EMERGENCY NURSES ASSOCIATION AND AFFILIATE

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2021 AND 2020
## Financial Statements

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**Emergency Nurses Association**

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**ENA Foundation**

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INDEPENDENT AUDITOR’S REPORT

To the Finance Committee
of Emergency Nurses Association

Opinion

We have audited the accompanying consolidated financial statements of Emergency Nurses Association and Affiliate (nonprofit organizations), which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, financial statements).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Emergency Nurses Association and Affiliate as of December 31, 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.

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 Emergency Nurses Association and Affiliate and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Emergency Nurses Association and Affiliate’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 Emergency Nurses Association and Affiliate'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 Emergency Nurses Association and Affiliate's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information presented on pages 28 - 38 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

PKF Mueller

Elgin, Illinois
July 22, 2022
# Consolidated Statements of Financial Position

**December 31, 2021 and 2020**

## Assets

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,425,562</td>
<td>1,560,378</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>1,435,075</td>
<td>1,644,616</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>18,412</td>
<td>16,909</td>
</tr>
<tr>
<td>Other receivables</td>
<td>67,184</td>
<td>74,053</td>
</tr>
<tr>
<td>Current portion of mortgage receivable</td>
<td>62,345</td>
<td>60,251</td>
</tr>
<tr>
<td>Inventory</td>
<td>54,522</td>
<td>34,986</td>
</tr>
<tr>
<td>Current portion of prepaid expenses</td>
<td>649,321</td>
<td>957,577</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>3,712,421</td>
<td>4,348,770</td>
</tr>
<tr>
<td><strong>Property and equipment, net</strong></td>
<td>12,082,265</td>
<td>11,885,260</td>
</tr>
<tr>
<td><strong>Prepaid expenses, net of current portion</strong></td>
<td>563,151</td>
<td>-</td>
</tr>
<tr>
<td><strong>Mortgage receivable, net of current portion</strong></td>
<td>1,751,404</td>
<td>1,813,749</td>
</tr>
<tr>
<td><strong>Investments</strong></td>
<td>25,267,700</td>
<td>20,827,589</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$ 43,376,941</td>
<td>$ 38,875,368</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of the consolidated financial statements.
EMERGENCY NURSES ASSOCIATION AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$ 728,160</td>
<td>321,627</td>
</tr>
<tr>
<td>Wages and benefits payable</td>
<td>1,114,853</td>
<td>554,371</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>459,297</td>
<td>465,904</td>
</tr>
<tr>
<td>Credits on customer accounts</td>
<td>48,295</td>
<td>76,741</td>
</tr>
<tr>
<td>Assessments payable</td>
<td>741,500</td>
<td>822,900</td>
</tr>
<tr>
<td>Line of credit</td>
<td>-</td>
<td>1,099,209</td>
</tr>
<tr>
<td>Current portion of deferred revenue</td>
<td>2,569,221</td>
<td>2,676,587</td>
</tr>
<tr>
<td>Current portion of bond payable</td>
<td>337,859</td>
<td>337,586</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>5,999,185</td>
<td>6,354,925</td>
</tr>
</tbody>
</table>

| **Long-term liabilities:** |                 |                 |
| Line of credit           | 1,099,209       | -               |
| Interest rate swap agreement | 705,820         | 1,209,973       |
| Deferred revenue, net of current portion | 1,328,824       | 1,284,361       |
| Bond payable, net of current portion | 8,535,073       | 8,872,932       |
| **Total long-term liabilities** | 11,668,926      | 11,367,266      |
| **Total liabilities**    | 17,668,111      | 17,722,191      |

| **Net assets:** |                 |                 |
| Without donor restrictions: |                 |                 |
| Undesignated            | 20,831,482      | 17,033,882      |
| Board-designated        | 2,649,255       | 2,444,174       |
| **Total without donor restrictions** | 23,480,737      | 19,478,056      |
| With donor restrictions | 2,228,093       | 1,675,121       |
| **Total net assets**    | 25,708,830      | 21,153,177      |
| **Total liabilities and net assets** | $ 43,376,941    | 38,875,368      |

The accompanying notes are an integral part of the consolidated financial statements.
EMERGENCY NURSES ASSOCIATION AND AFFILIATE
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2021 AND 2020

<table>
<thead>
<tr>
<th>Support and revenue:</th>
<th>WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
<th>WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Courses</td>
<td>$14,625,186</td>
<td>-</td>
<td>14,625,186</td>
<td>12,137,728</td>
<td>-</td>
<td>12,137,728</td>
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<tr>
<td>Membership dues</td>
<td>4,802,544</td>
<td>-</td>
<td>4,802,544</td>
<td>4,583,459</td>
<td>-</td>
<td>4,583,459</td>
</tr>
<tr>
<td>Conferences</td>
<td>845,318</td>
<td>-</td>
<td>845,318</td>
<td>867,804</td>
<td>-</td>
<td>867,804</td>
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<tr>
<td>Publications</td>
<td>583,347</td>
<td>-</td>
<td>583,347</td>
<td>584,984</td>
<td>-</td>
<td>584,984</td>
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<tr>
<td>Marketplace</td>
<td>418,567</td>
<td>-</td>
<td>418,567</td>
<td>506,938</td>
<td>-</td>
<td>506,938</td>
</tr>
<tr>
<td>Sponsorships</td>
<td>296,300</td>
<td>-</td>
<td>296,300</td>
<td>278,250</td>
<td>-</td>
<td>278,250</td>
</tr>
<tr>
<td>Royalties</td>
<td>214,572</td>
<td>-</td>
<td>214,572</td>
<td>155,369</td>
<td>-</td>
<td>155,369</td>
</tr>
<tr>
<td>Other</td>
<td>192,629</td>
<td>-</td>
<td>192,629</td>
<td>256,654</td>
<td>-</td>
<td>256,654</td>
</tr>
<tr>
<td>Grants</td>
<td>83,011</td>
<td>-</td>
<td>83,011</td>
<td>181,735</td>
<td>-</td>
<td>181,735</td>
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<tr>
<td>Paycheck Protection Program grant revenue</td>
<td>1,938,315</td>
<td>-</td>
<td>1,938,315</td>
<td>1,938,315</td>
<td>-</td>
<td>1,938,315</td>
</tr>
<tr>
<td>Special event revenue, net of direct expenses</td>
<td>9,276</td>
<td>-</td>
<td>9,276</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mailing lists</td>
<td>31,633</td>
<td>-</td>
<td>31,633</td>
<td>3,960</td>
<td>-</td>
<td>3,960</td>
</tr>
<tr>
<td>Contributions</td>
<td>322,304</td>
<td>603,575</td>
<td>925,879</td>
<td>193,892</td>
<td>450,342</td>
<td>644,234</td>
</tr>
<tr>
<td>Donated services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>75,000</td>
<td>-</td>
<td>75,000</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>269,842</td>
<td>(269,842)</td>
<td>-</td>
<td>261,351</td>
<td>(261,351)</td>
<td>-</td>
</tr>
<tr>
<td>Total support and revenue</td>
<td>24,632,844</td>
<td>333,733</td>
<td>24,966,577</td>
<td>22,025,439</td>
<td>188,991</td>
<td>22,214,430</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses:</th>
<th>WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
<th>WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programs, grants, and scholarships</td>
<td>15,361,958</td>
<td>-</td>
<td>15,361,958</td>
<td>14,680,961</td>
<td>-</td>
<td>14,680,961</td>
</tr>
<tr>
<td>Supporting services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>7,722,288</td>
<td>-</td>
<td>7,722,288</td>
<td>7,095,121</td>
<td>-</td>
<td>7,095,121</td>
</tr>
<tr>
<td>Fundraising and development</td>
<td>89,446</td>
<td>-</td>
<td>89,446</td>
<td>81,201</td>
<td>-</td>
<td>81,201</td>
</tr>
<tr>
<td>Total supporting services</td>
<td>7,811,734</td>
<td>-</td>
<td>7,811,734</td>
<td>7,176,322</td>
<td>-</td>
<td>7,176,322</td>
</tr>
<tr>
<td>Total expenses</td>
<td>23,173,692</td>
<td>-</td>
<td>23,173,692</td>
<td>21,857,283</td>
<td>-</td>
<td>21,857,283</td>
</tr>
<tr>
<td>Change in net assets - before other income</td>
<td>1,459,152</td>
<td>333,733</td>
<td>1,792,885</td>
<td>168,156</td>
<td>188,991</td>
<td>357,147</td>
</tr>
</tbody>
</table>

Other income (expense)

| Interest expense                          | (362,841)                  | -                       | (362,841) | (378,564)                | -                       | (378,564) |
| Investment return, net                    | 2,402,217                  | 219,239                 | 2,621,456 | 1,915,759                | 169,839                  | 2,085,598 |
| Gain (loss) on interest rate swap agreement | 504,153                   | -                       | 504,153 | (497,536)              | -                       | (497,536) |
| Loss on disposal of property held for sale | -                         | -                       | -      | (450,000)              | -                       | (450,000) |
| Total other income                        | 2,543,529                  | 219,239                 | 2,762,768 | 589,659                | 169,839                  | 759,498 |
| Change in net assets                      | 4,002,681                  | 552,972                 | 4,555,653 | 757,815                | 358,830                  | 1,116,645 |
| Net assets, beginning of year             | 19,478,056                 | 1,675,121               | 21,153,177 | 18,720,241          | 1,316,291               | 20,036,532 |
| Net assets, end of year                   | $ 23,480,737               | 2,228,093               | 25,708,830 | 19,478,056          | 1,675,121               | 21,153,177 |

The accompanying notes are an integral part of the consolidated financial statements.
## SUPPORTING SERVICES

