

Keep Austin Beautiful, Inc.

Report of Independent Auditor and
Financial Statements

July 31, 2019 and 2018



KEEP AUSTIN BEAUTIFUL, INC.
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Report of Independent Auditor

To the Board of Directors of
Keep Austin Beautiful, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Keep Austin Beautiful, Inc. (the “Organization”), which comprise the statements of financial position as of July 31, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Keep Austin Beautiful, Inc. as of July 31, 2019 and 2018, 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.

PMB HELIN DONOVAN, LLP

PMB Helin Donovan, LLP

December 3, 2019
Austin, Texas

KEEP AUSTIN BEAUTIFUL, INC.

Statements of Financial Position

July 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Assets		
Cash and cash equivalents	\$ 615,131	\$ 728,969
Accounts receivable, net	75,847	60,802
Prepaid expenses and other assets	48,197	9,896
Property and equipment	5,904	5,249
Total assets	<u>\$ 745,079</u>	<u>\$ 804,916</u>
Liabilities and Net Assets		
Accounts payable	\$ 12,121	\$ 8,434
Accrued vacation	16,264	15,281
Total liabilities	<u>28,385</u>	<u>23,715</u>
Net assets		
Without donor restrictions	230,279	203,136
With donor restrictions	486,415	578,065
Total net assets	<u>716,694</u>	<u>781,201</u>
Total liabilities and net assets	<u>\$ 745,079</u>	<u>\$ 804,916</u>

See accompanying notes and report of independent auditor.

KEEP AUSTIN BEAUTIFUL, INC.Statement of Activities
Year Ended July 31, 2019

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Revenues and support			
Contributions	\$ 741,317	\$ 48,000	\$ 789,317
Grants	-	55,000	55,000
In-kind donations	116,755	-	116,755
Miscellaneous revenue	12,526	-	12,526
Net assets released from restrictions	194,650	(194,650)	-
Total revenues and support	<u>1,065,248</u>	<u>(91,650)</u>	<u>973,598</u>
Expenses and losses			
Program services	813,460	-	813,460
Total program services	<u>813,460</u>	<u>-</u>	<u>813,460</u>
Supporting services			
General and administrative	143,997	-	143,997
Fundraising	80,648	-	80,648
Total supporting services	<u>224,645</u>	<u>-</u>	<u>224,645</u>
Total expenses	<u>1,038,105</u>	<u>-</u>	<u>1,038,105</u>
Change in net assets	27,143	(91,650)	(64,507)
Net assets at beginning of year	203,136	578,065	781,201
Net assets at end of year	<u>\$ 230,279</u>	<u>\$ 486,415</u>	<u>\$ 716,694</u>

See accompanying notes and report of independent auditor.

KEEP AUSTIN BEAUTIFUL, INC.

Statement of Activities

Year Ended July 31, 2018

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Revenues and support			
Contributions	\$ 828,148	\$ 285,000	\$ 1,113,148
Grants	-	30,902	30,902
In-kind donations	108,930	-	108,930
Miscellaneous revenue	1,451	-	1,451
Net assets released from restrictions	95,939	(95,939)	-
Total revenues and support	<u>1,034,468</u>	<u>219,963</u>	<u>1,254,431</u>
Expenses and losses			
Program services	716,779	-	716,779
Total program services	<u>716,779</u>	<u>-</u>	<u>716,779</u>
Supporting services			
General and administrative	125,408	-	125,408
Fundraising	113,091	-	113,091
Total supporting services	<u>238,499</u>	<u>-</u>	<u>238,499</u>
Total expenses	<u>955,278</u>	<u>-</u>	<u>955,278</u>
Change in net assets	79,190	219,963	299,153
Net assets at beginning of year	123,946	358,102	482,048
Net assets at end of year	<u>\$ 203,136</u>	<u>\$ 578,065</u>	<u>\$ 781,201</u>

See accompanying notes and report of independent auditor.

