

CHICAGO COALITION
FOR THE HOMELESS
Independent Auditor's Report
and Audited Financial Statements
For the Year Ended
June 30, 2023

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Management, Supplier Diversity & Compliance, Training*

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Chicago Coalition for the Homeless

Opinion

We have audited the accompanying financial statements of Chicago Coalition for the Homeless (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year 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 Chicago Coalition for the Homeless as of June 30, 2023, 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.

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 Chicago Coalition for the Homeless and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 Chicago Coalition for the Homeless' 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

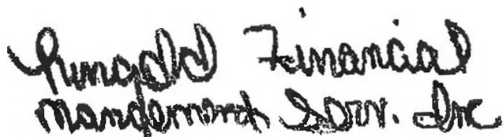
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance 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 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.

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 Chicago Coalition for the Homeless' 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 Chicago Coalition for the Homeless' 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.



Ringold Financial Management Services, Inc.
Tinley Park, Illinois
November 1st, 2023

**CHICAGO COALITION FOR THE HOMELESS
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023**

ASSETS

Current Assets	
Cash and Cash Equivalents	\$ 4,814,756
Investments	5,088,603
Contributions Receivable - current	716,000
Prepaid and Other Assets	<u>131,412</u>
Total Current Assets	10,750,771
Fixed Assets	
Property & Equipment	317,572
Less: Accumulated Depreciation	(192,621)
Right-of-Use Asset - Operating, net	<u>502,549</u>
Total Fixed Assets	627,500
Total Assets	\$ <u><u>11,378,271</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts Payable	\$ 100,273
Accrued Expenses	155,073
Operating Lease Liability - current	<u>122,012</u>
Total Current Liabilities	377,358
Noncurrent Liabilities	
Operating Lease Liability - noncurrent	<u>388,220</u>
Total Noncurrent Liabilities	388,220
Total Liabilities	<u><u>765,578</u></u>
Net Assets	
Without Donor Restrictions:	
Undesignated	8,107,047
Board Designated	<u>300,000</u>
Total Without Donor Restrictions	8,407,047
With Donor Restrictions:	
Purpose and Time Restricted	1,063,333
Purpose Restricted	1,056,313
Time Restricted	<u>86,000</u>
Total With Donor Restrictions	<u>2,205,646</u>
Total Net Assets	<u><u>10,612,693</u></u>
Total Liabilities and Net Assets	\$ <u><u>11,378,271</u></u>

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

**CHICAGO COALITION FOR THE HOMELESS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Contributions:			
Foundation Grants	\$ 678,726	\$ 603,216	\$ 1,281,942
Scholarships	-	533,072	533,072
Corporate Contributions	78,673	-	78,673
Major Gifts	2,077,703	-	2,077,703
Small Shelter Fund	-	75,000	75,000
Other Contributions	15,631	-	15,631
Seasonal Appeals	119,665	-	119,665
Justice Circle	1,175	-	1,175
Individual Contributions	750,189	-	750,189
Matching Gifts	26,212	-	26,212
Special Events	209,719	-	209,719
Membership Dues	53,736	-	53,736
Service Fees	33,290	-	33,290
Interest Income	40,080	-	40,080
Net Assets Released from Restrictions:	977,749	(977,749)	-
Total Support and Revenue	5,062,548	233,539	5,296,087
Expenses			
Program Services	4,132,532	-	4,132,532
Management and General	177,834	-	177,834
Fundraising	563,309	-	563,309
Total Expenses	4,873,675	-	4,873,675
Other Revenue			
Net Investment Gain	126,335	-	126,335
Change in Net Assets	315,208	233,539	548,747
NET ASSETS, beginning of year	8,091,839	1,972,107	10,063,946
NET ASSETS, end of year	\$ 8,407,047	\$ 2,205,646	\$ 10,612,693

