OAR of Fairfax County

Financial Statements
and Independent Auditor's Report

June 30, 2025 and 2024

OAR of Fairfax County

Financial Statements
June 30, 2025 and 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
OAR of Fairfax County

Opinion

We have audited the accompanying financial statements of OAR of Fairfax County ("the Organization"), which comprise the statements of financial position as of June 30, 2025 and 2024; 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 the Organization as of June 30, 2025 and 2024, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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.

Responsibilities of Management for the Financial Statements (continued)

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 the Organization'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 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.

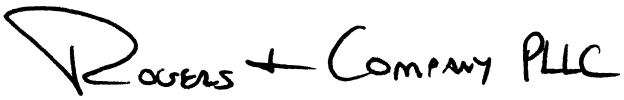
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.

- 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 the Organization's ability to continue as a going concern for a reasonable period of time.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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.



Vienna, Virginia
December 5, 2025

OAR of Fairfax County

Statements of Financial Position
June 30, 2025 and 2024

	2025	2024
Assets		
Cash	$ 205,742	$ 428,693
Investments	11,730	12,469
Grants receivable	132,703	128,246
Prepaid expenses and other assets	9,792	39,780
Property and equipment, net	7,547	14,514
Right-of-use asset – operating lease – equipment	7,364	1,753
Right-of-use asset – operating lease – office sublease	38,943	58,795
Total assets	$ 413,821	$ 684,250
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	$ 46,928	$ 76,478
Notes payable	95,000	-
Lease liability – operating lease – equipment	7,364	1,753
Lease liability – operating lease – office sublease	39,599	58,904
Total liabilities	188,891	137,135
Net Assets		
Without donor restrictions	224,930	547,115
Total net assets	224,930	547,115
Total liabilities and net assets	$ 413,821	$ 684,250

See accompanying notes.

OAR of Fairfax County

Statements of Activities
For the Years Ended June 30, 2025 and 2024

	2025	2024
Revenue and Support Without Donor Restrictions		
Grants and contracts	$ 1,563,397	$ 1,441,262
Contributions	106,729	142,952
Client fees	64,642	61,473
In-kind contributions	153,088	154,486
Investment return, net	(739)	869
Other income	160	131
Net assets released from restrictions	-	18,169
Total revenue and support without donor restrictions	1,887,277	1,819,342
Expenses		
Program services:		
Re-entry and family	869,347	827,085
Alternative sentencing and court	593,814	399,284
Volunteer	204,274	285,200
Diversion	380,043	332,735
Total program services	2,047,478	1,844,304
Supporting services:		
Management and general	148,835	130,435
Fundraising	13,149	19,712
Total supporting services	161,984	150,147
Total expenses	2,209,462	1,994,451
Change in net assets without donor restrictions	(322,185)	(175,109)
Net Assets With Donor Restrictions		
Net assets released from restrictions	-	(18,169)
Change in net assets with donor restrictions	-	(18,169)
Change in Net Assets	(322,185)	(193,278)
Net Assets, beginning of year	547,115	740,393
Net Assets, end of year	$ 224,930	$ 547,115

See accompanying notes.

