

BRAIN INJURY ALLIANCE OF NEBRASKA

FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023 AND 2022



BRAIN INJURY ALLIANCE OF NEBRASKA

Table of Contents

December 31, 2023 and 2022

	<u>Page</u>
Independent Auditors' Report.....	3
Financial Statements:	
Statements of Financial Position.....	5
Statements of Activities .....	6
Statement of Functional Expenses – 2023 .....	7
Statement of Functional Expenses – 2022 .....	8
Statements of Cash Flows.....	9
Notes to Financial Statements .....	10

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Brain Injury Alliance of Nebraska  
Lincoln, Nebraska

### Opinion

We have audited the accompanying financial statements of Brain Injury Alliance of Nebraska (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022 and the related statements of activities, functional expenses, cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Brain Injury Alliance of Nebraska (the Alliance) as of December 31, 2023 and 2022, 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 audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Alliance and meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Alliance's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditors' 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 auditors' 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 Alliance'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 Alliance'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.

*Yultha S. Amador, P.C.*

March 9, 2024

BRAIN INJURY ALLIANCE OF NEBRASKA

STATEMENTS OF FINANCIAL POSITION

December 31,

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 886,697	\$ 699,550
Accounts receivable	180,652	148,558
Prepaid expenses	17,722	18,180
Grants and pledges receivable	<u>12,113</u>	<u>17,257</u>
Total current assets	<u>1,097,184</u>	<u>883,545</u>
<b>OTHER ASSETS</b>		
Restricted cash and cash equivalents	77,898	134,807
Beneficial interest in assets invested by others	<u>97,977</u>	<u>85,599</u>
Total other assets	<u>175,875</u>	<u>220,406</u>
Total assets	<u>\$ 1,273,059</u>	<u>\$ 1,103,951</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 14,538	\$ 13,437
Other accrued expenses	<u>11,598</u>	<u>7,788</u>
Total current liabilities	<u>26,136</u>	<u>21,225</u>
<b>NET ASSETS</b>		
Net assets without donor restrictions	1,093,161	842,601
Net assets with donor restrictions	<u>153,762</u>	<u>240,125</u>
Total net assets	<u>1,246,923</u>	<u>1,082,726</u>
Total liabilities and net assets	<u>\$ 1,273,059</u>	<u>\$ 1,103,951</u>

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

BRAIN INJURY ALLIANCE OF NEBRASKA

STATEMENTS OF ACTIVITIES

For the years ended December 31,

	<u>2023</u>	<u>2022</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Revenues and support		
Contributions	\$ 127,679	\$ 130,104
Grants	470,623	406,989
Conference and fundraising event sponsorship	11,754	18,520
Fundraising event	27,505	24,084
Increase (decrease) in the beneficial interest in assets invested by others	18,618	(12,398)
Miscellaneous revenue	<u>1,572</u>	<u>902</u>
Total revenue and support	<u>657,751</u>	<u>568,201</u>
Net assets released from restrictions	<u>553,013</u>	<u>566,957</u>
Expenses		
Program	882,045	745,267
Management	57,109	19,534
Fundraising	<u>21,050</u>	<u>17,432</u>
Total expenses	<u>960,204</u>	<u>782,233</u>
Increase in net assets without donor restrictions	<u>250,560</u>	<u>352,925</u>
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>		
Grants and contributions	450,000	550,000
Conference and fundraising event sponsorship	16,650	8,000
Net assets released from restrictions	<u>(553,013)</u>	<u>(566,957)</u>
Decrease in net assets with donor restrictions	<u>(86,363)</u>	<u>(8,957)</u>
Total increase in net assets	164,197	343,968
Net assets at beginning of year	<u>1,082,726</u>	<u>738,758</u>
Net assets at end of year	<u>\$ 1,246,923</u>	<u>\$ 1,082,726</u>

