Transgender Law Center

Financial Statements &

Independent Auditor's Report

for the Year Ended

December 31, 2019

COOK & COMPANY

A PROFESSIONAL ACCOUNTANCY CORPORATION

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT 3

FINANCIAL STATEMENTS 5

Statement of Financial Position 5

Statement of Activities and Changes in Net Assets 6

Statement of Functional Expenses 7

Statement of Cash Flows 8

Notes to Financial Statements 9

COOK & COMPANY

A PROFESSIONAL ACCOUNTANCY CORPORATION

Independent Auditor's Report

To the Board of Directors
Transgender Law Center
Oakland, California

We have audited the accompanying financial statements of Transgender Law Center (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, the related statements of activities and changes in net assets, functional expenses, and cash flows for the year 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 audit. We conducted our audit 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 of 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 an assessment of the risks of the 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.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Transgender Law Center, as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the December 31, 2018, financial statements of Transgender Law Center and our report dated September 4, 2019, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Cook & Company

A Professional Accountancy Corporation
San Francisco, California
November 20, 2020

Transgender Law Center

Statement of Financial Position
December 31, 2019
with Comparative Totals for December 31, 2018

ASSETS	12/31/19	12/31/18 (Note 2)
Current Assets:		
Cash & equivalents	$ 2,387,972	$ 2,209,849
Investments (Note 3)	1,132,431	1,075,291
Grants & pledges receivable, due within one year	1,066,190	809,169
Other receivables	-	45,972
Total current financial assets	4,586,593	4,140,281
Prepaid expenses & other current assets	70,674	66,117
Total current assets	4,657,267	4,206,398
Grants receivable, due between one and two years	226,500	200,000
Deposits	89,424	88,924
Property & equipment, net (Note 4)	87,000	16,518
TOTAL ASSETS	$ 5,060,191	$ 4,511,840
LIABILITIES & NET ASSETS		
Current Liabilities:		
Accounts payable & accrued expenses	$ 230,014	$ 292,949
Accrued vacation pay	126,636	102,443
Accrued sabbatical leave - current (Note 2)	56,754	40,762
Deferred rent - current	28,452	7,787
Deferred program revenue	-	14,119
Total current liabilities	441,856	458,060
Deferred rent - long-term	22,967	50,604
Subtenant deposits	26,013	26,013
Accrued sabbatical leave - long-term (Note 2)	93,772	76,234
TOTAL LIABILITIES	584,608	610,911
Net Assets		
Without donor restrictions	1,605,883	1,035,979
With donor restrictions (Note 5)	2,869,700	2,864,950
TOTAL NET ASSETS	4,475,583	3,900,929
TOTAL LIABILITIES & NET ASSETS	$ 5,060,191	$ 4,511,840

See accompanying notes to financial statements
and independent auditor's report.

Transgender Law Center

Statement of Activities and Changes in Net Assets
for the Year Ended December 31, 2019
with Comparative Totals for the Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	2019 Total	2018 Total (Note 2)
Support & Revenue:				
Foundation grants	$ 115,000	$ 2,983,670	$ 3,098,670	$ 3,272,145
Net assets released from restriction:				
Satisfaction of donor restrictions	4,414,507	(4,414,507)	-	-
Individual donations	709,453	15,533	724,986	1,052,785
Corporate contributions	274,488	1,420,054	1,694,542	622,467
Contributed legal services (Note 6)	1,128,583	-	1,128,583	1,006,118
Gifts in-kind	3,950	-	3,950	-
Special events - contributions	146,296	-	146,296	82,982
Special events - fair value portion	17,977	-	17,977	11,540
Less: Direct event expenses	(64,335)	-	(64,335)	(56,994)
Contract revenue	29,501	-	29,501	58,808
Legal & other program fees	3,425	-	3,425	125,425
Dividends & interest	49,010	-	49,010	41,147
Change in fair value of investments	28,073	-	28,073	4,294
Miscellaneous revenue	44,342	-	44,342	75,964
Total support & revenue	6,900,270	4,750	6,905,020	6,296,681
Expenses:				
Programs	5,149,436	-	5,149,436	4,680,078
General & administrative	486,599	-	486,599	347,001
Fundraising	694,331	-	694,331	503,103
Total expenses	6,330,366	-	6,330,366	5,530,182
CHANGE IN NET ASSETS	569,904	4,750	574,654	766,499
NET ASSETS, January 1	1,035,979	2,864,950	3,900,929	3,134,430
NET ASSETS, December 31	$1,605,883	$ 2,869,700	$ 4,475,583	$ 3,900,929

