

AAPD FOUNDATION
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
AAPD Foundation

We have audited the accompanying financial statements of AAPD Foundation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AAPD Foundation as of June 30, 2021 and 2020, 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.

*Martin & Martin
Certified Public Accountants, Ltd.*

Itasca, Illinois
November 12, 2021

AAPD FOUNDATION

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2021 AND 2020

<u>ASSETS</u>	<u>2021</u>	<u>2020</u>
Cash and Equivalents	\$ 494,756	\$ 2,018,585
Unconditional Promises To Give, Less Allowance of \$226,700 in 2021 and \$226,700 in 2020	822,668	822,548
Interest & Dividend Receivable	35,892	38,328
Due From Affiliate	55,825	5,447
Prepaid Expenses	10,297	15,841
Investments	<u>21,084,530</u>	<u>16,341,813</u>
<u>TOTAL ASSETS</u>	<u>\$ 22,503,968</u>	<u>\$ 19,242,562</u>
<u>LIABILITIES</u>		
Accrued Expenses	\$ -	\$ 783,679
Due To Affiliate	185,620	30,584
Deferred Revenue	<u>52,288</u>	<u>42,289</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 237,908</u>	<u>\$ 856,552</u>
<u>NET ASSETS</u>		
Without Donor Restrictions	\$ 20,889,299	\$ 17,009,369
With Donor Restrictions	<u>1,376,761</u>	<u>1,376,641</u>
<u>TOTAL NET ASSETS</u>	<u>\$ 22,266,060</u>	<u>\$ 18,386,010</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 22,503,968</u>	<u>\$ 19,242,562</u>

The accompanying notes are an integral part of these statements.

AAPD FOUNDATION

STATEMENTS OF ACTIVITIES

JUNE 30, 2021 AND 2020

<u>WITHOUT DONOR RESTRICTIONS NET ASSETS</u>	<u>2021</u>	<u>2020</u>
Without Donor Restrictions Revenues:		
Contributions	\$ 374,304	\$ 167,023
Major Gifts and Circle Pledges	215,209	1,131,884
Affiliate Support	52,338	135,073
Net Investment Income	<u>4,530,805</u>	<u>1,062,319</u>
Total Without Donor Restrictions Revenues	\$ 5,172,656	\$ 2,496,299
Net Assets Released from Restrictions	<u>162,691</u>	<u>567,998</u>
Total Without Donor Restrictions Revenues and Releases From Restrictions	<u>\$ 5,335,347</u>	<u>\$ 3,064,297</u>
Expenses:		
Program Services		
Grants and Awards	\$ 661,930	\$ 1,067,518
Grant Making Costs	183,041	227,284
Support Services		
Marketing	196,227	185,085
Fundraising - Contributions	114,833	273,925
Management and General	<u>299,386</u>	<u>1,110,434</u>
Total Expenses	<u>\$ 1,455,417</u>	<u>\$ 2,864,246</u>
Change in Without Donor Restrictions Net Assets	\$ 3,879,930	\$ 200,051
Without Donor Restrictions Net Assets at Beginning of Year	<u>17,009,369</u>	<u>16,809,318</u>
<u>TOTAL WITHOUT DONOR RESTRICTIONS NET ASSETS AT END OF YEAR</u>	<u>\$ 20,889,299</u>	<u>\$ 17,009,369</u>
<u>WITH DONOR RESTRICTIONS NET ASSETS</u>		
Contributions	\$ 1,561	\$ 5,767
Major Gifts and Circle Pledges	161,250	276,083
Net Assets Released from Restrictions	<u>(162,691)</u>	<u>(567,998)</u>
Increase (Decrease) in With Donor Restrictions Net Assets	\$ 120	\$ (286,148)
With Donor Restrictions Net Assets at Beginning of Year	<u>1,376,641</u>	<u>1,662,789</u>
<u>TOTAL WITH DONOR RESTRICTIONS NET ASSETS AT END OF YEAR</u>	<u>\$ 1,376,761</u>	<u>\$ 1,376,641</u>
<u>TOTAL NET ASSETS</u>	<u>\$ 22,266,060</u>	<u>\$ 18,386,010</u>

The accompanying notes are an integral part of these statements.