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

**CHICAGO COALITION FOR THE HOMELESS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023**

	Program Services							
	Educational Rights/Law	Youth Futures	Statewide Network	Youth Committee and Engagement	Horizons	Housing	Small Shelter	The Re-Entry Project
Expenses								
Salaries	\$ 404,150	\$ 414,528	\$ 198,146	\$ 161,351	\$ 50,664	\$ 203,925	\$ 44,466	\$ 132,492
Payroll Taxes and Benefits	119,801	124,552	56,545	38,828	11,516	58,087	15,175	29,757
Occupancy	27,676	28,769	14,667	10,197	3,692	15,607	3,811	11,496
Professional Fees	22,772	22,119	10,973	7,665	2,753	11,754	2,828	8,610
Office Expenses and Supplies	21,881	21,597	8,034	5,651	2,030	8,851	2,262	8,459
Printing	10,351	10,651	5,259	3,652	1,299	5,600	1,324	3,981
Postage & Delivery	4,969	5,371	2,349	1,659	605	2,466	627	1,841
Dues & Subscriptions	8,866	7,764	2,907	1,507	467	2,375	467	2,006
Conference & Travel	14,948	9,899	7,783	9,678	890	13,778	690	4,379
Program & Organizing	50,756	45,771	19,836	18,061	4,722	24,859	4,333	17,748
Scholarship Expense	2,213	-	-	-	-	-	-	-
Awarded Scholarships	80,822	2,260	-	-	-	-	-	-
Pass-through Grants	-	-	-	-	-	-	330,000	-
Special Events	-	-	-	-	-	-	-	-
Depreciation	2,232	2,321	1,193	831	300	1,274	311	915
Total Expenses	<u>\$ 771,437</u>	<u>\$ 695,602</u>	<u>\$ 327,692</u>	<u>\$ 259,080</u>	<u>\$ 78,938</u>	<u>\$ 348,576</u>	<u>\$ 406,294</u>	<u>\$ 221,684</u>

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

**CHICAGO COALITION FOR THE HOMELESS
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023**

	Program Services (Continued)				Supporting Services			Total
	Speakers Bureau	Bring Chicago Home	REC	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Expenses								
Salaries	\$ 93,673	\$ 353,238	\$ 95,128	\$ 2,151,761	\$ 110,576	\$ 279,028	\$ 389,604	\$ 2,541,365
Payroll Taxes and Benefits	23,162	99,989	24,868	602,280	29,286	80,804	110,090	712,370
Occupancy	7,181	29,468	5,917	158,481	8,230	23,645	31,875	190,356
Professional Fees	5,344	24,686	13,627	133,131	261	53,848	54,109	187,240
Office Expenses and Supplies	4,195	16,690	3,278	102,928	5,344	23,881	29,225	132,153
Printing	2,525	10,267	2,081	56,990	2,860	9,276	12,136	69,126
Postage & Delivery	1,134	4,492	949	26,462	1,735	15,947	17,682	44,144
Dues & Subscriptions	899	4,531	723	32,512	3,690	5,863	9,553	42,065
Conference & Travel	2,311	18,372	1,249	83,977	3,903	7,447	11,350	95,327
Program & Organizing	18,030	68,961	7,822	280,899	11,188	34,247	45,435	326,334
Scholarship Expense	-	-	-	2,213	-	280	280	2,493
Awarded Scholarships	-	-	-	83,082	-	-	-	83,082
Pass-through Grants	-	75,000	-	405,000	-	-	-	405,000
Special Events	-	-	-	-	-	27,177	27,177	27,177
Depreciation	584	2,374	481	12,816	761	1,866	2,627	15,443
Total Expenses	\$ 159,038	\$ 708,068	\$ 156,123	\$ 4,132,532	\$ 177,834	\$ 563,309	\$ 741,143	\$ 4,873,675

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

**CHICAGO COALITION FOR THE HOMELESS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 548,747
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation expense	15,443
Reduction in the carrying amount of Right-of-Use Asset - Operating	123,883
Net appreciation of investments	(126,335)
Contributions of investments	(559,462)
Changes in:	
Contributions receivable	217,284
Prepaid and other assets	(64,089)
Accounts payable	49,461
Accrued expenses	98,364
Operating lease liability	(116,200)
Cash provided by operating activities	<u>187,096</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Redemption of investments	<u>25,000</u>
Cash provided by investing activities	<u>25,000</u>
Net increase in cash and cash equivalents	212,096
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>4,602,660</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 4,814,756</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION	
Cash paid for:	
Interest	\$ -
Taxes	\$ -

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

Chicago Coalition for the Homeless
Notes to Financial Statements
June 30, 2023

NOTE A. Description of Delegate Agency and Program Activity

Chicago Coalition for the Homeless (CCH) works to prevent and end homelessness. Founded in 1980, CCH was incorporated on September 10, 1982, under the “General Not-for-Profit Corporation Act of Illinois”.

CCH staff run outreach at emergency shelters, schools, drop-in programs, and for people living on the streets. They also staff a legal aid clinic serving students, youth, families, and adults. In advocating for access to housing, jobs, schools, and support services, CCH organizers mobilize people with lived experience of homelessness, service providers, advocates, schools, and community organizations.