See accompanying notes to financial statements
and independent auditor's report.

Transgender Law Center

Statement of Functional Expenses
for the Year Ended December 31, 2019
with Comparative Totals for the Year Ended December 31, 2018

	Programs	General & Administrative	Fundraising	2019 Total	2018 Total (Note 2)
Salaries	$ 1,460,405	$ 232,992	$ 342,545	$ 2,035,942	$ 1,878,007
Employee benefits	160,422	25,594	37,627	223,643	227,451
Payroll taxes	115,482	18,424	27,087	160,993	147,952
Subtotal	1,736,309	277,010	407,259	2,420,578	2,253,410
Grants to nonprofit organizations	117,144	-	-	117,144	97,400
Legal fees	83,727	18,949	936	103,612	132,305
Accounting fees	7,786	19,982	1,533	29,301	41,113
Contributed legal services	1,128,583	-	-	1,128,583	1,006,118
Advertising, public relations & promotion (Note 2)	104,080	202	63,451	167,733	146,231
Other consultants & professional fees	379,123	56,545	6,657	442,325	331,975
Office expenses	85,312	12,343	14,267	111,922	77,803
Information technology	94,081	13,872	21,491	129,444	88,268
Occupancy	292,872	46,484	68,341	407,697	399,500
Travel	802,672	19,436	34,154	856,262	653,962
Conferences & training	29,676	2	349	30,027	37,308
Meetings	117,458	5,691	5,478	128,627	74,460
Depreciation	15,082	2,406	3,538	21,026	13,567
Insurance	20,821	3,045	4,476	28,342	23,884
Professional development	9,191	1,344	1,976	12,511	17,755
Staff & volunteer appreciation	977	172	150	1,299	2,849
Direct expenses of fundraising events	-	-	64,335	64,335	56,994
Other event production costs	2	-	38,532	38,534	33,860
Client costs	44,715	-	-	44,715	14,351
Bank fees	5,688	4,511	13,875	24,074	24,377
Dues & subscriptions	9,616	-	319	9,935	13,627
Miscellaneous expense	64,521	4,605	7,549	76,675	46,059
Total expenses by function	5,149,436	486,599	758,666	6,394,701	5,587,176
Less expenses included with revenue on the statement of activities					
Direct expenses of fundraising events	-	-	(64,335)	(64,335)	(56,994)
Total expenses included in the expense section on the statement of activities	$ 5,149,436	$ 486,599	$ 694,331	$ 6,330,366	$ 5,530,182

See accompanying notes to financial statements
and independent auditor's report.

Transgender Law Center

Statement of Cash Flows
for the Year Ended December 31, 2019
with Comparative Totals for the Year Ended December 31, 2018

