

**GENESYS WORKS**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
WITH INDEPENDENT AUDITORS' REPORT**

**YEARS ENDED DECEMBER 31, 2020 AND 2019**

**GENESYS WORKS  
TABLE OF CONTENTS  
YEARS ENDED DECEMBER 31, 2020 AND 2019**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>CONSOLIDATED FINANCIAL STATEMENTS</b>	
<b>CONSOLIDATED STATEMENTS OF FINANCIAL POSITION</b>	<b>3</b>
<b>CONSOLIDATED STATEMENTS OF ACTIVITIES</b>	<b>4</b>
<b>CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES</b>	<b>6</b>
<b>CONSOLIDATED STATEMENTS OF CASH FLOWS</b>	<b>8</b>
<b>NOTES TO CONSOLIDATED FINANCIAL STATEMENTS</b>	<b>9</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>BAY AREA – STATEMENTS OF FINANCIAL POSITION AND STATEMENTS     OF ACTIVITIES AND CHANGES IN NET ASSETS</b>	<b>20</b>
<b>CHICAGO – STATEMENTS OF FINANCIAL POSITION AND STATEMENTS     OF ACTIVITIES AND CHANGES IN NET ASSETS</b>	<b>23</b>
<b>HOUSTON – STATEMENTS OF FINANCIAL POSITION AND STATEMENTS     OF ACTIVITIES AND CHANGES IN NET ASSETS</b>	<b>26</b>
<b>NATIONAL CAPITAL REGION – STATEMENTS OF FINANCIAL POSITION     AND STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS</b>	<b>29</b>
<b>NEW YORK CITY – STATEMENTS OF FINANCIAL POSITION AND     STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS</b>	<b>32</b>
<b>TWIN CITIES – STATEMENTS OF FINANCIAL POSITION AND     STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS</b>	<b>35</b>
<b>NATIONAL – STATEMENTS OF FINANCIAL POSITION AND STATEMENTS     OF ACTIVITIES AND CHANGES IN NET ASSETS</b>	<b>38</b>



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Genesys Works  
Houston, Texas

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Genesys Works and its subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Genesys Works as of December 31, 2020, and the results of their activities and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Adjustments to Prior Period Financial Statements**

The consolidated financial statements of Genesys Works as of December 31, 2019 were audited by other auditors whose report dated June 24, 2020 expressed an unmodified opinion. As discussed in Note 11, Genesys Works has restated its 2019 financial statements during the current year to record leasehold improvements and related tenant improvement allowances received in that year and previously, in accordance with accounting principles generally accepted in the United States of America. The other auditors reported on the 2019 financial statements before the restatement.

As part of our audit of the 2020 financial statements, we also audited adjustments described in Note 11 that were applied to restate the 2019 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2019 financial statements of Genesys Works other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2019 financial statements as a whole.

**Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the 2020 consolidated financial statements as a whole. The 2020 supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole. The 2019 supplementary information was subjected to the auditing procedures applied in the 2019 audit of the basic consolidated financial statements by other auditors, whose report on such information stated that it was fairly stated in all material respects in relation to the 2019 consolidated financial statements as a whole.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Fort Worth, Texas  
August 26, 2021

**GENESYS WORKS**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2020 AND 2019**

	2020	(As Restated) 2019
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 10,247,120	\$ 5,972,444
Investments	15,719	-
Accounts Receivable, Net	1,925,315	2,569,254
Contributions Receivable	133,607	1,610,016
Prepaid Expenses and Other Assets	468,058	293,477
Property and Equipment, Net	654,321	512,344
Total Assets	\$ 13,444,140	\$ 10,957,535
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 274,786	\$ 268,117
Accrued Expenses and Other Payables	1,296,342	852,870
Deferred Revenue	74,498	147,162
Paycheck Protection Program Notes Payable - See Note 10	3,947,862	-
Line of Credit	201,065	201,336
Total Liabilities	5,794,553	1,469,485
<b>NET ASSETS</b>		
Without Donor Restrictions	7,030,307	7,922,027
With Donor Restrictions	619,280	1,566,023
Total Net Assets	7,649,587	9,488,050
Total Liabilities and Net Assets	\$ 13,444,140	\$ 10,957,535

See accompanying Notes to Consolidated Financial Statements.