OAR of Fairfax County

Statement of Functional Expenses
For the Year Ended June 30, 2025

	Program Services					Supporting Services			
	Re-Entry and Family	Alternative Sentencing and Court	Volunteer	Diversion	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Salaries	$ 488,080	$ 333,388	$ 114,685	$ 213,368	$ 1,149,521	$ 50,675	$ -	$ 50,675	$ 1,200,196
Occupancy	58,213	39,763	13,679	25,448	137,103	6,044	-	6,044	143,147
Employee benefits	58,954	40,269	13,853	25,772	138,848	6,121	-	6,121	144,969
Payroll taxes	36,335	24,819	8,538	15,884	85,576	3,773	-	3,773	89,349
Direct assistance	126,391	86,332	29,698	55,253	297,674	13,123	-	13,123	310,797
Insurance	10,970	7,493	2,578	4,796	25,837	1,139	-	1,139	26,976
Meetings and awards	3,202	2,187	752	1,400	7,541	332	-	332	7,873
Equipment and maintenance	2,868	1,959	674	1,254	6,755	298	-	298	7,053
Telecommunications	7,952	5,432	1,869	3,476	18,729	826	-	826	19,555
Accounting	-	-	-	-	-	22,988	-	22,988	22,988
Program supplies and materials	6,864	4,688	1,613	3,001	16,166	713	-	713	16,879
Training	5,880	4,017	1,382	2,571	13,850	611	-	611	14,461
Events and public relations	-	-	-	-	-	-	13,149	13,149	13,149
Information technology	43,693	29,845	10,267	19,101	102,906	4,536	-	4,536	107,442
Office expenses	3,640	2,486	855	1,591	8,572	378	-	378	8,950
Amortization	2,833	1,935	666	1,239	6,673	294	-	294	6,967
Printing and reproduction	864	590	203	378	2,035	90	-	90	2,125
Fees	7,240	4,945	1,701	3,165	17,051	36,336	-	36,336	53,387
Postage and shipping	396	270	93	173	932	41	-	41	973
Dues and subscription	4,793	3,274	1,126	2,095	11,288	498	-	498	11,786
Local travel	179	122	42	78	421	19	-	19	440
Total Expenses	$ 869,347	$ 593,814	$ 204,274	$ 380,043	$ 2,047,478	$ 148,835	$ 13,149	$ 161,984	$ 2,209,462

See accompanying notes.

OAR of Fairfax County

Statement of Functional Expenses
For the Year Ended June 30, 2024

	Program Services					Supporting Services			
	Re-Entry and Family	Alternative Sentencing and Court	Volunteer	Diversion	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Salaries	$ 476,793	$ 230,176	$ 164,411	$ 191,813	$ 1,063,193	$ 43,843	$ -	$ 43,843	$ 1,107,036
Occupancy	60,814	29,358	20,970	24,465	135,607	5,592	-	5,592	141,199
Employee benefits	61,970	29,917	21,369	24,931	138,187	5,698	-	5,698	143,885
Payroll taxes	35,503	17,140	12,243	14,283	79,169	3,265	-	3,265	82,434
Direct assistance	60,555	29,234	20,881	24,361	135,031	5,568	-	5,568	140,599
Insurance	11,400	5,503	3,931	4,586	25,420	1,048	-	1,048	26,468
Meetings and awards	3,767	1,819	1,299	1,515	8,400	346	-	346	8,746
Equipment and maintenance	4,196	2,025	1,446	1,688	9,355	386	-	386	9,741
Telecommunications	9,450	4,562	3,259	3,802	21,073	869	-	869	21,942
Accounting	-	-	-	-	-	21,199	-	21,199	21,199
Program supplies and materials	2,475	1,195	853	996	5,519	228	-	228	5,747
Training	2,572	1,241	887	1,035	5,735	236	-	236	5,971
Events and public relations	-	-	-	-	-	-	19,712	19,712	19,712
Information technology	70,662	34,113	24,366	28,427	157,568	6,498	-	6,498	164,066
Office expenses	5,786	2,793	1,995	2,328	12,902	533	-	533	13,435
Other expenses	258	125	89	104	576	24	-	24	600
Amortization	2,750	1,328	948	1,106	6,132	253	-	253	6,385
Printing and reproduction	1,680	811	579	676	3,746	154	-	154	3,900
Fees	8,027	3,876	2,768	3,229	17,900	33,921	-	33,921	51,821
Postage and shipping	26	12	9	10	57	2	-	2	59
Dues and subscription	7,919	3,823	2,731	3,186	17,659	728	-	728	18,387
Local travel	482	233	166	194	1,075	44	-	44	1,119
Total Expenses	$ 827,085	$ 399,284	$ 285,200	$ 332,735	$ 1,844,304	$ 130,435	$ 19,712	$ 150,147	$ 1,994,451

See accompanying notes.

