

**THE ARAB-AMERICAN FAMILY SUPPORT CENTER, INC.**

**FINANCIAL STATEMENTS**

June 30, 2024 and 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
The Arab-American Family Support Center, Inc.  
Brooklyn, New York

### ***Opinion***

We have audited the financial statements of The Arab-American Family Support Center, Inc., which comprise the statements of financial position as of June 30, 2024 and 2023, 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 accompanying financial statements present fairly, in all material respects, the financial position of The Arab-American Family Support Center, Inc. as of June 30, 2024 and 2023, 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***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 The Arab-American Family Support Center, Inc. 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 The Arab-American Family Support Center, Inc.'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 GAAS 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 GAAS, 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 The Arab-American Family Support Center, Inc.'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 The Arab-American Family Support Center, Inc.'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.



Wegner CPAs, LLP  
New York, New York  
March 21, 2025

**THE ARAB-AMERICAN FAMILY SUPPORT CENTER, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
June 30, 2024 and 2023

	2024	2023
<b>ASSETS</b>		
CURRENT ASSETS		
Cash	\$ 1,015,903	\$ 1,214,728
Grants receivable	5,960,147	4,056,957
Unconditional promises to give	809,022	115,000
Prepaid expenses	153,936	169,872
Total current assets	7,939,008	5,556,557
LONG-TERM ASSETS		
Property and equipment, net	384,075	435,386
Operating lease right-of-use assets	985,882	1,660,776
Finance lease right-of-use assets	40,386	27,571
Total long-term assets	1,410,343	2,123,733
<b>Total assets</b>	<b>\$ 9,349,351</b>	<b>\$ 7,680,290</b>
<b>LIABILITIES</b>		
CURRENT LIABILITIES		
Accounts payable	\$ 200,285	\$ 192,028
Accrued payroll and vacation	922,974	634,874
Refundable advances	2,342,193	249,937
Line of credit	-	500,000
Current portion of operating lease liabilities	674,939	664,435
Current portion of finance lease liabilities	16,638	8,671
Total current liabilities	4,157,029	2,249,945
LONG-TERM LIABILITIES		
Operating lease liabilities, less current portion	349,220	1,024,159
Finance lease liabilities, less current portion	24,685	19,290
Total long-term liabilities	373,905	1,043,449
Total liabilities	4,530,934	3,293,394
<b>NET ASSETS</b>		
Without donor restrictions	3,463,889	3,934,564
With donor restrictions	1,354,528	452,332
Total net assets	4,818,417	4,386,896
<b>Total liabilities and net assets</b>	<b>\$ 9,349,351</b>	<b>\$ 7,680,290</b>

See accompanying notes.

**THE ARAB-AMERICAN FAMILY SUPPORT CENTER, INC.**  
**STATEMENT OF ACTIVITIES**  
Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES</b>			
Contributions			
Government grants	\$ 13,215,545	\$ -	\$ 13,215,545
Foundation grants and support	373,302	2,202,375	2,575,677
Individuals and corporations	134,320	-	134,320
Other revenues			
Interest income	26	-	26
Net assets released from restrictions			
Satisfaction of purpose restrictions	1,142,044	(1,142,044)	-
Expiration of time restrictions	158,135	(158,135)	-
<b>Total revenues</b>	<b>15,023,372</b>	<b>902,196</b>	<b>15,925,568</b>
<b>EXPENSES</b>			
Program services			
Prevent	9,259,133	-	9,259,133
Get Ready	1,450,935	-	1,450,935
Promote	2,246,554	-	2,246,554
<b>Total program services</b>	<b>12,956,622</b>	<b>-</b>	<b>12,956,622</b>
Supporting activities			
Management and general	2,056,244	-	2,056,244
Fundraising	481,181	-	481,181
<b>Total expenses</b>	<b>15,494,047</b>	<b>-</b>	<b>15,494,047</b>
<b>Change in net assets</b>	<b>(470,675)</b>	<b>902,196</b>	<b>431,521</b>
Net assets at beginning of year	3,934,564	452,332	4,386,896
<b>Net assets at end of year</b>	<b>\$ 3,463,889</b>	<b>\$ 1,354,528</b>	<b>\$ 4,818,417</b>

See accompanying notes.