**GENESYS WORKS**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2020**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 6,326,384	\$ 1,685,532	\$ 8,011,916
In-Kind Contributions	415,368	-	415,368
Net Assets Released from Restrictions	2,632,275	(2,632,275)	-
Total Public Support	9,374,027	(946,743)	8,427,284
Revenues - Program Service Fees	14,749,623	-	14,749,623
Other Income	157,709	-	157,709
Investment Income	11,681	-	11,681
Total Public Support, Revenues, and Other	24,293,040	(946,743)	23,346,297
<b>EXPENSES</b>			
Student Program	20,545,790	-	20,545,790
Management and General	2,413,420	-	2,413,420
Fundraising	2,225,550	-	2,225,550
Total Expenses	25,184,760	-	25,184,760
<b>CHANGE IN NET ASSETS</b>	(891,720)	(946,743)	(1,838,463)
Net Assets - Beginning of Year, As Restated	7,922,027	1,566,023	9,488,050
<b>NET ASSETS - END OF YEAR</b>	\$ 7,030,307	\$ 619,280	\$ 7,649,587

See accompanying Notes to Consolidated Financial Statements.

**GENESYS WORKS**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2019**

	Without Donor Restrictions	With Donor Restrictions	(As Restated) Total
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 7,407,848	\$ 1,476,060	\$ 8,883,908
In-Kind Contributions	134,713	-	134,713
Net Assets Released from Restrictions	868,094	(868,094)	-
Total Public Support	8,410,655	607,966	9,018,621
Revenues - Program Service Fees	18,178,510	-	18,178,510
Other Income	43,250	-	43,250
Investment Income	65,747	-	65,747
Total Public Support, Revenues, and Other	26,698,162	607,966	27,306,128
<b>EXPENSES</b>			
Student Program	21,598,954	-	21,598,954
Management and General	2,425,453	-	2,425,453
Fundraising	2,304,744	-	2,304,744
Total Expenses	26,329,151	-	26,329,151
<b>CHANGE IN NET ASSETS</b>	369,011	607,966	976,977
Net Assets - Beginning of Year	7,553,016	958,057	8,511,073
<b>NET ASSETS - END OF YEAR</b>	\$ 7,922,027	\$ 1,566,023	\$ 9,488,050

See accompanying Notes to Consolidated Financial Statements.

**GENESYS WORKS**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2020**

	Student Program	Management and General	Fundraising	Total
Salaries, Benefits, and Taxes - Students	\$ 9,622,343	\$ -	\$ -	\$ 9,622,343
Salaries, Benefits, and Taxes - Staff	7,408,277	1,456,424	1,661,871	10,526,572
Other Expenses:				
Facilities Rent and Expenses	686,861	140,952	109,476	937,289
Professional Services	919,685	432,582	267,557	1,619,824
Technology and Communications	842,764	191,127	15,281	1,049,172
Transportation	172,495	7,668	4,252	184,415
Fundraising Events	57,819	2,388	85,817	146,024
Other Miscellaneous Expenses	256,787	51,271	37,437	345,495
Professional Development	62,100	29,354	9,608	101,062
Marketing Expenses	314,478	22,884	18,164	355,526
Insurance	81,916	37,651	-	119,567
Supplies and Materials	39,159	12,038	3,188	54,385
Total Expenses by Function	<u>20,464,684</u>	<u>2,384,339</u>	<u>2,212,651</u>	<u>25,061,674</u>
Depreciation of Property and Equipment	<u>81,106</u>	<u>29,081</u>	<u>12,899</u>	<u>123,086</u>
Total Expenses Included in the Expense Section on the Statement of Activities	<u>\$ 20,545,790</u>	<u>\$ 2,413,420</u>	<u>\$ 2,225,550</u>	<u>\$ 25,184,760</u>

See accompanying Notes to Consolidated Financial Statements.