KEEP AUSTIN BEAUTIFUL, INC.Statements of Functional Expenses
Years Ended July 31, 2019 and 2018**2019**

	Program Services	General and Administrative	Fundraising	Total
Salaries, benefits and payroll taxes	\$ 537,660	\$ 79,078	\$ 63,977	\$ 680,715
In-kind expense	67,221	-	12,082	79,303
Direct program cost	112,822	-	-	112,822
Rent	33,291	5,984	3,408	42,683
Depreciation expense	7,391	-	-	7,391
Professional fees	4,776	44,205	-	48,981
Utilities	-	2,587	-	2,587
Public relations and marketing	7,061	424	-	7,485
Transportation	13,806	-	190	13,996
Insurance	1,636	509	-	2,145
Other miscellaneous expense	27,796	11,210	991	39,997
	<u>\$ 813,460</u>	<u>\$ 143,997</u>	<u>\$ 80,648</u>	<u>\$ 1,038,105</u>

2018

	Program Services	General and Administrative	Fundraising	Total
Salaries, benefits and payroll taxes	\$ 480,739	\$ 84,651	\$ 68,944	\$ 634,334
In-kind expense	68,338	5,000	35,592	108,930
Direct program cost	54,805	-	-	54,805
Rent	32,859	5,552	4,272	42,683
Depreciation expense	5,375	-	-	5,375
Professional fees	21,684	15,306	-	36,990
Utilities	2,598	-	-	2,598
Public relations and marketing	4,212	-	2,132	6,344
Transportation	9,816	-	-	9,816
Insurance	1,927	862	-	2,789
Other miscellaneous expense	34,426	14,037	2,151	50,614
	<u>\$ 716,779</u>	<u>\$ 125,408</u>	<u>\$ 113,091</u>	<u>\$ 955,278</u>

See accompanying notes and report of independent auditor.

KEEP AUSTIN BEAUTIFUL, INC.Statements of Cash Flows
Years Ended July 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Change in net assets	\$ (64,507)	\$ 299,153
Adjustments to reconcile changes in net assets to net cash (used in) provided by operating activities:		
Depreciation on property and equipment	7,391	5,375
Changes in assets and liabilities:		
Accounts receivable and unbilled revenue	(15,045)	70,486
Prepaid assets	(38,301)	3,186
Accounts payable and accrued expenses	3,687	(827)
Other liabilities	983	(2,243)
Net cash (used in) provided by operating activities	<u>(105,792)</u>	<u>375,130</u>
Cash flows from investing activities		
Purchases of property and equipment	<u>(8,046)</u>	<u>-</u>
Net cash used in investing activities	<u>(8,046)</u>	<u>-</u>
Cash flows from financing activities	<u>-</u>	<u>-</u>
Net change in cash and cash equivalents	(113,838)	375,130
Cash and cash equivalents at beginning of year	728,969	353,839
Cash and cash equivalents at end of year	<u>\$ 615,131</u>	<u>\$ 728,969</u>

See accompanying notes and report of independent auditor.

KEEP AUSTIN BEAUTIFUL, INC.

Notes to the Financial Statements

July 31, 2019 and 2018

(1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Keep Austin Beautiful, Inc. (the “Organization” or “Keep Austin Beautiful”) is a 501(c) (3) non-profit organization governed by a volunteer board of directors, was established in 1985 by the Greater Austin Chamber of Commerce to preserve Austin’s quality of life. Keep Austin Beautiful’s core purpose is to inspire and educate individuals and our community towards greater environmental stewardship. The programs of Keep Austin Beautiful target all businesses and citizens in the greater Austin, Texas area through activities that center on environmental education, water quality, non-point source pollution, littering, recycling and beautification. The primary goal of Keep Austin Beautiful is to clean, beautify and protect the Austin environment through physical improvements and hands-on education:

Clean - removing litter from neighborhoods, creeks, and public spaces in collaboration with the community while raising awareness about the impact of litter.

Beautify - building vibrant sustainable communities by empowering neighbors to beautify and restore public spaces.

Recycle - cultivating waste reduction practices within the citizenry in order to divert waste from landfills and transition to a zero-waste culture.

Educate - leading presentations, service-learning projects, and awareness campaigns to nurture environmental consciousness.

Recognize - honoring the most outstanding environmental efforts of individuals, schools, and organizations.

The Keep Austin Beautiful board and staff develop and implement projects and programs in the areas of cleanup, beautification, habitat and creek restoration, and education. Major activities sponsored or supported through the efforts of Keep Austin Beautiful in past years have included the following:

- **Environmental Education** - providing environmental presentations and activities to students K-12 through Clean Creek Campus, Generation Zero, Green Teens, Patch Pals, and Activity Kits;
- **Awards** - recognizing positive behavior in all segments of the community;
- **Keep Austin Beautiful Day** - providing opportunities for grassroots involvement in county-wide cleanups on the second Saturday of April for the Great American Cleanup;
- **Community Cleanups** - identifying areas of need, providing cleanup supplies, coordinating trash collection, and recruiting volunteers to provide cleanups year-round;
- **Adopt a Creek & Adopt a Street** - providing the community with an opportunity to take ownership of local creeks and roadways and help keep them clean.

