

COMMUNITY INFORMATION NOW

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

COMMUNITY INFORMATION NOW

FINANCIAL STATEMENTS

Year Ended December 31, 2021

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Community Information Now
San Antonio, Texas

We have reviewed the accompanying financial statements of Community Information Now (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and functional expenses for the year ended December 31, 2021, the related statements of cash flows for the years ended December 31, 2021 and 2020, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Community Information Now and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously reviewed Community Information Now's 2020 financial statements, and we stated that we were not aware of any material modifications that should be made to those financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America in our report dated April 6, 2021. The summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the reviewed financial statements from which it has been derived.

Sagebiel, Ravenburg & Schuh, P.C.

San Antonio, Texas
March 25, 2022

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COMMUNITY INFORMATION NOW
STATEMENT OF FINANCIAL POSITION
December 31, 2021 and 2020

ASSETS	<u>2021</u>	<u>2020</u>
Current assets:		
Cash and cash equivalents	\$ 66,367	\$ 108,652
Accounts receivable	57,393	58,353
Prepaid expenses	249	578
Total current assets	<u>124,009</u>	<u>167,583</u>
Total assets	<u>\$ 124,009</u>	<u>\$ 167,583</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 861	\$ 5,516
Accrued liabilities	90,676	110,423
Total current liabilities	<u>91,537</u>	<u>115,939</u>
Net assets:		
Without donor restrictions	<u>32,472</u>	<u>51,644</u>
Total net assets	<u>32,472</u>	<u>51,644</u>
Total liabilities and net assets	<u>\$ 124,009</u>	<u>\$ 167,583</u>

See accompanying notes and independent
accountant's review report.

COMMUNITY INFORMATION NOW

STATEMENT OF ACTIVITIES

Year Ended December 31, 2021

(With Comparative Totals For Year Ended December 31, 2020)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>2021</u>	<u>2020</u>
Public support and revenue:					
Grant revenue	\$ 51,000	\$ 99,085	\$ 150,085	\$ 280,473	
Program income	<u>194,591</u>	<u>-</u>	<u>194,591</u>	<u>158,529</u>	
Total public support	245,591	99,085	344,676	439,002	
Net assets released from restrictions:					
Restrictions satisfied by payments	99,085	(99,085)	-	-	-
Total public support and revenue	<u>344,676</u>	<u>-</u>	<u>344,676</u>	<u>439,002</u>	
Expenses:					
Program services	309,115	-	309,115	453,813	
Supporting services:					
Management and general	40,788	-	40,788	56,419	
Fundraising	<u>13,945</u>	<u>-</u>	<u>13,945</u>	<u>19,494</u>	
Total expenses	<u>363,848</u>	<u>-</u>	<u>363,848</u>	<u>529,726</u>	
Change in net assets	(19,172)	-	(19,172)	(90,724)	
Net assets at beginning of year	<u>51,644</u>	<u>-</u>	<u>51,644</u>	<u>142,368</u>	
Net assets at end of year	\$ 32,472	\$ -	\$ 32,472	\$ 51,644	

See accompanying notes and independent
accountant's review report.

COMMUNITY INFORMATION NOW
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2021

(With Comparative Totals For Year Ended December 31, 2020)

	<u>Program Services</u>	<u>Supporting Services</u>			<u>Totals</u>	
		<u>Management and General</u>	<u>Fundraising</u>		<u>2021</u>	<u>2020</u>
Indirect expenses reimbursed to UTHSCH:						
Salaries and wages	\$ 212,116	\$ 15,443	\$ 10,019	\$ 237,578	\$ 320,091	
Employee benefits	60,659	4,420	2,903	67,982	85,712	
Indirect costs	<u>27,307</u>	<u>1,858</u>	<u>1,023</u>	<u>30,188</u>	<u>40,802</u>	
Total indirect expenses reimbursed to UTHSCH	300,082	21,721	13,945	335,748	446,605	
Accounting and bookkeeping services	-	17,825	-	17,825	21,614	
Advertising	-	-	-	-	1,270	
Computer services	811	620	-	1,431	2,861	
Consulting services	7,950	-	-	7,950	36,958	
Data acquisition	272	-	-	272	10,150	
Dues and subscriptions	-	-	-	-	471	
Insurance	-	426	-	426	426	
Meals	-	-	-	-	6,715	
Office supplies	-	196	-	196	1,196	
Printing	-	-	-	-	237	
Travel	-	-	-	-	1,223	
Total expenses	<u>\$ 309,115</u>	<u>\$ 40,788</u>	<u>\$ 13,945</u>	<u>\$ 363,848</u>	<u>\$ 529,726</u>	

See accompanying notes and independent
accountant's review report.

COMMUNITY INFORMATION NOW

STATEMENT OF CASH FLOWS

Year Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flow from operating activities:		
Change in net assets	\$ (19,172)	\$ (90,724)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in:		
Accounts receivable	960	52,066
Prepaid expenses	329	(151)
Accounts payable	(4,655)	5,516
Accrued liabilities	(19,747)	(84,342)
Net cash used by operating activities	<u>(42,285)</u>	<u>(117,635)</u>
Net decrease in cash	(42,285)	(117,635)
Cash and cash equivalents at beginning of year	<u>108,652</u>	<u>226,287</u>
Cash and cash equivalents at end of year	<u>\$ 66,367</u>	<u>\$ 108,652</u>

See accompanying notes and independent
accountant's review report.