**GENESYS WORKS**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2019**

	<u>Student Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>(As Restated) Total</u>
Salaries, Benefits, and Taxes - Students	\$ 10,340,521	\$ -	\$ -	\$ 10,340,521
Salaries, Benefits, and Taxes - Staff	7,834,368	1,420,754	1,668,972	10,924,094
Other Expenses:				
Facilities Rent and Expenses	763,527	152,481	65,779	981,787
Professional Services	420,735	302,756	130,677	854,168
Technology and Communications	506,770	225,641	11,541	743,952
Transportation	532,715	16,984	12,301	562,000
Fundraising Events	127,950	9,286	276,715	413,951
Other Miscellaneous Expenses	356,099	90,916	54,304	501,319
Professional Development	86,870	103,215	41,209	231,294
Marketing Expenses	322,055	8,615	24,183	354,853
Insurance	119,071	28,544	-	147,615
Supplies and Materials	79,252	26,226	2,090	107,568
Total Expenses by Function	<u>21,489,933</u>	<u>2,385,418</u>	<u>2,287,771</u>	<u>26,163,122</u>
Depreciation of Property and Equipment	<u>109,021</u>	<u>40,035</u>	<u>16,973</u>	<u>166,029</u>
 Total Expenses Included in the Expense Section on the Statement of Activities	 <u>\$ 21,598,954</u>	 <u>\$ 2,425,453</u>	 <u>\$ 2,304,744</u>	 <u>\$ 26,329,151</u>

See accompanying Notes to Consolidated Financial Statements.

**GENESYS WORKS**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	(As Restated) 2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (1,838,463)	\$ 976,977
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided by Operating Activities:		
Depreciation and Amortization	123,086	166,029
Bad Debt Expense	77,111	47,996
(Increase) Decrease in Assets:		
Accounts Receivable, Net	566,828	(73,237)
Contributions Receivable	1,476,409	(866,016)
Prepaid Expenses and Other Assets	(174,581)	19,685
Increase (Decrease) in Liabilities:		
Accounts Payable	6,669	(12,117)
Accrued Expenses and Other Payables	443,472	309,800
Deferred Revenue	(72,664)	(189,387)
Net Cash Provided by Operating Activities	607,867	379,730
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(138,416)	-
Sales of Investments	122,695	-
Purchases of Property and Equipment	(265,061)	(416,893)
Net Cash Used by Investing Activities	(280,782)	(416,893)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Paycheck Protection Program Note Payable	3,947,862	-
Proceeds from Line of Credit	-	1,336
Payments on Line of Credit	(271)	-
Net Cash Provided by Financing Activities	3,947,591	1,336
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	4,274,676	(35,827)
Cash and Cash Equivalents - Beginning of Year	5,972,444	6,008,271
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 10,247,120	\$ 5,972,444
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash Paid During the Year for:		
Interest	\$ 7,608	\$ 11,898

See accompanying Notes to Consolidated Financial Statements.

**GENESYS WORKS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

**NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Genesys Works is a Texas nonprofit corporation incorporated on April 7, 2002. Genesys Works is the sole member in the following subsidiaries: Genesys Works Twin Cities, which was formed April 7, 2009 as a Minnesota nonprofit corporation; Genesys Works Houston, which was formed December 21, 2009 as a Texas nonprofit corporation; Genesys Works Chicago, which was formed December 21, 2009 as a Texas nonprofit corporation; and Genesys Works Bay Area, which was formed December 13, 2012 as a Texas nonprofit corporation. Genesys Works also has sites in the National Capital Region and New York City, both of which have been formed under the Genesys Works incorporation.

Genesys Works and its subsidiaries (hereafter referred to as Genesys, we, us, our) provide pathways to career success for high school students in underserved communities through skills training, meaningful work experiences, and impactful relationships.

During 2020, Genesys Works faced unprecedented change along with the rest of the world during the COVID-19 crisis. Genesys Works has been working diligently to protect the organization from risks arising from the global pandemic caused by COVID-19. In early March, the senior leadership team established a set of guiding pillars to support our decision-making through this crisis. All programmatic components were moved to a virtual environment, and staff were asked to work from home. Workforce and cost reduction were made as necessary to maintain cash flow while continuing delivery of mission. Genesys Works innovatively shifted to initiatives which lie within its strengths and also meet the needs of the current environment - ready remote workforce, continuance of alumni programs, and reinventing corporate partnerships. We continue to evaluate the fluid impact of the situation and how it will shape the organization going forward.

**Principles of Consolidation**

The accompanying consolidated financial statements include the accounts of Genesys Works and its subsidiaries. All significant intercompany balances and transactions have been eliminated upon consolidation.

**Financial Statement Presentation**

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Net assets, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets without donor restrictions are available for operations and are not limited by donor restrictions. The board of directors (board) may designate a portion of these net assets for specific purposes which makes them unavailable for use at management’s discretion. As of December 31, 2020 and 2019, we did not have any funds designated by the board for specific purposes.

