

Colorado Health Institute

Financial Statements

December 31, 2021 and 2020

(With Independent Auditor's Report Thereon)

*Kundinger, Corder
& Montoya, P.C.*

Certified Public Accountants



Independent Auditor's Report

Board of Trustees Colorado Health Institute

Opinion

We have audited the accompanying financial statements of Colorado Health Institute, which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Colorado Health Institute as of December 31, 2021 and 2020, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Colorado Health Institute and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Colorado Health Institute's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

**Board of Trustees
Colorado Health Institute**

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Colorado Health Institute's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Colorado Health Institute's ability to continue as a going concern for a reasonable period of time.

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

Kundinger, Corder & Montoya, P.C.

April 21, 2022

Colorado Health Institute
Statements of Financial Position
December 31, 2021 and 2020

	2021	2020
Assets		
Cash and cash equivalents	\$ 1,918,886	2,635,910
Accounts receivable	1,596,822	953,943
Prepaid expenses	74,405	86,258
Grants and contributions receivable (note 3)	1,936,372	3,681,467
Investments (note 4)	2,325,941	2,324,468
Property and equipment, net (note 5)	253,877	336,932
Deposits	110,000	110,000
Total assets	\$ 8,216,303	10,128,978
Liabilities and Net Assets		
Accounts payable	\$ 19,038	23,834
Accrued payroll liabilities	188,598	267,172
Deferred rent	174,262	174,402
Total liabilities	381,898	465,408
Net assets		
Without donor restrictions		
Board-designated (note 2)	1,000,000	1,000,000
Undesignated	4,190,635	3,796,964
Total net assets without donor restrictions	5,190,635	4,796,964
With donor restrictions (note 7)	2,643,770	4,866,606
Total net assets	7,834,405	9,663,570
Commitments and contingency (notes 6 and 8)		
Total liabilities and net assets	\$ 8,216,303	10,128,978

See the accompanying notes to the financial statements.

Colorado Health Institute
Statements of Activities
Years Ended December 31, 2021 and 2020

	2021	2020
Changes in net assets without donor restrictions		
Revenue and Support		
Contract revenue	\$ 3,471,670	3,741,560
Grants and contributions	1,759,809	2,541,282
Investment return (note 4)	1,473	9,960
Miscellaneous income	586	7,929
Net assets released from restrictions (note 7)	2,549,947	1,906,217
Total revenue and support without donor restrictions	7,783,485	8,206,948
Expenses		
Program services		
Health information	6,180,879	5,778,315
Total program services	6,180,879	5,778,315
Supporting services		
Management and general	924,668	885,301
Fundraising	284,267	250,410
Total supporting services	1,208,935	1,135,711
Total expenses	7,389,814	6,914,026
Change in net assets without donor restrictions	393,671	1,292,922
Changes in net assets with donor restrictions		
Grants and contributions	327,111	2,322,278
Net assets released from restrictions (note 7)	(2,549,947)	(1,906,217)
Change in net assets with donor restrictions	(2,222,836)	416,061
Change in net assets	(1,829,165)	1,708,983
Net assets at beginning of year	9,663,570	7,954,587
Net assets at end of year	\$ 7,834,405	9,663,570

See the accompanying notes to the financial statements.

Colorado Health Institute
Statement of Functional Expenses
Year Ended December 31, 2021

	Program	Supporting Services			Total
	Health Information	Management and General	Fund Raising	Total Supporting Services	
Salaries	\$ 2,340,739	444,443	177,778	622,221	2,962,960
Benefits	349,949	66,447	26,578	93,025	442,974
Payroll taxes	161,678	30,699	12,279	42,978	204,656
Professional fees	2,279,053	185,248	5,296	190,544	2,469,597
Rent	491,520	93,326	37,331	130,657	622,177
Depreciation and amortization	94,365	17,917	7,167	25,084	119,449
Insurance	19,236	3,653	1,461	5,114	24,350
Supplies	84,016	15,148	6,062	21,210	105,226
Telephone and internet	60,385	11,455	4,582	16,037	76,422
Printing and publications	6,454	101	40	141	6,595
Professional development and training	19,195	3,645	1,458	5,103	24,298
Travel and meals	11,026	1,887	755	2,642	13,668
Communications	–	7,504	–	7,504	7,504
Conferences, sponsorships and dues	15,793	2,992	1,196	4,188	19,981
Miscellaneous	247,470	40,203	2,284	42,487	289,957
	\$ 6,180,879	924,668	284,267	1,208,935	7,389,814

See the accompanying notes to the financial statements.