AAPD FOUNDATION

STATEMENTS OF FUNCTIONAL EXPENSES

JUNE 30, 2021 AND 2020

	2021			
	Programs	Administrative	Fund-Raising	Total
FUNCTIONAL EXPENSES:				
Personnel	\$ 132,761	\$ 102,778	\$ 143,994	\$ 379,533
Services	27,761	154,644	136,203	318,608
Grants	652,083	-	-	652,083
Travel	2,505	6,733	2,389	11,627
Supplies	1,198	311	769	2,278
Occupancy	21,040	16,289	22,821	60,150
Other Operating Expenses	7,623	18,631	4,884	31,138
TOTAL EXPENSES	\$ 844,971	\$ 299,386	\$ 311,060	\$ 1,455,417

	2020			
	Programs	Administrative	Fund-Raising	Total
FUNCTIONAL EXPENSES:				
Personnel	\$ 150,105	\$ 116,205	\$ 162,808	\$ 429,118
Services	46,981	139,874	130,960	317,815
Grants	1,066,917	-	-	1,066,917
Travel	6,386	39,514	61,386	107,286
Supplies	417	2,270	3,086	5,773
Occupancy	23,323	18,998	25,297	67,618
Other Operating Expenses	673	793,573	75,473	869,719
TOTAL EXPENSES	\$ 1,294,802	\$ 1,110,434	\$ 459,010	\$ 2,864,246

The accompanying notes are an integral part of these statements.

AAPD FOUNDATION

STATEMENTS OF CASH FLOWS

JUNE 30, 2021 AND 2020

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	<u>2021</u>	<u>2020</u>
Change in Without Donor Restrictions Net Assets	\$ 3,879,930	\$ 200,051
Change in With Donor Restrictions Net Assets	<u>120</u>	<u>(286,148)</u>
Change in Net Assets	\$ 3,880,050	\$ (86,097)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities		
Bad Debt Expense	-	67,800
Realized (Gain) Loss on Sale of Investments	(1,881,493)	(2,066,584)
Unrealized (Appreciation) of Investments (Increase) Decrease	(2,505,800)	1,214,343
Unconditional Promises to Give	(120)	118,348
Interest and Dividend Receivable	2,436	(11,559)
Prepaid Expenses	5,544	197,379
Due from Affiliate	(50,378)	37,189
Increase (Decrease)		
Accounts Payable	(783,679)	777,509
Due to Affiliate	155,036	(77,798)
Deferred Revenue	<u>9,999</u>	<u>40,000</u>
Net Cash Provided by (Used in) Operating Activities	\$ (1,168,405)	\$ 210,530
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from Sale of Investments	\$ 9,237,811	\$ 17,391,470
Purchase of Investments	<u>(9,593,235)</u>	<u>(16,148,509)</u>
Net Cash Provided by (Used in) Investing Activities	\$ (355,424)	\$ 1,242,961
<u>NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS</u>	\$ (1,523,829)	\$ 1,453,491
Cash and Equivalents at Beginning of Year	<u>2,018,585</u>	<u>565,094</u>
<u>CASH AND EQUIVALENTS AT END OF YEAR</u>	<u>\$ 494,756</u>	<u>\$ 2,018,585</u>

The accompanying notes are an integral part of these statements.

AAPD FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

NATURE OF ORGANIZATION

AAPD Foundation (the Foundation) is a not-for-profit charitable corporation organized to advance the oral health of infants and children, through adolescence, including those with special health care needs. To achieve this the Foundation, through a variety of fund raising mechanisms, shall raise and disburse funds to support service, education, research and related initiatives utilizing the expertise of pediatric dentists.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

The financial statements of the Foundation have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Foundation's management and board of directors.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the Foundation or the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. All contributions are considered available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as increases in with donor restrictions net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in with donor restrictions net assets. When a restriction expires, with donor restrictions net assets are released to without donor restrictions net assets. Receipts and expenditures relating to the silent auction and continuing education courses are reported in the period the event takes place. Expenses are recorded when incurred.

The Foundation uses the allowance method to account for uncollectible unconditional promises to give. The allowance is based on prior years' experience and management's analysis of specific promises.

The carrying amounts for cash and equivalents in the statement of financial position approximate fair value because of the short maturities of those investments. For purposes of the statement of cash flows, cash equivalents include all temporary investments purchased with a maturity of three months or less.

AAPD FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Foundation maintains their cash and equivalents either in a local financial institution or in nationally known mutual fund money market. The balances in the financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The FDIC does not cover the balances in the mutual fund money markets.

The investments of the Foundation are reported at fair value. The fair value of a financial instrument is the amount that would be received to sell that asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date (the exit price).

Purchases and sales of the investments are reflected on a trade-date basis.

Dividend income is recorded on the ex-dividend date. Interest income is recorded on an accrual basis.

The Foundation receives corporate sponsorships in which revenue is recognized when earned.

Fee-for-service revenue consists of tuition for the Advanced Leadership Institute deemed to be in exchange for the benefits of the services provided by the Foundation and is recorded as revenue in the period the services are provided. Tuition fees received in advance of the period of services provided are recorded as deferred revenue.

Deferred revenue consists primarily of funds provided from the Academy in advance of services performed related to a grant agreement. The Foundation also receives fees from individuals prior to attendance at Advanced Leadership Institute sessions. Such amounts are recorded as revenues when the related services are performed.