<table>
<thead>
<tr>
<th>Programs, Grants, and Scholarships</th>
<th>Management and General</th>
<th>Fundraising and Development</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Payroll expenses:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>$5,662,669</td>
<td>3,300,382</td>
<td>8,963,051</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>1,072,241</td>
<td>613,410</td>
<td>1,685,651</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>426,189</td>
<td>233,469</td>
<td>659,658</td>
</tr>
<tr>
<td><strong>Total payroll expenses</strong></td>
<td>7,161,099</td>
<td>4,147,261</td>
<td>11,308,360</td>
</tr>
<tr>
<td><strong>Operating expenses:</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Advertising and promotion</td>
<td>116,423</td>
<td>720</td>
<td>121,191</td>
</tr>
<tr>
<td>Bank charges and credit card processing fees</td>
<td>-</td>
<td>413,239</td>
<td>414,652</td>
</tr>
<tr>
<td>Discount on sales</td>
<td>112,395</td>
<td>-</td>
<td>112,395</td>
</tr>
<tr>
<td>Bad debt expense</td>
<td>49,209</td>
<td>20</td>
<td>49,229</td>
</tr>
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<td>Computer</td>
<td>198,429</td>
<td>1,012,227</td>
<td>1,219,151</td>
</tr>
<tr>
<td>Conferences</td>
<td>592,822</td>
<td>226,844</td>
<td>820,666</td>
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<tr>
<td>Cost of goods sold</td>
<td>1,413,308</td>
<td>-</td>
<td>1,413,308</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>375,590</td>
<td>128,237</td>
<td>515,625</td>
</tr>
<tr>
<td>Fulfillment and warehousing services</td>
<td>217,472</td>
<td>-</td>
<td>217,472</td>
</tr>
<tr>
<td>Grants and scholarships</td>
<td>412,111</td>
<td>-</td>
<td>412,111</td>
</tr>
<tr>
<td>Insurance</td>
<td>74,399</td>
<td>47,220</td>
<td>121,619</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>104,234</td>
<td>66,175</td>
<td>170,409</td>
</tr>
<tr>
<td>Postage, freight, and shipping</td>
<td>286,543</td>
<td>3,761</td>
<td>294,532</td>
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<td>Printing</td>
<td>227,012</td>
<td>8,023</td>
<td>235,310</td>
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<td>Professional services</td>
<td>868,115</td>
<td>710,664</td>
<td>1,588,779</td>
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<tr>
<td>Promotion/advocacy</td>
<td>-</td>
<td>1,291</td>
<td>1,291</td>
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<tr>
<td>Provision for UBIT</td>
<td>11,869</td>
<td>-</td>
<td>11,869</td>
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<tr>
<td>Public relations</td>
<td>11,701</td>
<td>944</td>
<td>12,645</td>
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<tr>
<td>Recruitment fees</td>
<td>80</td>
<td>82,111</td>
<td>82,191</td>
</tr>
<tr>
<td>Stipends</td>
<td>117,700</td>
<td>142,000</td>
<td>259,700</td>
</tr>
<tr>
<td>Supplies and equipment</td>
<td>53,603</td>
<td>94,094</td>
<td>147,697</td>
</tr>
<tr>
<td>Temporary workers</td>
<td>80,639</td>
<td>17,426</td>
<td>98,065</td>
</tr>
<tr>
<td>Training</td>
<td>46,101</td>
<td>144,234</td>
<td>190,335</td>
</tr>
<tr>
<td>Travel</td>
<td>61,825</td>
<td>151,372</td>
<td>213,197</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>5,431,580</td>
<td>3,250,602</td>
<td>8,682,182</td>
</tr>
<tr>
<td><strong>Occupancy expenses:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building maintenance</td>
<td>97,034</td>
<td>60,852</td>
<td>164,886</td>
</tr>
<tr>
<td>Depreciation</td>
<td>140,203</td>
<td>87,924</td>
<td>228,127</td>
</tr>
<tr>
<td>Insurance</td>
<td>7,223</td>
<td>4,530</td>
<td>11,753</td>
</tr>
<tr>
<td>Real estate taxes</td>
<td>184,436</td>
<td>115,663</td>
<td>300,100</td>
</tr>
<tr>
<td>Rent</td>
<td>41,486</td>
<td>28,829</td>
<td>70,315</td>
</tr>
<tr>
<td>Telephone</td>
<td>1,242</td>
<td>779</td>
<td>2,021</td>
</tr>
<tr>
<td>Utilities</td>
<td>41,217</td>
<td>25,848</td>
<td>67,065</td>
</tr>
<tr>
<td><strong>Total occupancy expenses</strong></td>
<td>512,841</td>
<td>324,425</td>
<td>837,266</td>
</tr>
<tr>
<td><strong>Assessment expenses:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State/chapter membership dues</td>
<td>531,398</td>
<td>-</td>
<td>531,398</td>
</tr>
<tr>
<td>ENPC/TNCC</td>
<td>1,725,040</td>
<td>-</td>
<td>1,725,040</td>
</tr>
<tr>
<td><strong>Total assessment expenses</strong></td>
<td>2,256,438</td>
<td>-</td>
<td>2,256,438</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>$15,361,958</td>
<td>7,722,288</td>
<td>23,173,692</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of the consolidated financial statements.
## EMERGENCY NURSES ASSOCIATION AND AFFILIATE
### CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
#### YEAR ENDED DECEMBER 31, 2020

<table>
<thead>
<tr>
<th>SUPPORTING SERVICES</th>
<th>PROGRAMS, GRANTS, AND SCHOLARSHIPS</th>
<th>MANAGEMENT AND GENERAL</th>
<th>FUNDRAISING AND DEVELOPMENT</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>$5,416,146</td>
<td>3,189,000</td>
<td>-</td>
<td>8,605,146</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>743,590</td>
<td>433,757</td>
<td>-</td>
<td>1,177,347</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>401,152</td>
<td>218,721</td>
<td>-</td>
<td>619,873</td>
</tr>
<tr>
<td>Total payroll expenses</td>
<td>6,560,888</td>
<td>3,841,478</td>
<td>-</td>
<td>10,402,366</td>
</tr>
<tr>
<td>Operating expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advertising and promotion</td>
<td>106,572</td>
<td>251</td>
<td>2,389</td>
<td>109,212</td>
</tr>
<tr>
<td>Bank charges and credit card processing fees</td>
<td>-</td>
<td>361,651</td>
<td>909</td>
<td>362,560</td>
</tr>
<tr>
<td>Discount on sales</td>
<td>142,192</td>
<td>-</td>
<td>-</td>
<td>142,192</td>
</tr>
<tr>
<td>Bad debt expense</td>
<td>35,160</td>
<td>-</td>
<td>-</td>
<td>35,160</td>
</tr>
<tr>
<td>Computer</td>
<td>223,389</td>
<td>780,161</td>
<td>-</td>
<td>1,003,550</td>
</tr>
<tr>
<td>Conferences</td>
<td>627,462</td>
<td>91,741</td>
<td>850</td>
<td>720,053</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>1,343,693</td>
<td>-</td>
<td>-</td>
<td>1,343,693</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>359,425</td>
<td>117,967</td>
<td>11,722</td>
<td>489,114</td>
</tr>
<tr>
<td>Fulfillment and warehousing services</td>
<td>210,333</td>
<td>-</td>
<td>-</td>
<td>210,333</td>
</tr>
<tr>
<td>Grants and scholarships</td>
<td>711,970</td>
<td>2,640</td>
<td>-</td>
<td>714,610</td>
</tr>
<tr>
<td>Insurance</td>
<td>57,912</td>
<td>46,494</td>
<td>-</td>
<td>104,406</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>31,958</td>
<td>69,565</td>
<td>-</td>
<td>101,523</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>5,638,284</td>
<td>2,924,058</td>
<td>48,989</td>
<td>8,611,331</td>
</tr>
<tr>
<td>Occupancy expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building maintenance</td>
<td>114,796</td>
<td>71,991</td>
<td>7,783</td>
<td>194,570</td>
</tr>
<tr>
<td>Depreciation</td>
<td>135,870</td>
<td>85,207</td>
<td>9,212</td>
<td>230,289</td>
</tr>
<tr>
<td>Insurance</td>
<td>12,537</td>
<td>7,862</td>
<td>850</td>
<td>21,249</td>
</tr>
<tr>
<td>Real estate taxes</td>
<td>155,014</td>
<td>97,212</td>
<td>10,509</td>
<td>262,735</td>
</tr>
<tr>
<td>Rent</td>
<td>45,514</td>
<td>31,629</td>
<td>-</td>
<td>77,143</td>
</tr>
<tr>
<td>Telephone</td>
<td>2,622</td>
<td>1,645</td>
<td>178</td>
<td>4,445</td>
</tr>
<tr>
<td>Utilities</td>
<td>54,278</td>
<td>34,039</td>
<td>3,680</td>
<td>91,997</td>
</tr>
<tr>
<td>Total occupancy expenses</td>
<td>520,631</td>
<td>329,585</td>
<td>32,212</td>
<td>882,428</td>
</tr>
<tr>
<td>Assessment expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State/chapter membership dues</td>
<td>543,738</td>
<td>-</td>
<td>-</td>
<td>543,738</td>
</tr>
<tr>
<td>ENPC/TNCC</td>
<td>1,417,420</td>
<td>-</td>
<td>-</td>
<td>1,417,420</td>
</tr>
<tr>
<td>Total assessment expenses</td>
<td>1,961,158</td>
<td>-</td>
<td>-</td>
<td>1,961,158</td>
</tr>
<tr>
<td>Total expenses</td>
<td>$14,680,961</td>
<td>7,095,121</td>
<td>81,201</td>
<td>21,857,283</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of the consolidated financial statements.
EMERGENCY NURSES ASSOCIATION AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash provided (used) by operating activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$4,555,653</td>
<td>$1,116,645</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization of property and equipment</td>
<td>746,011</td>
<td>711,884</td>
</tr>
<tr>
<td>Amortization of debt issuance costs</td>
<td>7,246</td>
<td>7,519</td>
</tr>
<tr>
<td>(Gain) loss on interest rate swap agreement</td>
<td>(504,153)</td>
<td>497,536</td>
</tr>
<tr>
<td>Loss on disposal of property held for sale</td>
<td>-</td>
<td>450,000</td>
</tr>
<tr>
<td>Provision for doubtful accounts</td>
<td>20,641</td>
<td>44,425</td>
</tr>
<tr>
<td>Realized and unrealized gain on investments</td>
<td>(1,880,247)</td>
<td>(1,633,845)</td>
</tr>
<tr>
<td>Contributions restricted for investment in endowments</td>
<td>(261,912)</td>
<td>(63,104)</td>
</tr>
<tr>
<td>Changes in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>188,900</td>
<td>107,493</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>(1,503)</td>
<td>(186)</td>
</tr>
<tr>
<td>Other receivables</td>
<td>6,869</td>
<td>26,865</td>
</tr>
<tr>
<td>Inventory</td>
<td>(19,536)</td>
<td>15,566</td>
</tr>
<tr>
<td>Prepaid expenses and other current assets</td>
<td>(254,895)</td>
<td>(13,929)</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>406,533</td>
<td>(452,119)</td>
</tr>
<tr>
<td>Wages and benefits payable</td>
<td>560,482</td>
<td>(390,534)</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>(6,607)</td>
<td>(146,701)</td>
</tr>
<tr>
<td>Credits on customer accounts</td>
<td>(28,446)</td>
<td>(154,169)</td>
</tr>
<tr>
<td>Assessments payable</td>
<td>(81,400)</td>
<td>(507,239)</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>(62,903)</td>
<td>198,756</td>
</tr>
</tbody>
</table>

Net cash provided (used) by operating activities | $3,390,733    | $(327,717)    |

**Cash provided (used) by investing activities:**

| Purchases of property and equipment | (943,016)     | (330,272)     |
| Payments received on mortgage receivable | 60,251       | 126,000       |
| Purchase of investments             | (3,934,051)   | (3,506,307)   |
| Proceeds from sale and maturities of investments | 1,374,187    | 4,138,966     |

Net cash provided (used) by investing activities | $(3,442,629)  | 428,387       |

**Cash provided (used) by financing activities:**

| Collections of contributions restricted for investment in endowments | 261,912       | 63,104        |
| Payments on bonds payable                                             | (344,832)     | (344,832)     |

Net cash used by financing activities | $(82,920)     | $(281,728)    |

Net decrease in cash and cash equivalents | $(134,816)    | (181,058)     |

Cash and cash equivalents, beginning of year | $1,560,378    | 1,741,436     |

Cash and cash equivalents, end of year | $1,425,562    | 1,560,378     |

Noncash investing transactions:

| Mortgage receivable from sale of property held for sale | $ -           | 2,000,000     |

Other cash flow information:

| Interest paid                                           | $362,841      | 378,564       |
| Income taxes paid                                       | $5,000        | 5,849         |

The accompanying notes are an integral part of the consolidated financial statements.
NOTE 1 - NATURE OF OPERATIONS

Emergency Nurses Association and Affiliate (Association) consists of Emergency Nurses Association (ENA) and ENA Foundation (ENAF).