**GENESYS WORKS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

**NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Financial Statement Presentation (Continued)**

*Net Assets With Donor Restrictions* – Net assets with donor restrictions consist of assets whose use is limited by donor or grantor-imposed time and/or purpose restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor or grantor. Other restrictions are perpetual in nature, where the donor or grantor stipulates that resources be maintained in perpetuity.

If donor- or grantor-imposed restrictions are met in the same reporting period as the contribution or grant is recognized as revenue, we report such amount as an increase in net assets without donor restrictions. All other donor- or grantor-restricted contributions and grants are reported as increases in net assets with donor restrictions, and when the restriction expires or is satisfied, these net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as Net Assets Released from Restrictions.

**Cash and Cash Equivalents**

We consider all cash and highly liquid investments with an initial maturity of three months or less, which are neither held for, nor restricted by donors for long-term purposes, to be cash and cash equivalents and available for current use. We place cash which, at times, may exceed federally insured limits with high-credit-quality institutions. We have not experienced any losses on such amounts.

**Accounts Receivable**

Accounts receivable consists primarily of amounts owed to us by the private and public sector for services provided through our internship training program. We record an allowance for uncollectible accounts when it is believed that any amounts receivable may not be collected in full. The amount of bad debt expense recorded each period is based on a customer-by-customer analysis, combined with historical collection experience. Accounts receivable are written off when deemed uncollectible, generally after a year. At December 31, 2020 and 2019, the allowance was \$36,424 and \$33,035, respectively.

**Investments**

Investments, consisting of equities, are stated at their current market values. Equity securities are comprised of individual equity shares of publicly traded companies. Investment return consists of interest and dividend income, realized gains or losses, and unrealized gains or losses, net of investment advisory fees.

All investments that we hold as of December 31, 2020 are considered to be Level 1.

**GENESYS WORKS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

**NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Contributions Receivable**

We record unconditional promises to give that are expected to be collected within one year at net realizable value. If material, discounts to present value are recorded for unconditional promises to give that are expected to be collected over periods in excess of one year. The present value discounts, if any, are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue and is reported within the asset class in which the contribution was originally reported.

**Property and Equipment**

We record property and equipment at acquisition cost or, if donated, at estimated fair value at the date of donation. We have established a \$5,000 threshold amount for minimum capitalization. Depreciation and amortization is computed by the straight-line method over the following estimated useful lives:

Equipment	5 to 7 Years
Furniture and Fixtures	5 to 10 Years
Vehicles	5 Years
Software	5 Years
Leasehold Improvements	Remaining Term of Lease

When assets are sold or otherwise disposed of, the cost and related accumulated depreciation and amortization are removed from the accounts, and any remaining gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets or do not meet the \$5,000 threshold are expensed currently.

**Revenue Recognition**

*Program service fees* represent amounts charged to customers based on established hourly billing rates for services provided by the students through our internship training program. Program service fees received in advance are deferred to the applicable period in which the related services are performed.

*Contributions* are recognized contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

*Conditional promises to give* are those that contain a measurable performance obligation or other barrier, as well as a right of return, and are not recognized until the conditions on which they depend have been met. If funds are received in advance of the condition being met, they are recorded as deferred revenue and are recognized as revenue once the conditions have been met.

**GENESYS WORKS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

**NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenue Recognition (Continued)**

Consequently, at December 31, 2020 and 2019 contributions totaling \$1,274,027 and \$2,695,531, respectively, have not been recognized in the accompanying consolidated statements of activities because the conditions on which they depend has not yet been met.

*Contributed property and equipment* is recorded at fair value at the date of donation and recognized as unrestricted support unless the donor specifies how the assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as donor-restricted support and absent explicit donor stipulations about how long those long-lived assets must be maintained, are released from donor restrictions when the donated or acquired long-lived assets are placed in service.

*Contributed services* that meet the recognition requirements of U.S. GAAP are recorded at fair value.

**Functional Allocation of Expenses**

The expenses of providing the program and activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Certain expenses have been allocated among the program and supporting services benefited on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation, salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, insurance, and other, which are allocated based on estimates of time and effort.

**Income Taxes**

Genesys Works is a nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code (IRC). The subsidiaries of Genesys Works are recognized as tax exempt under the IRS group exemption number 5640. We file two Return of Organization Exempt From Income Tax (Form 990) with the IRS – one return for Genesys Works and one group return for the subsidiaries.