The Law Project’s six attorneys provide legal aid to people experiencing or at risk of homelessness. Legal staff closed 441 cases in FY23, 60% on behalf of students and youth. Legal casework centers on education, access to health/mental health care, public benefits, shelter/housing, expungement, family law, and legal ID records. A mobile legal clinic, Youth Futures, reached 2,774 students and youth through outreach at schools, youth shelters, and drop-ins. Legal staff reached 2,161 community members at 36 events, including 10 back-to-school fairs. Staff distributed 25,123 pieces of staff-written informational material on 20+ topics. In addition, 606 people were trained on the rights and options for individuals and families impacted by homelessness. The Law Project manages a college scholarship program providing \$4,000 renewable awards to students who have experienced homelessness, assisting 20 students in FY23.

Through its Housing program, CCH advocates for the development of permanent supportive housing for households experiencing homelessness and to preserve a shelter safety net in Illinois. Bring Chicago Home is the signature campaign: Endorsed by 100+ organizations, Bring Chicago Home advocates for a significant increase in city resources to address homelessness at scale in Chicago. Another campaign, No Youth Alone, advocates for resources to serve unaccompanied youth. Staffed by CCH policy specialists and attorneys, its Homeless Youth Committee was organized in 1983 and mobilizes 30+ youth providers across Illinois.

Four community organizers and three outreach assistants outreached to 1,903 people at 20+ shelters, schools, and housing programs across Chicago in FY23. Organizing programs include Horizons, a creative writing outreach program offered on-site in family and adult shelters, involving participants in a year-end showcase at the American Writers Museum. Two State Network organizers mobilized 653 service providers and community members from 14 suburbs and downstate cities, including Aurora, Naperville, and Waukegan.

The Reentry Project is guided by a steering committee of formerly incarcerated people, advocates, and academics. Working with the Restoring Rights and Opportunities Coalition of Illinois (RROCI), the project advocates to end housing and job barriers, enacting ten laws in seven years. The Small Shelter Fund administers pass-through grants for small Chicago shelters, supported by an anonymous funder. A Speakers Bureau of 12 grassroots leaders reaches a yearly audience of about 2,000, many of them student and religious groups, and mobilizes community volunteers at high schools and colleges. The Racial Equity Committee (REC) works to implement, support, and advance equity and racial justice both internally and externally to CCH.

To ensure its independent voice, CCH does not accept government grants. Donations, foundation and corporate grants, and special events sustain the organization. These include small events hosted by the Associate Board and a Justice Circle fundraiser.

Chicago Coalition for the Homeless
Notes to Financial Statements
June 30, 2023

NOTE B. Summary of Significant Accounting Policies

Basis of Presentation

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. Chicago Coalition for the Homeless maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors.

These financial statements have been prepared to focus on CCH as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of fund balances and transactions into two classes of net assets – without donor restrictions and with donor restrictions.

Accordingly, net assets and changes therein are classified as follows:

Net assets without donor restrictions: Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. This can also include net assets designated by the Board of Directors to be reserved for future use.

Net assets with donor restrictions: Net assets subject to donor (or certain grantor) 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 those resources be maintained in perpetuity. The Organization maintained net assets with donor restrictions as of June 30, 2023.

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

Cash and Cash Equivalents

CCH's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase, except for those amounts that are held in the investment portfolio which are invested for long-term purposes.

Investments

CCH records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return/(loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Chicago Coalition for the Homeless
Notes to Financial Statements
June 30, 2023

NOTE B. Summary of Significant Accounting Policies (Continued)

Fair Value Measurements

The Fair Value Measurements and Disclosures topic of the FASB Codification establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the organization has the ability to access.
- Level 2 Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Contributions Receivable

CCH records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. CCH determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. CCH believes all contributions are collectible, thus, no allowance for doubtful accounts has been established.

Fixed Assets

Fixed assets are stated at historical cost. Depreciation is calculated on a straight-line basis over the estimated lives of the related assets. CCH capitalizes all assets with a cost basis of greater than \$2,000 and a useful life of more than one year. Additions and improvements to existing equipment are capitalized, while general maintenance and repairs are charged as expenses.

Contributed Services

During the fiscal year ended June 30, 2023 the value of contributed services meeting the requirements for recognition in the financial statements were not material and have not been recorded.

Advertising

Advertising costs are expensed as incurred. Advertising expenses for the year ended June 30, 2023 were \$40,747.