ENA is a not-for-profit, professional association whose mission is to advocate for patient safety and excellence in emergency nursing practice. ENA, whose national headquarters is located in Schaumburg, Illinois, was founded in 1970. Paid membership is approximately 40,900.

ENAF was established in 1991 to operate exclusively for charitable, educational, and scientific purposes relating to emergency nursing. ENAF activities benefit emergency nurses, patients, and the public through provision of undergraduate, advance practice, doctoral, and continuing education scholarships and research grants.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations (U.S. GAAP).

Principles of Consolidation

The accompanying consolidated financial statements (collectively, financial statements) include the accounts of ENA and ENAF. The sole voting member of ENAF is ENA. Since ENA has control of the ENAF Board of Directors (ENAF Board), U.S. GAAP requires that the financial position and activities of both organizations be consolidated. All significant interorganizational transactions and balances have been eliminated in consolidation.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Association considers all highly liquid instruments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable consists of amounts due from Trauma Nursing Core Courses (TNCC), Emergency Nursing Pediatric Courses (ENPC), the sale of advertising space in various ENA publications, and royalty arrangements with vendors for ENA educational offerings. Management reviews the aging of the course receivables to determine the level of allowance for doubtful accounts to establish against the course receivables. As of December 31, 2021 and 2020, the allowance for doubtful accounts was $173,216 and $152,575, respectively. No allowance was deemed necessary for non-course receivables as of December 31, 2021 and 2020.
NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Inventory

Inventory, which consists of course manuals and ENA merchandise, is carried at the lower of cost or net realizable value with cost being determined by the first-in, first-out (FIFO) method. As of December 31, 2021 and 2020, no allowance for obsolete or excess inventory was recorded.

Property and Equipment

Property and equipment have been recorded at cost if purchased or at fair value at time of donation if received as a gift. The Association capitalizes property and equipment over $5,000 that have a useful life of more than one year. Depreciation and amortization of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed as incurred. The useful lives of property and equipment for purposes of computing depreciation and amortization are as follows:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Useful Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>40 years</td>
</tr>
<tr>
<td>Building improvements</td>
<td>30 - 40 years</td>
</tr>
<tr>
<td>Equipment</td>
<td>5 years</td>
</tr>
<tr>
<td>Program development</td>
<td>3 - 7 years</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>15 years</td>
</tr>
<tr>
<td>Computer software</td>
<td>3 - 7 years</td>
</tr>
</tbody>
</table>

Property Held for Sale

Property held for sale is recorded at the lower of cost or estimated fair value. On August 21, 2020, the property held for sale sold for $2,000,000 resulting in a loss on sale of $450,000 for the year ended December 31, 2020.

Investments

Long-term and short-term investments in marketable securities with readily determinable fair values are presented in the financial statements at fair value. Short-term investments are those with a maturity of greater than three months but no more than one year. Long-term investments with a maturity of greater than one year are mutual funds or equity securities. The fair values of investments are based on quoted market prices, when available, for those investments. Both realized and unrealized gains and losses are reported as investment income in the consolidated statement of activities and changes in net assets. The Association's investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to these risk factors, it is reasonably possible that changes in the values of investments will occur in near term that will materially affect the amounts reported in the consolidated statements of activities and changes in net assets.

Credits on Customer Accounts

Credits on customer accounts represent overpayments on accounts of ENA course directors relating to course fees. These overpayments are not automatically refunded, but instead are held on the account until the course director provides instruction as to the disposition of the credit. The credits are typically applied to future courses.
NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Assessments Payable

Assessments payable are amounts due to ENA State Councils and Chapters for their share of paid memberships and course fees. Assessments are calculated and paid quarterly.

Interest Rate Swap Agreement

The interest rate swap agreement is reflected at fair value in the Association’s consolidated statements of financial position and the related portions of the debt being hedged are reflected at an amount equal to its carrying value.

Under U.S. GAAP, not-for-profit entities may elect to use a simplified hedge accounting approach to account for interest rate swap agreements that are entered into for the purpose of economically converting a variable-rate borrowing into a fixed-rate borrowing. Under this approach, the statement of activity charge for interest expense is similar to the amount that would result if the Association had directly entered into a fixed-rate borrowing instead of a variable-rate borrowing and a receive-variable, pay-fixed interest rate swap. The Association elected to use the simplified accounting approach.

Net Assets

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor-imposed restrictions. Currently, the ENA Board of Directors (ENA Board) has designated funds for ENAF endowments as well as to fund projects that fall within the criteria of the ENA spending policy. The ENAF Board has also designated funds for the ENAF endowments.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Association reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Concentration of Credit Risk

The Association maintains its cash in bank deposits which, at times, may exceed federally insured limits. The Association's uninsured cash balance was $903,973 and $836,511 at December 31, 2021 and 2020, respectively. The Association believes it is not exposed to any significant credit risk on cash.
NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Concentration of Credit Risk, Continued

The Association maintains its investment in broker accounts which, at times, may exceed federally insured limits. As of December 31, 2021 and 2020, the Association's uninsured investment balance was $24,287,184 and $19,844,076, respectively. The Association believes it is not exposed to any significant credit risk on investments.

Support and Revenue Recognition

Revenue from Contracts with Customers

The Association derives a significant portion of its revenue from revenue sources that involve contracts with customers. Those sources include courses, membership dues, conferences, publications, marketplace, sponsorships, royalties, special events, mailing lists, and other revenue. Revenue is recognized when control of these goods or services are transferred to its customers, in an amount that reflects the consideration the Association expects to be entitled to in exchange for those goods or services. The Association does not have any significant financing components as all payments are received within a year of the services being provided. Costs incurred to obtain a contract will be expensed as incurred when the amortization period is less than a year. All contracts contain specified pricing for each performance obligation thus allocation of the transaction price is not necessary.

Disaggregation of Revenue from Contracts with Customers

The following table disaggregates the Association’s revenue based on the timing of satisfaction of performance obligations for the years ended December 31:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance obligations satisfied at a point in time</td>
<td>$16,494,197</td>
<td>14,173,667</td>
</tr>
<tr>
<td>Performance obligations satisfied over time</td>
<td>$5,525,186</td>
<td>5,201,479</td>
</tr>
</tbody>
</table>

Revenues from performance obligations satisfied at a point in time consist of revenues from courses, conferences, publication advertising revenue, marketplace, event sponsorships, special events, mailing lists, and other revenues. Revenues from performance obligations satisfied over time consist of membership dues, publication editorial support and profit sharing, corporate engagement council sponsorships, and royalties.

Performance Obligations

For performance obligations related to courses, control transfers to the customer at a point in time. Courses occur on specified dates and course fee revenue is recorded when the course is held. Revenue from the sale of manuals is recognized upon shipment to the customer.
For performance obligations related to membership dues, control transfers to the customer over time. The Association offers membership categories of one year, three years, five years, and lifetime. Revenue is recorded in equal installments as control is passed to the customer over the term of the membership. The Association has determined that the average career span of an emergency professional is thirteen years and recognizes lifetime memberships over a thirteen-year period.

For performance obligations related to conferences, control transfers to the customer at a point in time. Conferences occur at specified dates and revenue is recorded at the time the conference is held.

For performance obligations related to publication advertising revenue, control transfers at a point in time. Revenue is recorded at the time the advertisement is printed or advertising service is performed. For performance obligations related to publication editorial support and profit sharing, control transfers to the customer over time in equal installments as control is passed to the publisher over the term of the agreement.

For performance obligations related to marketplace, control transfers to the customer at a point in time. Revenue from marketplace is recognized upon shipment of goods to customers.

For performance obligations related to event sponsorships and special events, control transfers to the customer at a point in time. Events occur at specified dates and revenue is recorded at the time the event is held. For performance obligations related to corporate engagement council sponsorships, control transfers to the customer over time. All obligations associated with corporate engagement council sponsorships are satisfied in the year in which the contract was obtained.

For performance obligations related to royalty revenue, control transfers to the customer over time. The Association recognizes royalty revenue using the output method based on terms agreed upon in contracts established with customers. The Association receives a percentage of gross income in exchange for a customer’s usage of the Association’s name and logo. The Association also receives commissions based on net revenue generated for promotion of a job board on the Association’s website.

For performance obligations related to mailing lists and other revenues, control transfers to the customer at a point in time.

Conference fees received in advance are deferred until the conference takes place. Course fees received in advance are deferred until the course takes place. Membership dues received in advance are deferred until the period to which the dues relate. The deferred amounts as of December 31, 2021 and 2020 are included in deferred revenue on the consolidated statements of financial position.
NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Support and Revenue Recognition, Continued

Promises to Give

The Association recognizes contributions 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 substantially met. As of December 31, 2021 and 2020, there were no conditional promises to give. Contributions not collected at the end of the year are disclosed as pledges receivable and are recorded at their estimated fair values. They are subsequently valued at the present value of future cash flows. All contributions are expected to be collected in one year or less.

Accounting Estimates

The preparation of consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

ENA and ENAF are exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3). ENA pays unrelated business income tax (UBIT) on advertising revenue derived from various ENA publications, as well as sponsorship revenue that provide marketing opportunities for the sponsor. Unrelated business income tax (UBIT) for the years ended December 31, 2021 and 2020 amounted to $11,869 and $1,316, respectively. Provision for UBIT expense is included in programs, grants, and scholarship expense on the consolidated statements of functional expenses.

Management has concluded that as of December 31, 2021 and 2020, there were no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Association would account for any potential interest or penalties related to possible future liabilities for unrecognized income tax benefits as income tax expense. The Association is no longer subject to examination by federal, state, or local tax authorities for periods before 2018.

Advertising

Advertising costs are expensed as incurred. Advertising expense was $121,191 and $109,212 for the years ended December 31, 2021 and 2020, respectively, and is included with miscellaneous expenses in the consolidated statements of functional expenses.
NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Functional Expenses

The costs of program and supporting service activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated 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.

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The Association utilizes a direct coding methodology for a majority of their expenses, however, expenses classified as occupancy expenses on the consolidated statements of functional expenses are allocated on the basis of estimates of time and effort.

New Accounting Standard – Contributed Nonfinancial Assets

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-07, Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958). The key provisions of ASU No. 2020-07 are 1) a requirement to present contributed nonfinancial assets as a separate line item in the consolidated statements of activities and 2) disclosure of contributed nonfinancial assets disaggregated by type, which includes information about monetization and utilization, donor restrictions, and the valuation techniques used. ASU No. 2020-07 should be applied on a retrospective basis and is effective for fiscal years beginning after June 15, 2021. Early adoption is permitted. The Association is currently evaluating the effect that adoption is expected to have on its consolidated statements of activities, functional expenses, and related disclosures.