All entities are subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. We have determined that each entity is not subject to unrelated business income tax and accordingly, have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

**GENESYS WORKS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

**NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes (continued)**

U.S. GAAP requires that management evaluate tax positions taken by Genesys Works and recognize a tax liability if Genesys Works has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by Genesys Works and has concluded that as of December 31, 2020 and 2019, there are no uncertain positions taken or expected to be taken that would require recognition or disclosure in the consolidated financial statements. Genesys Works is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**Use of Estimates**

The preparation of consolidated financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

**NOTE 2 LIQUIDITY AND AVAILABILITY**

The following table reflects financial assets at December 31, 2020 and 2019, reduced by amounts not anticipated to be available for general expenditure within one year of the consolidated statement of financial position date. Financial assets are considered unavailable when illiquid or they are not convertible to cash within one year. Financial assets are available for general expenditure if they do not have donor or other restrictions limiting their use.

Financial Assets Available Within One Year:	<u>2020</u>	<u>2019</u>
Cash and Cash Equivalents	\$ 10,247,120	\$ 5,972,444
Accounts Receivable	1,925,315	2,569,254
Contributions Receivable	133,607	1,565,342
Investments	15,719	-
Prepaid rent for 2021	<u>165,541</u>	<u>-</u>
Total With Donor Restrictions	12,487,302	10,107,040
Amounts Unavailable for General Expenditure		
Within One Year:		
Restricted by Donors	<u>(619,280)</u>	<u>(1,566,023)</u>
Total Financial Assets Available to Meet Cash		
Needs for General Expenditures Within One Year	<u>\$ 11,868,022</u>	<u>\$ 8,541,017</u>

As part of our liquidity management plan, we invest cash through a daily sweep program with our financial institution, which sweeps a portion of our available cash in our bank accounts into overnight money market mutual fund investments. These short-term investment earnings are deposited to the accounts monthly.

**GENESYS WORKS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

**NOTE 2 LIQUIDITY AND AVAILABILITY (CONTINUED)**

As more fully described in Note 8, we have committed lines of credit totaling \$1,200,000, which we can draw upon in the event of an unanticipated liquidity level. At December 31, 2020 these lines of credit had \$998,935 available to be drawn.

**NOTE 3 FAIR VALUE MEASUREMENTS**

We report certain assets at fair value in the combined financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

*Level 1* – Quoted prices (unadjusted) in active markets for identical assets that we can access at the measurement date.

*Level 2* – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

*Level 3* – Unobservable inputs for the asset. In these situations, we develop inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset.



**GENESYS WORKS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

**NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)**

A significant portion of the Organization's investment assets are classified within Level 1 because they comprise actively traded stocks and open-end mutual funds with readily determinable fair values based on daily redemption values. The Organization invests in Certificates of Deposit traded in the financial markets. Those Certificates of Deposit and U.S. government obligations are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates, and market-rate assumptions, and are classified within Level 2.

Fair values of assets measured on a recurring basis are as follows at December 31:

	2020			Total
	Level 1	Level 2	Level 3	
Equities	\$ 15,719	\$ -	\$ -	\$ 15,719
Total	<u>\$ 15,719</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,719</u>

**NOTE 4 CONTRIBUTIONS RECEIVABLE**

Contributions receivable at December 31 are estimated to be collected as follows:

	2020	2019
Contributions and Grants Receivable:		
Within One Year	\$ 133,607	\$ 1,565,342
In One to Five Years	-	44,674
Total Contributions and Grants Receivable	<u>\$ 133,607</u>	<u>\$ 1,610,016</u>

**NOTE 5 PROPERTY AND EQUIPMENT**

Property and equipment at December 31 consist of the following:

	2020	(As Restated) 2019
Equipment	\$ 300,308	\$ 300,308
Furniture and Fixtures	216,153	216,153
Vehicles	27,218	27,218
Software	94,706	94,706
Leasehold Improvements	815,738	845,738
Construction in Process	295,061	-
Total	<u>1,749,184</u>	<u>1,484,123</u>
Less: Accumulated Depreciation and Amortization	<u>(1,094,863)</u>	<u>(971,779)</u>
Property and Equipment, Net	<u>\$ 654,321</u>	<u>\$ 512,344</u>

Depreciation and amortization expense for the years ended December 31, 2020 and 2019 was \$123,086 and \$166,029, respectively.