	2019	2018 (Note 2)
Cash flows from operating activities:		
Change in net assets	$ 574,654	$ 766,499
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation expense	21,026	13,567
Investment gains & losses	(28,073)	(4,294)
Changes in assets and liabilities:		
(Increase) decrease in accounts and contributions receivable	(237,549)	(351,081)
(Increase) decrease in other assets	(5,058)	19,141
Increase (decrease) in accounts payable	(62,935)	168,767
Increase (decrease) in subtenant deposit	-	(10,410)
Increase (decrease) in accrued vacation	24,193	14,265
Increase (decrease) in accrued sabbatical leave	33,530	31,100
Increase (decrease) in deferred rent	(6,972)	3,860
Increase (decrease) in deferred revenue	(14,119)	8,349
Cash provided (used) by operating activities:	298,697	659,763
Cash flows from investing activities:		
Purchases of property & equipment	(91,508)	(4,269)
Liquidation of (investment in) marketable securities	(29,066)	873,311
Cash provided (used) by investing activities:	(120,574)	869,042
Cash provided (used) during year	178,123	1,528,805
Cash & equivalents:		
Beginning of year, January 1	2,209,849	681,044
End of year, December 31	$ 2,387,972	$ 2,209,849

See accompanying notes to financial statements
and independent auditor's report.

Client: TLC
Stmt of Cash Flows Worksheet
2019

	12/31/2019	12/31/2018	Corrections	Adjusted	Incr (Decr)	
Cash	2,387,972	2,209,849		2,209,849	178,123	
Investments	1,132,431	1,075,291		1,075,291	57,140	
Grants & pledges rec.	1,292,690	1,055,141		1,055,141	237,549	
Prepaids & deposits	160,098	155,041		155,041	5,057	
Total	4,973,191	4,495,322		4,495,322	477,869	
Gross fixed assets	147,490	71,994		71,994	75,496	
	(60,490)	(55,476)		(55,476)	(5,014)	
Accounts payable	230,014	292,949		292,949	(62,935)	
Accrued vacation	126,636	102,443		102,443	24,193	
Accrued sabbatical	150,526	116,996		116,996	33,530	
Subtenant deposit	26,013	26,013		26,013	-	
Deferred rent	51,419	58,391		58,391	(6,972)	
Deferred revenue	-	14,119		14,119	(14,119)	
Total	584,608	610,911		610,911	(26,303)	
Change in net assets				574,654		
+ deprec.				21,026		
(incr) decr-assets				(299,746)		
incr (decr)-liab.				(26,303)		
add back loss on disposal of fa				(91,508)	**WP2800**	
fixed asset purchase						
				178,123		
Decrease in cash				178,123		
Diff.				-		
Liquidity						
Total current financial assets				4,586,593		
TRNA at 12/18	2,869,700					
Less: LT Receivables	(226,500)					
Less: General Support Funds	(1,580,972)					
TRNA to back out	1,062,228			(1,062,228)		
				3,524,365		

Transgender Law Center

Notes to the Financial Statements
for the Year Ended December 31, 2019

1. The Organization

Transgender Law Center (TLC or the Organization) changes law, policy and attitudes so that all people can live safely, authentically, and free from discrimination regardless of their gender identity or expression. In partnership with constituents and allies, we work to realize a future in which gender self-determination and expression are seen as basic rights and matters of common human dignity. The Organization is a nonprofit public benefit corporation exempt from income taxes under Internal Revenue Code Section 501(c)(3).

Founded in 2002, Transgender Law Center has grown into the largest organization in the United States dedicated to advancing transgender rights and provides free legal assistance and information to transgender and gender nonconforming individuals and their families. Informed by legal trends and the needs of constituents contacting its legal helpline, TLC employs a unique and integrated multidisciplinary approach to create legal and social change. TLC improve the lives of transgender and gender nonconforming people in the United States through strategic litigation, policy advocacy, educational efforts, movement building, and the creation of model programs.

Nature of Funding
TLC receives the majority of its funding through grants from foundations. Additional funding is received from contributed legal services, individual donations, legal settlements, corporate contributions, program service fees, and special events.

2. Summary of Significant Accounting Policies

Basis of Accounting
The accompanying financial statements are prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, support is recognized when it is awarded, revenue is recognized when it is earned, and expenses are recognized when they are incurred.

Cash & Cash Equivalents
Cash & cash equivalents include funds held in bank checking accounts, money market funds held with an investment brokerage, and undeposited checks.