New Accounting Standard – Leases

In February 2016, FASB issued ASU No. 2016-02, Leases (Topic 842). The FASB also subsequently issued additional ASUs, which amend and clarify Topic 842. The most significant change in the new leasing guidance is the requirement to recognize right-of-use (ROU) assets and lease liabilities for operating leases in the consolidated statements of financial position. The ASUs are effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Association is currently evaluating the methods of adoption allowed and the effect that adoption is expected to have on its consolidated financial position, changes in net assets, cash flows, and related disclosures.

Management Evaluation of Going Concern

In accordance with U.S. GAAP, management performed an evaluation to determine if adverse conditions or events, considered in the aggregate, raise substantial doubt about the Association’s ability to continue as a going concern for the one-year period from the date the financial statements were available to be issued. Management’s evaluation did not identify any conditions or events that raise substantial doubt about the Association’s ability to continue as a going concern for the period from July 22, 2022 to July 22, 2023.
NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Subsequent Events

Subsequent to year end, the Association entered into a split-dollar deferred compensation benefit agreement with a key employee to encourage continued employment. As part of this agreement, the employee gradually vests increasing percentages as long as they stay employed. The employee will become 100% vested as of December 31, 2030. Subsequent events have been evaluated through July 22, 2022, the date that the financial statements were available to be issued and there are no other subsequent events besides the event discussed above.

NOTE 3 - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the consolidated statement of financial position, comprise the following:

<table>
<thead>
<tr>
<th>Financial assets at year-end:</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$1,425,562</td>
<td>1,560,378</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>1,435,075</td>
<td>1,644,616</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>18,412</td>
<td>16,909</td>
</tr>
<tr>
<td>Other receivables</td>
<td>67,184</td>
<td>74,053</td>
</tr>
<tr>
<td>Mortgage receivable</td>
<td>1,813,749</td>
<td>1,874,000</td>
</tr>
<tr>
<td>Investments</td>
<td>25,267,700</td>
<td>20,827,589</td>
</tr>
<tr>
<td><strong>Total financial assets</strong></td>
<td><strong>30,027,682</strong></td>
<td><strong>25,997,545</strong></td>
</tr>
</tbody>
</table>

Less: amounts not available for general expenditures within one year, due to:

| Donor-restricted for a specific purpose       | 962,653    | 671,593    |
| Perpetual restrictions                       | 1,265,440  | 1,003,528  |
| Board-designated endowment                   | 2,015,769  | 1,835,515  |
| Board-designated for a specific purpose       | 131,576    | 106,749    |
| Board-designated reserve fund                 | 501,910    | 501,910    |
| **Total amounts not available for general expenditures within one year** | **4,877,348** | **4,119,295** |

Financial assets available to meet cash needs for general expenditures within one year

$25,150,334  21,878,250

The Association’s endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes. As of December 31, 2021 and 2020, donor restricted endowment funds were not available for general expenditure.
NOTE 3 - LIQUIDITY AND AVAILABILITY, CONTINUED

The Association’s board-designated endowment of $2,015,769 and $1,835,515 at December 31, 2021 and 2020, respectively, is subject to an annual spending rate of 5% as described in Note 12. Although the Association does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the ENAF Board’s annual budget approval and appropriation), these amounts could be made available if necessary.

During 2020, the ENAF Board designated funds for utilizing reserves to support COVID-19 relief. At December 31, 2021 and 2020, there was a balance of $131,576 and $106,749, respectively, with this designation. Although the Association intends to spend these funds in support of COVID-19 relief, these amounts could be made available if necessary.

Additionally, the ENA Board has designated funds within the parameters of the ENA spending policy for utilizing reserves on identified projects. At December 31, 2021 and 2020 there was a balance of $501,910 with this designation. Although the Association intends to spend these funds in accordance with the ENA spending policy referred to above, these amounts could be made available if necessary.

As part of the Association’s liquidity management plan, cash in excess of current needs for expenses is invested in mutual funds. Investments are released to cover operating expenses as needed upon management approval. Additionally, the Association maintains a line of credit that if deemed necessary can be drawn upon to cover operating expenses (Note 7).

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2021 and 2020 consisted of the following:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$ 1,492,112</td>
<td>1,492,112</td>
</tr>
<tr>
<td>Buildings</td>
<td>2,948,699</td>
<td>2,948,699</td>
</tr>
<tr>
<td>Building improvements</td>
<td>5,969,138</td>
<td>5,969,138</td>
</tr>
<tr>
<td>Equipment</td>
<td>281,744</td>
<td>262,170</td>
</tr>
<tr>
<td>Program development</td>
<td>1,308,564</td>
<td>913,206</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>1,297,834</td>
<td>1,297,834</td>
</tr>
<tr>
<td>Computer software</td>
<td>5,560,296</td>
<td>5,032,212</td>
</tr>
<tr>
<td><strong>Total property and equipment</strong></td>
<td><strong>18,858,387</strong></td>
<td><strong>17,915,371</strong></td>
</tr>
<tr>
<td><strong>Less accumulated depreciation</strong></td>
<td>(6,776,122)</td>
<td>(6,030,111)</td>
</tr>
<tr>
<td><strong>Property and equipment, net</strong></td>
<td><strong>$ 12,082,265</strong></td>
<td><strong>$ 11,885,260</strong></td>
</tr>
</tbody>
</table>

Depreciation expense of property and equipment was $544,434 and $525,363 for the years ended December 31, 2021 and 2020, respectively. In addition, the Association amortized development costs (included in programs, grants, and scholarship expenses) for the years ended December 31, 2021 and 2020 in the amounts of $201,577 and $186,521, respectively.
NOTE 5 - MORTGAGE RECEIVABLE

On August 21, 2020, the Association entered into a real estate sale agreement with a third party. The Association agreed to provide financing for a portion of the purchase price of the property sold, which amounted to $1,900,000. The mortgage receivable is stated at unpaid principal balance, less an allowance for loan losses. As of December 31, 2021 and 2020, an allowance was not deemed necessary. Certain insurance coverage is required and the policies must name the Association as additional insured.

Interest on the note is compounded annually and accrues at a rate of 4.00% from September 1, 2021 through August 31, 2023 and at a rate of 5.00% from August 31, 2023 through the maturity date. Interest on the loan is recognized over the term of the loan and is calculated using the interest method on principal amounts outstanding. Interest income recorded for the year ended December 31, 2021 was $30,499 and is included as other support and revenue on the consolidated statements of activities. No interest was received for the year ended December 31, 2020. The Association’s practice is to charge off any loan or a portion of a loan when the loan is determined by management to be uncollectible due to the third party's failure to meet repayment terms, or for other reasons.

NOTE 6 - FAIR VALUE MEASUREMENTS

Accounting standards generally accepted in the United States of America establish a framework for measuring fair value. That framework provides 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:

- **Level 1**: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that management has the ability to access at the measurement date.

- **Level 2**: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly such as:
  - Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for the asset or liability;
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

  If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- **Level 3**: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.
NOTE 6 - FAIR VALUE MEASUREMENTS, CONTINUED

The asset’s or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

Mutual funds: Valued at the closing price as reported by the fund. Mutual funds held by the Association are open-ended mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price.

Interest rate swap: Valued using both observable and unobservable inputs when available and can generally be corroborated by market data.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the 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 Association’s assets at fair value as of December 31, 2021 and 2020:

<table>
<thead>
<tr>
<th></th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mutual funds:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed income:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broad domestic</td>
<td>$5,077,820</td>
<td>-</td>
<td>-</td>
<td>5,077,820</td>
</tr>
<tr>
<td>High yield bonds</td>
<td>6,727,117</td>
<td>-</td>
<td>-</td>
<td>6,727,117</td>
</tr>
<tr>
<td>Short-term bonds</td>
<td>1,267,610</td>
<td>-</td>
<td>-</td>
<td>1,267,610</td>
</tr>
<tr>
<td>Equity:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic large cap</td>
<td>6,763,610</td>
<td>-</td>
<td>-</td>
<td>6,763,610</td>
</tr>
<tr>
<td>Domestic small/mid cap</td>
<td>1,214,912</td>
<td>-</td>
<td>-</td>
<td>1,214,912</td>
</tr>
<tr>
<td>International equity</td>
<td>2,195,159</td>
<td>-</td>
<td>-</td>
<td>2,195,159</td>
</tr>
<tr>
<td>Emerging markets</td>
<td>2,021,472</td>
<td>-</td>
<td>-</td>
<td>2,021,472</td>
</tr>
<tr>
<td><strong>Total assets in the fair value hierarchy</strong></td>
<td><strong>$25,267,700</strong></td>
<td>-</td>
<td>-</td>
<td><strong>25,267,700</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liability:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest rate swap</td>
<td>$</td>
<td>705,820</td>
<td>-</td>
<td>705,820</td>
</tr>
</tbody>
</table>
NOTE 6 - FAIR VALUE MEASUREMENTS, CONTINUED

<table>
<thead>
<tr>
<th>Assets at Fair Value as of December 31, 2020</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mutual funds:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed income:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broad domestic</td>
<td>$ 4,559,119</td>
<td>-</td>
<td>-</td>
<td>4,559,119</td>
</tr>
<tr>
<td>High yield bonds</td>
<td>5,684,903</td>
<td>-</td>
<td>-</td>
<td>5,684,903</td>
</tr>
<tr>
<td>Short-term bonds</td>
<td>37,323</td>
<td>-</td>
<td>-</td>
<td>37,323</td>
</tr>
<tr>
<td>Equity:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic large cap</td>
<td>5,445,110</td>
<td>-</td>
<td>-</td>
<td>5,445,110</td>
</tr>
<tr>
<td>Domestic small/mid cap</td>
<td>1,040,214</td>
<td>-</td>
<td>-</td>
<td>1,040,214</td>
</tr>
<tr>
<td>International equity</td>
<td>1,981,176</td>
<td>-</td>
<td>-</td>
<td>1,981,176</td>
</tr>
<tr>
<td>Emerging markets</td>
<td>2,079,744</td>
<td>-</td>
<td>-</td>
<td>2,079,744</td>
</tr>
<tr>
<td>Total assets in the fair value hierarchy</td>
<td>$ 20,827,589</td>
<td>-</td>
<td>-</td>
<td>20,827,589</td>
</tr>
<tr>
<td>Liability:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest rate swap</td>
<td>-</td>
<td>$ 1,209,973</td>
<td>-</td>
<td>1,209,973</td>
</tr>
</tbody>
</table>

For the years ended December 31, 2021 and 2020, there were no significant transfers into or out of Level 3.

NOTE 7 - LINE OF CREDIT

The Association has a $2,500,000 unsecured line of credit. This line expires on December 21, 2023 and bears interest at prime (3.25% at December 31, 2021) minus .75%. The outstanding balance on the line of credit was $1,099,209 at December 31, 2021 and 2020.

