td>
<td>-</td>
<td>-</td>
<td>115,529</td>
</tr>
<tr>
<td>Professional services</td>
<td>3,044</td>
<td>32,681</td>
<td>4,356</td>
<td>-</td>
<td>-</td>
<td>40,081</td>
</tr>
<tr>
<td>Bank and credit card fees</td>
<td>-</td>
<td>37,442</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>37,442</td>
</tr>
<tr>
<td>Telephone</td>
<td>26,024</td>
<td>4,442</td>
<td>3,375</td>
<td>-</td>
<td>-</td>
<td>33,841</td>
</tr>
<tr>
<td>Contract labor</td>
<td>549</td>
<td>900</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,449</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>19,439</td>
<td>3,319</td>
<td>18,916</td>
<td>-</td>
<td>-</td>
<td>41,674</td>
</tr>
<tr>
<td>Staff training and travel</td>
<td>16,772</td>
<td>5,382</td>
<td>1,239</td>
<td>-</td>
<td>-</td>
<td>23,393</td>
</tr>
<tr>
<td>Dues and subscriptions</td>
<td>15,663</td>
<td>8,696</td>
<td>1,423</td>
<td>-</td>
<td>-</td>
<td>25,872</td>
</tr>
<tr>
<td>Bad debts</td>
<td>-</td>
<td>-</td>
<td>946</td>
<td>-</td>
<td>-</td>
<td>946</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total expenses before depreciation</td>
<td>3,238,988</td>
<td>334,022</td>
<td>517,207</td>
<td>151,850</td>
<td>51,788</td>
<td>4,293,855</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>517,640</td>
<td>6,077</td>
<td>39</td>
<td>-</td>
<td>-</td>
<td>523,756</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total expenses</td>
<td>$3,756,628</td>
<td>$340,099</td>
<td>$517,246</td>
<td>$151,850</td>
<td>$51,788</td>
<td>$4,817,611</td>
</tr>
</tbody>
</table>

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

- 5 -
Kansas Humane Society of Wichita, Kansas
Statements of Cash Flows
For the Year Ended June 30, 2022

Cash flows from operating activities
Change in net assets $ 4,319,821
Adjustments to reconcile change in net assets
to net cash provided by (applied to) operating activities
Depreciation 523,756
(Gain) loss on disposition of property assets 292,439
(Gain) loss on investments 795,696
Noncash contributions of investment securities (24,598)
(Increase) decrease in value of beneficial interest in
split-interest agreement 12,588
(Increase) decrease in beneficial interest in perpetual trust 28,771
(Increase) decrease in operating assets
  Inventory (54)
  Accounts receivable (9,077)
  Bequests receivable (5,501,429)
  Contributions receivable 3,455
  Prepaid expenses 9,504
Increase (decrease) in operating liabilities
  Accounts payable and accrued expenses 771,535
  Deferred revenue (16,127)
  Net cash provided by (applied to) operating activities 1,206,280

Cash flows from investing activities
Purchase of property, equipment, and construction in progress (1,119,056)
Proceeds from certificates of deposit 202,677
Purchase of investments (342,139)
Proceeds from sale of investments 516,934
  Net cash provided by (applied to) investing activities (741,584)

Net decrease in cash and cash equivalents 464,696
Cash and cash equivalents, beginning of year 1,011,251
Cash and cash equivalents, end of year $ 1,475,947

Supplemental Cash Flows Information
  Noncash investing activity - contributions of investment securities $ 24,598

The accompanying notes are an integral part of the financial statements.
1. Summary of Significant Accounting Policies

Nature of activities
The Kansas Humane Society of Wichita, Kansas (the Society) is a tax-exempt, non-profit organization dedicated to the welfare of animals. The Society was formed in 1888 and serves a five county area in south-central Kansas. The Society is a community resource for pets and people, providing quality pet adoptions, donor-subsidized spay/neuter services for low-income families, and pet retention programs such as pet training and behavior counseling, as well as youth education, private pet cremation services, and volunteer opportunities.