Colorado Health Institute
Statement of Functional Expenses
Year Ended December 31, 2020

	<u>Program</u>	<u>Supporting Services</u>			<u>Total</u>
	<u>Health Information</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total Supporting Services</u>	
Salaries	\$ 2,409,286	372,630	163,780	536,410	2,945,696
Benefits	301,323	46,604	20,485	67,089	368,412
Payroll taxes	167,135	25,850	11,362	37,212	204,347
Professional fees	2,101,372	261,390	8,282	269,672	2,371,044
Rent	322,666	49,905	21,935	71,840	394,506
Depreciation and amortization	86,183	13,330	5,859	19,189	105,372
Insurance	20,269	3,135	1,378	4,513	24,782
Supplies	71,158	10,642	4,677	15,319	86,477
Telephone and internet	59,159	9,150	4,021	13,171	72,330
Printing and publications	8,694	36	16	52	8,746
Professional development and training	10,963	1,696	745	2,441	13,404
Travel and meals	17,937	2,472	1,087	3,559	21,496
Communications	3,660	6,855	-	6,855	10,515
Conferences, sponsorships and dues	38,254	3,638	1,599	5,237	43,491
Miscellaneous	160,256	77,968	5,184	83,152	243,408
	<u>\$ 5,778,315</u>	<u>885,301</u>	<u>250,410</u>	<u>1,135,711</u>	<u>6,914,026</u>

See the accompanying notes to the financial statements.

Colorado Health Institute
Statements of Cash Flows
Years Ended December 31, 2021 and 2020

	2021	2020
Cash flows from operating activities		
Change in net assets	\$ (1,829,165)	1,708,983
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	119,449	105,372
Realized and unrealized loss on investments	–	2
Paycheck Protection Program loan forgiveness	(550,765)	(526,000)
Decrease (increase) in operating assets		
Accounts receivable	(642,879)	(213,209)
Grants and contributions receivable	1,745,095	180,121
Prepaid expenses and deposits	11,853	(112,719)
Increase (decrease) in operating liabilities		
Accounts payable	(4,796)	(7,669)
Accrued payroll liabilities	(78,574)	89,790
Refundable advances	–	(294,672)
Deferred rent	(140)	153,359
Deferred revenue	–	(48,736)
Net cash (used in) provided by operating activities	(1,229,922)	1,034,622
Cash flows from investing activities		
Purchases of property and equipment	(36,394)	(288,504)
Net purchases of investments	(1,473)	(9,676)
Net cash used in investing activities	(37,867)	(298,180)
Cash flows from financing activities		
Proceeds from Paycheck Protection Program loans	550,765	526,000
Net cash provided by financing activities	550,765	526,000
Net change in cash and cash equivalents	(717,024)	1,262,442
Cash and cash equivalents at beginning of year	2,635,910	1,373,468
Cash and cash equivalents at end of year	\$ 1,918,886	2,635,910
Supplemental noncash information:		
Leasehold improvements acquired through lease incentive agreement	\$ –	55,428

See the accompanying notes to the financial statements.

Colorado Health Institute
Notes to Financial Statements
December 31, 2021 and 2020

(1) Summary of Significant Accounting Policies

(a) Organization

Colorado Health Institute (the Institute) is a not-for-profit corporation established on November 12, 2002, to advance the overall health of the people of Colorado by serving as an independent and impartial source of reliable and relevant health related information to policy makers, funding organizations, health planners, the business and nonprofit communities, consumer groups, health care providers, and the media. The Institute was established through three equal grants from Caring for Colorado Foundation, The Colorado Trust, and Rose Community Foundation (collectively, the Foundations). The Foundations continue to provide funding for the Institute's operations. Additional funding is received from grants and contracts with state and local government agencies, other local foundations and nonprofits, and health system organizations.