COMMUNITY INFORMATION NOW
NOTES TO FINANCIAL STATEMENTS

1 NATURE OF ORGANIZATION

Community Information Now (CI:Now) provides data, tools, analysis, and training to inform decisions to improve Texas communities. CI:Now's vision is improved lives and decreased disparities through democratized data.

CI:Now provides mission-focused data services to local nonprofits, local governments, and collaborations to improve their ability to serve the public good. Key services include:

- Data support to collaborative and collective impact initiatives, such as staffing results-based accountability and outcome-focused planning processes; developing outcomes and indicators; identifying appropriate data sources; analyzing, mapping, and otherwise visualizing the data; and assisting the partners in understanding and using the data.
- Evaluation and performance management, including developing evaluation plans and progress metrics; accessing appropriate data sources; integrating data across organizations; analyzing and communicating the data; and assisting partners in using the data to improve performance.
- Other targeted-need collection, analysis, geocoding, mapping, and presentations.

CI:Now is staffed entirely by contract with the University of Texas Health Science Center at Houston (UTHSCH) since 2008. UTHSCH determines salary ranges for specific positions, sets the salary when a position is offered to a new employee, and reviews compensation levels for equity among employees and competitiveness with comparable institutions. The contract includes salary and fringe benefits, software and supplies, and indirect expenses including rent, utilities, communications, internet, office equipment, supplies, IT, administrative support, accounting support, payroll processing, and general liability insurance.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of CI:Now have been prepared on the accrual basis of accounting. The financial statements accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) for the format of financial statements of not-for-profit organizations. CI:Now is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Allocated Expenses

Expenses are charged to program services based on costs that can be directly identified as those costs associated with the program of the agency. Any expenses not directly chargeable are allocated to programs and supporting service classifications based on management estimates.

Income Taxes

CI:Now is a non-profit organization and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, CI:Now qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and is classified as a public charity, and not a private foundation under Section 509(a)(2).

(Continued)
See independent accountant's review report.

COMMUNITY INFORMATION NOW

NOTES TO FINANCIAL STATEMENTS (Continued)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Support With or Without Donor Restrictions

Contributions received are recorded as support with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those amounts.

Cash and Cash Equivalents

Cash and cash equivalents include all money on hand and in banks.

Accounting Pronouncements Issued but Not Yet Adopted

Leases (*Topic 842*)

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements for lessees and lessors. The new standard applies a right-of-use (ROU) model that requires, for all leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset for the lease term and a liability to make lease payments to be recorded.

The ASU is effective for CI:Now's fiscal years beginning after December 15, 2021 with early adoption permitted. Management is currently evaluating the impact of this ASU on its financial statements. This may affect CI:Now in fiscal year 2022.

Subsequent Events

CI:Now's management has evaluated all subsequent events through March 25, 2022, the date which the financial statements were available for use.

3 CONCENTRATION OF CREDIT RISK

CI:Now maintains its cash balance in one financial institution. The balance is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2021, CI:Now's cash balance was fully insured.

4 RECEIVABLES

Accounts receivable at December 31, 2021, represent amounts due from grantors and supporting organizations.

Management analyzes an aging of accounts receivable on a monthly basis. Payment trends by delinquent accounts are considered by management when writing off bad debts and estimating allowance for doubtful accounts. During the years ended December 31, 2021 and 2020, management did not write off any bad debt. Management estimated the allowance for doubtful accounts to be \$-0- for both the years ended December 31, 2021 and 2020. Accounts deemed to be uncollectible by management are charged to the allowance for doubtful accounts initially.

See independent accountant's review report.

COMMUNITY INFORMATION NOW

NOTES TO FINANCIAL STATEMENTS (Continued)

5 REVENUE AND SUPPORT CONCENTRATION

- A. Contributions from one donor totaled \$26,933 and \$55,001 for the years ended December 31, 2021 and 2020, respectively. This equates to approximately 7.8% and 12.5% of total revenue and support for those periods, respectively.
- B. Contributions from a second donor totaled \$500 and \$100,000 for the years ended December 31, 2021 and 2020, respectively. This equates to approximately 0.1% and 22.8% of total revenue and support for those periods, respectively.
- C. Contributions from a third donor totaled \$66,700 and \$-0- for the years ended December 31, 2021 and 2020, respectively. This equates to approximately 19.4% and 0.0% of total revenue and support for those periods, respectively.
- D. Contributions from a fourth donor totaled \$88,375 and \$68,075 for the years ended December 31, 2021 and 2020, respectively. This equates to approximately 25.6% and 15.5% of total revenue and support for those periods, respectively.
- E. Contributions from a fifth donor totaled \$84,215 and \$-0- for the years ended December 31, 2021 and 2020, respectively. This equates to approximately 24.4% and 0.0% of total revenue and support for those periods, respectively.
- F. Contributions from a sixth donor totaled \$3,308 and \$50,000 for the years ended December 31, 2021 and 2020, respectively. This equates to approximately 1.0% and 11.4% of total revenue and support for those periods, respectively.
- G. Revenue from the federal government totaled \$44,085 and \$-0- for the years ended December 31, 2021 and 2020, respectively. This equates to approximately 12.8% and 0.0% of total revenue and support for those periods, respectively.