Sources of revenue were as follows for the period ended June 30, 2022:

<table>
<thead>
<tr>
<th>Source</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>21%</td>
</tr>
<tr>
<td>Adoptions and other charges</td>
<td>17%</td>
</tr>
<tr>
<td>Investment income</td>
<td>-8%</td>
</tr>
<tr>
<td>Bequests</td>
<td>66%</td>
</tr>
<tr>
<td>Merchandise sales</td>
<td>3%</td>
</tr>
<tr>
<td>Other sources</td>
<td>1%</td>
</tr>
</tbody>
</table>

Basis of presentation
For financial reporting purposes, the Society follows the reporting requirements of GAAP, which requires that resources be classified for reporting purposes based on the existence or absence of donor-imposed restrictions. This is accomplished by classification of fund balances into two classes of net assets: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories and the types of transactions affecting each category follow:

- Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions. Items that affect this net asset category principally consist of contributions without donor restrictions, product revenue, and related expenses associated with core activities of the Society.

- With Donor Restrictions – Net assets subject to donor-imposed restrictions that will be met either by actions of the Society or the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. Satisfactions or expirations of restrictions on net assets with donor restrictions are reported as net assets released from restrictions.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.
1. Summary of Significant Accounting Policies (Continued)

Use of estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition
The Society recognizes contributions and bequests when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. Gifts-in-kind are recorded at fair market value as of the date received.

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

Merchandise sales consist primarily of pet supply sales and are recorded net of sales tax. Adoption fees, merchandise sales, and other animal charges are recognized at the time of adoption or when product/service is provided. The Organization records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue.

Cash and cash equivalents
For purposes of reporting cash flows, cash and cash equivalents include cash on hand, amounts due from banks, and all highly liquid debt instruments purchased with an initial maturity of three months or less.
1. Summary of Significant Accounting Policies (Continued)

Accounts receivable
Accounts receivable represents amounts due for normal services including spay/neuter surgeries, private and general cremations, and sale of microchips. All are considered to be fully collectible; accordingly no allowance for doubtful accounts related to these accounts receivable is established. Invoices are closely monitored by finance staff, reminders are sent for any past due invoices, and future services can be suspended to those customers with delinquent accounts.

Employees are allowed up to six payroll deductions to pay for retail store purchases, including additional work uniform tops, veterinary services for their owned pets and pet adoptions. These are collected every payroll for those employees with a balance. Any employees terminated have the entire balance owed deducted on their last paycheck whenever possible.

Investments
Investments are recorded at fair market value, and realized and unrealized gains and losses are reported in the statement of activities. Funds not needed in current operations are maintained in investment accounts in order to generate interest income to help offset operating expenses.

Generally accepted accounting principles allows entities to measure certain investments at net asset value (NAV) of the underlying assets as a practical expedient for estimating fair value. Net asset value (NAV) is the fair value of net assets attributable to each ownership unit outstanding at the close of the period. It excludes the effects of assuming conversion of outstanding convertible securities, whether or not their conversion would have a diluting effect.

Inventories
Inventories consist of items for sale through the pet supplies store of the Society and are stated at lower of cost or net realizable value.

Fixed assets and depreciation
Land, buildings, and equipment are stated at cost at the date of acquisition, or at fair market value in the case of donated property. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. Buildings and improvements are depreciated over 5 to 32 years, and furniture, vehicles, and equipment over 5 to 15 years. The cost of maintenance and repairs is charged to expense as incurred; significant renewals and betterments in excess of $500 are capitalized.

Functional allocation of expenses
Directly identifiable expenses are charged to programs and supporting activities. Expenses related to more than one function are allocated to programs and supporting services based on the ratio of employee time spent in different areas and the ratio of each activity's direct costs to total direct costs for all activities. These are called shared costs and include office supplies, general liability insurance, internet, website access, telephone expense, and building repairs and maintenance.

Advertising costs
The Society expenses advertising costs as they are incurred. Advertising costs for the period ended June 30, 2022 were $41,244.
1. Summary of Significant Accounting Policies (Continued)

Income taxes
The Society is organized as a Kansas nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3). The Society is qualified to receive deductible charitable contributions under Section 170(b)(1)(A)(vi), and has been determined not to be a private foundation under Sections 509(a)(1). The Society is required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS annually. In addition, the Society is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. The Society has filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

The Society believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Society would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred. Returns subject to examination are those subsequent to June 30, 2019.