(b) Basis of Accounting

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

(c) Financial Statement Presentation

The Institute is required to present information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Institute. These net assets may be used at the discretion of the Institute's management and the board of directors.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Institute or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. At December 31, 2021, there are no net assets with perpetual donor restrictions.

(d) Cash and Cash Equivalents

For purposes of the statements of cash flows, the Institute considers all highly liquid investments with an initial maturity of three months or less that are not part of the investment portfolio to be cash equivalents.

(e) Concentrations of Credit Risk

Financial instruments which potentially subject the Institute to concentrations of credit risk consist of cash and cash equivalents, receivables, and investments. The Institute places its cash and cash equivalents with creditworthy, high-quality financial institutions. At times, a portion of these cash balances may not be insured by the Federal Deposit Insurance Corporation.

Colorado Health Institute
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(e) Concentrations of Credit Risk, Continued

The Institute has significant investments in demand deposits and money market accounts. Investments are made by investment managers engaged by the Institute, and the investments are monitored by management. Although the market values of investments are subject to fluctuation on a year-to-year basis, management believes that the investment policy is prudent for the long-term welfare of the Institute.

Credit risk with respect to accounts receivable and grants and contributions receivable is limited due to the number and creditworthiness of the organizations and donors from whom the amounts are due. The Institute receives a significant portion of its support from the Foundations. If a significant reduction in the level of this support occurs, it may have an effect on the Institute's programs and activities.

(f) Investments

Investments are recorded at cost, if purchased, or at fair value if donated. Thereafter, investments are reported at fair value in the statements of financial position. Fair value is more fully described in note 1(g). Investment return consists of interest, dividends, capital gains and losses generated from investments, the change in fair value of the investments, and investment fees, if any. Gains and losses attributable to investments are realized and reported upon a sale or disposition of the investment. Unrealized gains and losses are included in the change in net assets in the statements of activities.

(g) Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. U.S. generally accepted accounting principles establish a fair value hierarchy that prioritizes investments based on the assumptions market participants would use when pricing an asset. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs).

Assets are grouped at fair value in three levels based on the markets in which the assets and liabilities are traded, and the reliability of the assumptions used to determine fair value. These levels are:

- Level 1 Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
- Level 2 Inputs other than quoted market prices that are observable for the asset/liability, either directly or indirectly.
- Level 3 Unobservable inputs that cannot be corroborated by observable market data.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. These classifications (Level 1, 2 and 3) are intended to reflect the observability of inputs used in the valuation of investments and are not necessarily an indication of risk or liquidity.

Colorado Health Institute
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(g) Fair Value Measurements, Continued

The carrying amount reported in the statements of financial position for cash and cash equivalents, receivables, investments, and accounts payable and accrued liabilities approximate fair value because of the immediate or short-term maturities of these financial instruments.

(h) Property and Equipment

The Institute follows the practice of capitalizing, at cost, all expenditures for property and equipment in excess of \$1,000. Depreciation is calculated on the straight-line method over the estimated useful lives of the assets ranging from three to seven years.

(i) Deferred Rent

Deferred rent represents the unamortized portion of lessor incentives (free rent and reimbursed tenant expenses) received in conjunction with the Institute's office lease. The Institute is amortizing deferred rent over the life of the lease. See note 6.

(j) Revenue Recognition

Grants and Contributions

Contributions are recognized when cash, securities or other assets, and unconditional promises to give are received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. All donor restricted support, including pledges, is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. 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 statements of activities as net assets released from restrictions. Should the Institute substantially meet the conditions in the same period that the contribution was received, and barring any further donor-imposed restrictions, the Institute has elected to recognize the revenue as net assets without donor restrictions.

Contributions receivable are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year.

Contracts

A portion of the Institute's revenue is derived from cost-reimbursable contracts, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Institute has incurred expenditures in compliance with specific contract provisions. Revenue on fixed-price contracts is recognized as the performance obligations are completed. Amounts received prior to incurring qualifying expenditures or completing performance obligations are reported as deferred revenue in the statements of financial position.

