Texas Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Texas)

Financial Statements

March 31, 2023 and 2022

Sassetti

CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
of Texas Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Texas)

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the accompanying financial statements of Texas Society to Prevent Blindness, Inc., (d/b/a Prevent Blindness Texas) (the Society), which comprise the statement of financial position as of March 31, 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 the Society as of March 31, 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 audit 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 the Society 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.

Other Matter

The March 31, 2022 financial statements were audited by other auditors. That auditor issued an unmodified opinion on those financial statements dated August 16, 2022.

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 Society'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 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 the Society'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 Society'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.

Sassetti LLC

Oak Brook, Illinois
July 31, 2023

TEXAS SOCIETY TO PREVENT BLINDNESS, INC.
(D/B/A PREVENT BLINDNESS TEXAS)
STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2023 AND 2022

	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 487,867	$ 380,908
Certificates of deposit	249,998	-
Investments	1,696,258	1,760,241
Contributions and grants receivable	197,776	175,849
Other assets	31,824	32,841
Total current assets	2,663,723	2,349,839
Property and equipment, net	77,845	82,223
Operating lease right-of-use	88,688	-
Total Assets	$ 2,830,256	$ 2,811,937
LIABILITIES		
Current liabilities		
Accounts payable and accrued expenses	$ 24,097	$ 2,430
Accrued vacation	35,644	28,163
Deferred revenue	6,960	8,925
Lease liability, current portion	25,916	-
Total current liabilities	92,617	39,518
Lease liability, less current portion	60,325	-
Total Liabilities	152,942	39,518
NET ASSETS		
Without donor restrictions	2,175,406	1,666,934
With donor restrictions	501,908	725,610
Total Net Assets	2,677,314	2,392,544
Total Liabilities and Net Assets	$ 2,830,256	$ 2,432,062

The accompanying notes are an integral part of these financial statements.

TEXAS SOCIETY TO PREVENT BLINDNESS, INC.
(D/B/A PREVENT BLINDNESS TEXAS)
STATEMENTS OF ACTIVITIES
YEARS ENDED MARCH 31, 2023 AND 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND OPERATING REVENUE						
Contributions	$ 74,774	$ -	$ 74,774	$ 9,182	$ 10,313	$ 19,495
Foundation grants	-	540,375	540,375	-	430,775	430,775
Fee for service	125,072	-	125,072	85,428	23,400	108,828
Legacy and trust proceeds	480,862	-	480,862	-	-	-
Received indirectly - combined service program	4,018	-	4,018	2,097	-	2,097
Special events, net of direct costs of $73,427 in 2023 and $73,823 in 2022	40,180	-	40,180	69,652	-	69,652
Interest and dividend income, net of expense	22,162	-	22,162	26,483	-	26,483
Miscellaneous	-	-	-	313	-	313
Net assets released from restrictions	764,077	(764,077)	-	431,886	(431,886)	-
Total Public Support and Operating Revenue	1,511,145	(223,702)	1,287,443	625,041	32,602	657,643
EXPENSES						
Program services	727,526	-	727,526	647,670	-	647,670
General and administrative	42,796	-	42,796	38,098	-	38,098
Fundraising	85,591	-	85,591	76,197	-	76,197
Total Program and Support Services	855,913	-	855,913	761,965	-	761,965
Unallocated affiliate support of national programs	60,616	-	60,616	55,596	-	55,596
Total Expenses	916,529	-	916,529	817,561	-	817,561
INCREASE (DECREASE) IN NET ASSETS, BEFORE NON-OPERATING REVENUE, GAINS, AND LOSSES	594,616	(223,702)	370,914	(192,520)	32,602	(159,918)
NON-OPERATING REVENUE, GAINS, AND LOSSES						
Gain on forgiveness of Paycheck Protection Program (PPP) loan	-	-	-	258,997	-	- 258,997
Realized and unrealized losses on investments	(86,144)	-	(86,144)	(55,671)	-	(55,671)
INCREASE IN NET ASSETS	508,472	(223,702)	284,770	10,806	32,602	43,408
Beginning of year	1,666,934	725,610	2,392,544	1,656,128	693,008	2,349,136
End of year	$ 2,175,406	$ 501,908	$ 2,677,314	$ 1,666,934	$ 725,610	$ 2,392,544

The accompanying notes are an integral part of these financial statements.