Change in accounting principles – Presentation and Disclosures for Contributed Nonfinancial Assets
Standards Update (ASU) 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. This ASU modifies the disclosure and presentation requirements for contributed nonfinancial assets. Those modifications include presenting contributed nonfinancial assets as a separate line item in the statement of activities and additional disclosures. As a result of implementation, the Society noted the following impacts to disclosures:

1. The Society provided qualitative information about whether the contributed nonfinancial assets were monetized or utilized during the reporting period by category of contributed nonfinancial assets recognized.
2. The Society’s policy about monetizing rather than utilizing contributed nonfinancial assets.
4. A description of the valuation techniques and inputs used to arrive at a fair value measure.

Recent accounting pronouncements - Leases
In February 2016, the Financial Accounting Standards Board issued ASU No. 2016-02, Leases (Topic 842), that will supersede the current lease requirements. The ASU requires lessees to recognize a right-of-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either financing or operating, with the classification affecting the pattern of expense recognition in the statement of operations. Currently, leases are classified as either capital or operating, with only capital lease obligations recognized on the statement of financial position. Lessor accounting under the new standard will remain similar to lessor accounting under current GAAP. The reporting of lease-related expenses in the statements of activities and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Society's year ending June 30, 2023 and will be applied using a modified retrospective transition method to the beginning of the earliest period presented. The effect of applying the new lease guidance on the financial statements has not yet been determined.
2. Contributions Receivable

Contributions receivable consist of the following:

Contributions receivable before allowance and unamortized discount $31,833
Less allowance for uncollectible receivables -
Net contributions receivable $31,833

Amounts due in:
Receivable in less than one year $29,333
Receivable in one to five years 2,500
Total contributions receivable $31,833

3. Investments and Fair Value Measurements

Generally accepted accounting principles define 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. Generally accepted accounting principles also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

**Level 1**
Quoted prices in active markets for identical assets or liabilities.

**Level 2**
Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

**Level 3**
Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy.

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include equity stocks, mutual funds, money market funds and actively traded debt securities. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.
3. Investments and Fair Value Measurements (Continued)

The following table summarizes the valuation of financial instruments measured at fair value on a recurring basis as of June 30, 2022:

<table>
<thead>
<tr>
<th>Fair Value Measurements</th>
<th>June 30, 2022</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fair Value</td>
<td>Quoted Prices in Active Markets for Identical Assets (Level 1)</td>
<td>Significant Other Observable Inputs (Level 2)</td>
<td>Significant Unobservable Inputs (Level 3)</td>
</tr>
<tr>
<td>Domestic equity mutual funds</td>
<td>$1,150,351</td>
<td>$1,150,351</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Domestic exchange traded funds</td>
<td>767,940</td>
<td>767,940</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>International equity mutual funds</td>
<td>396,551</td>
<td>396,551</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fixed income</td>
<td>1,368,369</td>
<td>1,368,369</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Alternatives</td>
<td>466,615</td>
<td>466,615</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mineral rights - Note 7</td>
<td>21,116</td>
<td>-</td>
<td>-</td>
<td>21,116</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$4,149,826</strong></td>
<td><strong>$</strong></td>
<td><strong>$</strong></td>
<td><strong>$21,116</strong></td>
</tr>
</tbody>
</table>

Beneficial interest investments measured at net asset value (NAV)

| | | | |
| Charitable remainder trust - Note 4 | 70,278 | | |
| Assets held by others - Note 5 | 287,586 | | |
| Perpetual trust - Note 6 | 186,084 | | |
| **Total** | **$4,714,890** | | |

All Level 1 assets have been valued using a market approach and all Level 3 assets have been valued using an income approach.

The following schedule summarizes the investment return and its classification in the statement of activities for the period ended June 30, 2022:

- Interest and dividends: $89,601
- Gain (loss) on investments: $(795,696)
- Less investment fees: $(26,153)

Investment income per statement of activities: $(732,248)
3. Investments and Fair Value Measurements (Continued)

The beneficial interest in various funds are presented at fair value measured at net asset value as provided by the foundations, trusts, and estates. The following assets measured at fair value based on net asset value (NAV) per share are reviewed and adjusted on a recurring basis.