Chicago Coalition for the Homeless
Notes to Financial Statements
June 30, 2023

NOTE B. Summary of Significant Accounting Policies (Continued)

Revenue Recognition for Contributions

CCH recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Conditional promises to give are not included as support until the conditions are met. Contributions of assets other than cash are recorded at their estimated fair value.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated to specific program services based on direct benefit obtained. Certain expenses are attributable to more than one program or supporting function. Salaries, benefits, professional services, office expenses, information technology, insurance, and depreciation are allocated based on each staff members estimated work time percentage for each program. Estimated percentages are set annually during the budgeting phase.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

Income Taxes

CCH is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and State income taxes on related income. CCH had no unrelated business income during fiscal year 2023 and, therefore, no provision for federal or State income taxes has been made in the accompanying financial statements.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. This requires the evaluation of tax positions taken or expected to be taken in the course of preparing the CCH's tax returns to determine whether the tax positions are "more likely than not" of being sustained when challenged or when examined by the applicable tax authority. For the year ended June 30, 2023, management has determined that there were no material uncertain tax positions.

Concentration of Credit Risk

Financial instruments that potentially subject CCH to concentrations of credit risk consist principally of cash and cash equivalents and investments. CCH maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. CCH's cash and cash equivalent accounts have been placed with high credit quality financial institutions. CCH has not experienced, nor does it anticipate, any losses with respect to such accounts. The balances are insured up to \$250,000 by the Federal Deposits Insurance Corporation. As of June 30, 2023, bank balances exceeded federally insured limits by \$4,125,952.

Chicago Coalition for the Homeless
Notes to Financial Statements
June 30, 2023

NOTE B. Summary of Significant Accounting Policies (Continued)

Leases

The Organization determines if an arrangement is or contains a lease at inception of a contract. A contract is determined to be or contain a lease if it conveys the right to control the use of identified property, plant, or equipment (an identified asset) in exchange for consideration. Leases are included in the right-of-use (ROU) asset and lease liability in the accompanying Statement of Financial Position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization has elected the following practical expedients and accounting policy elections related to its lease agreements:

- ROU assets and lease liabilities are not recorded for short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.
- ROU assets and lease liabilities are not recorded for leases with total undiscounted lease cost across the asset class less than \$6,000.
- Lease components are not separated from non-lease components in its lease contracts.
- The risk-free discount rate is used to determine the present value of the future minimum lease payments for all leases.

Changes in Accounting Policy

In fiscal year 2023, the Organization adopted ASU 2016-02, Leases, which requires lessees to recognize leases on the Statement of Financial Position and disclose key information about leasing arrangements. The Organization elected not to reassess at adoption (i) expired or existing contracts to determine whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial direct costs for existing leases. As a result of implementing ASU 2016-02, the Organization recognized a right-of-use asset and lease liability of \$626,432 on its Statement of Financial Position as of July 1, 2022. Leases with total undiscounted lease cost across the asset class less than \$6,000 were excluded from the transition portfolio. The adoption did not result in a significant effect on amounts reported on the Statement of Activities for the year ended June 30, 2023.

NOTE C. Liquidity and Availability of Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, comprise the following as of June 30, 2023:

Financial Assets:	
Cash and cash equivalents	\$ 4,814,756
Contributions receivable – current	716,000
Investments	5,088,603
Total financial assets	10,619,359
Less Amounts Not Available to be Used Within One Year:	
Board-designated funds for future use	(300,000)
Financial assets available to meet general expenditures for the next twelve months	\$ 10,319,359

Chicago Coalition for the Homeless
Notes to Financial Statements
June 30, 2023

NOTE C. Liquidity and Availability of Resources (Continued)

The Organization does not have a formal liquidity policy but strives to monitor its liquidity to be able to meet its operating needs and other contractual commitments. CCH has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 60 days of normal operating expenses, which are, on average, approximately \$750,000. CCH has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, as part of its liquidity management, CCH invests cash in excess of daily requirements in various short-term investments, including savings accounts and money market funds. CCH has no committed lines of credit which it could draw upon in the event of an unanticipated liquidity need.

The Organization receives significant contributions from 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. For the year ended June 30, 2023, restricted contributions net of long term receivables of approximately \$716,000 were included in financial assets available to meet cash needs for general expenditures within one year.

NOTE D. Investments

The Organization's investments are recorded at fair value and have been categorized upon a fair value hierarchy in accordance with FASB ASC 820. Investments held are summarized as follows:

	June 30, 2023			
	Total	Level 1	Level 2	Level 3
Cash and Cash Equivalents	\$ 402,347	\$ 402,347	\$ -	\$ -
Equities and Mutual Funds	3,831,276	3,831,276	-	-
Corporate Bonds	854,980	-	854,980	-
Total	\$ 5,088,603	\$ 4,233,623	\$ 854,980	\$ -

Net investment return (loss) and its classification in statement of activities is summarized as follows for the year ended June 30, 2023:

Dividends and Interest Income	\$	99,234
Investment Fees		(26,369)
Gain on Investments		53,470
Net investment Gain	\$	126,335

Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and those changes could materially affect the amounts reported in the consolidated statements of financial position.