TEXAS SOCIETY TO PREVENT BLINDNESS, INC.
(D/B/A PREVENT BLINDNESS TEXAS)
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2023

	Program Services				Support Services			Unallocated	
	Advocacy	Awareness	Access	Total Program Services	General and Administrative	Fundraising	Total Support Services Total	Affiliate Support of National Programs	Total
Salaries	$ 4,756	$ 299,657	$ 99,886	$ 404,299	$ 23,782	$ 47,565	$ 71,347	$ -	$ 475,646
Employee benefits	1,057	66,568	22,189	89,814	5,283	10,566	15,849	-	105,663
Payroll taxes	346	21,823	7,274	29,443	1,732	3,464	5,196	-	34,639
Total salaries and related expenses	6,159	388,048	129,349	523,556	30,797	61,595	92,392	-	615,948
Building occupancy	425	26,771	8,924	36,120	2,125	4,249	6,374	-	42,494
Depreciation of property and equipment	164	10,326	3,442	13,932	820	1,639	2,459	-	16,391
Dues and subscriptions	158	9,941	3,314	13,413	789	1,578	2,367	-	15,780
Insurance	70	4,431	1,477	5,978	352	703	1,055	-	7,033
Office equipment maintenance	82	5,165	1,722	6,969	410	820	1,230	-	8,199
Office supplies	222	14,007	4,669	18,898	1,112	2,223	3,335	-	22,233
Other	89	4,283	3,215	7,587	446	892	1,338	-	8,925
Postage and shipping	197	12,437	4,146	16,780	987	1,974	2,961	-	19,741
Printing and publications	6	401	134	541	32	64	96	-	637
Professional fees and outside services	480	30,255	10,085	40,820	2,401	4,802	7,203	-	48,023
Telephone	104	6,563	2,188	8,855	521	1,042	1,563	-	10,418
Travel and meetings	315	19,849	6,617	26,781	1,575	3,151	4,726	-	31,507
Voluneer expense	33	2,063	688	2,784	164	328	492	-	3,276
Visual aids and eye clinic	53	3,344	1,115	4,512	265	531	796	-	5,308
Unallocated affiliate support of national programs	-	-	-	-	-	-	-	60,616	60,616
Total expenses	$ 8,557	$ 537,884	$ 181,085	$ 727,526	$ 42,796	$ 85,591	$ 128,387	$ 60,616	$ 916,529

The accompanying notes are an integral part of these financial statements.

TEXAS SOCIETY TO PREVENT BLINDNESS, INC.
(D/B/A PREVENT BLINDNESS TEXAS)
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2022

	Program Services					Support Services			Unallocated	
	Research	Public Health Education	Professional Education and Training	Community Services	Total Program Services	General and Administrative	Fundraising	Total Support Services Total	Affiliate Support of National Programs	Total
Salaries	$ 4,351	$ 208,863	$ 65,270	$ 91,378	$ 369,862	$ 21,756	$ 43,513	$ 65,269	$ -	$ 435,131
Employee benefits	853	40,955	12,798	17,918	72,524	4,266	8,533	12,799	-	85,323
Payroll taxes	365	17,517	5,474	7,663	31,019	1,825	3,649	5,474	-	36,493
Total salaries and related expenses	5,569	267,335	83,542	116,959	473,405	27,847	55,695	83,542	-	556,947
Building occupancy	306	14,702	4,594	6,432	26,034	1,533	3,063	4,596	-	30,630
Depreciation of property and equipment	105	5,031	1,572	2,201	8,909	524	1,048	1,572	-	10,481
Dues and subscriptions	90	4,341	1,357	1,899	7,687	452	904	1,356	-	9,043
Insurance	95	4,561	1,425	1,996	8,077	475	950	1,425	-	9,502
Office equipment maintenance	80	3,859	1,206	1,688	6,833	402	804	1,206	-	8,039
Office supplies	75	3,612	1,129	1,580	6,396	376	753	1,129	-	7,525
Other	78	3,746	1,171	1,639	6,634	390	780	1,170	-	7,804
Postage and shipping	109	5,247	1,640	2,296	9,292	547	1,093	1,640	-	10,932
Printing and publications	32	1,558	487	682	2,759	162	325	487	-	3,246
Professional fees and outside services	530	25,433	7,948	11,127	45,038	2,649	5,299	7,948	-	52,986
Telephone	106	5,040	1,575	2,205	8,926	525	1,050	1,575	-	10,501
Travel and meetings	191	9,110	2,847	3,985	16,133	949	1,898	2,847	-	18,980
Visual aids and eye clinic	254	12,168	3,802	5,323	21,547	1,267	2,535	3,802	-	25,349
Unallocated affiliate support of					-					
national programs	-	-	-	-	-	-	-	-	55,596	55,596
Total expenses	$ 7,620	$ 365,743	$ 114,295	$ 160,012	$ 647,670	$ 38,098	$ 76,197	$ 114,295	$ 55,596	$ 817,561