<table>
<thead>
<tr>
<th>June 30, 2022:</th>
<th>Fair Value</th>
<th>Unfunded Commitments</th>
<th>Redemption Frequency</th>
<th>Redemption Notice Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beneficial Interest in:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charitable remainder trust</td>
<td>$70,278</td>
<td>$</td>
<td>-</td>
<td>See Note 4 See Note 4</td>
</tr>
<tr>
<td>Assets held by others</td>
<td>$287,586</td>
<td>$</td>
<td>-</td>
<td>See Note 5 See Note 5</td>
</tr>
<tr>
<td>Perpetual trust</td>
<td>$186,084</td>
<td>$</td>
<td>-</td>
<td>See Note 6 See Note 6</td>
</tr>
</tbody>
</table>

4. Beneficial Interest in a Charitable Remainder Trust

The Society is one of seven beneficiaries of a charitable remainder trust established in 2003. Under the terms of the trust, the Society is entitled to receive 5% of the trust's annual income each year for twenty years. In 2023, the remaining trust estate is to be distributed to the beneficiaries according to their respective percentages. Based on 5% of the trust's total reported fair market value on that date, the estimated value of the beneficial interest in the charitable remainder trust was $70,278 as of June 30, 2022.

5. Beneficial Interest in Assets Held by Others

In 2003, the Society transferred net assets without donor restrictions of $150,000 to the Wichita Community Foundation (Foundation) and, in turn, received a $50,000 grant from the Foundation as part of a matching grant program. The Society's Board of Directors designated the transferred net assets without donor restrictions of $150,000 for endowment and the Foundation has no variance power over those funds. The Foundation restricted their $50,000 matching grant as net assets with donor restrictions for endowment.

In 1996, the Society transferred net assets without donor restrictions of $50,000 to the Foundation and received a $7,500 matching grant. The Society's Board of Directors designated the transferred net assets without donor restrictions of $50,000 for endowment and the Foundation has no variance power over those funds. The Foundation restricted their $7,500 matching grant as net assets with donor restrictions for endowment.

The Society receives annual distributions of four percent of the three year moving average net market value of the assets held at the Foundation.
5. Beneficial Interest in Assets Held by Others (Continued)

The following is a summary of the Society's beneficial interest in assets held by the Wichita Community Foundation as of June 30, 2022:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, beginning of year</td>
<td>$340,995</td>
</tr>
<tr>
<td>Investment income</td>
<td>$11,990</td>
</tr>
<tr>
<td>Gain (loss) on investment</td>
<td>$(51,402)</td>
</tr>
<tr>
<td>Less management fees</td>
<td>$(1,665)</td>
</tr>
<tr>
<td>Less distributions to the Society</td>
<td>$12,332</td>
</tr>
<tr>
<td>Balance, end of year</td>
<td>$287,586</td>
</tr>
</tbody>
</table>

6. Beneficial Interest in a Perpetual Trust

The beneficial interest in a perpetual trust was established through a prior year bequest and consists of the present value of the estimated future cash receipts from investments with a brokerage firm generally investing in fixed income funds. Under the terms of the trust, the Society has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in the trust. The estimated value of the beneficial interest in a perpetual trust was $186,084 as of June 30, 2022, based on present value calculations applied to the estimated future income from the trust.

7. Mineral Rights

The mineral rights were obtained through a bequest in 1990. Their estimated value was $21,116 as of June 30, 2022, respectively, based on an industry rule-of-thumb formula of three times historical annual income, reduced by lifting costs.

8. Property and Equipment

Property and equipment in service consist of the following as of June 30, 2022:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings and improvements</td>
<td>$8,682,398</td>
</tr>
<tr>
<td>Furniture, fixtures, and equipment</td>
<td>$747,234</td>
</tr>
<tr>
<td>Automobiles</td>
<td>$87,554</td>
</tr>
<tr>
<td>Software</td>
<td>$9,683</td>
</tr>
<tr>
<td>Total property and equipment</td>
<td>$9,526,869</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>$6,239,772</td>
</tr>
<tr>
<td>Property and equipment - net of accumulated depreciation</td>
<td>$3,287,097</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>Total</td>
<td>$4,387,097</td>
</tr>
</tbody>
</table>
9. Deferred Revenue

The following table provides information about significant changes in the deferred revenue for special events for the year ended June 30:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred revenue, beginning of the year</td>
<td>$ 39,603</td>
</tr>
<tr>
<td>Revenue recognized that was included in deferred at the beginning of the year.</td>
<td>(39,603)</td>
</tr>
<tr>
<td>Increase in deferred revenue due to cash received during the year</td>
<td>23,476</td>
</tr>
<tr>
<td>Deferred revenue, end of the year</td>
<td>$ 23,476</td>
</tr>
</tbody>
</table>

10. Line of Credit

The Society obtained a line of credit on April 15, 2022 with a bank totaling $500,000 which matures April 30, 2027. The interest rate is 3.72%. Borrowings under the agreement are secured by the Society’s securities, cash, and other assets held in an investment account. No amount was outstanding at June 30, 2022.

