Returning Veterans Project

Financial Statements
With Independent Auditor's Report

Years Ended December 31, 2021 and 2020

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INDEPENDENT AUDITOR'S REPORT

September 30, 2022

Board of Directors
Returning Veterans Project
220 NW 8th Ave
Portland, OR 97209

Report on the Audit of the Consolidated Financial Statements

Opinion

I have audited the accompanying financial statements of financial position of Returning Veterans Project (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Returning Veterans Project. 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

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Returning Veterans Project and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibility 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 consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Returning Veterans Project'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 Responsibility for the Audit of the Financial Statements

My 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 my 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 consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Returning Veterans Project'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Returning Veterans Project's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Mark Schwing CPA PC

Mark Schwing CPA PC

Returning Veterans Project
Statements of Financial Position
December 31, 2021 and 2020

ASSETS

	2021	2020
Current Assets		
Cash	$ 279,828	$ 218,448
Grants and Contributions Receivable	15,200	32,500
Prepaid Expenses	2,607	5,745
Total Current Assets	297,635	256,693
Total Assets	$ 297,635	$ 256,693

LIABILITIES AND NET ASSETS

	2021	2020
Current Liabilities		
Accrued Compensated Absences	$ 9,621	$ 6,759
Total Current Liabilities	9,621	6,759
Net Assets		
Without Donor Restriction	225,514	166,934
With Donor Restriction	62,500	83,000
Total Net Assets	288,014	249,934
Total Liabilities and Net Assets	$ 297,635	$ 256,693

See accompanying notes to financial statements

Returning Veterans Project
Statements of Activities
Years Ended December 31, 2021 and 2020

	2021			2020		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
Revenue and Support						
Foundation Grants	$ 110,000	$ 62,500	$ 172,500	$ 95,750	$ 83,000	$ 178,750
Contributions	154,303	-	154,303	138,505	-	138,505
Volunteer-Contributed Services	307,415	-	307,415	312,678	-	312,678
Debt Forgiveness of PPP loan	53,582	-	53,582	39,569	-	39,569
Fees and Other Revenues	672	-	672	16	-	16
Net Assets Released from Restriction	83,000	(83,000)	-	105,688	(105,688)	-
Total Revenue and Support	708,972	(20,500)	688,472	692,206	(22,688)	669,518
Expenses						
Program Services						
Network	408,701	-	408,701	408,880	-	408,880
Training	31,034	-	31,034	32,819	-	32,819
Outreach	99,098	-	99,098	96,200	-	96,200
Support Services						
Management and General	59,494	-	59,494	63,751	-	63,751
Fundraising	52,065	-	52,065	37,748	-	37,748
Total Expenses	650,392	-	650,392	639,398	-	639,398
Change in Net Assets	58,580	(20,500)	38,080	52,808	(22,688)	30,120
Net Assets, Beginning of Year	166,934	83,000	249,934	114,126	105,688	219,814
Net Assets, End of Year	$ 225,514	$ 62,500	$ 288,014	$ 166,934	$ 83,000	$ 249,934

Returning Veterans Project
Statement of Functional Expense
Year Ended December 31, 2021

	PROGRAM SERVICES				SUPPORT SERVICES			GRAND TOTALS
	Network	Training	Outreach	Total	Management & General	Fundraising	Total	2021
Personnel	$ 73,535	$ 23,857	$ 71,327	$ 168,719	$ 47,715	$ 23,923	$ 71,638	$ 240,357
Volunteer-Contributed Services	307,415	-	-	307,415	-	-	-	307,415
Therapy Activities	2,340	-	-	2,340	-	-	-	2,340
Training	-	1,344	-	1,344	-	-	-	1,344
Fundraising	-	-	-	-	-	2,542	2,542	2,542
Outreach	-	-	2,028	2,028	-	519	519	2,547
Events	-	-	-	-	-	-	-	-
Bank Fees	820	32	125	977	108	80	188	1,165
Board of Directors	16	5	16	37	173	5	178	215
Insurance	2,435	87	261	2,783	174	87	261	3,044
Internet	38	13	38	89	25	13	38	127
Licenses and Taxes	180	64	187	431	129	64	193	624
Office Supplies	959	340	820	2,119	565	1,188	1,753	3,872
Postage	74	24	372	470	67	191	258	728
Printing and Copies	795	265	795	1,855	531	265	796	2,651
Professional Services	16,042	3,734	19,320	39,096	7,467	21,829	29,296	68,392
Rent	3,593	1,098	3,295	7,986	2,197	1,098	3,295	11,281
Telephone	459	171	514	1,144	343	261	604	1,748
Total Expenses	$ 408,701	$ 31,034	$ 99,098	$ 538,833	$ 59,494	$ 52,065	$ 111,559	$ 650,392
Percentage of 2020 Grand Total	62.8%	4.8%	15.2%	82.8%	9.1%	8.0%	17.2%	100.0%

Returning Veterans Project
Statement of Functional Expense
Year Ended December 31, 2020