The accompanying notes are an integral part of these financial statements.

TEXAS SOCIETY TO PREVENT BLINDNESS, INC.
(D/B/A PREVENT BLINDNESS TEXAS)
STATEMENTS OF CASH FLOWS
YEARS ENDED MARCH 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 284,770	$ 43,408
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities -		
Depreciation	16,391	10,481
Realized and unrealized loss on investments	86,144	55,671
Noncash lease expense	40,291	-
Gain on forgivess of Paycheck Protection Program (PPP) loan	-	(258,997)
Changes in operating assets and liabilities -		
Contributions and grants receivable	(21,927)	(67,051)
Interest receivable	-	1,245
Other assets	1,017	6,889
Accounts payable	21,667	(9,794)
Accrued vacation	7,481	(3,095)
Deferred revenue	(1,965)	8,925
Lease liability	(42,738)	-
Net Cash Provided by (Used in) Operating Activities	391,131	(212,318)
CASH FLOWS FROM INVESTING ACTIVITY		
Capital expenditures	(12,013)	(33,562)
Purchases of investments	(272,159)	(1,391,467)
Proceeds from sales of investments	-	63,937
Net Cash Used in Investing Activities	(284,172)	(1,361,092)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	106,959	(1,573,410)
CASH AND CASH EQUIVALENTS		
Beginning of year	380,908	1,954,318
End of year	$ 487,867	$ 380,908
SUPPLEMENTAL DISCLOSURES		
Cash paid for interest	$ -	$ -
Cash paid for taxes	$ -	$ -
NONCASH OPERATING ACTIVITIES		
Right-of-use lease asset obtained in exchange for lease liability	$ 128,979	$ -

The accompanying notes are an integral part of these financial statements.

1. NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Texas Society to Prevent Blindness, Inc (d/b/a Prevent Blindness Texas) (the Society), an affiliate of the National Society to Prevent Blindness, is a not-for-profit organization that began its program in the state of Texas in 1956 and was incorporated in 1965. The Society is concerned with preventing blindness and visual impairment through a comprehensive program of screening and public and professional education in the state of Texas. Program services, including research, public health education, and professional education and teachings, are provided through offices located in major metropolitan areas, including Dallas, Houston, and San Antonio.

Basis of Presentation – The financial statements of the Society have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

Cash and Cash Equivalents – The Society considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Use of Estimates – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk – The Society maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Society has not experienced any losses in such accounts and management does not believe the Society is exposed to any significant credit risk on cash.

Contributions and Grants Receivable – The Society's contributions and grants receivables are comprised primarily of grants and allocations committed from various funding agencies, corporations, and individuals for use in the Society's activities. Contributions and grants receivable at March 31, 2023 and 2022 are expected to be collected within one year. The Society has not recorded a provision for doubtful accounts since it is the opinion of management that those receivables are collectible in full.

Investments – The investments of the Society are reported at fair value. The fair value of a financial instrument is the amount 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 (the exit price). The investments of the Society have fair values determined by quoted prices in active markets for identical assets (Level 1 classification), and by significant other observable inputs

(Level 2 classification). Cash and cash equivalents held with the broker are included in investments.

Mutual Funds – The fair value of mutual funds are determined by reference to each fund's underlying assets, which are principally marketable equity and fixed-income securities.

Equities - Equity funds consist of shares held at publicly traded companies. Shares held in equity funds that trade on national securities exchanges are valued at their trading prices.