11. Net Assets

Net assets without donor restrictions consist of:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undesignated</td>
<td>$ 13,235,927</td>
</tr>
<tr>
<td>Board designated - endowment</td>
<td>229,586</td>
</tr>
<tr>
<td>Total net assets without donor restrictions</td>
<td>$ 13,465,513</td>
</tr>
</tbody>
</table>
11. Net Assets (Continued)

Net assets with donor restrictions consist of:

Subject to expenditure for specific purpose:

- Staff training $16,472
- Equipment and improvements $44,676
- Youth education $45,231
- Emergency fund $8,480
- Intake retention $42,557
- Volunteers $9,173
- Medication and surgery fund $32,921
- Other $1,918

Total net assets with donor restrictions $201,428

Subject to the Society's spending policy and appropriation:

- Unappropriated endowment earnings $111,605

Subject to restriction in perpetuity:

- Wichita Community Foundation Endowment (Note 5) $57,500
- Payne Endowment $1,000,000
- Other endowment $125,500
- Beneficial interest in perpetual trust (Note 6) $186,084

Total net assets with donor restrictions $1,369,084

Net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes or by the passage of specified time. Releases during the period ended June 30, 2022, included:

Time restrictions met and purpose restrictions accomplished:

- Time restrictions met $122,111
- Fundraising events $118,371
- Shelter supplies $52,380
- Other supplies $2,500

Total time and purpose restrictions accomplished $295,362
12. Endowment

The Board of Directors of the Society has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the date of gifting of the donor-restricted funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Society classifies as donor restricted net assets (a) the original fair value of gifts donated to the permanent endowment and gifts with time or purpose restrictions imposed by donor (b) the original fair value of subsequent gifts donated to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the instructions of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with SPMIFA, the Society considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Society and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Society
7. The investment policies of the Society

Investment strategies
For the investments which are held by the Wichita Community Foundation (Foundation), all investment decisions are made by the Foundation. The Society has no input in investment decisions held at the Foundation.

The Society has adopted an investment policy to preserve long-term, real purchasing power of assets, while providing a relatively predictable and growing stream of income. To accomplish this strategy, the Society requires that total equity investments never exceed 80% of the asset holdings. Investment performance will be monitored against the stated investment objectives no less than semiannually.

Spending policies and the relationship with investment policies
The Foundation makes the decision as to how much is distributed to the Society (Note 5). The Society has no input on how much they are to receive from the endowments held at the Foundation.

The Society allows for an annual distribution, calculated using a three-year moving average of portfolio balances on September 30 each year. The distribution is distributed in the following year, in not more frequently than quarterly installments. If a donor specifies a different distribution percentage in writing, the donor's wishes will be honored. This is consistent with the Society's investment policy and will provide a sustainable level of distributions to the Society.
12. Endowment (Continued)

Funds with deficiencies
From time to time, the fair value of assets associated with donor restricted endowment funds may fall below the level that the donor or SPMIFA requires the Society to retain as a fund of perpetual duration. In accordance with Generally Accepted Accounting Principles (GAAP), deficiencies of this nature are reported as net assets with donor restrictions. There were no such deficiencies reported as of June 30, 2022. A portion of the Society's endowment funds are in a trust. According the trust documents, these funds do not have to maintain the original cost basis.

Endowment net asset composition by type of fund as of June 30, 2022:

<table>
<thead>
<tr>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board designated endowment funds</td>
<td>$ 229,586</td>
<td>$ -</td>
</tr>
<tr>
<td>Donor-restricted endowment funds:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Original donor restricted gift amount and amounts required to be maintained in perpetuity by donor</td>
<td>-</td>
<td>1,369,085</td>
</tr>
<tr>
<td>Accumulated investments gains</td>
<td>-</td>
<td>111,605</td>
</tr>
<tr>
<td>Total endowment net assets</td>
<td>$ 229,586</td>
<td>$ 1,480,690</td>
</tr>
</tbody>
</table>

Changes in endowment net assets for the period ended June 30, 2022:

<table>
<thead>
<tr>
<th></th>
<th>Board designated endowment funds</th>
<th>Donor restricted endowment funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment net assets, as of June 30, 2021</td>
<td>$ 282,995</td>
<td>$ 1,679,496</td>
<td>$ 1,962,491</td>
</tr>
<tr>
<td>Investment income</td>
<td>9,532</td>
<td>27,288</td>
<td>36,820</td>
</tr>
<tr>
<td>Net appreciation (depreciation):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Realized</td>
<td>2,466</td>
<td>40,741</td>
<td>43,207</td>
</tr>
<tr>
<td>Unrealized</td>
<td>(54,279)</td>
<td>(253,130)</td>
<td>(307,409)</td>
</tr>
<tr>
<td>Investment fees</td>
<td>(1,324)</td>
<td>(8,863)</td>
<td>(10,187)</td>
</tr>
<tr>
<td>Distributions</td>
<td>(9,804)</td>
<td>(4,843)</td>
<td>(14,647)</td>
</tr>
<tr>
<td>Endowment net assets, as of June 30, 2022</td>
<td>$ 229,586</td>
<td>$ 1,480,689</td>
<td>$ 1,710,275</td>
</tr>
</tbody>
</table>
13. Operating Lease Obligations

The following is a schedule by years of future minimum rental payments required under operating leases for equipment with noncancellable terms in excess of one year as of June 30, 2022:

<table>
<thead>
<tr>
<th>Year</th>
<th>Minimum Rental Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023</td>
<td>$26,913</td>
</tr>
<tr>
<td>2024</td>
<td>$19,419</td>
</tr>
<tr>
<td>Total</td>
<td>$46,332</td>
</tr>
</tbody>
</table>

Rent expense was $32,269 for the period ended June 30, 2022.

14. Contributed Nonfinancial Assets

Contributed nonfinancial assets reflected in the accounts and financial statements of the Society for the period ended June 30, 2022, consist of the following:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>$57,220</td>
</tr>
<tr>
<td>Medication</td>
<td>198,643</td>
</tr>
<tr>
<td>Shelter supplies and services</td>
<td>43,304</td>
</tr>
<tr>
<td>Clinic supplies and services</td>
<td>31,678</td>
</tr>
<tr>
<td>Professional services</td>
<td>46,678</td>
</tr>
<tr>
<td>Volunteer supplies</td>
<td>364</td>
</tr>
<tr>
<td>Supplies and advertising for Woofstock special event</td>
<td>70,658</td>
</tr>
<tr>
<td>Total</td>
<td>$448,545</td>
</tr>
</tbody>
</table>

The Society recognized contributed nonfinancial assets within revenue, including contributed food, medication, shelter and client supplies, professional services, volunteer supplies, and various supplies and advertising for Woofstock. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

It is the Society’s policy that gifts of tangible personal property and real estate that will not further the mission of the Society will only be accepted upon approval of the Finance Committee. It is upon the Finance Committee’s discretion to determine if the contributed tangible personal property and real estate should be liquidated to cash.

The contributed food valuation represents deep discounts on food provided to feed pets in the care of the Society as part of an intentional program for select animal shelters. Contributed medications are utilized for the medical treatment of pets in the Society's care as well. Valuation of the food and medications is provided via statements for each shipment received from the donors. Contributed food and medication were utilized in the shelter’s normal operations.
14. Contributed Nonfinancial Assets (Continued)

Contributed shelter supplies and services are comprised of dog grooming services and new and used items such as pet beds and kennels, cat litter, blankets, towels, toys, bowls, leashes, collars, small mammal specific items, food and enrichment treats, and other generally small-value items. Most items are contributed by the general public. Items are mostly utilized for the benefit of pets in the care of the Society. Other items not deemed to be of immediate use by the Society are provided to rescue partners and other community-based non-profit organizations whose missions focus on animal welfare and pet retention.

Contributed clinic supplies and services are comprised of personal protective equipment, vaccinations and other pet medications or discounts on these items, pill bottles, medical supplies, prescription-based specialty food, discounted specialty veterinary services, and microchips. Items are utilized by the medical staff for the treatment of pets in the care of the Society.

Contributed professional services include information technology support and equipment, audit and tax filing services, and website support and design services. All of these services are utilized by the Society in its program and administrative activities. These services are valued based on current rates for similar services mostly provided by the donors.

Contributed volunteer supplies are plaques created for presentation awards to recognize the services provided by select volunteers to the Society. Items are valued at the estimated fair value in the financial statements based on current market rates for identical or similar items.