**THE ARAB-AMERICAN FAMILY SUPPORT CENTER, INC.**  
**STATEMENT OF ACTIVITIES**  
Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES</b>			
Contributions			
Government grants	\$ 10,692,679	\$ -	\$ 10,692,679
Foundation grants and support	1,230,490	148,899	1,379,389
Individuals and corporations	94,053	-	94,053
In-kind donations	2,499	-	2,499
Other revenues			
Interest income	266	-	266
Net assets released from restrictions			
Satisfaction of purpose restrictions	185,052	(185,052)	-
Expiration of time restrictions	21,000	(21,000)	-
	<u>12,226,039</u>	<u>(57,153)</u>	<u>12,168,886</u>
Total revenues	12,226,039	(57,153)	12,168,886
<b>EXPENSES</b>			
Program services			
Prevent	7,464,213	-	7,464,213
Communicate	56,316	-	56,316
Get Ready	1,146,615	-	1,146,615
Promote	1,464,593	-	1,464,593
	<u>10,131,737</u>	<u>-</u>	<u>10,131,737</u>
Total program services	10,131,737	-	10,131,737
Supporting activities			
Management and general	2,580,410	-	2,580,410
Fundraising	286,539	-	286,539
	<u>2,866,949</u>	<u>-</u>	<u>2,866,949</u>
Total expenses	12,998,686	-	12,998,686
<b>Change in net assets</b>	(772,647)	(57,153)	(829,800)
Net assets at beginning of year	4,707,211	509,485	5,216,696
<b>Net assets at end of year</b>	<u>\$ 3,934,564</u>	<u>\$ 452,332</u>	<u>\$ 4,386,896</u>

See accompanying notes.

**THE ARAB-AMERICAN FAMILY SUPPORT CENTER, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended June 30, 2024

	Prevent	Get Ready	Promote	Management and General	Fundraising	Total Expenses
Personnel	\$ 8,209,245	\$ 919,493	\$ 1,772,640	\$ 975,142	\$ 191,681	\$ 12,068,201
Professional fees	184,560	93,415	96,024	535,903	283,046	1,192,948
Dues and fees	24,738	606	1,483	32,236	-	59,063
Travel	56,511	18,420	5,670	2,349	-	82,950
Conferences and meetings	51,772	89,586	43,257	28,755	1,710	215,080
Occupancy	543,426	162,209	105,606	86,854	-	898,095
Repairs and maintenance	38,124	-	19,666	87,741	-	145,531
Assistance to individuals	3,047	-	134,423	-	-	137,470
Insurance	-	-	3,600	53,011	-	56,611
Payroll processing fees	-	-	-	45,722	-	45,722
Food and supplies	29,512	82,705	42,582	49,867	313	204,979
Job advertising	15,884	20,074	-	70,451	-	106,409
Telephone and internet	58,406	2,721	9,742	34,192	3,221	108,282
Depreciation	41,717	48,938	11,839	6,988	125	109,607
Miscellaneous	2,191	12,768	22	47,033	1,085	63,099
<b>Total expenses</b>	<b>\$ 9,259,133</b>	<b>\$ 1,450,935</b>	<b>\$ 2,246,554</b>	<b>\$ 2,056,244</b>	<b>\$ 481,181</b>	<b>\$ 15,494,047</b>

See accompanying notes.



**THE ARAB-AMERICAN FAMILY SUPPORT CENTER, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended June 30, 2023

	Prevent	Communicate	Get Ready	Promote	Management and General	Fundraising	Total Expenses
Personnel	\$ 6,440,608	\$ 28,404	\$ 820,686	\$ 1,214,675	\$ 1,189,771	\$ 168,364	\$ 9,862,508
Professional fees	203,149	270	63,322	-	683,591	85,800	1,036,132
Dues and fees	1,312	21,700	322	553	26,837	-	50,724
Travel	25,930	-	4,500	11,096	2,638	1,617	45,781
Conferences and meetings	51,881	553	3,595	15,170	36,255	1,711	109,165
Occupancy	528,370	2,387	138,578	45,602	198,390	26,099	939,426
Repairs and maintenance	21,877	-	9,489	4,158	67,400	150	103,074
Assistance to individuals	-	-	-	124,859	-	-	124,859
Insurance	-	-	3,500	-	52,346	-	55,846
Payroll processing fees	-	-	-	-	38,982	-	38,982
Food and supplies	67,298	-	30,124	45,939	29,050	30	172,441
Job advertising	13,205	-	-	-	179,132	-	192,337
Telephone and internet	64,901	1,298	1,797	300	26,911	2,504	97,711
Depreciation	40,894	-	51,852	2,241	12,718	264	107,969
Miscellaneous	4,788	1,704	18,850	-	36,389	-	61,731
<b>Total expenses</b>	<b>\$ 7,464,213</b>	<b>\$ 56,316</b>	<b>\$ 1,146,615</b>	<b>\$ 1,464,593</b>	<b>\$ 2,580,410</b>	<b>\$ 286,539</b>	<b>\$ 12,998,686</b>