U.S. Treasuries – U.S. Treasuries consist of government securities that are traded in markets that may not be considered active and may be valued based on quote prices or alternative pricing sources.

Municipal Bonds - Municipal bonds consist of government and agency securities traded in markets that are not considered active and are valued based on quoted market prices or alternative pricing sources with reasonable levels of price transparency. Securities that trade infrequently and, therefore, have little or no price transparency are valued using management's best estimates.

Corporate Bonds - Corporate bonds consist of securities traded in markets that are not considered active and are valued based on quoted market prices, broker or dealer quotations, or alternative pricing sources with reasonable levels of price transparency. Securities that trade infrequently and, therefore, have little or no price transparency are valued using management's best estimates.

Property and Equipment - Property and equipment are recorded at cost or, in the case of gifts, fair value as of the date of the donation and depreciated over estimated useful lives using straight-line, accelerated, and declining-balance methods. Useful lives range from ten to forty years for buildings and improvements and three to ten years for equipment. It is the policy of the Society to capitalize property and equipment if the cost or value of the item is in excess of $1,500 and the useful economic life is greater than one year. Costs of repairs and maintenance are charged to expense as incurred.

The Society reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell.

Deferred Revenue - Cash received in the current year that are applicable to the sponsorship events in the subsequent year are recorded as deferred revenue and recognized as revenue when the sponsorship event takes place.

Net Assets - The Society reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Net assets without donor restrictions are resources that are not subject to donor-imposed restrictions plus those resources for which donor-imposed restrictions have been satisfied.

Grants with donor-stipulated purposes are classified as net assets with donor restrictions. Amounts are released from restriction as the funds are spent toward the specific restricted purposes. See Note 6 for purpose of grants.

Public Support and Revenue - Public support and revenue 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 assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or law. Expirations of net assets with donor restrictions (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.

The Society may be the beneficiary of various wills, the total realizable amount of which is not presently determinable. Such amounts are recorded as legacy revenue when clear title is established, and the proceeds are clearly measurable.

Revenue Recognition – The Society receives revenue from the following sources:

Contributions and Foundation Grants - Contributions and foundation grants are recognized at a point in time when the donor makes a promise to give the Society that is, in substance, unconditional. Contributions and foundation grants 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 restrictions. Donor-restricted support is reported as an increase in net assets with donor 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 statements of activities as net assets released from restrictions.

A contribution is considered to be a conditional contribution if an agreement includes a barrier that must be overcome and either a right of return of assets or a right of release of a promise to transfer assets exists. Indicators of a barrier include a measurable performance related barrier or other measurable barrier, a stipulation that limits discretion by the recipient on the conduct of an activity, and stipulations that are related to the purpose of the agreement. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions/barriers on which they depend are substantially met.

Fee for Service - The Society has a contract with the Texas Department of Health and Human Services to provide eye screening services under the Blindness Education, Screening, and Treatment (BEST) program at a specified rate as agreed upon in the contract. The Society bills the state monthly as screenings/services are provided and revenue is recognized at a point in time as the screenings are provided.

Special Events - Special event revenue is recognized in the period that the event occurs.

Investment Income - Realized gains and losses from changes in market values are reflected in the statements of activities. Investment fees are netted against the total interest and dividends as reflected in the statement of activities.

Donated Services and Assets - Contributions of tangible goods are recognized at fair value when received. Contributed professional services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

A substantial number of volunteers have donated significant amounts of their time to the Society's program services and fundraising campaigns. No amounts have been recognized in the statements of activities because the criteria for recognition of those goods and services in accordance with U.S. GAAP have not been satisfied.

<u>Functional Allocation of Expenses</u> - The costs of providing various programs and support services are presented on a functional basis in the statements of activities. The costs that are directly associated with a particular program or supporting service are allocated directly to that functional category.

Additionally, certain costs have been allocated among the programs and supporting services benefited based on staff time devoted to the functional areas or other appropriate allocation methods determined by management. All other expenses are allocated based on actual expense for programs and various other criteria.