OAR of Fairfax County

Statements of Cash Flows
For the Years Ended June 30, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Change in net assets	$ (322,185)	$ (193,278)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Unrealized loss (gain) on investments	783	(842)
Amortization of property and equipment	6,967	6,386
Amortization of right-of-use asset – operating lease – equipment	2,772	3,478
Amortization of right-of-use asset – operating lease – office sublease	19,852	3,220
Change in operating assets and liabilities:		
(Increase) decrease in:		
Grants receivable	(4,457)	184,659
Prepaid expenses and other assets	29,988	(5,828)
(Decrease) increase in:		
Accounts payable and accrued expenses	(29,550)	49,989
Refundable advances	-	(76,788)
Lease liability – operating lease – equipment	(2,772)	(3,478)
Lease liability – operating lease – office sublease	(19,305)	(3,111)
Net cash used in operating activities	(317,907)	(35,593)
Cash Flows from Investing Activity		
Purchase of investments	(44)	(28)
Net cash used in investing activity	(44)	(28)
Cash Flows from Financing Activity		
Proceeds from issuance of notes payable	95,000	-
Net cash provided by financing activity	95,000	-
Net Decrease in Cash	(222,951)	(35,621)
Cash, beginning of year	428,693	464,314
Cash, end of year	$ 205,742	$ 428,693
Noncash Transactions Arising from ASC 842 Adoption:		
Establishment of right-of-use asset – operating lease – equipment	$ 8,383	$ -
Establishment of lease liability – operating lease – equipment	$ 8,383	$ -
Establishment of right-of-use asset – operating lease – office sublease	$ -	$ 62,015
Establishment of lease liability – operating lease – office sublease	$ -	$ 61,015

See accompanying notes.

1. Nature of Operations

OAR of Fairfax County ("the Organization") was chartered in May 1971 and incorporated in the Commonwealth of Virginia on September 5, 1973. It is a not-for-profit Section 501(c)(3) organization that provides supportive services for offenders, ex-offenders, and their families who are Northern Virginia residents. Services include assessing clients for their criminogenic needs to determine their risk for recidivism and targeting services to address those needs. Examples include establishing one-to-one relationships between citizen volunteers and inmates, inmate and family support groups, assistance with finding employment, educational and training programs, and emergency financial aid for food, housing, clothing, travel, medical needs, and appropriate referrals. The Organization also provides alternative sentencing programs for the Fairfax County General District Court.

2. Summary of Significant Accounting Policies

Basis of Accounting and Presentation

The Organization's financial statements are prepared on the accrual basis of accounting. Net assets are reported based on the presence or absence of donor-imposed restrictions, as follows:

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

- *Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. The Organization reports grants and contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted grants and contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

2. Summary of Significant Accounting Policies (continued)

Investments

Investments are recorded at fair value based on quoted market prices. All realized and unrealized gains and losses, net of investment fees, are reported in net investment return in the accompanying statements of activities.

Grants Receivable

Grants receivable consist of amounts due to be reimbursed to the Organization for expenses incurred under various grant agreements from both government and private sources. All grants receivable are expected to be collected within one year and are recorded at net realizable value. There was no allowance recognized as management believes all grants receivable are fully collectible at both June 30, 2025 and 2024.

Property and Equipment

Property and equipment with a cost in excess of $2,500 and a projected useful life exceeding one year are capitalized and recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the individual assets, which is three years. Expenditures for repairs and maintenance are expensed as incurred. Donated property and equipment is stated at fair value at the date of donation.

Operating Leases

The Organization determines if an arrangement is a lease at inception. Operating lease is included in right-of-use (ROU) assets, which represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Operating ROU lease assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As the Organization's leases do not provide an implicit rate, the Organization used a risk-free rate based on the information available at the commencement date in determining the present value of lease payments. The ROU assets also include any lease payments made and exclude lease incentives. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition

Revenue Accounted for in Accordance with Contribution Accounting

The Organization recognizes grants and contributions as revenue 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.

Revenue Accounted for as Contracts with Customers

Revenue is recognized when the Organization satisfies a performance obligation by transferring a promised good to, or performing a service for, a customer. The amount of revenue recognized reflects the consideration the Organization expects to receive in exchange for satisfying distinct performance obligations. If a performance obligation does not meet the criteria to be considered distinct, the Organization combines it with other performance obligations until a distinct bundle of goods or services exists. Fees or amounts received in advance of satisfying contractual performance obligations are reflected as deferred revenue in the statements of financial position. Revenue is recognized either over time or at the point in time that contractual obligations are met.