Investments
Investments, consisting of mutual funds held with a brokerage firm, are carried on the books at fair value as discussed in Note 3. All of the Organization's investments are traded in an active market on a national exchange. Accordingly, the prices quoted by the exchange determine fair value.

Grants Receivable
Grants receivable are reported based on written promises received from contributors. As management believes that all amounts are fully collectible, no allowance for uncollectible accounts has been established. Amounts due within one year are stated at face value, while amounts due beyond one year are discounted to present value only in cases where such discounts are material to the financial statements. Currently, there are no discounts reflected in the accompanying financial statements.

Property & Equipment
The Organization capitalizes fixed assets, consisting primarily of office and computer equipment, with an initial cost, or fair market value if donated, of at least $1,000, and depreciates them on a straight-line basis over their estimated useful lives (3 to 5 years for assets currently on the books).

Accrued Sabbatical Leave
Full-time employees are entitled to two months of paid sabbatical leave every five years. Sabbatical leave is not a vested benefit and is not payable to employees upon termination of employment. However, in accordance with generally accepted accounting principles, the cost of each employee's sabbatical leave is accrued in the financial statements over a five-year period.

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

> **Net assets without donor restrictions**, which includes resources not subject to, or no longer subject to, donor-imposed stipulations.
>
> **Net assets with donor restrictions**, which includes resources whose use is limited by donor-imposed time and/or purpose restrictions.

Revenue Recognition
The Organization recognizes contributions when it receives cash, securities or other assets, an unconditional promise to give, or notification of an irrevocable beneficial interest.

Contributions are reported as increases in *net assets without donor restrictions* unless use of the contributed assets is limited by donor-imposed stipulations. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in *net assets without donor restrictions* unless they are encumbered by explicit donor stipulation or by law. Expirations of donor-restrictions (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time-period has elapsed) are reported as reclassifications between the applicable classes of net assets.

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.

Special Events
Revenue and support from an annual fundraising event consist of sponsorships, ticket sales, other donations, and raffle proceeds. Sponsorships and ticket sales are comprised of an exchange element based on the fair value of the benefits received, and a contribution element for the remainder. All components of event revenue and support are fully recognized in the financial statements as of the point in time when the event occurs.

Contributed Services
In order to accomplish its mission, TLC relies heavily on pro bono services provided by attorneys. These attorneys assist TLC with various civil rights court cases. In accordance with generally accepted accounting principles, the Organization records the estimated fair market value of these services in the *statement of activities and changes in net assets*. TLC solicits information from its volunteer attorneys in

order to calculate and record the contributions. The majority of volunteer attorneys respond to these requests. Based on the responses, median composite valuation rates are developed for the various types of law firm respondents (using firm size and estimated contribution level to categorize each one) and applied to the total population of TLC's volunteer attorneys in order to determine the total estimated value of contributed services to record in the financial statements.

Due to the fact that certain assumptions must be made when calculating and recording estimates, it is at least reasonably possible that the actual value of services received differs from the amount recorded in the financial statements.

Functional Expenses

The Organization presents its expenses by natural category (e.g. salaries, office expenses, etc.) and by function. The three major functions included in the accompanying financial statements are *program services*, *general & administrative* and *fundraising*.

Program services include the direct conduct and direct supervision of specific program activities. *Fundraising* includes efforts to solicit monetary and nonmonetary contributions. *General & administrative* includes general oversight, recordkeeping, regulatory compliance, governance, financial management, and all other activities that do not constitute the direct conduct or direct supervision of specific program services or fundraising activities.

The majority of employees work within one function and their salaries are charged accordingly. Those staff members who cross functions are allocated to those functions at year-end based on management's estimates of time and effort spent on each function, as follows:

Position	Functions Expensed
Database Manager	55% Program Services, 45% Fundraising
Director of Development	15% Program Services, 85% Fundraising
Dir. of Finance/Operations	5% Program Services, 90% General & Administrative, 5% Fundraising
Dir. of People/Org. Culture	10% Program Services, 90% General & Administrative
Executive Director	80% Program Services, 5% General & Administrative, 15% Fundraising

Shared costs, primarily consisting of occupancy and information technology expenses, are allocated based on overall compensation expense allocated to each function.