Restrictive covenants imposed under the line of credit require the Association to maintain an unrestricted cash and investment to total fund debt of not less than 1.25 (ENA only). As of December 31, 2021 and 2020, this covenant was met.

NOTE 8 - BOND PAYABLE

On December 21, 2017, a Series 2017 Industrial Revenue Bond (Bond) was issued by the City of Watseka. The aggregate principal amount of the Bond is $10,000,000 and the proceeds of the Bond were used to finance the purchase of the land and building in Schaumburg, IL. The maturity date of the Bond is December 21, 2047.

The Bond bears interest at variable rates throughout the life of the bond. As of December 31, 2021, the interest rate on the Bond is 1.15%. The Bond requires monthly payments of $28,736.
NOTE 8 - BOND PAYABLE, CONTINUED

The Bond agreement requires the Association to furnish audited financial statements 270 days after each year end.

There were debt issuance costs of $123,194 related to the bond issuance. Amortization expense for the years ended December 31, 2021 and 2020 was $7,246 and $7,519, respectively.

During 2018, the Association entered into a $10,000,000 interest rate swap agreement with a bank to fix the rate on the variable rate bond and to manage the borrowing costs. The interest rate swap agreement has a termination date of December 10, 2027 and a fixed interest rate of 3.61%.

The settlement value of the interest rate swap at December 31, 2021 and 2020 was a liability of $705,820 and $1,209,973, respectively. The settlement rate was estimated using a present value calculation of the swap's remaining estimated cash flows, not adjusted for any nonperformance risk.

The Bond payable as of December 31, 2021 and 2020 consisted of the following:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PRINCIPAL</td>
<td>DEBT ISSUE COSTS</td>
</tr>
<tr>
<td>Bond</td>
<td>$8,965,504</td>
<td>92,572</td>
</tr>
<tr>
<td>Less current portion</td>
<td>(344,832)</td>
<td>(6,973)</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>$8,620,672</td>
<td>85,599</td>
</tr>
</tbody>
</table>

Principal payments due on Bond payable during each of the next five years are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>$344,832</td>
</tr>
<tr>
<td>2023</td>
<td>344,832</td>
</tr>
<tr>
<td>2024</td>
<td>344,832</td>
</tr>
<tr>
<td>2025</td>
<td>344,832</td>
</tr>
<tr>
<td>2026</td>
<td>344,832</td>
</tr>
<tr>
<td>Thereafter</td>
<td>7,241,344</td>
</tr>
<tr>
<td>Total</td>
<td>$8,965,504</td>
</tr>
</tbody>
</table>
NOTE 9 - OPERATING LEASES

The Association is obligated under operating leases, primarily for certain office space and office equipment which expire on various dates through 2026.

Total rent expense under all operating leases amounted to approximately $101,585 and $107,465 for the years ended December 31, 2021 and 2020, respectively, and is included with rent and supplies and equipment expenses in the consolidated statements of functional expenses.

The aggregate future minimum lease commitment on these leases as of December 31, 2021 is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>95,041</td>
</tr>
<tr>
<td>2023</td>
<td>86,398</td>
</tr>
<tr>
<td>2024</td>
<td>88,393</td>
</tr>
<tr>
<td>2025</td>
<td>85,620</td>
</tr>
<tr>
<td>2026</td>
<td>80,978</td>
</tr>
</tbody>
</table>

NOTE 10 - RETIREMENT PLAN

ENA has a 401(k) defined contribution retirement savings plan (Plan) available to substantially all of ENA’s employees. ENA matches up to 4% of each employee’s contribution to the Plan. The Plan also has a discretionary profit-sharing component. ENA’s discretionary profit-sharing contribution is determined annually based on the fiscal results of the Association with input from staff and the Board. Based on ENA’s financial performance in 2021, the profit-sharing contribution was given to each of the qualified employees of 5% payable in 2022. In 2020, there was no profit-sharing contribution. ENA’s contribution is funded on a current basis. Total contributions to the Plan for the years ended December 31, 2021 and 2020 totaled $716,175 and $256,285, respectively.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

The Association has entered into a number of contracts with various vendors for space, hotel accommodations, and ancillary services for future meetings. Prepaid hotel deposits may be applied towards hotel cancellation fees. Minimum estimated cancellation fees for future meetings as of December 31, 2021 are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>247,808</td>
</tr>
<tr>
<td>2023</td>
<td>869,368</td>
</tr>
<tr>
<td>2024</td>
<td>2,856,000</td>
</tr>
<tr>
<td>2025</td>
<td>65,180</td>
</tr>
<tr>
<td>2026</td>
<td>181,837</td>
</tr>
<tr>
<td>Thereafter</td>
<td>884,032</td>
</tr>
<tr>
<td>Total</td>
<td>$5,104,225</td>
</tr>
</tbody>
</table>
NOTE 11 - COMMITMENTS AND CONTINGENCIES, CONTINUED

The $1,938,315 Paycheck Protection Program (PPP) loan (loan 1), $1,938,315 second PPP loan (loan 2), and their forgiveness are subject to examination under the terms of the agreement with the Small Business Administration for a period of six years from the date the PPP loans are forgiven, which was March 2021, for loan 1 and November 2021 for loan 2. The Association is not currently under examination nor has the Association been contacted.

NOTE 12 - ENDOWMENT

The Association's endowment includes three board-designated endowments established for the ENAF and eighteen donor-restricted endowment funds primarily for the general operating purposes of the Association, as well as for specific programs and scholarships. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The State of Illinois adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) on June 30, 2009. The board of directors has adopted a spending policy that requires the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary.

As a result of this policy, the Association retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of any discounts or an allowance for uncollectible pledges) donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Association in a manner consistent with the standard of prudence described by UPMIFA. The Association considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Association and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Association
- The investment policies of the Association

Strategies Employed for Achieving Objectives

To satisfy its long-term rate of return objectives, the Association relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).
NOTE 12 - ENDOWMENT, CONTINUED

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Association’s board has approved a policy of appropriating annually no more than 5% of the prior three-year average of the fair market value of the endowment, including any capital appreciation and/or current yield. In establishing this policy, the Association considered the long-term expected return on its endowments. This is consistent with the Association’s objective to maintain the fair value of the endowment assets held in perpetuity for a specified term as well as to provide additional real growth through new gifts and investment return. Donor-restricted endowments are spent in accordance with the donors’ requirements; distributions are made for purposes that conform to the donors’ stated intentions.

Funds with Deficiencies

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). There were no such deficiencies at December 31, 2021 and 2020.

Endowment net asset composition by type of fund as of December 31, 2021:

<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>$ 2,015,769</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 the donor</td>
<td>-</td>
<td>1,265,440</td>
</tr>
<tr>
<td>Accumulated investment gains</td>
<td>-</td>
<td>616,473</td>
</tr>
<tr>
<td>Total endowment net assets</td>
<td>$ 2,015,769</td>
<td>1,881,913</td>
</tr>
</tbody>
</table>

Changes in endowment net assets for the year ended December 31, 2021:

<table>
<thead>
<tr>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment net assets, December 31, 2020</td>
<td>$ 1,835,515</td>
<td>1,456,862</td>
</tr>
<tr>
<td>Investment return, net</td>
<td>258,754</td>
<td>216,139</td>
</tr>
<tr>
<td>Appropriation of endowment assets for expenditures</td>
<td>(78,500)</td>
<td>(53,000)</td>
</tr>
<tr>
<td>Contributions</td>
<td>-</td>
<td>261,912</td>
</tr>
<tr>
<td>Endowment net assets, December 31, 2021</td>
<td>$ 2,015,769</td>
<td>1,881,913</td>
</tr>
</tbody>
</table>
NOTE 12 - ENDOWMENT, CONTINUED

Endowment net asset composition by type of fund as of December 31, 2020:

<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>$ 1,835,515</td>
<td>-</td>
</tr>
</tbody>
</table>

Donor-restricted endowment funds:

- Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor: - 1,003,528 1,003,528
- Accumulated investment gains: - 453,334 453,334

Total endowment net assets: $ 1,835,515 1,456,862 3,292,377

Changes in endowment net assets for the year ended December 31, 2020:

<table>
<thead>
<tr>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment net assets, January 1, 2020</td>
<td>$ 1,925,444</td>
<td>1,269,539</td>
</tr>
<tr>
<td>Investment return, net</td>
<td>194,071</td>
<td>168,219</td>
</tr>
<tr>
<td>Transfer of board-designated endowment funds to COVID-relief fund</td>
<td>( 200,000)</td>
<td>-</td>
</tr>
<tr>
<td>Appropriation of endowment assets for expenditures</td>
<td>( 84,000)</td>
<td>( 44,000)</td>
</tr>
<tr>
<td>Contributions</td>
<td>-</td>
<td>63,104</td>
</tr>
<tr>
<td>Endowment net assets, December 31, 2020</td>
<td>$ 1,835,515</td>
<td>1,456,862</td>
</tr>
</tbody>
</table>
**NOTE 13 - NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes or periods for the years ended December 31, 2021 and 2020:

<table>
<thead>
<tr>
<th>Fund</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Karen O’Neil Endowed Scholarship Fund</td>
<td>$ 133,562</td>
<td>120,921</td>
</tr>
<tr>
<td>New York State September 11 Endowment Fund</td>
<td>175,504</td>
<td>157,364</td>
</tr>
<tr>
<td>Judith C. Kelleher Memorial Endowment Fund</td>
<td>171,196</td>
<td>144,721</td>
</tr>
<tr>
<td>Anita Dorr Memorial Endowment Fund</td>
<td>5,655</td>
<td>2,309</td>
</tr>
<tr>
<td>Jeanette Ash Endowed Scholarship Fund</td>
<td>71,708</td>
<td>60,836</td>
</tr>
<tr>
<td>Richard Wynkoop Scholarship Fund</td>
<td>58,897</td>
<td>49,137</td>
</tr>
<tr>
<td>Elizabeth B. Moore Memorial Fund for Scholarships</td>
<td>155,373</td>
<td>141,359</td>
</tr>
<tr>
<td>Texas Endowed Scholarship Fund</td>
<td>250,090</td>
<td>129,261</td>
</tr>
<tr>
<td>Mildred Fincke Memorial Endowed Scholarship Fund</td>
<td>35,310</td>
<td>27,955</td>
</tr>
<tr>
<td>Joan Eberhardt Endowed Scholarship Fund</td>
<td>64,117</td>
<td>55,617</td>
</tr>
<tr>
<td>Peggy McCall Fund</td>
<td>32,217</td>
<td>28,258</td>
</tr>
<tr>
<td>Jeff Solheim International Endowment</td>
<td>16,876</td>
<td>15,000</td>
</tr>
<tr>
<td>Gracen Brooke Oglesby Pediatric Fund</td>
<td>24,464</td>
<td>1,075</td>
</tr>
<tr>
<td>Castner and Spencer Family Research Fund</td>
<td>20,032</td>
<td>4,696</td>
</tr>
<tr>
<td>Patricia Kunz Howard Endowed Scholarship Fund</td>
<td>25,863</td>
<td>-</td>
</tr>
<tr>
<td>Virginia ENA State Council Endowed Scholarship Fund</td>
<td>15,518</td>
<td>-</td>
</tr>
<tr>
<td>Hoosier ENA Scholarship Fund</td>
<td>25,000</td>
<td>-</td>
</tr>
<tr>
<td>Illinois ENA Thelma Kuska Endowment Fund</td>
<td>27,163</td>
<td>-</td>
</tr>
<tr>
<td>General Endowment Fund</td>
<td>573,368</td>
<td>518,353</td>
</tr>
</tbody>
</table>