**GENESYS WORKS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

**NOTE 6 NET ASSETS WITH DONOR RESTRICTIONS**

At December 31, 2020 and 2019, net assets with donor restrictions were available for the following:

	2020	2019
Subject to Expenditure for Specified Purpose:		
Internship Training Program	\$ 125,791	\$ 312,668
Strategic Plan	-	513,212
Site Growth	150,000	500,000
Digital Equity Program	229,000	-
Kimpton Scholar	22,289	-
Disaster Relief	-	20,795
Total	527,080	1,346,675
Time Restricted	92,200	219,348
Total Net Assets with Donor Restrictions	\$ 619,280	\$ 1,566,023

**NOTE 7 EMPLOYEE BENEFIT PLAN**

We sponsor a tax-deferred profit-sharing plan qualified under IRC Section 403(b) covering substantially all full-time employees. Employee contributions are voluntary and may not exceed the limit allowed by the IRS. We match 50% of the amount contributed by the employee, up to 6% of the employee's base salary. During the years ended December 31, 2020 and 2019, we matched employee voluntary contributions, resulting in contributions to the plan of \$80,458 and \$66,006, respectively.

**NOTE 8 LINES OF CREDIT**

During 2018, we established individual lines of credit of \$400,000 for Genesys Works Bay Area, Genesys Works Chicago and Genesys Works. The final availability date for these lines of credit may be determined by the bank at any time, at which time any amounts outstanding under the lines of credit convert to a term note. During 2020, the lines of credit were not utilized. However, in 2018, Genesys Works Bay Area drew down \$200,000 to assist in meeting its immediate general operating needs. The Genesys Works Bay Area line of credit is guaranteed by Genesys Works and bears interest at the LIBOR Rate plus 3.12%, payable monthly. As of December 31, 2020 and 2019, the outstanding balance on the line of credit was \$201,065 and \$201,336, respectively.

**GENESYS WORKS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

**NOTE 9 OPERATING LEASES**

We lease equipment and office space under various operating lease agreements that expire through the year 2030. Future minimum annual lease payments under these leases at December 31, 2020 are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2021	\$ 447,537
2022	569,061
2023	551,101
2024	459,789
2025	441,359
Thereafter	823,247
Total	<u>\$ 3,292,094</u>

Rental expense for the years ended December 31, 2020 and 2019 totaled \$826,576 and \$877,190, respectively.

**NOTE 10 PAYCHECK PROTECTION PROGRAM NOTE PAYABLE**

Genesys Works received loans from JPMorgan Chase Bank totaling \$3,947,862 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan) broken out by subsidiary as noted below. The original loan agreement was written prior to the PPP Flexibility Act of 2020 (June 5) and was due over 24 months deferred for six months. Subsequent to this, the law changed the loan deferral terms retroactively. The PPP Flexibility Act and subsequent regulations supersede the loan agreement. The PPP Loan bears interest at a fixed rate of 0.98% per annum, has a term of two years, and is unsecured and guaranteed by the U.S. Small Business Administration. Payment of principal and interest is deferred until the date on which the amount of forgiveness is remitted to the lender or, if Genesys Works fails to apply for forgiveness within 10 months after the covered period, then payment of principal and interest shall begin on that date. These amounts may be forgiven subject to compliance and approval based on the timing and use of these funds in accordance with the program. The covered period is 6 months from the loan date and is the time that a business has to spend their PPP Loan funds. Management is confident that the Genesys Works has satisfied the forgiveness terms for 100% forgiveness and is waiting for acceptance of their forgiveness application from the U.S. Small Business Administration.

- Genesys Works National obtained \$766,401 on April 21, 2020;
- Genesys Works Twin Cities obtained \$1,299,593 on April 20, 2020;
- Genesys Works Houston obtained \$919,085 on April 15, 2020;
- Genesys Works Chicago obtained \$581,704 on April 17, 2020; and
- Genesys Works Bay Area obtained \$381,079 on April 21, 2020.

If not fully forgiven, the above notes payable will mature as follows: 2021 - \$1,315,954, 2022 - \$1,973,931, and 2023 - \$657,977.

**GENESYS WORKS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

**NOTE 11 RESTATEMENT OF NET ASSETS**

During the 2020 audit of Genesys Work's consolidated financial statements, certain tenant improvements were identified in lease agreements as received during 2018 and 2019 but not recorded in the consolidated financial statements. Therefore, on Genesys Work's 2019 consolidated statement of financial position the related leasehold improvements totaling \$379,915 and accumulated depreciation of \$70,090 were recorded in addition to the tenant improvement liability of \$305,997. The 2019 consolidated statement of activity and consolidated statement of functional expenses were updated to reflect an additional \$70,090 in depreciation expense and \$73,918 in decreased facilities rent and expenses. The result was an increase in net assets as of December 31, 2019 of \$3,827.