Summary of Significant Accounting Policies

- (a) **Basis of Presentation** - The Organization’s financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (GAAP). Under GAAP, net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Expenses are classified as without donor restrictions.

KEEP AUSTIN BEAUTIFUL, INC.

Notes to the Financial Statements

July 31, 2019 and 2018

(Continued)

- (b) **Net Asset Classification** - Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets and changes therein are classified as:

Net Assets with Donor Restrictions - Net assets the use of which is subject to stipulations or the passage of time that can be fulfilled by actions of the Organization pursuant to those stipulations.

Net Assets without Donor Restrictions - Net assets that are not subject to stipulations. Net assets without donor stipulations may be used for any purpose or designated for specific purposes by action of the Board of Directors of the Organization. There were no board designated net assets as of July 31, 2019 or 2018.

- (c) **Cash and Cash Equivalents** - Cash and cash equivalents consist of cash in checking accounts and interest-bearing savings accounts. The Organization considers all highly liquid investments with an original maturity of three months or less, purchased for use primarily in operations, to be cash equivalents.

- (d) **Contributions and Grants** - Sources of support for the Organization's services are contributions from the community, city and county contracts, grants from organizations and businesses, and program service fees.

Contributions received (including unconditional promises to give) are recorded as with or without donor restricted support in the period received depending on the existence and/or nature of any donor restrictions. Contributions received which are part of the Organization's ongoing major or central activities are recognized as revenue, while contributions which are peripheral or incidental are recognized as gains. Conditional promises to give (grants) are recognized as the conditions upon which they depend are substantially met. Promises to give are recognized as revenue only if sufficient evidence exists in the form of verifiable documentation that a promise was made and received.

The Organization reports contributions as support with donor restrictions if the support is 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 statement of activities as net assets released from restrictions. If a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as restricted and reclassifies the contribution to net assets without donor restriction when the donor restriction expires. Support that is not restricted by the donor is reported as an increase in net assets without donor restrictions in the reporting period in which the support is recognized. Donated assets are recorded at their estimated fair market values at the date of receipt.

Contributed goods and services are reported at fair value as in-kind support if the goods and services are needed in conducting the programs. Contributed services are reported as in-kind support if the services either (a) create or enhance a non-financial asset, (b) require specialized skills, are provided by those possessing those skills, and would otherwise need to be purchased if they were not donated. The value of the contributed goods and services reported is considered an accounting estimate. These contributed goods and services are expensed as utilized and are included in in-kind expenses on the accompanying statements of activities and of functional expenses. In addition, a number of volunteers have donated time to the Organization's program and support services. These contributions in-kind are not reflected in the financial statements since these services do not meet the criteria for recognition.

KEEP AUSTIN BEAUTIFUL, INC.

Notes to the Financial Statements

July 31, 2019 and 2018

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(e) **Accounts Receivable** - Program service fees included in receivables are individually analyzed for purposes of determining collectability at year end and the Organization had no allowance for the years ended July 31, 2019 and 2018. The Organization evaluates the collectability of its pledges and adequacy of its allowance for doubtful accounts on a periodic basis. The evaluation includes historical loss experience, length of time the pledges are past due and adverse situations that may affect the donor's ability to honor its pledge. The Organization records and adjusts its allowance for bad debt balance as necessary.

(f) **Property and Equipment** - Purchased property and equipment assets are carried at cost. Donated property and equipment assets are recorded at market value at the date of donation. The Organization capitalizes all expenditures for property and equipment assets in excess of \$500. Property and equipment are depreciated using the straight-line method over the useful lives of the assets as follows:

Computers	3 years
Leasehold improvements	Shorter of the lease term or 7 years
Vehicles	5 years
Furniture and equipment	15 years

(g) **Income Taxes** - The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except with respect to any unrelated business income. The Organization had no unrelated business income during the years ended July 31, 2019 and 2018. GAAP requires management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by Internal Revenue Service. Management has analyzed the tax positions taken by the Organization, and has concluded that as of July 31, 2019 and 2018, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is generally no longer subject to tax examinations relating to US federal tax returns for years prior to the past three years.