Specifically, for the various types of contracts, the Organization recognizes revenue as follows:

A portion of the Organization's revenue is derived from *cost-reimbursable government grants and contracts,* which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the accompanying statements of financial position. There were no refundable advances at both June 30, 2025 and 2024.

Client fees represent amounts earned from alternative sentencing programs and are recognized when earned which is when the sole performance obligation is satisfied. Any amounts received in advance are deferred until that time.

2. Summary of Significant Accounting Policies (continued)

In-Kind Contributions

The value of contributions that enhance a nonfinancial asset, which are considered specialized and can be estimated, and would have been purchased if not donated, are reflected in the accompanying statements of activities as in-kind contributions. In-kind contributions are recognized as revenue and expense in the accompanying statements of activities at their estimated fair value, as provided by the donor, at the date of receipt.

The Organization also receives a substantial number of services donated by volunteers in carrying out its program services. These donated services are not reflected in the accompanying financial statements since they do not meet the criteria for recognition.

Functional Allocation of Expenses

The costs of program and supporting services 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 programs and supporting services benefited.

Advertising Costs

Advertising costs are expensed as incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through December 5, 2025, the date the financial statements were available to be issued.

3. Liquidity and Availability

The Organization strives to maintain liquid financial assets to be available as its general expenditures, liabilities, and other obligations come due. Management periodically reviews the Organization's liquid asset needs and adjusts the cash balances as necessary. Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following at June 30:

	2025	2024
Cash	$ 205,742	$ 428,693
Investments	11,730	12,469
Grants receivable	132,703	128,246
Total available for general expenditures	$ 350,175	$ 569,408

4. Concentrations of Risk

Credit Risk

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist of cash and investments. The Organization maintains cash deposit and transaction accounts, along with investments, with various financial institutions and these values, from time to time, exceed insurable limits under the Federal Deposit Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC). The Organization has not experienced any credit losses on its cash and investments to date as it relates to FDIC and SIPC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

Revenue Risk

Substantial portions of the Organization's grants and contracts are generated from Fairfax County. For the years ended June 30, 2025 and 2024, the Organization recognized $489,042 and $411,794, respectively, in grants and contracts from this agency. This represents approximately 26% and 23% of total revenue for the years ended June 30, 2025 and 2024, respectively. Any reduction in the level of support from this agency could affect the Organization's program activities.

5. Investments and Fair Value Measurements

Net investment return consists of the following for the years ended June 30:

	2025	2024
Interest and dividends	$ 419	$ 402
Unrealized (loss) gain	(783)	842
Less: investment fees	(375)	(375)
Total investment return, net	$ (739)	$ 869

The Organization follows Financial Accounting Standards Board Accounting Standards Codification 820, *Fair Value Measurements and Disclosures,* for its financial assets. This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

Fair value measurement standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the entity's perceived risk of that instrument.

The inputs used in measuring fair value are categorized into three levels. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and liabilities and have the highest priority. Level 2 is based upon observable inputs other than quoted market prices, and Level 3 is based on unobservable inputs. The Organization recognizes transfers between levels in the fair value hierarchy at the end of the reporting period.

The following is a description of the valuation methodology used for investments measured at fair value:

Equities – Generally valued at quoted prices in active markets.

5. Investments and Fair Value Measurements (continued)

The following table presents the Organization's fair value hierarchy for those assets measured on a recurring basis at June 30:

	Level 1	Level 2	Level 3	Total
2025:				
Equities	$ 11,730	$ -	$ -	$ 11,730
Total investments	$ 11,730	$ -	$ -	$ 11,730
2024:				
Equities	$ 12,469	$ -	$ -	$ 12,469
Total investments	$ 12,469	$ -	$ -	$ 12,469

6. Property and Equipment

Property and equipment consist of the following at June 30:

	2025	2024
Database	$ 20,900	$ 20,900
Less: accumulated amortization	(13,353)	(6,386)
Property and equipment, net	$ 7,547	$ 14,514

7. Notes Payable

During the year ended June 30, 2025, the Organization entered into several short-term promissory note agreements. These notes bear interest at 5% per annum and are payable within one year of issuance. Under the terms of the agreements, the Organization has a one-time option to extend the maturity date for an additional 12 months by providing the lender with 30 days' written notice prior to the original maturity date. As of June 30, 2025, the outstanding balance of these notes was $95,000, which is reported as notes payable in the accompanying statements of financial position.