The presentation 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.

Functional allocation of expenses – The costs of providing programs and other activities have been summarized on a functional basis in the statement of functional expenses. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated and consistently applied include personnel, services, travel, supplies, occupancy and other expenses, which are allocated based on employee hours for specific individuals. The remaining expenses are direct costs of the program and other activities.

The Foundation follows the practice of capitalizing, at cost, all expenditure for property and equipment. Depreciation is computed on a straight-line method over the useful life of the asset. At June 30, 2021, the Foundation has \$52,000 of fully depreciated software.

Certain accounts in the 2020 financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

SUBSEQUENT EVENTS

Subsequent events were evaluated through November 12, 2021, which is the date the financial statements were available to be issued.

AAPD FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

FEDERAL INCOME TAX

The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation but is an organization described in Section 509(a)(1) and Section 170(b)(1)(A)(vi). During the years ended June 30, 2021 and 2020, the Foundation did not have any unrelated business income or any uncertain tax positions that are material to the financial statements. The Foundation files Form 990, *Return of Organizations Exempt from Tax*, with the Internal Revenue Service (IRS). The Foundation's returns are subject to examination until the applicable statute of limitations expires.

UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consist of the following:

	<u>2021</u>	<u>2020</u>
Unconditional Promises to Give	\$ 1,086,323	\$ 1,091,993
Less: Allowance for Doubtful Accounts	(226,700)	(226,700)
Unamortized Discount	<u>(36,955)</u>	<u>(42,745)</u>
 Total Unconditional Promises to Give	 <u>\$ 822,668</u>	 <u>\$ 822,548</u>
 Amounts due in:		
Less than One Year	520,941	528,818
One to Five Years	560,532	555,175
More than Five Years	<u>4,850</u>	<u>8,000</u>
 Total Unconditional Promises to Give	 <u>\$ 1,086,323</u>	 <u>\$ 1,091,993</u>

Discount rates ranged from 0.29 percent to 2.74 percent for 2021 and 2020.

AAPD FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

INVESTMENTS

Investments are stated at fair value and are comprised of the following:

<u>June 30, 2021</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cumulative Unrealized Appreciation (Depreciation)</u>
Fixed Income Securities	\$ 5,505,294	\$ 5,631,655	\$ 126,361
Equity Securities	<u>9,585,620</u>	<u>15,452,875</u>	<u>5,867,255</u>
Total	<u>\$ 15,090,914</u>	<u>\$ 21,084,530</u>	<u>\$ 5,993,616</u>
<u>June 30, 2020</u>			
Fixed Income Securities	\$ 5,506,512	\$ 5,617,545	\$ 111,033
Equity Securities	<u>7,347,484</u>	<u>10,724,268</u>	<u>3,376,784</u>
Total	<u>\$ 12,853,996</u>	<u>\$ 16,341,813</u>	<u>\$ 3,487,817</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the years ended June 30, 2021 and 2020, respectively:

	<u>Without Donor Restrictions</u>	
	<u>2021</u>	<u>2020</u>
Investment Income	\$ 230,894	\$ 301,774
Realized Gain on Sale of Investments	1,881,493	2,066,584
Unrealized Gain (Loss) on Investments	2,505,800	(1,214,343)
Investment Expenses	<u>(87,382)</u>	<u>(91,696)</u>
Net Investment Income	<u>\$ 4,530,805</u>	<u>\$ 1,062,319</u>

AAPD FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

WITH DONOR RESTRICTIONS NET ASSETS

With donor restrictions net assets at June 30, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Time Restricted	\$ 822,668	\$ 822,548
Purpose Restricted:		
Head Start Program	174,238	174,238
Advanced Leadership	<u>379,855</u>	<u>379,855</u>
Total With Donor Restrictions Net Assets	\$ <u>1,376,761</u>	\$ <u>1,376,641</u>

During the year ended June 30, 2021, \$162,691 of with donor restrictions net assets was released from restriction of which \$162,691 was time restricted. During the year ended June 30, 2020, \$567,998 of with donor restrictions net assets was released from restriction of which \$100,000 was purpose restricted and \$467,998 was time restricted.

RELATED PARTY TRANSACTIONS

The American Academy of Pediatric Dentistry (the "Academy") and the AAPD Foundation (the "Foundation") is related through common management. The Academy provided in-kind office space and staff to the Foundation for the year ended June 30, 2021 of \$52,338 and \$135,073 in 2020. Employees of the Academy make contributions to the Foundation.