<u>Tax Status</u> - The Society is a not-for-profit corporation and is exempt from tax under the provisions of Internal Revenue Code (the Code) Section 501 (c)(3). The Society is also subject to tax on any unrelated business income, which was de minimis for the years ended March 31, 2023 and 2022. U.S. GAP requires management to evaluate tax positions taken by the Society

and recognize a tax liability if the Society has taken an uncertain position that more-likely-than-not would not be sustained upon examination by the Internal Revenue Service or other applicable taxing authorities. Management has analyzed the tax positions taken by the Society and has concluded that as of March 31, 2023 and 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Society is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Society is still open to examination by U.S. tax authorities from fiscal 2019 forward.

Adopted Accounting Pronouncements – On April 1, 2022, the Society adopted Financial Accounting Standards Board's Accounting Standard Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* (Topic 958), which clarified the current standard and requires a not-for-profit to present contributed nonfinancial assets (in-kind contributions) as a separate line items in the statement of activities, apart from contributions of cash or other financial assets. The standard also requires a not-for-profit to disclose contributed nonfinancial assets recognized within the statement of activities, disaggregated by category that depicts the type of nonfinancial assets. The guidance did not materially impact the Society's financial statements.

On April 1, 2022, the Society adopted ASU 2016-02, *Leases* (Topic 842), which supersedes the leasing guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The adoption of ASU 2016-02 increased the Society's total assets and liabilities by approximately $129,000 as of the date of adoption based on a discounted calculation of the future lease payments.

Leases - The Society determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term at the commencement date. The Society has elected to use the practical expedient when determining the discount rate and has used an estimated risk-free rate as of the commencement date in determining the present value of future payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives and initial direct costs incurred. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. The Society does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less).

Subsequent Events - Subsequent events were evaluated through July 31, 2023, which is the date the financial statements were available to be issued.

2. FAIR VALUE MEASUREMENT

The Society performs fair value measurements in accordance with Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, which defines fair value, establishes a framework for measuring fair value in U.S. GAAP, and expands disclosures about fair value measurements.

Fair value is defined in the ASC as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the most advantageous market for the asset or liability in an orderly transaction. Fair value measurement is based on a hierarchy of observable or unobservable inputs. The standard describes three levels of inputs that may be used to measure fair value.

Level 1: *Quoted Prices in Active Markets for Identical Assets* - This level consists of inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date.

Level 2: *Significant Other Observable Inputs* - This level consists of inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and the fair value can be determined through the use of models or other valuation methodologies

Level 3: *Significant Unobservable Inputs* - This level consists of inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity of the asset and liability and the reporting entity makes estimates and assumptions relating to the pricing of the asset or liability, including assumptions regarding risk.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Society's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The following tables present information about the Society's assets measured at fair value on a recurring basis and the valuation techniques used by the Society to determine those fair values.

March 31, 2023	Level 1	Level 2	Level 3	Total
U.S. Treasuries	$ -	$ 390,256	$ -	$ 390,256
Municipal bonds	-	9,351	-	9,351
Corporate bonds	-	64,999	-	64,999
Equities	384,046	-	-	384,046
Mutual funds	508,330	-	-	508,330
	$ 892,376	$ 464,606	$ -	$ 1,356,982

March 31, 2022	Level 1	Level 2	Level 3	Total
Municipal bonds	$ -	$ 166,004	$ -	$ 166,004
Corporate bonds	-	68,443	-	68,443
Equities	210,422	-	-	210,422
Mutual funds	1,094,013	-	-	1,094,013
	$ 1,304,435	$ 234,447	$ -	$ 1,538,882

Not included in the above tables are $339,276 and $221,359 in cash and cash equivalents held in brokerage accounts as of March 31, 2023 and 2022, respectively.

3. PROPERTY AND EQUIPMENT

The cost of property and equipment is summarized as follows:

	2023	2022
Property and equipment	$ 624,942	$ 612,930
Less accumulated depreciation and amortization	(547,097)	(530,707)
	$ 77,845	$ 82,223

4. EMPLOYEE BENEFIT PLANS

The Society sponsors a 403(b) retirement plan covering substantially all employees who meet certain eligibility requirements. The amount contributed by the Society to the plan is dependent on the contribution of each employee. Total contributions to the plan were $21,708 and $20,318 for the years ended March 31, 2023 and 2022, respectively.