See accompanying notes.

**THE ARAB-AMERICAN FAMILY SUPPORT CENTER, INC.**  
**STATEMENTS OF CASH FLOWS**  
Years Ended June 30, 2024 and 2023

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 431,521	\$ (829,800)
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	109,607	107,969
Amortization of operating lease right-of-use assets	674,894	497,742
Amortization of finance lease right-of-use assets	8,816	8,817
(Increase) decrease in assets		
Grants receivable	(1,903,190)	661,674
Unconditional promises to give	(694,022)	262,577
Prepaid expenses	15,936	(34,570)
Increase (decrease) in liabilities		
Accounts payable	8,257	(47,644)
Accrued payroll and vacation	288,100	17,312
Refundable advances	2,092,256	162,562
Operating lease liabilities	(664,435)	(469,924)
<b>Net cash flows from operating activities</b>	367,740	336,715
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of equipment	(58,296)	(81,271)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from line of credit	-	500,000
Payments on line of credit	(500,000)	-
Principal payments on finance lease liabilities	(8,269)	(8,427)
<b>Net cash flows from financing activities</b>	(508,269)	491,573
Change in cash	(198,825)	747,017
Cash at beginning of year	1,214,728	467,711
<b>Cash at end of year</b>	<u>\$ 1,015,903</u>	<u>\$ 1,214,728</u>
<b>SUPPLEMENTAL DISCLOSURES</b>		
Cash paid for interest	\$ 1,669	\$ 933

See accompanying notes.

**THE ARAB-AMERICAN FAMILY SUPPORT CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2024 and 2023

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**NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

The Arab-American Family Support Center, Inc. (AAFSC) is a not-for-profit community-based organization dedicated to providing an array of prevention and support services for individuals, children, and families throughout New York City.

Programs include family and children preventive services, anti-violence programs targeting marital conflict, child abuse, domestic violence, related education, literacy, health, and disaster relief programs. Additional resources include newsletters and classes, counseling services, mental health and other health and safety prevention, support group activities, community outreach and cultural programs, immigration issues, and coalition building and advocacy on behalf of the Arab-American community and immigrant communities throughout New York City.

Funding consists primarily of federal and federal pass-through, state, local and affiliated organization government grants.

**Government Grants**

AAFSC receives grants from government agencies that are conditioned upon AAFSC incurring qualifying expenses. Revenue from these grants is generally recognized on a reimbursement basis, that is, when qualifying expenses are incurred by AAFSC, both a receivable from the grantor agency and revenue are recorded. Grants are also generally restricted by the grantor for a specified purpose. Grants whose conditions and restrictions are met in the same reporting period that the revenue is recognized are reported as increases in net assets without donor restrictions.

Costs are allocated to these grants in accordance with established procedures and are subject to audit by the various government agencies. No determination has been made regarding the effect, if any, such audits could have on the financial statements.

**Promises to Give**

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

**Property and Equipment**

Property and Equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method. The cost of repairs and maintenance are charged against operations as incurred. Additions and betterments of \$5,000 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

**THE ARAB-AMERICAN FAMILY SUPPORT CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2024 and 2023

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Contributions**

Contributions that are restricted by the donor are reported 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. When a restriction expires, 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.

**Leases**

AAFSC does not recognize short-term leases in the statement of financial position. For these leases, AAFSC recognizes the lease payments in the change in net assets on a straight-line basis over the lease term and variable lease payments in the period in which the obligation for those payments is incurred. AAFSC also does not separate nonlease components from lease components for all classes of underlying assets and instead accounts for each separate lease component and the nonlease components associated with that lease component as a single lease component. If the rate implicit in the lease is not readily determinable, AAFSC uses a risk-free rate as the discount rate for the lease for all classes of underlying assets.