Contributed supplies and advertising/media are used in the promotion and fundraising activities for the annual Woofstock event held on the first Saturday in October. This is an outdoor, community-wide event for dogs and their people that includes vendors, sponsors, food trucks, physical activities, sale of apparel and animal supplies, online auction, raffles and prizes. This is the Society’s largest fundraiser and is now in its 26th year. The contributed supplies and advertising are donor-restricted for the purpose of the event. As of the period ended June 30, 2022, these items had been fully utilized. In valuing supplies and advertising, the Society estimated the fair value based on current market rates for similar products and services mostly provided by the donors.

In addition, a substantial number of volunteers have made significant contributions of their time to various functions of the Society. The number of volunteer hours was approximately 69,545 for the period ended June 30, 2022. Board members also contribute a significant amount of time in financial, fundraising, and other activities. The value of these services do not meet the requirements for recognition in the financial statements. The Society has determined it is not practical to estimate a fair value for these services.
15. Retirement Plan

The Society offers a Savings Incentive Match Plan for Employees (SIMPLE) under Section 408(p) of the Internal Revenue Code. Employees must enroll within the first sixty days of employment or wait until the annual enrollment period. The plan requires the Society to match the employees' elective contribution in an amount not to exceed 3% of the employees' compensation. The Society's contributions were $28,155 for the period ended June 30, 2022.

16. Concentration of Credit Risk

The Society maintains cash accounts at a local bank, which retain balances that total more than the maximum federally insured amount of $250,000. The Society has not experienced any losses in the accounts and management believes it is not exposed to any significant risk on the cash accounts.

The Society maintains its investments with a local brokerage firm. Management has elected to have the funds invested in various individual funds that invest in equity funds, exchange traded funds, stocks, fixed income, alternatives and cash and cash equivalents. Management continues to monitor the accounts to minimize the risk.

17. Availability and Liquidity of Financial Assets

The following reflects the Society's financial assets as of June 30, 2022, reduced by amounts not available for general use within one year of June 30, 2022, because of contractual or donor-imposed restrictions or internal designations. Amounts available include the board-approved appropriations from the endowment fund for the following year, as well as donor-restricted amounts that are available for expenditures in the following years. Amounts not available include amounts set aside for operating and other reserves that could be drawn upon if the Society approves that action.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$1,475,947</td>
</tr>
<tr>
<td>Accounts receivable, net, collected in less than one year</td>
<td>31,733</td>
</tr>
<tr>
<td>Bequests receivable, net, collected in less than one year</td>
<td>5,521,429</td>
</tr>
<tr>
<td>Contributions receivable, net, collected in less than one year</td>
<td>29,333</td>
</tr>
<tr>
<td>Investments</td>
<td>4,693,774</td>
</tr>
<tr>
<td>Total financial assets, excluding noncurrent receivables</td>
<td>11,752,216</td>
</tr>
<tr>
<td>Contractual or donor-imposed restrictions:</td>
<td></td>
</tr>
<tr>
<td>Other donor restrictions</td>
<td>201,428</td>
</tr>
<tr>
<td>Donor designated endowment and related earnings</td>
<td>1,480,689</td>
</tr>
<tr>
<td>Board designations</td>
<td>229,586</td>
</tr>
<tr>
<td>Financial assets available to meet cash needs</td>
<td>$9,840,513</td>
</tr>
<tr>
<td>for general expenditures within one year</td>
<td></td>
</tr>
</tbody>
</table>
17. Availability and Liquidity of Financial Assets (Continued)

The Society's goal is to maintain financial assets to meet 45 days of operating expenses (approximately $500,000). As part of its liquidity plan, excess cash is invested in certificates of deposit and money market accounts.

18. Subsequent Events

The Society has evaluated subsequent events through January 25, 2023, the date which the financial statements were available to be issued.
EL DORADO  117 W. CENTRAL AVE  EL DORADO, KS 67042-0847  316-321-1150
TUCSON  4801 E. BROADWAY BLVD., STE. 501  TUCSON, AZ 85711-3648  520-624-8229
TULSA  4200 E. SKELLY DR., STE. 560  TULSA, OK 74135-3209  918-494-8700
WAGONER  509 S. MCQUARRIE AVE  WAGONER, OK 74467-6223  918-485-5531
WICHITA  300 W. DOUGLAS AVE., STE. 900  WICHITA, KS 67202-2914  316-264-2335