Other expenses are charged directly to the appropriate function based on specific identification.

Advertising, Public Relations & Promotion

TLC engages in extensive advertising, public relations and promotion activities to reach its donors, constituents, and the general public. This takes the form of media advertising, focus group research, and consultants. All advertising costs are expensed as incurred.

Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, receivables, and accounts payable approximate fair value because of the short maturity of these instruments.

Income Taxes

As a public charity, the Organization is exempt from income taxes except on activities unrelated to its mission. The Organization's federal *Return of Organization Exempt from Income Tax* (Form 990) filings for the tax years ending in 2016 through 2019 are subject to examination by the Internal Revenue Service, generally for three years after they were filed. The Organization's *California Exempt Organization Annual Information Return* (Form 199) filings for the tax years ending in 2015 through 2019 are subject to examination by the California Franchise Tax Board, generally for four years after they were filed.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Upcoming Accounting Pronouncement

Accounting Standards Update No. 2014-09— *Revenue from Contracts with Customers (Topic 606)* (ASU 2014-09) was issued by the Financial Accounting Standards Board (FASB) in May 2014 and is effective for nonpublic entities in calendar years ending in 2020 and beyond.

This update supersedes or replaces nearly all GAAP revenue recognition guidance for reciprocal transactions. These standards establish a new contract and control-based revenue recognition model, change the basis for deciding when revenue is recognized over time or at a point in time, and expand disclosures about revenue.

The enactment of this pronouncement will be reflected in the Organization's financial statements for the year ended December 31, 2020.

New Accounting Pronouncement in Effect

These financial statements reflect the provisions Accounting Standards Update No. 2018-08—*Not-for-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Made and Contributions Received* (ASU 2018-08), which the FASB enacted in June 2018 in response to concerns and questions relating to the applicability of ASU 2014-09 to nonprofit organizations.

This update provides enhanced guidance to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal) or exchange transactions (reciprocal) and (2) determining whether a contribution is conditional. The update will result in more governmental contracts being accounted for as contributions and may delay recognition for certain grants and contributions that no longer meet the definition of unconditional.

This pronouncement is effective for calendar years ending in 2019 and beyond. There is no effect on the Organization's beginning net assets in connection with the enactment of ASU 2018-08.

Comparative Data

The financial statement information for the year ended December 31, 2018, presented for comparative purposes, is not intended to be a complete financial statement presentation. For a complete presentation of 2018, please refer to the financial statements for that fiscal year. Certain amounts in the 2018 financial statements have been reclassified to conform to the 2019 presentation.

3. Investments – Fair Value Measurements

The Organization has valued its investments in accordance with FASB ASC #820, which establishes a fair value framework in accordance with generally accepted accounting principles. ASC #820 clarifies the definition of fair value, taking the position that fair value is the exchange price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.

There are three defined levels in the fair value hierarchy:

- Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets that are accessible at the measurement date.
- Level 2 – Prices or valuations based on observable inputs other than quoted prices in active markets for identical assets and liabilities
- Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and are unobservable (i.e. supported by little or no market activity).

Fair value of assets measured on a recurring basis at December 31, 2019, consist of various categories of mutual funds held with an investment brokerage:

	Fair Value	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Vanguard Intermediate-Term Treasury Fund (VFIUX)	$384,630	$384,630		
Vanguard Short-Term Investment Grade Fund (VFSUX)	377,288	377,288		
Vanguard Short-Term Treasury Fund (VFIRX)	370,513	370,513		
Total	$1,132,431	$1,132,431		

4. Property & Equipment

Computers	$126,832
Office equipment	13,117
Leasehold improvements	23,553
Less: accumulated depreciation	(76,502)
Property & equipment, net book value	$87,000