**Expense Allocation**

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel, which is allocated on the basis of estimates of time and effort, as well as occupancy, which is allocated on a square-footage basis. The following program services and supporting activities are included in the accompanying financial statements:

*Prevent* – AAFSC strengthens families, prevents child abuse, and works to end domestic and gender-based violence. AAFSC is contracted by the City of New York Administration for Children's Services (ACS) to provide early intervention, counseling, parenting classes, and referrals with a strengths-based approach to help families build happy, healthy homes.

AAFSC empowers survivors of domestic violence, dating violence, sexual assault, stalking, and all forms of gender-based violence through crisis intervention, individual counseling, safety planning, and referrals. AAFSC works with young adults on building healthy relationship habits. AAFSC also conducts community outreach and cultural competency trainings for external agencies and service providers.

*Promote* – AAFSC promotes wellness, family reunification, restorative justice, equity, and fair policies. Through AAFSC's Community Health & Well-Being unit, AAFSC provides individual mental health counseling services and wraparound support to reduce stigma. AAFSC enrolls individuals in health insurance and SNAP, and helps families navigate resources. Through AAFSC Legal Services, AAFSC provides free immigration-based legal support to reunite families and offer know-your-rights trainings.

**THE ARAB-AMERICAN FAMILY SUPPORT CENTER, INC.**  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

*Get Ready* – AAFSC prepares families to learn, work, succeed, give back, and lead healthy, productive lives. Through AAFSC Adult Education and Literacy Program, AAFSC provides English Language and Civics courses, citizenship prep, job readiness support, and civic engagement opportunities. Through AAFSC Caregiver-Child Bonding Circles, AAFSC promotes socio-emotional development for babies and their parents after experiencing trauma. Through AAFSC Youth and Young Adult Program, AAFSC offers academic tutoring, leadership development, college and career readiness, individual mental health counseling, and arts enrichment to develop young adults' skills and self-reliance and help them succeed.

*Communicate* – AAFSC educates community members about the policies that affect their lives and increases knowledge amongst partners and policy makers about the challenges immigrants and refugees face.

*Management and general* – Management and general activities relate to the overall direction of AAFSC and include the functions necessary to ensure proper administrative functioning of the board of directors, manage the financial and budgetary responsibilities of AAFSC, and perform other administrative functions.

*Fundraising* – Fundraising activities relate to soliciting contributions from individuals, foundations, and others, and other activities that involve inducing potential donors to contribute assets, services, or time to AAFSC.

**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 estimates.

**Income Tax Status**

AAFSC is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, AAFSC qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

**Date of Management's Review**

Management has evaluated subsequent events through March 21, 2025, the date which the financial statements were available to be issued.

NOTE 2—CONCENTRATIONS OF CREDIT RISK

AAFSC maintains its cash balances in one financial institution located in New York, New York. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2024 and 2023, AAFSC's uninsured cash balances total approximately \$746,000 and \$217,000, respectively.

**THE ARAB-AMERICAN FAMILY SUPPORT CENTER, INC.**  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2024 and 2023

**NOTE 3—PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

	2024	2023
Leasehold improvements	\$ 606,335	\$ 548,041
Equipment	7,151	7,151
Accumulated depreciation	<u>(229,411)</u>	<u>(119,805)</u>
Property and equipment, net	<u>\$ 384,075</u>	<u>\$ 435,387</u>

**NOTE 4—NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes or periods:

	2024	2023
Youth program	\$ 61,680	\$ 181,250
Subsequent years' activities	128,124	195,259
Emergency Fund	274,325	-
Restorative justice	-	15,000
Communicate	-	45,000
Mental health services	541,898	-
Caregiver Child	263,173	-
Food security	-	15,823
Community Health and Well Being	<u>85,328</u>	<u>-</u>
Net assets with donor restrictions	<u>\$ 1,354,528</u>	<u>\$ 452,332</u>

**NOTE 5—RETIREMENT PLAN**

AAFSC sponsors a deferred compensation plan qualified under Section 403(b) of the Internal Revenue Code (IRC). The plan covers substantially all employees with at least one year of service. Employees may make contributions to the plan immediately upon employment (or hire), up to the maximum amount allowed by the IRC. AAFSC may make discretionary contributions to the plan. Employer contributions for the years ended June 30, 2024 and 2023, total \$75,608 and \$89,303, respectively.