*Total endowments: 1,881,913 in 2021 and 1,465,862 in 2020.*

<table>
<thead>
<tr>
<th>Fund</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purpose restricted contributions</td>
<td>346,180</td>
<td>218,259</td>
</tr>
</tbody>
</table>

*Total net assets with donor restrictions: $2,228,093 in 2021 and $1,675,121 in 2020.*

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31, 2021 and 2020:

<table>
<thead>
<tr>
<th>Purpose</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scholarships</td>
<td>$ 242,330</td>
<td>182,525</td>
</tr>
<tr>
<td>COVID-Relief</td>
<td>27,512</td>
<td>78,826</td>
</tr>
</tbody>
</table>

*Total net assets released from restrictions: $269,842 in 2021 and $261,351 in 2020.*
NOTE 14 - IMPACT OF COVID-19

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread in certain parts of the world. Due to the impact of COVID-19 and the resulting decision to move to a virtual meeting in 2020, the Association saw a temporary decrease in course fees, conferences, publications, and sponsorships. Management continues to actively monitor the global situation in order to mitigate any potential future impact on the Association's changes in net assets and financial performance. In 2021, revenue declines experienced in 2020 have since rebounded.

NOTE 15 - PAYCHECK PROTECTION PROGRAM LOAN

On April 5, 2020, the Association received proceeds in the amount of $1,938,315 under the PPP established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act). PPP loans and accrued interest are forgivable to the extent the criteria established in the CARES Act are met.

Pursuant to the 2021 Consolidated Appropriations Act (CAA), the Association applied for a $1,938,315 PPP2 loan and received the proceeds on February 1, 2021. The PPP2 loan and accrued interest are forgivable to the extent the criteria established in the CAA are met.

Given Congress’ intent to have the proceeds of the PPP loans forgiven by meeting specific criteria, the Association has elected to treat the PPP loans in accordance with the conditional government grants model in accordance with FASB ASC 958-605. The Association initially recorded the loan as a refundable advance and subsequently recognized PPP grant revenue in accordance with the guidance for conditional government grants; that is, once the measurable performance or other barrier and right of return of the PPP loan no longer existed. The Association has recognized $1,938,315 and $1,938,315 as PPP grant revenue for the years ended December 31, 2021 and 2020, respectively.

The Association applied for and received forgiveness of the full proceeds plus interest of the first PPP loan in March 2021. The Association submitted its application for loan forgiveness of the PPP2 loan and received forgiveness of the full proceeds plus interest in November 2021.

NOTE 16 - RECLASSIFICATIONS

Certain amounts in the 2020 financial statements have been reclassified to conform to the December 31, 2021 presentation.
SUPPLEMENTARY INFORMATION
## ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$808,215</td>
<td>1,229,456</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>1,411,792</td>
<td>1,635,317</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>18,412</td>
<td>16,909</td>
</tr>
<tr>
<td>Due from affiliate</td>
<td>3,496</td>
<td>-</td>
</tr>
<tr>
<td>Other receivables</td>
<td>67,184</td>
<td>74,053</td>
</tr>
<tr>
<td>Current portion of mortgage receivable</td>
<td>62,345</td>
<td>60,251</td>
</tr>
<tr>
<td>Inventory</td>
<td>54,522</td>
<td>34,986</td>
</tr>
<tr>
<td>Current portion of prepaid expenses</td>
<td>649,321</td>
<td>957,577</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>3,075,287</td>
<td>4,008,549</td>
</tr>
<tr>
<td><strong>Property and equipment, net</strong></td>
<td>12,079,069</td>
<td>11,880,046</td>
</tr>
<tr>
<td><strong>Prepaid expenses, net of current portion</strong></td>
<td>563,151</td>
<td>-</td>
</tr>
<tr>
<td><strong>Mortgage receivable, net of current portion</strong></td>
<td>1,751,404</td>
<td>1,813,749</td>
</tr>
<tr>
<td><strong>Investments</strong></td>
<td>20,661,985</td>
<td>16,911,006</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$38,130,896</td>
<td>34,613,350</td>
</tr>
</tbody>
</table>

See Independent Auditor's Report.
### Statements of Financial Position

**December 31, 2021 and 2020**

#### Liabilities and Net Assets

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$726,665</td>
<td>294,106</td>
</tr>
<tr>
<td>Wages and benefits payable</td>
<td>1,114,853</td>
<td>554,371</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>459,297</td>
<td>465,904</td>
</tr>
<tr>
<td>Credits on customer accounts</td>
<td>48,295</td>
<td>76,741</td>
</tr>
<tr>
<td>Due to affiliate</td>
<td>-</td>
<td>6,245</td>
</tr>
<tr>
<td>Assessments payable</td>
<td>741,500</td>
<td>822,900</td>
</tr>
<tr>
<td>Line of credit</td>
<td>-</td>
<td>1,099,209</td>
</tr>
<tr>
<td>Current portion of deferred revenue</td>
<td>2,569,221</td>
<td>2,676,587</td>
</tr>
<tr>
<td>Current portion of bond payable</td>
<td>337,859</td>
<td>337,586</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>5,997,690</strong></td>
<td><strong>6,333,649</strong></td>
</tr>
<tr>
<td><strong>Long-term liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Line of credit</td>
<td>1,099,209</td>
<td>-</td>
</tr>
<tr>
<td>Interest rate swap agreement</td>
<td>705,820</td>
<td>1,209,973</td>
</tr>
<tr>
<td>Deferred revenue, net of current portion</td>
<td>1,328,824</td>
<td>1,284,361</td>
</tr>
<tr>
<td>Bond payable, net of current portion</td>
<td>8,535,073</td>
<td>8,872,932</td>
</tr>
<tr>
<td><strong>Total long-term liabilities</strong></td>
<td><strong>11,668,926</strong></td>
<td><strong>11,367,266</strong></td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>17,666,616</strong></td>
<td><strong>17,700,915</strong></td>
</tr>
<tr>
<td><strong>Net assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without donor restrictions:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undesignated</td>
<td>19,962,370</td>
<td>16,410,525</td>
</tr>
<tr>
<td>Board-designated</td>
<td>501,910</td>
<td>501,910</td>
</tr>
<tr>
<td><strong>Total without donor restrictions</strong></td>
<td><strong>20,464,280</strong></td>
<td><strong>16,912,435</strong></td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>20,464,280</strong></td>
<td><strong>16,912,435</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$38,130,896</strong></td>
<td><strong>34,613,350</strong></td>
</tr>
</tbody>
</table>

See Independent Auditor's Report.
EMERGENCY NURSES ASSOCIATION
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2021 AND 2020

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Support and revenue:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Courses</td>
<td>$14,625,186</td>
<td>12,137,728</td>
</tr>
<tr>
<td>Membership dues</td>
<td>4,802,544</td>
<td>4,583,459</td>
</tr>
<tr>
<td>Conferences</td>
<td>845,318</td>
<td>867,804</td>
</tr>
<tr>
<td>Publications</td>
<td>583,347</td>
<td>584,984</td>
</tr>
<tr>
<td>Marketplace</td>
<td>418,567</td>
<td>506,938</td>
</tr>
<tr>
<td>Sponsorships</td>
<td>296,300</td>
<td>278,250</td>
</tr>
<tr>
<td>Royalties</td>
<td>214,572</td>
<td>155,369</td>
</tr>
<tr>
<td>Other</td>
<td>191,267</td>
<td>256,654</td>
</tr>
<tr>
<td>Grants</td>
<td>83,011</td>
<td>181,735</td>
</tr>
<tr>
<td>Paycheck Protection Program grant revenue</td>
<td>1,938,315</td>
<td>1,938,315</td>
</tr>
<tr>
<td>Mailing lists</td>
<td>31,633</td>
<td>3,960</td>
</tr>
<tr>
<td>Donated services</td>
<td>-</td>
<td>75,000</td>
</tr>
<tr>
<td><strong>Total support and revenue</strong></td>
<td>24,030,060</td>
<td>21,570,196</td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programs, grants, and scholarships</td>
<td>14,532,849</td>
<td>13,640,569</td>
</tr>
<tr>
<td>Supporting services:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>7,687,221</td>
<td>7,041,150</td>
</tr>
<tr>
<td>Fundraising and development</td>
<td>458,941</td>
<td>451,413</td>
</tr>
<tr>
<td><strong>Total supporting services</strong></td>
<td>8,146,162</td>
<td>7,492,563</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>22,679,011</td>
<td>21,133,132</td>
</tr>
<tr>
<td><strong>Change in net assets - before other income</strong></td>
<td>1,351,049</td>
<td>437,064</td>
</tr>
<tr>
<td><strong>Other income (expense)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest expense</td>
<td>(362,841)</td>
<td>(378,564)</td>
</tr>
<tr>
<td>Investment return, net</td>
<td>2,059,484</td>
<td>1,664,897</td>
</tr>
<tr>
<td>Gain (loss) on interest rate swap agreement</td>
<td>504,153</td>
<td>(497,536)</td>
</tr>
<tr>
<td>Loss on disposal of property held for sale</td>
<td>-</td>
<td>(450,000)</td>
</tr>
<tr>
<td><strong>Total other income</strong></td>
<td>2,200,796</td>
<td>338,797</td>
</tr>
<tr>
<td><strong>Change in net assets</strong></td>
<td>3,551,845</td>
<td>775,861</td>
</tr>
<tr>
<td><strong>Net assets, beginning of year</strong></td>
<td>16,912,435</td>
<td>16,136,574</td>
</tr>
<tr>
<td><strong>Net assets, end of year</strong></td>
<td>$20,464,280</td>
<td>16,912,435</td>
</tr>
</tbody>
</table>

See Independent Auditor's Report.
EMERGENCY NURSES ASSOCIATION  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2021