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

BRAIN INJURY ALLIANCE OF NEBRASKA

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2023

	Program Services	Management & General	Fundraising	Totals
Advertising	\$ 30,594	\$ 461	\$ 830	\$ 31,885
Bank and credit card fees	898	711	-	1,609
Dues and subscriptions	5,892	1,585	-	7,477
Conferences and meetings	2,750	465	-	3,215
Event and program fees	39,887	98	1,434	41,419
Insurance	6,446	103	-	6,549
Miscellaneous	393	211	-	604
Other payroll related costs	-	7,728	-	7,728
Professional development	10,349	1,165	20	11,534
Payroll taxes	45,814	2,473	1,073	49,360
Postage and shipping	270	91	308	669
Printing	13,810	1,487	1,262	16,559
Professional fees	62,211	3,414	2,057	67,682
Salaries	598,876	32,337	14,020	645,233
Supplies	7,119	370	46	7,535
Travel and meals	30,679	1,407	-	32,086
Utilities	4,630	349	-	4,979
Software and website	21,427	2,654	-	24,081
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total functional expenses	<u>\$ 882,045</u>	<u>\$ 57,109</u>	<u>\$ 21,050</u>	<u>\$ 960,204</u>

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

BRAIN INJURY ALLIANCE OF NEBRASKA

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2022

	<u>Program Services</u>	<u>Management &amp; General</u>	<u>Fundraising</u>	<u>Totals</u>
Advertising	\$ 27,993	\$ 26	\$ 253	\$ 28,272
Bank and credit card fees	270	994	-	1,264
Contract services	39,330	-	-	39,330
Dues and subscriptions	8,867	1,658	-	10,525
Conferences and meetings	1,214	666	-	1,880
Event and program fees	37,296	8	1,831	39,135
Insurance	3,038	-	-	3,038
Miscellaneous	870	-	-	870
Professional development	10,647	-	-	10,647
Payroll taxes	36,512	752	981	38,245
Postage and shipping	62	82	230	374
Printing	13,819	32	897	14,748
Professional fees	44,056	3,514	356	47,926
Salaries	477,279	9,834	12,824	499,937
Supplies	7,341	958	-	8,299
Travel and meals	16,987	9	60	17,056
Utilities	4,022	421	-	4,443
Software and website	15,664	580	-	16,244
	<u>\$ 745,267</u>	<u>\$ 19,534</u>	<u>\$ 17,432</u>	<u>\$ 782,233</u>
Total functional expenses	<u>\$ 745,267</u>	<u>\$ 19,534</u>	<u>\$ 17,432</u>	<u>\$ 782,233</u>

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



BRAIN INJURY ALLIANCE OF NEBRASKA

STATEMENTS OF CASH FLOWS

For the years ended December 31,

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Total increase in net assets	\$ 164,197	\$ 343,968
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Net (increase) decrease in beneficial interest in assets held by others	(12,378)	15,092
(Increase) decrease in assets		
Accounts receivable	(32,094)	(72,537)
Grants and pledge receivables	5,144	18,589
Prepaid expenses	458	(10,286)
Increase (decrease) in operating liabilities		
Accounts payable	1,101	(5,029)
Other accrued expenses	<u>3,810</u>	<u>514</u>
Net cash provided by operating activities	<u>130,238</u>	<u>290,311</u>
Net increase in cash and cash equivalents	130,238	290,311
Cash and cash equivalents at beginning of year	<u>834,357</u>	<u>544,046</u>
Cash and cash equivalents at end of year	<u>\$ 964,595</u>	<u>\$ 834,357</u>
Cash and cash equivalents, and restricted cash are reported within the statement of financial position as follows:		
Cash and cash equivalents	\$ 886,697	\$ 699,550
Restricted cash and cash equivalents	<u>77,898</u>	<u>134,807</u>
Total cash and cash equivalents, and restricted cash	<u>\$ 964,595</u>	<u>\$ 834,357</u>

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

# BRAIN INJURY ALLIANCE OF NEBRASKA

## NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization

Brain Injury Alliance of Nebraska (the Alliance) is a not-for-profit organization that was incorporated under the laws of the State of Nebraska in 2008. The mission of the Alliance is to enhance the quality of life for persons with brain injuries and their families and work towards the prevention of brain injuries.

2. Basis of Accounting

The financial statements of the Alliance have been prepared on the accrual basis of accounting. Under the accrual basis, revenue and expenses are recognized when earned or incurred, regardless of when the related cash flows occur.