Colorado Health Institute
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(j) Revenue Recognition, Continued

Accounts receivable represents claims for reimbursements and other fees earned under contracts. Receivable balances are considered past due based on contractual terms. At December 31, 2021 and 2020, the Institute considers all accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is considered necessary. Accounts deemed uncollectible are charged to bad debt expense when that determination is made.

Conference Income

Revenue derived from the annual conference is recognized when the conference is held.

(k) Functional Allocation of Expenses

The costs of providing program and supporting services have been summarized on a functional basis in the accompanying financial statements. The Institute incurs expenses that directly relate to, and can be assigned to, a specific program or supporting activity. The Institute also conducts a number of activities which benefit both its program objectives as well as supporting services (i.e. management and general and fund raising activities). These costs, which are not specifically attributable to a specific program or supporting activity, are allocated by management on a consistent basis among program and supporting services benefited, based on either financial or nonfinancial data, such as time and effort incurred by personnel.

(l) Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

(m) Income Taxes

The Institute is classified as an exempt operating foundation under section 4940(d)(2) of the Internal Revenue Code and is therefore exempt from excise taxes. However, income from activities not directly related to its tax-exempt purpose is subject to taxation as unrelated business income. There was no unrelated business income in 2021 and 2020, and, accordingly, the accompanying financial statements contain no provision for income taxes.

Management is required to evaluate tax positions taken by the Institute to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, based solely on the technical merits of the position. Management has analyzed the tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements and determined there are none. The Institute is subject to routine audits by taxing jurisdictions; there are currently no audits for any tax periods in progress. The three previous tax years remain subject to examination by the IRS.

Colorado Health Institute
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(n) Subsequent Events

The Institute's has evaluated all subsequent events through April 21, 2022, which is the date the financial statements were available to be issued. See note 6.

(2) Liquidity and Availability of Financial Assets

The following represents the Institute's financial assets as of December 31:

Financial assets at year-end:	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 1,918,886	2,635,910
Accounts receivable	1,596,822	953,943
Investments	2,325,941	2,324,468
Grants and contributions receivable	<u>1,936,372</u>	<u>3,681,467</u>
Total financial assets	7,778,021	9,595,788
Less amounts not available to be used within one year:		
Net assets with donor restrictions	2,643,770	4,866,606
Less net assets with purpose restrictions expected to be met in one year	(1,661,276)	(2,631,654)
Board designated funds requiring board approval for expenditure	<u>1,000,000</u>	<u>1,000,000</u>
	<u>1,982,494</u>	<u>3,234,952</u>
Financial assets available to meet general expenditures within one year	\$ <u>5,795,527</u>	<u>6,360,836</u>

The Institute receives substantial restricted grants and contributions annually. Based on donor restrictions and timing of receivables, resources may be unavailable until a future period. The Institute maintains sufficient resources to meet the responsibilities to its donors. As part of its liquidity management, the Institute has a policy to structure financial assets to be available as expenditures, liabilities, and other obligations come due. The Institute invests cash in excess of daily requirements in short-term investments.

In addition, the Institute maintains a board-designated reserve of the operating surplus, which is \$1,000,000 as of December 31, 2021 and 2020. At the discretion of the board, the board-designated reserve may be drawn upon in the event of financial distress, or to be used for general operations if deemed necessary.

Colorado Health Institute
Notes to Financial Statements, Continued

(3) Grants and Contributions Receivable

Grants and contributions receivable are from certain foundations and consist of the following at December 31:

	<u>2021</u>	<u>2020</u>
Due in less than one year	\$ 953,878	1,745,905
Due in one to five years	<u>982,494</u>	<u>1,936,372</u>
	\$ <u>1,936,372</u>	<u>3,681,467</u>

There is no allowance for uncollectible contributions because management believes that the contributions are fully collectible.

The Institute had \$527,577 and \$452,400 in conditional cost-reimbursement-based government grants as of December 31, 2021 and 2020, respectively, that were not yet recognized as revenue. At December 31, 2021, there was another grant of \$9,568 not yet recognized as revenue that depends on certain milestones being reached. The grants will be recorded as revenue when the conditions are met.