<table>
<thead>
<tr>
<th>Supporting Services</th>
<th>Programs, Grants, and Scholarships</th>
<th>Management and General</th>
<th>Fundraising and Development</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll Expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>$5,247,482</td>
<td>3,300,382</td>
<td>-</td>
<td>8,547,864</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>1,072,241</td>
<td>613,410</td>
<td>-</td>
<td>1,685,651</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>426,189</td>
<td>233,469</td>
<td>-</td>
<td>659,658</td>
</tr>
<tr>
<td>Total payroll expenses</td>
<td>6,745,912</td>
<td>4,147,261</td>
<td>-</td>
<td>10,893,173</td>
</tr>
</tbody>
</table>

| Operating Expenses: |                                   |                         |                             |       |
| Advertising and promotion | 116,423                         | 720                     | -                           | 117,143 |
| Bank charges and credit card processing fees | -                         | 413,239                 | -                           | 413,239 |
| Discount on sales | 112,395                           | -                       | -                           | 112,395 |
| Bad debt expense | 49,209                            | -                       | -                           | 49,209 |
| Computer | 198,429                           | 1,004,107               | -                           | 1,202,536 |
| Conferences | 592,822                           | 224,173                 | -                           | 816,995 |
| Total operating expenses | 5,017,658                       | 3,215,535               | 426,985                     | 8,660,178 |

| Occupancy Expenses: |                                   |                         |                             |       |
| Building maintenance | 97,034                           | 60,852                  | 6,579                       | 164,465 |
| Depreciation | 140,203                           | 87,924                  | 9,505                       | 237,632 |
| Insurance | 7,223                             | 4,530                   | 490                         | 12,243 |
| Real estate taxes | 184,436                           | 115,663                 | 12,504                      | 312,603 |
| Rent | 41,486                            | 28,829                  | -                           | 70,315 |
| Telephone | 1,242                             | 779                     | 84                          | 2,105 |
| Utilities | 41,217                            | 25,848                  | 2,794                       | 69,859 |
| Total occupancy expenses | 512,841                          | 324,425                 | 31,956                      | 869,222 |

| Assessment Expenses: |                                   |                         |                             |       |
| State/chapter membership dues | 531,398                          | -                       | -                           | 531,398 |
| ENPC/TNCC | 1,725,040                         | -                       | -                           | 1,725,040 |
| Total assessment expenses | 2,256,438                         | -                       | -                           | 2,256,438 |
| Total expenses | $14,532,849                         | 7,687,221               | 458,941                     | 22,679,011 |

See Independent Auditor's Report.
# Emergency Nurses Association

## Statement of Functional Expenses

Year Ended December 31, 2020

### Supporting Services

<table>
<thead>
<tr>
<th>Programs, Grants, and Scholarships</th>
<th>Management and General</th>
<th>Fundraising and Development</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll expenses:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>5,034,584</td>
<td>3,189,000</td>
<td>8,223,584</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>743,590</td>
<td>433,757</td>
<td>1,177,347</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>401,152</td>
<td>218,721</td>
<td>619,873</td>
</tr>
<tr>
<td>Total payroll expenses</td>
<td>6,179,326</td>
<td>3,841,478</td>
<td>10,020,804</td>
</tr>
</tbody>
</table>

### Operating expenses:

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising and promotion</td>
<td>106,572</td>
<td>251</td>
<td>107,792</td>
</tr>
<tr>
<td>Bank charges and credit card processing fees</td>
<td>-</td>
<td>361,651</td>
<td>361,651</td>
</tr>
<tr>
<td>Discount on sales</td>
<td>142,192</td>
<td>-</td>
<td>142,192</td>
</tr>
<tr>
<td>Bad debt expense</td>
<td>35,160</td>
<td>-</td>
<td>35,160</td>
</tr>
<tr>
<td>Computer</td>
<td>223,389</td>
<td>774,501</td>
<td>997,890</td>
</tr>
<tr>
<td>Conferences</td>
<td>627,462</td>
<td>90,895</td>
<td>718,357</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>1,343,693</td>
<td>-</td>
<td>1,343,693</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>359,425</td>
<td>115,949</td>
<td>475,374</td>
</tr>
<tr>
<td>Fulfillment and warehousing services</td>
<td>210,333</td>
<td>-</td>
<td>210,333</td>
</tr>
<tr>
<td>Grants and scholarships</td>
<td>54,500</td>
<td>2,640</td>
<td>57,140</td>
</tr>
<tr>
<td>Insurance</td>
<td>57,912</td>
<td>46,014</td>
<td>103,926</td>
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<tr>
<td>Miscellaneous</td>
<td>31,958</td>
<td>69,565</td>
<td>101,523</td>
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<tr>
<td>Postage, freight, and shipping</td>
<td>237,948</td>
<td>9,120</td>
<td>247,068</td>
</tr>
<tr>
<td>Printing</td>
<td>242,936</td>
<td>11,919</td>
<td>254,855</td>
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<tr>
<td>Professional services</td>
<td>963,922</td>
<td>823,551</td>
<td>1,787,473</td>
</tr>
<tr>
<td>Provision for UBIT</td>
<td>1,316</td>
<td>-</td>
<td>1,316</td>
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<tr>
<td>Public relations</td>
<td>9,211</td>
<td>156</td>
<td>9,367</td>
</tr>
<tr>
<td>Recruitment fees</td>
<td>-</td>
<td>38,017</td>
<td>38,017</td>
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<tr>
<td>Stipends</td>
<td>101,969</td>
<td>137,000</td>
<td>238,969</td>
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<tr>
<td>Supplies and equipment</td>
<td>35,803</td>
<td>98,472</td>
<td>134,275</td>
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<tr>
<td>Temporary workers</td>
<td>35,010</td>
<td>84,951</td>
<td>119,961</td>
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<tr>
<td>Training</td>
<td>31,649</td>
<td>120,736</td>
<td>152,385</td>
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<tr>
<td>Travel</td>
<td>127,094</td>
<td>84,699</td>
<td>211,793</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>4,979,454</td>
<td>2,870,087</td>
<td>8,849,541</td>
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</tbody>
</table>

### Occupancy expenses:

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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<tbody>
<tr>
<td>Building maintenance</td>
<td>114,796</td>
<td>71,991</td>
<td>196,787</td>
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<tr>
<td>Depreciation</td>
<td>135,870</td>
<td>85,207</td>
<td>221,077</td>
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<tr>
<td>Insurance</td>
<td>12,537</td>
<td>7,862</td>
<td>20,399</td>
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<tr>
<td>Real estate taxes</td>
<td>155,014</td>
<td>97,212</td>
<td>252,226</td>
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<tr>
<td>Rent</td>
<td>45,514</td>
<td>31,629</td>
<td>77,143</td>
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<tr>
<td>Telephone</td>
<td>2,622</td>
<td>1,645</td>
<td>4,267</td>
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<tr>
<td>Utilities</td>
<td>54,278</td>
<td>34,039</td>
<td>88,317</td>
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<tr>
<td>Total occupancy expenses</td>
<td>520,631</td>
<td>329,585</td>
<td>850,216</td>
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### Assessment expenses:

<p>| | | | |</p>
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<thead>
<tr>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>State/chapter membership dues</td>
<td>543,738</td>
<td>-</td>
<td>543,738</td>
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<tr>
<td>ENPC/TNCC</td>
<td>1,417,420</td>
<td>-</td>
<td>1,417,420</td>
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<td>Total assessment expenses</td>
<td>1,961,158</td>
<td>-</td>
<td>1,961,158</td>
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<tr>
<td>Total expenses</td>
<td>13,640,569</td>
<td>7,041,150</td>
<td>20,681,719</td>
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</tbody>
</table>

See Independent Auditor’s Report.
**EMERGENCY NURSES ASSOCIATION**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash provided (used) by operating activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$ 3,551,845</td>
<td>775,861</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:</td>
<td></td>
<td></td>
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<tr>
<td>Depriciation and amortization of property and equipment</td>
<td>743,993</td>
<td>709,866</td>
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<tr>
<td>Amortization of debt issuance costs</td>
<td>7,246</td>
<td>7,519</td>
</tr>
<tr>
<td>(Gain) loss on interest rate swap agreement</td>
<td>(504,153)</td>
<td>497,536</td>
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<tr>
<td>Loss on property held for sale</td>
<td>-</td>
<td>450,000</td>
</tr>
<tr>
<td>Provision for doubtful accounts</td>
<td>20,641</td>
<td>(44,425)</td>
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<tr>
<td>Realized and unrealized gain on investments</td>
<td>(1,454,988)</td>
<td>(1,295,465)</td>
</tr>
<tr>
<td>Changes in:</td>
<td></td>
<td></td>
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<tr>
<td>Accounts receivable, net</td>
<td>202,884</td>
<td>111,774</td>
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<tr>
<td>Grants receivable</td>
<td>(1,503)</td>
<td>(186)</td>
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<tr>
<td>Due (to) from affiliate</td>
<td>(9,741)</td>
<td>14,145</td>
</tr>
<tr>
<td>Other receivables</td>
<td>6,869</td>
<td>(26,865)</td>
</tr>
<tr>
<td>Inventory</td>
<td>(19,536)</td>
<td>15,566</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>(254,895)</td>
<td>(13,929)</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>432,559</td>
<td>(472,271)</td>
</tr>
<tr>
<td>Wages and benefits payable</td>
<td>560,482</td>
<td>(390,534)</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>(6,607)</td>
<td>(146,701)</td>
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<tr>
<td>Credits on customer accounts</td>
<td>(28,446)</td>
<td>(154,169)</td>
</tr>
<tr>
<td>Assessments payable</td>
<td>(81,400)</td>
<td>(507,239)</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>(62,903)</td>
<td>198,756</td>
</tr>
<tr>
<td>Net cash provided (used) by operating activities</td>
<td>$ 3,102,347</td>
<td>(270,761)</td>
</tr>
<tr>
<td><strong>Cash provided (used) by investing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases of property and equipment</td>
<td>(943,016)</td>
<td>(330,272)</td>
</tr>
<tr>
<td>Payments received on mortgage receivable</td>
<td>60,251</td>
<td>126,000</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(3,562,461)</td>
<td>(3,113,487)</td>
</tr>
<tr>
<td>Proceeds from sale of maturities of investments</td>
<td>1,266,470</td>
<td>3,713,178</td>
</tr>
<tr>
<td>Net cash provided (used) by investing activities</td>
<td>(3,178,756)</td>
<td>395,419</td>
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<tr>
<td><strong>Cash used by financing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments on bonds payable</td>
<td>(344,832)</td>
<td>(344,832)</td>
</tr>
<tr>
<td>Net decrease in cash and cash equivalents</td>
<td>(421,241)</td>
<td>(220,174)</td>
</tr>
<tr>
<td>Cash and cash equivalents, beginning of year</td>
<td>1,229,456</td>
<td>1,449,630</td>
</tr>
<tr>
<td>Cash and cash equivalents, end of year</td>
<td>$ 808,215</td>
<td>1,229,456</td>
</tr>
<tr>
<td><strong>Noncash investing transactions:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage receivable from sale of property held for sale</td>
<td>$ -</td>
<td>2,000,000</td>
</tr>
<tr>
<td><strong>Other cash flow information:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest paid</td>
<td>$ 362,841</td>
<td>378,564</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>$ 5,000</td>
<td>5,849</td>
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See Independent Auditor's Report.