	PROGRAM SERVICES				SUPPORT SERVICES			GRAND TOTALS
	Network	Training	Outreach	Total	Management & General	Fundraising	Total	2020
Personnel	$ 68,130	$ 23,056	$ 69,107	$ 160,293	$ 46,121	$ 23,144	$ 69,265	$ 229,558
Volunteer-Contributed Services	312,678	-	-	312,678	-	-	-	312,678
Therapy Activities	-	-	-	-	-	-	-	-
Training	-	1,243	-	1,243	-	-	-	1,243
Fundraising	-	-	-	-	-	4,487	4,487	4,487
Outreach	-	-	1,195	1,195	-	114	114	1,309
Events	-	-	-	-	-	-	-	-
Bank Fees	315	92	287	694	192	99	291	985
Board of Directors	158	53	158	369	616	53	669	1,038
Insurance	2,787	17	53	2,857	35	18	53	2,910
Internet	29	10	29	68	20	10	30	98
Licenses and Taxes	82	27	82	191	114	27	141	332
Office Supplies	576	192	582	1,350	384	1,092	1,476	2,826
Postage	89	30	359	478	101	163	264	742
Printing and Copies	1,305	451	1,402	3,158	870	516	1,386	4,544
Professional Services	16,345	5,448	16,345	38,138	10,897	5,808	16,705	54,843
Rent	5,879	2,031	6,094	14,004	4,063	2,032	6,095	20,099
Telephone	507	169	507	1,183	338	185	523	1,706
Total Expenses	$ 408,880	$ 32,819	$ 96,200	$ 537,899	$ 63,751	$ 37,748	$ 101,499	$ 639,398
Percentage of 2020 Grand Tota	63.9%	5.1%	15.0%	84.1%	10.0%	5.9%	15.9%	100.0%

Returning Veterans Project
Statements of Cash Flows
Years Ended December 31, 2021 and 2020

	2021	2020
Cash Flows from Operating Activities		
Change in Net Assets	$ 38,080	$ 30,120
Net Change in Operating Assets and Liabilities		
Grants and Contributions Receivable	17,300	(2,290)
Prepaid Expense	3,138	131
Accrued Compensated Absences	2,862	(1,117)
Net Cash Provided (Used) by Operating Activities	61,380	26,844
Net Change in Cash	61,380	26,844
Cash, Beginning of Year	218,448	191,604
Cash, End of Year	$ 279,828	$ 218,448
Supplemental disclosure of Cash Flow information		
Cash paid during year for income taxes	$ -	$ -
Cash paid during year for interest charged to expense	$ -	$ -

(1) The Organization

In 2005, the Returning Veterans Project (RVP) was founded in Portland, OR by a small group of mental health providers that wanted to do more to support returning veterans, service members, and families impacted by post-9/11 war zone military service. Over the years the network of volunteer providers has expanded throughout Oregon and Southwest Washington to include mental health professionals, massage therapy, acupuncture, chiropractic care, and more. RVP is a 501(c)(3) non-profit organization that relies solely on private funding.

(2) Program Services

The mission of RVP is to provide free, confidential mental and physical health services to post-9/11 war zone veterans, service members, and their families in Oregon and Southwest Washington.

RVP achieves its mission by working to expand and support the volunteer provider network, and serving as a community resource for veteran-specific issues and causes. Major program services include:

Network – Recruitment activities to promote the opportunity to volunteer as a provider. Orientation of new volunteer providers.

Training – Continuing education training programs to educate volunteer providers and the community about the unique needs of veterans, service members, and families related to challenges due to military service, and to provide access to evidence-based and emerging treatment options.

Outreach – Promoting the mental and physical health services available from RVP to the veteran communities. Serving as an information source for resources and support outside of the RVP mission.

(3) Summary of Significant Accounting Policies

The significant accounting policies followed by RVP are described below to enhance the usefulness of the financial statements to the reader.

Basis of Accounting – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation – 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:

(3) Summary of Significant Accounting Policies – continued

Basis of Presentation – continued

Net Assets Without Donor Restriction – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets with Donor Restriction – Net assets subject to donor- (or certain grantor-) 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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents – For purposes of the financial statements, the organization considers all liquid investments having initial maturities of three months or less to be cash equivalents.

Contributions – Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Advertising Expenses – Advertising and promotional costs are charged to expense as they are incurred.

Fixed Assets and Depreciation – Purchased fixed assets are stated at cost. Donated fixed assets are recorded at their estimated fair market value. The organization generally capitalizes expenditures for fixed assets in excess of $2,500. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets. At December 31, 2021 and 2020, there were no fixed assets.

(3) Summary of Significant Accounting Policies – continued

Revenue Recognition – All contributions and grants are considered available for unrestricted use unless specifically restricted by the donor. Contributions and grants whose restrictions, if any, are met in the same reporting period are reported as unrestricted revenue in the period of receipt. Contract and other service revenues are recognized at the time services are provided and the revenues are earned.

Federal and State Taxes – RVP is a tax-exempt corporation within the provisions of Internal Revenue Code Section 501(c)(3) and is not classified as a private foundation. It is management's opinion that none of RVP's present activities are subject to unrelated business income taxes; therefore, no provisions for income taxes have been made in the accompanying financial statements.