5. Net Assets with Donor Restrictions

As of December 31, 2019, unspent grants were restricted to the following activities:

General support for future periods	$1,230,139
HIV anti-criminalization	570,000
Black LGBTQIA & Migrant project	365,417
Positively Trans program	261,250
To build leadership of LGBTQ disabled people	90,313
Capacity building	83,333
Strategic planning	75,000
Black Trans Circle project	50,000
Border project	45,623
Immigrant rights	31,250
Legal fellowship	30,000
Other projects & programs	37,375
Total	$2,869,700

6. Contributed Legal Services

Contributed legal services reported	$856,822
Estimate of additional contributed legal services	271,761
Total	$1,128,583

7. Operating Lease

TLC rents office space in downtown Oakland under a five-year operating agreement that expires in 2021. Under the terms of the lease, the initial monthly base rent of $37,164 shall increase by approximately 4% each year. Because the lease contains a staggered rent schedule, rent expense reflected in the financial statements shall be straight-lined over the course of the lease term in accordance with generally accepted accounting principles. The Organization also rents an office in New York office under a 12-month agreement that expires in December 2020.

Future minimum lease payments are as follows:

2020	$561,292
2021	305,599
Total future minimum lease payments	$866,891

TLC subleases portions of its space to another nonprofit organization under an operating agreement that expire in 2021. Future minimum rental receipts are anticipated as follows:

2020	$171,830
2021	109,084
Total future minimum rental receipts	$280,914

8. Retirement Plan

TLC participates in an Internal Revenue Code Section 403(b) defined contribution retirement plan, which covers the Organization's employees upon employment. The Organization makes matching contributions of up to 3% of each employee's salary. In addition, the Organization may make additional contributions to employee accounts at the discretion of its board of directors. For the year ended December 31, 2019, the Organization contributed a total of $34,052 to the retirement accounts of its employees.

9. Concentration of Risk – Cash & Investments

From time to time, the Organization's bank deposits may exceed the insurance limits provided by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2019, TLC held approximately $518,000 in a single financial institution. The FDIC insures these deposits only up to $250,000.

In addition, TLC holds marketable securities (including approximately $1.9 million in money market funds classified as cash equivalents) that are subject to fluctuation in market value. Although this presents the risk of loss to the Organization, management believes that the investment portfolio is adequately diversified to mitigate this risk.

10. Contingencies

Funding Source Requirements

The Organization receives contributions and grants that are restricted for a specific program or purpose. If such restrictions are not met in accordance with the funding source agreement, there is the possibility that funds would have to be returned to the donor. It is management's opinion that all donor conditions have been met for grants and contributions that have either been recorded directly to unrestricted net assets or released from temporarily restricted net assets.

Pending Litigation

In December 2018, a former employee filed a claim against TLC with the U.S. Equal Employment Opportunity Commission (EEOC). The Organization has denied all allegations and referred the matter to its insurance carrier and legal counsel. The EEOC has not taken further steps to investigate the charge and may or may not do so. The Organization is optimistic that the EEOC will issue a no-cause finding and case closure letter, at which point the complainant will have the option to file a lawsuit. Because the amount of any potential loss or range of loss, if any, cannot be reasonably estimated at this time, it has not been recorded in these financial statements.

11. Liquidity and Availability

The Organization receives significant contributions and promises to give that are restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial

soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. Financial assets available to meet cash needs for general expenditures within one year of the balance sheet date are as follows:

Total current financial assets from statement of financial position	$4,586,593
Less: Amounts included above which are subject to donor-imposed purpose restrictions	(1,639,560)
Net current financial assets after donor-imposed purpose restrictions	2,947,033
Financial assets available to meet cash needs for general expenditures within one year	$2,947,033

12. Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 20, 2020, the date the financial statements were available to be issued. As of this date, no additional subsequent events requiring disclosure or recognition were noted.

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact the Organization's ability to conduct program activities or raise contributions. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. As such, the financial impact of this situation cannot be reasonably estimated at this time.