AVAILABILITY AND LIQUIDITY

Liquidity expected to be available to meet cash needs for general expenditures within one year, without contractual or donor restrictions consists of the following:

Financial Assets at Year End:	<u>2021</u>	<u>2020</u>
Cash and Equivalents	\$ 494,756	\$ 2,018,585
Unconditional Promises to Give, Net	822,668	822,548
Interest and Dividends Receivable	35,892	38,328
Investments	<u>21,084,530</u>	<u>16,341,813</u>
Total Financial Assets	22,437,846	19,221,274
Less Amounts Not Available to be Used Within One Year:		
Donor Advised Investments	5,755,160	4,285,982
Unconditional Promises Collected Not Within One Year	<u>565,382</u>	<u>563,175</u>
Total Not Available to be Used Within One Year	<u>6,320,542</u>	<u>4,849,157</u>
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	\$ <u>16,117,304</u>	\$ <u>14,372,117</u>

AAPD FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

FAIR VALUE MEASUREMENTS

The *Fair Value Measurements and Disclosures* Topic of the FASB Accounting Standards Codification established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Basis of Fair Value Measurement

Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities
Level 2	Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly
Level 3	Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable

The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level within the fair value hierarchy the Foundation's investment assets at fair value as of June 30, 2021 and 2020. As required, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Foundation had no investment assets at fair value classified within Level 3 at June 30, 2021 and 2020.

AAPD FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

	<u>Fair Value Measurements at 6/30/21 Using</u>			
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<u>Total</u>			
Mutual Funds				
Equity Funds	\$ 4,773,334	\$ 4,773,334	\$ -	\$ -
Exchange Traded Funds	57,472	57,472	-	-
Fixed Income	<u>3,726,560</u>	<u>3,726,560</u>	-	-
Total Mutual Funds	8,557,366	8,557,366	-	-
Common Stock	9,870,857	9,870,857	-	-
Real Estate Investment Trust	751,209	751,209	-	-
U.S. Government Obligation	881,127	881,127	-	-
Corporate Fixed Income	<u>1,023,971</u>	-	<u>1,023,971</u>	-
Total	\$ <u>21,084,530</u>	\$ <u>20,060,559</u>	\$ <u>1,023,971</u>	\$ <u>-</u>

	<u>Fair Value Measurements at 6/30/20 Using</u>			
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<u>Total</u>			
Mutual Funds				
Equity Funds	\$ 2,246,510	\$ 2,246,510	\$ -	\$ -
Exchange Traded Funds	67,797	67,797	-	-
Fixed Income	<u>3,389,936</u>	<u>3,389,936</u>	-	-
Total Mutual Funds	5,704,243	5,704,243	-	-
Common Stock	8,010,050	8,010,050	-	-
Real Estate Investment Trust	399,912	399,912	-	-
U.S. Government Obligation	953,964	953,964	-	-
Corporate Fixed Income	<u>1,273,644</u>	-	<u>1,273,644</u>	-
Total	\$ <u>16,341,813</u>	\$ <u>15,068,169</u>	\$ <u>1,273,644</u>	\$ <u>-</u>

AAPD FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

FAIR VALUE MEASUREMENTS (CONTINUED)

Level 1 Measurements

Common stock and most U.S. Government obligations are traded in active markets on national and international securities exchanges and are valued at closing prices on the last business day of each period presented.

The fair value of the mutual funds is determined by reference to the funds' underlying assets, which are principally marketable equity and fixed income securities. Shares held in mutual funds are traded on national securities exchanges and are valued at the net asset value as of the last business day of each year.

Level 2 Measurements

Corporate fixed income securities are generally valued by benchmarking model-derived prices to quoted market prices and trade data for identical or comparable securities. To the extent that quoted prices are not available, fair value is determined based on a valuation model that includes inputs such as interest rate yield curves and credit spreads. Securities traded in markets that are not considered active are valued based on quoted market prices, broker or dealer quotations, or alternative pricing sources with reasonable levels of price transparency. Securities that trade infrequently and therefore have little or no price transparency are valued using the investment manager's best estimates.

The fair value of the Organization's investments in corporate fixed income bonds was \$1,023,971 and \$1,273,644 at June 30, 2021 and 2020, respectively. For the years ended June 30, 2021 and 2020, these bonds had a weighted-average coupon rate of 3.251% and 3.140% and weighted-average maturity of 3.60 and 4.26, years, respectively.

COMMITMENTS

The Foundation has entered into contracts for services and accommodations for future seminars. These contracts may include penalty clauses which would require the payment of certain amounts if events were to be canceled or guarantees for room blocks are not fulfilled.

The Foundation enters into agreements with organizations to help children receive the proper dental care they need. These agreements are conditional on completion of future events and requirements, and represents future disbursements. The Foundation is committed to the following disbursements provided future conditions are met:

Year ending June 30,	
2022	42,000
2023	<u>68,000</u>
	<u>\$110,000</u>