(h) **Advertising Expenses** - The Organization expenses advertising costs as incurred. The Organization incurred \$7,485 and \$6,344 in advertising expense for the years ended July 31, 2019 and 2018, respectively.

(i) **Use of Estimates** - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated. Significant estimates include determining the allocation of expenses across functional lines.

(j) **Functional Expenses** - The expense information contained in the statements of activities is presented on a functional basis. Accordingly, certain expenses are allocated between functional categories based on management's estimates. The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. These expenses include salaries, benefits and payroll taxes; in-kind expense; professional fees; public relations and marketing; insurance; and other miscellaneous expenses; which are allocated based upon staff time devoted. Rent costs are allocated by square footage to program, general and administrative, and fundraising services.

KEEP AUSTIN BEAUTIFUL, INC.

Notes to the Financial Statements

July 31, 2019 and 2018

(Continued)

- (k) **Concentration of Credit Risk** - The Organization maintains cash balances at federally insured financial institution. At various times during the years ended July 31, 2019 and 2018, balances in these accounts may have exceeded Federal Deposit Insurance Corporation (FDIC) insured limits. The Organization has not experienced and does not anticipate any credit losses on these deposits.

Recently Issued Accounting Pronouncement - In February 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2016-02, *Leases (Topic 842)*. This ASU requires a lessee to recognize on its balance sheet a right-of-use asset and a lease liability under most operating leases. This ASU is effective for annual and interim periods beginning after December 15, 2021. Early adoption is permitted. The Organization is currently evaluating the effects that the adoption of ASU 2016-02 will have on its financial position, results of operations, or cash flows.

In August 2016, the FASB issued ASU 2016-14, *Presentation of financial statements of Not-for-Profit Entities, as an update to ASC 958, Not-for-Profit Entities*. This update makes several improvements to current reporting requirements that address complexities in the use of the currently required three classes of net assets and enhance required disclosures related to donor restrictions of net assets. The updated guidance are effective for annual periods beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted. The new guidance should be applied on a retrospective basis. The updated guidance will result in a change in the classes of net assets reported on the face of the statement of financial position from three classes (unrestricted, temporarily restricted and permanently restricted) to two classes (net assets without donor restrictions and net assets with donor restrictions). The Organization adopted this update as of August 1, 2018. Implementation of this guidance resulted in additional disclosures surrounding the Organization’s functional expense classifications and liquidity.

In May 2014, the FASB issued guidance in ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which supersedes most current revenue recognition guidance and outlines a single comprehensive model for entities to use in accounting for revenue. In August 2015, the FASB issued ASU 2015-14 delaying the effective date for adoption. The update is now effective for interim and annual periods beginning after December 15, 2018. The guidance provides a five-step framework to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration it expects to be entitled to receive in exchange for those goods or services. The new guidance may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of adoption. The Organization is currently evaluating the impact of the standard on its financial statements.

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which is intended to clarify and improve the scope and the accounting guidance for contributions received and made, primarily by not-for-profit organizations. The amendments in this ASU provide a more robust framework for determining whether a transaction should be accounted for as a contribution or as an exchange transaction. ASU 2018-18 is effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption is permitted. The Organization is currently evaluating the impact of ASU 2018-08 on its financial statements.

Other recently issued ASU’s were assessed and determined to be either not applicable or are expected to have minimal impact on its financial position and results of operations

KEEP AUSTIN BEAUTIFUL, INC.

Notes to the Financial Statements

July 31, 2019 and 2018

(Continued)

- (1) **Management's Review** - Management has evaluated subsequent events through December 3, 2019 which is the date the financial statements were available for issuance.

(2) **LIQUIDITY**

The Organization has \$230,279 of financial assets available within one year of the balance sheet date of July 31, 2019 to meet cash needs for general expenditure consisting of cash of \$222,432 and receivables of \$7,847. Receivables are expected to be collected within one year. Total net assets without donor restrictions as of July 31, 2019 were \$230,279. Due to the nature of its mission, the Organization is substantially supported by contributions without restrictions. Therefore, financial assets are typically available for general expenditures within one year. Management believes current assets are sufficient to cover the Organization's obligations as they become due.