8. Commitments and Contingencies

Operating Leases

Equipment Lease

The Organization maintained an operating lease for copier equipment, which commenced on June 8, 2021 and expired on June 8, 2025. The terms of the lease called for fixed base monthly payments of $293.

On November 5, 2024, the Organization entered into a new operating lease for copier equipment and is scheduled to expire on November 5, 2029. The terms of the lease call for fixed base monthly payments of $155.

Supplemental qualitative information related to the equipment lease is as follows as of, and for the years ended June 30:

	2025	2024
Operating lease costs	$ 2,998	$ 3,516
Cash paid for amounts included in the measurement of lease liability – operating cash flows	$ 2,998	$ 3,516
ROU asset obtained in exchange for lease obligations	$ 8,383	$ 1,753
Remaining lease term (in years)	4.3	0.5
Discount rate	4.16%	1.04%

Future minimum lease payments for the equipment lease, and reconciliation to the statements of financial position, are as follows at June 30:

2026	$ 1,860
2027	1,860
2028	1,860
2029	1,860
2030	620
Total minimum lease payments	8,060
Less: discount to present value at 4.16%	(696)
Present value of operating lease liability	$ 7,364

8. Commitments and Contingencies (continued)

Operating Leases (continued)

Office Sublease

On April 23, 2024, the Organization entered into a sublease agreement for office space in Virginia. The lease commenced on May 1, 2024 and is scheduled to expire on April 30, 2027. The terms of the lease call for base monthly payments of $1,800 and annual rental increases of 3%.

Supplemental qualitative information related to the office sublease is as follows as of, and for the years ended June 30:

	2025	2024
Operating lease costs	$ 22,254	$ 3,709
Cash paid for amounts included in the measurement of lease liability – operating cash flows	$ 21,708	$ 3,600
ROU asset obtained in exchange for lease obligations	$ -	$ 58,794
Remaining lease term (in years)	1.8	2.8
Discount rate	4.79%	4.79%

Future minimum lease payments for the office sublease, and reconciliation to the statements of financial position, are as follows at June 30:

2026	$ 22,359
2027	19,096
Total minimum lease payments	41,455
Less: discount to present value at 4.79%	(1,856)
Present value of operating lease liability	$ 39,599

8. Commitments and Contingencies (continued)

Government Grants and Contracts

Funds received from federal and local government agencies are subject to audit under the provisions of those grant agreements. The ultimate determination of amounts received under those grant agreements is based upon the allowance of costs reported to and accepted by the oversight agencies. Until such grant agreements are closed out, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability exists.

9. In-Kind Contributions

In-kind contributions consist of donated facilities, goods, and services that benefit both program and supporting services. In-kind contributions consist of the following at June 30:

	2025	2024
Donated facilities	$ 120,893	$ 129,408
Donated goods	4,768	13,745
Donated services	27,427	11,333
Total in-kind contributions	$ 153,088	$ 154,486

10. Allocation of Expenses from Management and General Activities

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Expenses that are allocated include salaries, employee benefits, payroll taxes, professional services, occupancy, office expenses, information technology, and other, which are allocated on the basis of estimates of time and effort.

11. Retirement Plan

The Organization maintains a 403(b)-retirement plan (“the Plan”) in which all employees can participate, but only employees with benefits packages are eligible for a match. The Organization matches employee contributions on a dollar-for-dollar basis up to a maximum of 4% of participant compensation. Total employer contributions under the Plan were $16,385 and $10,420 for the years ended June 30, 2025 and 2024, respectively.

12. Income Taxes

Under Section 501(c)(3) of the Internal Revenue Code (IRC), the Organization is exempt from the payment of taxes on income other than net unrelated business income. No provision for income tax is required for the years ended June 30, 2025 and 2024, as the Organization had no net unrelated business income. Contributions to the Organization are deductible as provided in IRC Section 170(b)(1)(A)(vi).

Management has evaluated the Organization's tax positions and has concluded that the Organization has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.