The Society also maintains a tax deferred annuity (TDA) plan. Employee contributions are made on a tax-deferred basis pursuant to a salary reduction agreement, in accordance with the requirements of the Code Section 403 (b). All employees are eligible to participate in the TDA. The Society does not make contributions to the TDA.

5. LEASE COMMITMENTS

The Society occupies certain operating facilities under various operating lease agreements expiring at various dates through 2027, where monthly rent expense range from $1,300 to $2,348.

Substantially all of these leases require that the Society pay real estate taxes, utilities, and maintenance expenses.

The ROU assets and lease liabilities were calculated based on the present value of future lease payments over the lease terms. The rate applied to calculate lease liabilities as of April 1, 2022, the date of the adoption of the lease pronouncement, was 5%.

As of March 31, 2023, the remaining lease term for the Organization's operating leases is 3.28 years. Total occupancy expense under the lease agreement, including the Society's prorated share of certain utilities and expenses, was $74,660 and $72,632 for the years ended March 31, 2023 and 2022, respectively.

The minimum future rent payments due under operating leases with non-cancelable lease terms in excess of one year are as follows as of March 31:

2024	$ 27,800
2025	27,164
2026	27,924
2027	9,392
Total undiscounted lease payments	92,280
Less: present value discount	(6,039)
Total lease liablity	$ 86,241

Subsequent to year end, the Society entered into an amended lease for the San Antonio office location. Under the amended lease agreement beginning June 1, 2023, the office square footage was reduced and the term was extended through May 31, 2026. Undiscounted lease payments under the amended lease agreement are expected to be approximately $57,600 over the term of the lease.

6. NET ASSETS WITH DONOR RESTRICTIONS

The Society's net assets with donor restrictions are as follows:

	2023	2022
Restricted for use within 100 miles of Crosbyton, Texas	$ 269,994	$ 269,914
Restricted by time, location or purpose	231,914	455,696
Total Net Assets with Donor Restrictions	501,908	725,610

7. NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Net assets are released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time. The net assets released from restrictions for 2023 and 2022 amounted to $764,077 and $431,886, respectively.

8. DEBT

Paycheck Protection Program - On April 26, 2020, the Society executed, in good faith, a Paycheck Protection Program (PPP) loan totaling $144,700, with an interest rate of 1%. On May 5, 2021, the Society received forgiveness of $144,700 from the lender and Small Business Administration (SBA).

On February 5, 2021, the Society received a second draw PPP loan in the amount of $114,297 under the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (Economic Aid Act). The loan has an interest rate of 1%. On October 26, 2021, the Society received forgiveness of $114,297 from the lender and SBA.

9. COMMUNITIES FOUNDATION OF TEXAS, INC.

Communities Foundation of Texas, Inc. (CFT) holds and controls assets for the benefit of the Dallas branch of the Society. Investments are restricted for office and business expenses at the Dallas branch and are released to the Society upon approval by CFT. The Society is not recording the value of the assets in the financial statements, as the Society currently does not have the unconditional right to receive the benefits. The investment balances were $391,509 and $425,605 as of March 31, 2023 and 2022, respectively

10. RELATED PARTY TRANSACTIONS

The Society is part of an affiliate agreement with the National Society to Prevent Blindness. This affiliate agreement includes a profit-sharing policy where the National Society to Prevent Blindness receives 10% on donor restricted contributions and records it as dues income. The affiliate dues are included in the Society's schedule of functional expenses.

11. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Society's financial assets available within one year of the statements of financial position date for general expenditures are as follows:

	2023	2022
Cash and cash equivalents	$ 487,867	$ 380,908
Certificates of deposit	249,998	-
Investments	1,696,258	1,760,241
Contributions and grants receivable	197,776	175,849
Total financial assets available within one year	2,631,899	2,316,998
Less: Amounts unvavailble for general expenditures within one year, due to:		
Net assets restricted by donor for a specific area	(269,914)	(269,914)
Net assets restricted by time, location or purpose	(231,914)	(455,696)
Total financial assets available to management for general expenditure within one year	$ 2,130,071	$ 1,591,388

The Society maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations are due. Investments are included in the table above as these assets are available to be used should the Society deem necessary; however, the investments are not expected to be used within one year.