(3) **CASH AND CASH EQUIVALENTS**

The composition of the Organization's cash and cash equivalents at July 31, 2019 and 2018 was as follows:

	<u>2019</u>	<u>2018</u>
Cash and demand deposits	\$ 37,914	\$ 125,200
Money market account	577,217	603,769
Total cash and cash equivalents	<u>\$ 615,131</u>	<u>\$ 728,969</u>

(4) **PROPERTY AND EQUIPMENT**

Property and equipment as of July 31, 2019 and 2018 consisted of:

	<u>2019</u>	<u>2018</u>
Computers	\$ 15,999	\$ 7,953
Vehicles	13,600	13,600
Gross property and equipment	29,599	21,553
Accumulated depreciation	(23,695)	(16,304)
Total property and equipment	<u>\$ 5,904</u>	<u>\$ 5,249</u>

Depreciation expense totaled \$7,391 and \$5,375 for the years ended July 31, 2019 and 2018, respectively.

KEEP AUSTIN BEAUTIFUL, INC.

Notes to the Financial Statements

July 31, 2019 and 2018

(Continued)

(5) NET ASSETS WITH DONOR RESTRICTION

Net assets with donor restrictions are restricted for the following purposes as of July 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Program restrictions:		
Green Teens Grant	\$ 206,680	\$ 274,305
General	10,000	-
Pemberton Contract	-	18,760
Clean Creek Campus	16,900	-
Beautify Bash	15,000	-
Beautify Austin	237,835	285,000
Total net assets with donor restrictions	<u>\$ 486,415</u>	<u>\$ 578,065</u>

Net assets released from donor restrictions due to the satisfaction of requirements consisted of the following at July 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Purpose restrictions fulfilled:		
Green Teens Grant	\$ 67,626	\$ 92,189
Pemberton Contract	18,760	3,750
Clean Creek Campus	61,100	-
Beautify Austin	47,164	-
Total net assets released from donor restrictions	<u>\$ 194,650</u>	<u>\$ 95,939</u>

(6) COMMITMENTS AND CONTINGENCIES

At July 31, 2019 and 2018, there were no significant outstanding legal actions or claims against the Organization. The Organization is subject to various claims and liabilities in the ordinary course of business. The Organization maintains various forms of insurance that the Organization's management believes are adequate to reduce the exposure to such risks to an acceptable level.

(7) LEASE COMMITMENTS

The Organization entered into a non-cancellable office space lease. In October 2019, the lease was amended, and the expiration date was extended from October 2019 to October 2022. Rent expense for the years ended July 31, 2019 and 2018 totaled \$42,683. The future minimum payments for the next five years ending July 31st as follows:

2020	\$ 42,683
2021	42,683
2022	42,683
2023	7,114
Total	<u>\$ 135,163</u>

KEEP AUSTIN BEAUTIFUL, INC.

Notes to the Financial Statements

July 31, 2019 and 2018

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(8) RELATED PARTIES

During the years ended July 31, 2019 and 2018, the Organization received contributions of approximately \$4,000 and \$7,000, respectively, from various members of the board of directors. Additionally, organizations affiliated with certain members of the Board of Directors contributed amounts totaling \$83,560 and \$105,741 for the years ended July 31, 2019 and 2018, respectively. These amounts represent actual cash contributions received and are included in contributions in the accompanying statements of financial activities.

(9) CONCENTRATIONS

A significant portion of the Organization's revenue consists of contributions from the community, city and county contracts, and grants from organizations and businesses. Reductions in the amount of support received under these sources could have a significant impact on the Organization's ability to continue as a going concern.

The concentrations in total revenues and support for the years ended July 31, 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>
Grantor A	40%	34%
Grantor B	5%	14%
Grantor C	*	20%
Grantor E	13%	*

*Not a significant source of revenue during the fiscal year.

The concentration in accounts receivable as of July 31, 2019 and July 31, 2018 was as follows:

	<u>2019</u>	<u>2018</u>
Grantor A	50%	58%
Grantor D	10%	21%
Grantor F	20%	*

*Not a significant source of accounts receivable during the fiscal year.

(10) RETIREMENT PLAN

In 2015, the Organization established the 403(b) Plan ("The Plan"). The Plan was established under Internal Revenue Code Section 403(b). The Plan provides for elective salary deferrals for employees, with annual employer matching contributions up to 3% of annual salary per employee. All full-time employees working more than 30 hours per week are eligible for participation on the 91st date of their employment. Retirement plan contribution expense was \$4,777 and \$11,778 for the years ended July 31, 2019 and 2018, respectively.