Chicago Coalition for the Homeless
Notes to Financial Statements
June 30, 2023

NOTE E. Contributions Receivable

Contributions receivable are estimated to be collected as follows at June 30, 2023:

In one year or less		\$ 716,000
Total contributions receivable		\$ 716,000

NOTE F. Property and Equipment

Property and equipment at June 30, 2023 is summarized as follows:

	Amount	Depreciable Lives in Years
Leasehold Improvements	\$ 194,085	5-15
Furniture and Fixtures	55,547	5-7
Automobiles	67,940	5
	317,572	
Less accumulated depreciation	(192,621)	
Total Fixed Assets:	\$ 124,951	

Depreciation expense amounted to \$15,443 for the fiscal year ended June 30, 2023

NOTE G. Employee Benefit Plan

CCH maintains a defined contribution plan that covers all employees. Contributions to the plan are equal to 5% of the employee's annual salary. CCH contributed \$114,450 for the year ended June 30, 2023.

NOTE H. Lease Commitments

The Organization evaluated current contracts to determine which, if any, met the criteria of a lease. The right-of-use (ROU) asset – operating represents the Organization's right to use the underlying asset for the lease term, and the lease liability - operating represents the Organization's obligation to make lease payments arising from this operating lease agreement. The ROU asset and lease liability for the operating lease were calculated based on the present value of future lease payments over the lease term. The Organization has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments.

The Organization's operating lease consists of a real estate lease for office space in Chicago, IL. The agreement commenced May 1, 2017, and is set to expire on April 30, 2027. The agreement calls for escalating monthly payments ranging from \$9,384 to \$12,244 in addition to a certain percentage of monthly operating expenses of the space.

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NOTE H. Lease Commitments (Continued)

Future maturities of the operating lease liability are presented in the following table for the fiscal years ending June 30th:

2024	\$ 135,113
2025	139,178
2026	143,340
2027	<u>122,435</u>
Total Future Undiscounted Lease Payments	540,066
Less: Present Value Discount	<u>(29,834)</u>
Total Lease Liability	<u>\$ 510,232</u>

Additional information on the operating lease is presented in the following table for the year ended June 30, 2023:

Components of Lease Cost:

Operating lease cost	<u>\$ 138,882</u>
Total Lease Cost	<u>\$ 138,882</u>

Supplemental cash flow information related to leases:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating lease	<u>\$ 131,199</u>

Noncash financing and investing cash flows:

ROU asset obtained in exchange for lease liabilities	
Operating lease	<u>\$ 626,432</u>

Supplemental statement of financial position related to leases:

ROU Asset - Operating	\$ 626,432
Less: Accumulated Amortization - Operating	<u>(123,883)</u>
ROU Asset - Operating, Net	<u>\$ 502,549</u>
Lease Liability - Operating	<u>\$ 510,232</u>

Weighted Average Remaining Lease Term: 3.83 years

Weighted Average Discount Rate: 2.880%

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NOTE I. Net Assets

Net assets with donor restrictions are restricted for the following purposes or periods at June 30, 2023:

Restricted for the Passage of Time and Specified Purpose:

CCH Programs	\$ 200,000
Small Shelter	650,000
Bring Chicago Home	100,000
Law Project	98,333
State Network	15,000
Total subject to passage of time and expenditure for specified purpose	\$ 1,063,333

Restricted to Expenditure for a Specified Purpose:

Small Shelter	\$ 5,000
Streetlight	37,500
Scholarships	1,013,813
Total subject to expenditure for specified purpose	\$ 1,056,313

Restricted for the Passage of Time:

Fiscal year 2024	\$ 86,000
Total subject to passage of time	\$ 86,000

Total Net Assets with Donor Restrictions	\$ 2,205,646
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Net assets without donor restrictions at June 30, 2023 are as follows:

Undesignated	\$ 8,107,047
Designated by board	300,000
Total Net Assets Without Donor Restrictions	\$ 8,407,047

CCH's Board of Directors designated \$300,000 to serve as a possible endowment fund for future years.

NOTE J. Subsequent Events

Management has evaluated subsequent events through November 1st, 2023, the date which the financial statements were available to be issued. Management has determined that there are no material subsequent events that require recognition or disclosure.