3. Basis of Presentation

The financial statement presentation follows the recommendation of the Financial Accounting Standards Board (FASB) and reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, which represents the expendable resources that are available for operations at management's discretion; and net assets with donor restrictions, which represent resources restricted by donors as to purpose, by the passage of time, or those which neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Alliance.

4. Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Alliance considers highly liquid investment accounts with an expected holding period of less than three months to be cash equivalents.

5. Grants, Pledges, and Accounts Receivable

Grant, pledges, and accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the creditworthiness of grantors, donors, or having outstanding balances, it has concluded that losses on balances outstanding at year-end are improbable.

6. Beneficial Interest in Assets Invested by Others

During 2021, the Alliance placed \$50,000 of funding into agency accounts with both the Omaha Community Foundation and Lincoln Community Foundation. The Alliance specified itself as the beneficiary of these agency funds but did grant to the respective Foundations'

BRAIN INJURY ALLIANCE OF NEBRASKA

NOTES TO FINANCIAL STATEMENTS – Continued

December 31, 2023 and 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

6. Beneficial Interest in Assets Invested by Others – Continued

Board of Directors the right to redirect the assets to a different beneficiary under specific circumstances which management believes has a remote likelihood of occurring. The Alliance follows the guidance of the *Not-For-Profit Entities* section of the FASB codification and records the Alliance's interest in the assets of the respective Foundations as an asset on the statement of financial position.

7. Revenue Recognition

The Alliance's revenue from contributions and grants is principally awarded to the Alliance for the benefit of the public rather than as a fee for service transaction. As such, the Alliance typically accounts for this revenue following the guidance for revenue recognition of the *Not-for-Profit Entities* section of the Financial Accounting Standards Board's Accounting Standards Codification (the Codification).

Certain other revenue of the Alliance, predominantly fees and event revenue, is considered an exchange transaction and therefore, the Alliance relies upon the guidance of Topic 606 of the Codification. Fees and event revenue, such as for the conference or training opportunities, are separately recognized as distinct performance obligations and are deferred until the completion of the event for which the customer registered. As of December 31, 2023 and 2022, there were no significant contract assets or liabilities related to these sources of revenue.

The Alliance does not incur significant costs to obtain the fees and event revenue, it does not have any significant financing, and it does not have any anticipated impairment losses.

8. Restricted and Unrestricted Revenue and Support

Contributions received are recorded as support with or without donor restrictions depending on the existence and/or nature of any donor restrictions. Certain restricted contributions may be 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 same reporting period in which the revenue is recognized. Otherwise, when a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities as net assets released from restrictions.

9. Income Tax

The Alliance is exempt from Federal and state income taxation under Code Section 501(c)(3) of the Internal Revenue Code and is not a private foundation. As such, income earned in the performance of its exempt purpose is not subject to income tax. Any income received through activities not related to its exempt purpose may be subject to unrelated business income taxes

BRAIN INJURY ALLIANCE OF NEBRASKA

NOTES TO FINANCIAL STATEMENTS – Continued

December 31, 2023 and 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

9. Income Tax – Continued

and taxed at normal corporate rates. The Alliance had no such income for the years ended December 31, 2023 and 2022. Management also believes the Alliance does not have any uncertain tax positions for the years ending December 31, 2023 and 2022. The Alliance's federal Returns of Organization Exempt from Income Tax (Form 990) for the years ended December 31, 2022, 2021, and 2020 may still be subject to examination by the IRS, generally for three years after they were filed.

10. Advertising

The Alliance expenses advertising costs when incurred. The accompanying Statements of Activities include advertising expense of \$31,885 and \$28,272 for the years ended December 31, 2023 and 2022, respectively.

11. Functional Expenses

Certain expenses are charged directly to program, management, or fundraising in general categories on the Statements of Functional Expenses, based on specific identification. Indirect expenses have been allocated among the programs and supporting services benefited on a basis of personnel expenses, which are based on specific job functions.

12. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE B – COMMITMENTS

The Alliance often plans conferences and meetings in advance of the events and entered into one contract to secure a location for a future event to be held in March 2024. This contract had different stated potential costs for cancellation, largely based on a number of indeterminable variables, such as number of participants and the timing of the notification of cancellation. As of December 31, 2023, the Alliance was committed for \$13,120 for this location.

BRAIN INJURY ALLIANCE OF NEBRASKA

NOTES TO FINANCIAL STATEMENTS – Continued

December 31, 2023 and 2022

NOTE C – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes as of December 31,:

<u>Restriction</u>	<u>2023</u>	<u>2022</u>
Purpose restricted		
Brain injury support center	\$ 1,485	\$ 1,485
Brain Injury Assistance Act funds for resource facilitation	77,898	134,807
Douglas County Youth Center	57,729	95,832
Time restricted		
Conference and fundraising event sponsorships	<u>16,650</u>	<u>8,000</u>
Net assets with donor restrictions	<u>\$ 153,762</u>	<u>\$ 240,124</u>

NOTE D – CONCENTRATIONS

A significant portion of the Alliance’s revenue is provided by two sources. The Alliance received 40.0% of its revenue in the years ending December 31, 2023 and 2022, from the Nebraska Brain Injury Assistance Act. Additionally, for the years ended December 31, 2023 and 2022, the Alliance received 34.2% and 25.2% of its revenue, respectively, from the Nebraska Department of Health and Human Services, Division of Medicaid and Long-Term Care State Unit on Aging. If this funding were terminated, the Alliance would not be able to continue the level of services currently provided.

The Alliance maintained one bank account which, for a large portion of the year, held a balance greater than the FDIC insured limit of \$250,000. As of December 31, 2023 and 2022, the Alliance’s uninsured bank balances were \$721,085 and \$596,611, respectively. Management believes that the risk is mitigated by holding funds in a reputable institution with no known risks or history of financial trouble.

NOTE E – LIQUIDITY

The Alliance must maintain sufficient resources to meet responsibilities to its donors. Thus, financial assets may not be available for general expenditures within one year. The following reflects the Alliance’s liquid financial assets as of December 31, 2023 and 2022, respectively, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

BRAIN INJURY ALLIANCE OF NEBRASKA

NOTES TO FINANCIAL STATEMENTS – Continued

December 31, 2023 and 2022

NOTE E – LIQUIDITY – Continued

	<u>2023</u>	<u>2022</u>
Financial assets:		
Cash and cash equivalents	\$ 886,697	\$ 699,550
Grants and pledges receivable	12,113	17,257
Accounts receivable	180,652	148,558
Restricted cash and cash equivalents	77,898	134,807
Beneficial interest in assets invested by others	97,977	85,599
Less those unavailable for general expenditures within one year, due to:		
Restricted by donor with time or purpose restrictions	(153,762)	(240,124)
Beneficial interest in assets invested by others as an operational reserve	<u>(97,977)</u>	<u>(85,599)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,003,598</u>	<u>\$ 760,048</u>

As part of the Alliance’s liquidity management, it typically structures its financial assets to be available as its general expenditures, liabilities and other obligations come due.

The beneficial interests in assets invested by others represent agency funds held at Lincoln Community Foundation and Omaha Community Foundation. As disclosed in Note A, the distribution of the funds is at the discretion of the Board of Directors. The funds may be drawn upon in the event of financial distress or an unanticipated liquidity need. However, the Alliance intends to hold such funds as an operational reserve to ensure the future financial stability of the Organization.

NOTE F – SUBSEQUENT EVENTS

In preparing these financial statements, the Alliance has evaluated events and transactions for potential recognition or disclosure through March 9, 2024, the date the financial statements were available to be issued.

Effective January 19, 2024, the Alliance was notified that Douglas County Youth Center (DCYC) was terminating its memorandum of understanding with the Alliance for screening services. Subsequently, the Alliance received a release of restrictions for the amounts previously received for the DCYC program (see Note C for amounts restricted for the DCYC program as of December 31, 2023 and 2022). The release of restrictions allows the Alliance to utilize funds for operational or other programmatic purposes; however, the Alliance intends to seek additional opportunities to utilize the funds for similar program efforts. No other events or transactions were noted to the date the financial statements were available to be issued which requires further disclosure.