RVP files returns in the U.S. federal jurisdiction as well as the state of Oregon jurisdiction. Generally, tax filings are subject to federal and state examination for three years after they are filed. The returns filed for years prior to December 31, 2018 are considered closed. In the event penalties and interest are assessed by income taxing authorities, it is RVP's policy to include these in operating expenses. No penalties and interest were assessed for the years ended December 31, 2021 and 2020.

Concentration of Economic Risk – RVP receives a substantial portion of its funding from charitable foundations and corporations. If these funds were not available, the Organization might have difficulty continuing operations. In the opinion of management, RVP will continue to receive sufficient funding to assure its existence.

Functional Allocation of Expense – The costs of providing the various programs and other activities of RVP have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services based on an allocation of employee's time incurred and on usage of resources. Expenses by natural classification are presented in the statement of functional expenses.

(4) Liquidity and Availability of Financial Assets

Financial assets available for general expenditures, that is without donor or other restrictions limiting their use, within one year of the Statement of Financial Position date, comprise the following:

	2021	2020
Financial assets:		
Cash	$ 279,828	$ 218,448
Grants and contributions receivable	15,200	32,500
Total financial assets	295,028	250,948
Less amounts not available to be used within one year	-	-
Financial assets available to meet general expenditures within one year:	$ 295,028	$ 250,948

(4) Liquidity and Availability of Financial Assets – continued

RVP regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet expenditures over a 12-month period RVP considers all expenditures related to its ongoing program activities as well as the conduct of services undertaken to support those activities, to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, RVP operates with at least a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Refer to the statements of cash flows which identifies the sources and uses of RVP's cash flows.

(5) Volunteer-Contributed Services

RVP offers free healthcare services to returning veterans and their families. The services are provided by volunteer health professionals who donate their time to the organization. These amounts have been reported as both in-kind contribution revenue and volunteer services expense on the statement of activities. RVP recognizes the fair value of contributed services received if such services a) create or enhance nonfinancial assets, or b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed.

RVP determined the hourly rates of donated healthcare services using their current providers' fee structures. In 2021 and 2020, RVP volunteer providers donated 2,462 and 2,603 hours, respectively. The value of these donated healthcare services that are included in the financial statements for the years ended December 31, 2021 and 2020 are $307,415 and $312,678, respectively.

(6) Operating Leases

RVP rents an administrative office under a month-to-month agreement. Office rent expense totaled $11,281 and $20,099 for the years ended December 31, 2021 and 2020, respectively.

(7) Paycheck Protection Program Loan

The Paycheck Protection Program ("PPP"), which was established under the Coronavirus Aid, Relief and Economic Security Act ("the CARES Act"), provides for loans to qualifying businesses and not-for-profit organizations for amounts up to 2.5 times certain average monthly payroll expenses of the qualifying business. The loan and accrued interest, or a portion thereof, may be forgiven after 24 weeks so long as the borrower uses the loan proceeds for eligible proposes including payroll, benefits, rent, mortgage interest and utilities, and maintains its payroll levels, as defined by the PPP. At least 60% of the amount forgiven must be attributable to payroll costs, as defined by the PPP. RVP is permitted to prepay or partially prepay the PPP loans at any time with no prepayment penalties. Under the terms of the CARES Act, PPP loan recipients can apply for, and be granted, forgiveness for

(7) Paycheck Protection Program Loan - continued

all or a portion of loans granted under the PPP. Such forgiveness will be determined, subject to limitations and ongoing rulemaking by the SBA, based on the use of loan proceeds for payroll costs and mortgage interest, rent or utility cost and the maintenance of employee and compensation levels.

In 2021 and 2020, RVP received loan proceeds under the PPP in the amount of $53,582 and $39,569, respectively. The loans carry a fixed interest rate of 1% per annum. No payments were due under the loans for six months from the date of the first disbursement under the loan ("deferral period"), and interest continued to accrue during the deferral period. RVP applied for forgiveness of the loans and was granted full forgiveness in 2021 and 2020. The loan forgiveness is recorded as debt forgiveness on the Statement of Activities during the years-ended December 31, 2021 and 2020.

(8) Net Assets with Donor Restriction

Net assets at December 31, 2021 and 2020 are all available for expenditure on quality care for RVP.

(9) COVID-19

RVP's operations were affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID-19) which was declared a pandemic by the World Health Organization in March 2020. The ultimate disruption which may be caused by the outbreak is uncertain; however, it may result in a material adverse impact on RVP's financial position, activities, and cash flows. Possible effects may include, but are not limited to, loss of funding and absenteeism in RVP's staff. However, management of RVP believes it has taken necessary precautions to minimize the effects of COVID-19 on its operations.

(10) Subsequent Events

Management of RVP has evaluated events and transactions occurring after December 31, 2021 through September 30, 2022, the date the financial statements were available for issuance, for potential recognition or disclosure in the financial statements and have concluded no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.