**NOTE 6—LEASES**

AAFSC has operating and finance leases of space for administrative offices and program services. These leases have remaining lease terms that expire between April 30, 2025, and August 31, 2026. While these leases provide for minimum lease payments, they include payments that are adjusted annually for cost escalations.

**THE ARAB-AMERICAN FAMILY SUPPORT CENTER, INC.**  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2024 and 2023

NOTE 6—LEASES (continued)

The components of total lease cost are as follows:

	2024	2023
Finance lease cost		
Amortization of right-of-use assets	\$ 16,155	\$ 8,817
Interest on lease liabilities	1,669	933
Operating lease cost	674,894	497,242
Total lease cost	<u>\$ 692,718</u>	<u>\$ 506,992</u>

Other information related to leases is as follows:

	2024	2023
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from finance leases	\$ 1,669	\$ 933
Operating cash flows from operating leases	664,435	517,303
Financing cash flows from finance leases	8,269	8,427
Weighted-average remaining lease term		
Finance leases	2.53 years	3.04 years
Operating leases	1.24 years	2.24 years
Weighted-average discount rate		
Finance leases	3.58%	3.58%
Operating leases	3.11%	3.11%

The maturities of lease liabilities as of June 30, 2024, are as follows:

	Finance Leases	Operating Leases
Year ending June 30:		
2025	\$ 17,954	\$ 696,088
2026	15,614	311,344
2027	7,271	43,500
2028	2,030	-
Thereafter	677	-
Total minimum lease payments	43,546	1,050,932
Imputed interest	(2,223)	(26,773)
Total lease liabilities	<u>\$ 41,323</u>	<u>\$ 1,024,159</u>

**THE ARAB-AMERICAN FAMILY SUPPORT CENTER, INC.**  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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**NOTE 7—ECONOMIC DEPENDENCY**

AAFSC is primarily funded by grants from ACS. For the years ended June 30, 2024 and 2023, grants from ACS accounted for approximately 60% of AAFSC's revenues. At June 30, 2024 and 2023, approximately 50% and 60%, respectively, of grants receivable are due from ACS. In July 2023, AAFSC received an extension from ACS through June 30, 2026.

**NOTE 8—LINE OF CREDIT**

AAFSC has a \$1,000,000 unsecured line of credit which was unused at June 30, 2024. Advances on the credit line are payable on demand and carry an interest rate of 5.286% + SOFR. The line of credit agreement expires March 25, 2025.

**NOTE 9—LIQUIDITY AND AVAILABILITY**

The following table reflects AAFSC's financial assets as of the date of the statement of financial position, reduced by amounts not available for general expenditures within one year of the date of the statement of financial position because of donor-imposed restrictions.

	2024	2023
Cash	\$ 1,015,903	\$ 1,214,728
Grants receivable	5,960,147	4,056,957
Unconditional promises to give	809,022	115,000
Financial assets at year-end	7,785,072	5,386,685
Less those unavailable for general expenditures within one year:		
Restricted by donor with time and purpose restrictions	(1,226,404)	(257,073)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 6,558,668</u>	<u>\$ 5,129,612</u>

As part of AAFSC'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. In the event of an unanticipated liquidity need, AAFSC also could draw upon \$1,000,000 of the available line of credit (as further discussed in Note 8).



**THE ARAB-AMERICAN FAMILY SUPPORT CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2024 and 2023

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**NOTE 10—PAYCHECK PROTECTION PROGRAM LOAN**

On April 10, 2020, AAFSC received a \$807,445 loan under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and administered by the U.S. Small Business Administration (SBA). On October 29, 2021, the SBA preliminarily approved forgiveness of the loan. AAFSC must retain PPP documentation in its files for six years after the date the loan is forgiven or repaid in full and permit authorized representatives of SBA to access such files upon request. SBA may review any loan at any time at its discretion. Therefore, SBA may review AAFSC's good faith certification concerning the necessity of its loan request, whether AAFSC calculated the loan amount correctly, whether AAFSC used loan proceeds for the allowable uses specified in the CARES Act, and whether the AAFSC is entitled to loan forgiveness in the amount claimed on its application. If SBA determines AAFSC was ineligible for the loan or for forgiveness in whole or in part, SBA will seek repayment of funds the loan.