6 NET ASSETS WITH DONOR RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follows:

	<u>2021</u>	<u>2020</u>
2020 Census Outreach	\$ -	\$ 50,000
Kronkosky Charitable Foundation	55,000	-
U.S. DHHS Office of Minority Health	44,085	-
AEC Foundation	-	25,000
Robert Wood Johnson Foundation	-	40,000
The Health Collaborative - COVID Grant	-	50,001
The Health Collaborative - MSWC Grant	-	15,000
Visualizing Healthy Lives Grant	-	100,000
Total net assets released from donor restrictions	<u>\$ 99,085</u>	<u>\$ 280,001</u>

CI:Now had no net assets with donor restrictions as of December 31, 2021 and 2020.

See independent accountant's review report.

COMMUNITY INFORMATION NOW

NOTES TO FINANCIAL STATEMENTS (Continued)

7 COMMITMENTS AND CONTINGENCIES

Potential for Government Reviews and Audits

CI:Now receives a significant amount of financial assistance from the federal government, including the sponsorship of data research projects to integrate health and social determinants of health data, make it readily accessible online, and help people use it to reduce disparities in health and social determinants. Grants and contracts normally provide for the recovery of direct and indirect costs. Entitlement to the recovery of the direct and related indirect costs is conditional upon compliance with the terms and conditions of the grant agreements and with applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants and CI:Now's indirect cost rate are subject to financial and compliance reviews and audits by the grantors. In management's opinion, it is highly unlikely that an adverse material outcome will result from those reviews and audits.

8 INDIRECT EXPENSES REIMBURSED TO UTHSCH

CI:Now is staffed entirely by contract with UTHSCH. UTHSCH determines salary ranges for specific positions, sets the salary when a position is offered to a new employee, and reviews compensation levels for equity among employees and competitiveness with comparable institutions.

CI:Now's Board of Directors also indirectly controls compensation levels through the personnel contracting process. The personnel contract, amended twice per calendar year to add funds to extend the master contract term by six months, is reviewed and approved by the Board in advance of execution as documented in writing in meeting minutes.

Should either UTHSCH or the core staff contracted through UTHSCH fail to perform to the Board's satisfaction, the Board may choose to contract core staffing through another organization or employ some or all staff directly by CI:Now. The terms of the UTHSCH contract provide for termination by either party with 30 days of prior written notice.

Payments made to UTHSCH relating to this contract totaled \$356,308 and \$527,703 for the years ended December 31, 2021 and 2020, respectively. Amounts due to UTHSCH relating to this contract totaled \$90,608 and \$110,423 at December 31, 2021 and 2020, respectively.

Beginning on January 1, 2022, CI:Now's core staffing contract with UTHSCH will change from a fixed-fee structure to a cost-reimbursement structure. As such, no budgeted expenses will be invoiced by UTHSCH unless and until CI:Now actually incurs the expense. Funding commitments relating to future periods in contracts signed with UTHSCH total \$471,383 through December 2022.

See independent accountant's review report.

COMMUNITY INFORMATION NOW

NOTES TO FINANCIAL STATEMENTS (Continued)

9 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects CI:Now's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

Cash and cash equivalents	\$ 66,367
Accounts receivable	57,393
	<hr/>
Financial assets at year end	123,760
Less those unavailable for general expenditure within one year, due to:	
Donor-restricted to expenditure for specific purposes	_____ -
Financial assets available to meet cash needs for general expenditure within one year	\$ 123,760
	<hr/>

As part of CI:Now's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. At December 31, 2021, CI:Now had financial assets available to meet cash needs for general expenditures within one year that were equivalent to roughly 124 days of average operating expenses.

10 SUBSEQUENT EVENTS

The COVID-19 pandemic developed rapidly in 2020, with a significant number of cases in the region. Measures taken by various governments to contain the virus, as well as changes in behavior by regular donors and event participants in response to the pandemic, have affected economic activity in our area. CI:Now has taken a number of measures to monitor and mitigate the effects of COVID-19, such as safety and health measures for CI:Now's people (including social distancing and working from home).

Since April 2020, the impact on CI:Now has been significant, with significant changes to funding sources and a general shift towards social distancing practices and working from home for many CI:Now employees as a result of measures intended to mitigate the pandemic. These disruptions have continued into the new fiscal year, and it is uncertain as to when CI:Now will be able to resume normal, routine operations. As such, it is difficult to predict the impact the pandemic might have on CI:Now's finances, other than the fact that temporary declines in certain revenues and expenses may continue into the new fiscal year. CI:Now will continue to follow government and expert advice and, in parallel, CI:Now will do its utmost to continue its operations in the best and safest way possible.

See independent accountant's review report.