(4) Investments

At December 31, 2021 and 2020, the Institute's investments, stated at fair value, consisted of the following:

	<u>2021</u>	<u>2020</u>
Demand deposit account	\$ 1,822,197	1,821,076
Money market funds	<u>503,744</u>	<u>503,392</u>
	\$ <u>2,325,941</u>	<u>2,324,468</u>

Investment return is summarized as follows for the years ended December 31:

	<u>2021</u>	<u>2020</u>
Interest and dividends	\$ 1,473	9,962
Net realized and unrealized losses	<u>—</u>	<u>(2)</u>
Total investment return	\$ <u>1,473</u>	<u>9,960</u>

At December 31, 2021 and 2020, all of the Institute's investments are considered Level 1 investments.

Colorado Health Institute
Notes to Financial Statements, Continued

(5) Property and Equipment

Property and equipment consists of the following at years ended December 31:

	<u>2021</u>	<u>2020</u>
Leasehold improvements	\$ 31,676	31,676
Furniture and fixtures	431,625	431,625
Office equipment and computer software	879,864	844,970
Website	<u>58,475</u>	<u>56,975</u>
	1,401,640	1,365,246
Less accumulated depreciation	<u>(1,147,763)</u>	<u>(1,028,314)</u>
Property and equipment, net	\$ <u>253,877</u>	<u>336,932</u>

(6) Lease

The Institute has a non-cancelable operating lease for office space that expires August 31, 2027. Additionally, the Institute has a non-cancelable operating lease for a copier that expires May 31, 2025. Total rent expense for operating leases was \$651,213 in 2021 and \$423,890 in 2020.

Future minimum lease payments are as follows for the years ending December 31:

2022	\$ 391,081
2023	400,319
2024	409,557
2025	402,625
2026	400,313
Thereafter	<u>270,981</u>
	\$ <u>2,274,876</u>

Subsequent to year-end, the Institute entered into an agreement to sublease a portion of its office space to a third party. The sublease begins March 1, 2022 for the period of one year; the future minimum rents to be received total \$22,575.

(7) Net Assets with Donor Restrictions

At December 31, net assets with donor restrictions are restricted for the following purposes or periods:

	<u>2021</u>	<u>2020</u>
Subject to expenditure for specified purposes:		
CHORDS	\$ —	61,361
CHAS	575,550	1,626,634
Others	<u>131,848</u>	<u>316,144</u>
	707,398	2,004,139
Subject to the passage of time:		
Promises to give that are not restricted by donor, but which are unavailable for expenditure until due	<u>1,936,372</u>	<u>2,862,467</u>
Total net assets with donor restrictions	\$ <u>2,643,770</u>	<u>4,866,606</u>

Colorado Health Institute
Notes to Financial Statements, Continued

(7) Net Assets with Donor Restrictions, Continued

In 2021 and 2020, net assets were released upon the following.

	<u>2021</u>	<u>2020</u>
Satisfaction of purpose restrictions:		
CHORDS	\$ 61,361	468,696
CHAS	1,051,084	50,366
Others	511,407	488,034
Core operations	<u>926,095</u>	<u>899,121</u>
Total net assets released	\$ <u>2,549,947</u>	<u>1,906,217</u>

(8) Retirement Plan

The Institute has a defined contribution plan that covers substantially all full-time employees who are at least twenty-one years old. Employer contributions were 7% of employee compensation for 2021 and 2020. Plan benefits vest 100% after three years of service. The Institute's contributions to the plan totaled \$204,407 and \$188,037 in 2021 and 2020, respectively.

(9) Paycheck Protection Program Loans

In April 2020, the Institute applied for and received a \$526,000 loan under the U.S. Small Business Administration's (SBA) Paycheck Protection Program (PPP). In February 2021, the Institute received a second PPP loan in the amount of \$550,765. Under the program, these loans may be partially or fully forgiven if certain eligibility requirements are met. The Institute initially recorded the loans as refundable advances and later recognized grant revenue in accordance with guidance for conditional contributions; that is, once the measurable performance or other barrier and right of return of the PPP loan no longer existed. As the requirements for forgiveness were met, the Institute recognized \$550,765 and \$526,000 as grant revenue in the accompanying statements of activities during the years ended December 31, 2021 and 2020, respectively.