-33-
### ENA FOUNDATION
### STATEMENTS OF FINANCIAL POSITION
### DECEMBER 31, 2021 AND 2020

#### ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$617,347</td>
<td>$330,922</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>23,283</td>
<td>9,299</td>
</tr>
<tr>
<td>Due from affiliate</td>
<td>-</td>
<td>6,245</td>
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<tr>
<td><strong>Total current assets</strong></td>
<td>640,630</td>
<td>346,466</td>
</tr>
<tr>
<td><strong>Property and equipment, net</strong></td>
<td>3,196</td>
<td>5,214</td>
</tr>
<tr>
<td><strong>Investments</strong></td>
<td>4,605,715</td>
<td>3,916,583</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$5,249,541</td>
<td>4,268,263</td>
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</table>

#### LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$1,495</td>
<td>27,521</td>
</tr>
<tr>
<td>Due to affiliate</td>
<td>3,496</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>4,991</td>
<td>27,521</td>
</tr>
<tr>
<td><strong>Net assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without donor restrictions:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undesignated</td>
<td>869,112</td>
<td>623,357</td>
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<tr>
<td>Board-designated</td>
<td>2,147,345</td>
<td>1,942,264</td>
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<tr>
<td><strong>Total without donor restrictions</strong></td>
<td>3,016,457</td>
<td>2,565,621</td>
</tr>
<tr>
<td>With donor restrictions</td>
<td>2,228,093</td>
<td>1,675,121</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>5,244,550</td>
<td>4,240,742</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td>$5,249,541</td>
<td>4,268,263</td>
</tr>
</tbody>
</table>

See Independent Auditor’s Report.
### ENA FOUNDATION

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**

YEARS ENDED DECEMBER 31, 2021 AND 2020

<table>
<thead>
<tr>
<th></th>
<th>WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
<th>WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Support and revenue:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$322,304</td>
<td>603,575</td>
<td>925,879</td>
<td>193,892</td>
<td>450,342</td>
<td>644,234</td>
</tr>
<tr>
<td>Special event revenue, net of direct expenses</td>
<td>9,276</td>
<td>-</td>
<td>9,276</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>1,362</td>
<td>-</td>
<td>1,362</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>269,842</td>
<td>(269,842)</td>
<td>-</td>
<td>261,351</td>
<td>(261,351)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total support and revenue</strong></td>
<td>602,784</td>
<td>333,733</td>
<td>936,517</td>
<td>455,243</td>
<td>188,991</td>
<td>644,234</td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programs, grants, and scholarships</td>
<td>539,335</td>
<td>-</td>
<td>539,335</td>
<td>769,588</td>
<td>-</td>
<td>769,588</td>
</tr>
<tr>
<td>Supporting services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>202,886</td>
<td>-</td>
<td>202,886</td>
<td>215,044</td>
<td>-</td>
<td>215,044</td>
</tr>
<tr>
<td>Fundraising and development</td>
<td>167,647</td>
<td>-</td>
<td>167,647</td>
<td>121,081</td>
<td>-</td>
<td>121,081</td>
</tr>
<tr>
<td><strong>Total supporting services</strong></td>
<td>370,533</td>
<td>-</td>
<td>370,533</td>
<td>336,125</td>
<td>-</td>
<td>336,125</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>909,868</td>
<td>-</td>
<td>909,868</td>
<td>1,105,713</td>
<td>-</td>
<td>1,105,713</td>
</tr>
<tr>
<td>Change in net assets - before contributed services from affiliate and other income</td>
<td>(307,084)</td>
<td>333,733</td>
<td>26,649</td>
<td>(650,470)</td>
<td>188,991</td>
<td>(461,479)</td>
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<tr>
<td>Contributed services from affiliate</td>
<td>415,187</td>
<td>-</td>
<td>415,187</td>
<td>381,562</td>
<td>-</td>
<td>381,562</td>
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<tr>
<td><strong>Other income:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment return, net</td>
<td>342,733</td>
<td>219,239</td>
<td>561,972</td>
<td>250,862</td>
<td>169,839</td>
<td>420,701</td>
</tr>
<tr>
<td>Change in net assets</td>
<td>450,836</td>
<td>552,972</td>
<td>1,003,808</td>
<td>(18,046)</td>
<td>358,830</td>
<td>340,784</td>
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<tr>
<td>Net assets, beginning of year</td>
<td>2,565,621</td>
<td>1,675,121</td>
<td>4,240,742</td>
<td>2,565,621</td>
<td>1,675,121</td>
<td>4,240,742</td>
</tr>
<tr>
<td>Net assets, end of year</td>
<td>$3,016,457</td>
<td>2,228,093</td>
<td>5,244,550</td>
<td>2,565,621</td>
<td>1,675,121</td>
<td>4,240,742</td>
</tr>
</tbody>
</table>

See Independent Auditor's Report.
**ENA FOUNDATION**

**STATEMENT OF FUNCTIONAL EXPENSES**

**YEAR ENDED DECEMBER 31, 2021**

<table>
<thead>
<tr>
<th>SUPPORTING SERVICES</th>
<th>PROGRAMS, GRANTS, AND SCHOLARSHIPS</th>
<th>MANAGEMENT AND</th>
<th>FUNDRAISING AND</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating expenses:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advertising and promotion</td>
<td>$ -</td>
<td>-</td>
<td>4,048</td>
<td>4,048</td>
</tr>
<tr>
<td>Bank charges and credit card processing fees</td>
<td>-</td>
<td>-</td>
<td>1,413</td>
<td>1,413</td>
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<tr>
<td>Bad debt expense</td>
<td>-</td>
<td>20</td>
<td>-</td>
<td>20</td>
</tr>
<tr>
<td>Computer</td>
<td>-</td>
<td>8,120</td>
<td>8,495</td>
<td>16,615</td>
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<tr>
<td>Conferences</td>
<td>-</td>
<td>2,671</td>
<td>1,000</td>
<td>3,671</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>-</td>
<td>2,018</td>
<td>-</td>
<td>2,018</td>
</tr>
<tr>
<td>Grants and scholarships</td>
<td>412,111</td>
<td>-</td>
<td>-</td>
<td>412,111</td>
</tr>
<tr>
<td>Insurance</td>
<td>-</td>
<td>480</td>
<td>-</td>
<td>480</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>64</td>
<td>-</td>
<td>-</td>
<td>64</td>
</tr>
<tr>
<td>Postage, freight, and shipping</td>
<td>1,298</td>
<td>506</td>
<td>4,228</td>
<td>6,032</td>
</tr>
<tr>
<td>Printing</td>
<td>-</td>
<td>902</td>
<td>275</td>
<td>1,177</td>
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<tr>
<td>Professional services</td>
<td>125,413</td>
<td>174,607</td>
<td>131,455</td>
<td>431,475</td>
</tr>
<tr>
<td>Promotion/advocacy</td>
<td>-</td>
<td>1,291</td>
<td>-</td>
<td>1,291</td>
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<tr>
<td>Recruitment fees</td>
<td>-</td>
<td>28</td>
<td>-</td>
<td>28</td>
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<tr>
<td>Supplies and equipment</td>
<td>449</td>
<td>648</td>
<td>15,716</td>
<td>16,813</td>
</tr>
<tr>
<td>Travel</td>
<td>-</td>
<td>11,595</td>
<td>1,017</td>
<td>12,612</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td><strong>$ 539,335</strong></td>
<td><strong>202,886</strong></td>
<td><strong>167,647</strong></td>
<td><strong>909,868</strong></td>
</tr>
</tbody>
</table>

See Independent Auditor's Report.
EN A FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2020

<table>
<thead>
<tr>
<th>SUPPORTING SERVICES</th>
<th>PROGRAMS, GRANTS, AND SCHOLARSHIPS</th>
<th>MANAGEMENT AND GENERAL</th>
<th>FUNDRAISING AND DEVELOPMENT</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advertising and promotion</td>
<td>$ -</td>
<td>-</td>
<td>1,420</td>
<td>1,420</td>
</tr>
<tr>
<td>Bank charges and credit card processing fees</td>
<td>-</td>
<td>-</td>
<td>909</td>
<td>909</td>
</tr>
<tr>
<td>Computer</td>
<td>-</td>
<td>5,660</td>
<td>-</td>
<td>5,660</td>
</tr>
<tr>
<td>Conferences</td>
<td>-</td>
<td>846</td>
<td>850</td>
<td>1,696</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>-</td>
<td>2,018</td>
<td>-</td>
<td>2,018</td>
</tr>
<tr>
<td>Grants and scholarships</td>
<td>657,470</td>
<td>-</td>
<td>-</td>
<td>657,470</td>
</tr>
<tr>
<td>Insurance</td>
<td>-</td>
<td>480</td>
<td>-</td>
<td>480</td>
</tr>
<tr>
<td>Postage, freight, and shipping</td>
<td>113</td>
<td>510</td>
<td>87</td>
<td>710</td>
</tr>
<tr>
<td>Printing</td>
<td>-</td>
<td>425</td>
<td>251</td>
<td>676</td>
</tr>
<tr>
<td>Professional services</td>
<td>111,843</td>
<td>182,641</td>
<td>115,231</td>
<td>409,715</td>
</tr>
<tr>
<td>Supplies and equipment</td>
<td>162</td>
<td>2,950</td>
<td>553</td>
<td>3,665</td>
</tr>
<tr>
<td>Temporary workers</td>
<td>-</td>
<td>1,998</td>
<td>-</td>
<td>1,998</td>
</tr>
<tr>
<td>Travel</td>
<td>-</td>
<td>17,516</td>
<td>1,780</td>
<td>19,296</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>$ 769,588</td>
<td>215,044</td>
<td>121,081</td>
<td>1,105,713</td>
</tr>
</tbody>
</table>

See Independent Auditor's Report.
### ENA FOUNDATION
### STATEMENTS OF CASH FLOWS
### YEARS ENDED DECEMBER 31, 2021 AND 2020

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash provided (used) by operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$1,003,808</td>
<td>340,784</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation of property and equipment</td>
<td>2,018</td>
<td>2,018</td>
</tr>
<tr>
<td>Net realized and unrealized gains on investments</td>
<td>(425,259)</td>
<td>(338,380)</td>
</tr>
<tr>
<td>Contributions restricted for investment in endowment</td>
<td>(261,912)</td>
<td>(63,104)</td>
</tr>
<tr>
<td>Changes in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(13,984)</td>
<td>(4,281)</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(26,026)</td>
<td>20,152</td>
</tr>
<tr>
<td>Due (to) from affiliate</td>
<td>9,741</td>
<td>(14,145)</td>
</tr>
<tr>
<td>Net cash provided (used) by operating activities</td>
<td>288,386</td>
<td>(56,956)</td>
</tr>
<tr>
<td>Cash provided (used) by investing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(371,590)</td>
<td>(392,820)</td>
</tr>
<tr>
<td>Proceeds from sale and maturities of investments</td>
<td>107,717</td>
<td>425,788</td>
</tr>
<tr>
<td>Net cash provided (used) by investing activities</td>
<td>(263,873)</td>
<td>32,968</td>
</tr>
<tr>
<td>Cash provided by financing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions restricted for long-term purposes - endowment</td>
<td>261,912</td>
<td>63,104</td>
</tr>
<tr>
<td>Net increase in cash and cash equivalents</td>
<td>286,425</td>
<td>39,116</td>
</tr>
<tr>
<td>Cash and cash equivalents, beginning of year</td>
<td>330,922</td>
<td>291,806</td>
</tr>
<tr>
<td>Cash and cash equivalents, end of year</td>
<td>$617,347</td>
<td>330,922</td>
</tr>
</tbody>
</table>

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