**NOTE 12 CONTRACT REVENUE, ASSETS, AND LIABILITIES**

	<u>2020</u>	<u>2019</u>
Revenue Recognized at a Point in Time		
Alumni Services	\$ 3,295,567	\$ 2,681,110
Accounting Services	3,083,635	1,789,692
IT Services	8,407,457	13,749,443
Net of Accounts Receivable Processing Fees	(37,036)	(41,735)
Total Revenue Recognized at a Point in Time	<u>\$ 14,749,623</u>	<u>\$ 18,178,510</u>
	<u>2020</u>	<u>2019</u>
Accounts Receivable		
Intern and Participant Services Provided	\$ 1,925,315	\$ 2,569,254
Total Accounts Receivable	<u>\$ 1,925,315</u>	<u>\$ 2,569,254</u>
Deferred Revenue		
Proceeds received for which conditions not met	\$ 27,883	\$ 115,175
Prepayments in advance of earned services performed	46,615	31,987
Total Deferred Revenue	<u>\$ 74,498</u>	<u>\$ 147,162</u>

**NOTE 13 RELATED PARTY TRANSACTIONS**

Throughout the year, we will receive gifts from related parties, including employees, board members, and organizations related to these individuals. During the year ended December 31, 2020 and 2019, we received \$717,740 and \$629,463, respectively, in gifts from related individuals and related entities.

As of December 31, 2020, \$61,700 in reimbursements was owed to employees.

**GENESYS WORKS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

**NOTE 14 IN KIND REVENUE**

We received donated goods and services as follows for the year ended December 31:

	<u>2020</u>	<u>2019</u>
Rent and Occupancy Provided	\$ 41,334	\$ 32,047
Professional services or consulting	66,144	-
Software and Equipment	305,909	94,137
Events	1,982	8,529
Total Revenue Recognized at a Point in Time	<u>\$ 415,369</u>	<u>\$ 134,713</u>

**NOTE 15 FUNCTIONALIZED EXPENSES**

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation, salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, insurance, and other, which are allocated on the basis of estimates of time and effort.

**NOTE 16 SUBSEQUENT EVENTS**

On June 10, 2021, Genesys Works Chicago received notification from JPMorgan Chase Bank that the forgiveness application for the loan awarded under the Paycheck Protection Program of the CARES Act (referenced in Note 10) in the amount of \$581,704 had been reviewed and formally forgiven by the SBA, and that JPMorgan Chase Bank had received payment in full for such.

On June 11, 2021, Genesys Works National received notification from JPMorgan Chase Bank that the forgiveness application for the loan awarded under the Paycheck Protection Program of the CARES Act (referenced in Note 10) in the amount of \$766,401 had been reviewed and formally forgiven by the SBA, and that JPMorgan Chase Bank had received payment in full for such.

The SBA may review funding eligibility and usage of funds for compliance with program requirements based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the Act's financial position.

Genesys Works has evaluated subsequent events through August 26, 2021, which is the date that consolidated financial statements were available to be issued.

**GENESYS WORKS  
BAY AREA  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2020 AND 2019  
(SEE INDEPENDENT AUDITORS' REPORT)**

	2020	2019
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 705,327	\$ 136,411
Accounts Receivable, Net	195,298	181,393
Contributions Receivable	5,500	-
Prepaid Expenses and Other Assets	37,195	2,641
Total Assets	\$ 943,320	\$ 320,445
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 4,269	\$ 14,361
Accrued Expenses and Other Payables	89,299	78,787
Paycheck Protection Program Note Payable - See Note 10	381,079	-
Line of Credit	201,064	201,337
Total Liabilities	675,711	294,485
<b>NET ASSETS</b>		
Without Donor Restrictions	244,609	25,960
With Donor Restrictions	23,000	-
Total Net Assets	267,609	25,960
Total Liabilities and Net Assets	\$ 943,320	\$ 320,445

**GENESYS WORKS  
BAY AREA  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2020  
(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 459,057	\$ 225,000	\$ 684,057
In-Kind Contributions	15,056	-	15,056
Net Assets Released from Restrictions	<u>202,000</u>	<u>(202,000)</u>	<u>-</u>
Total Public Support	676,113	23,000	699,113
Revenues - Program Service Fees	1,396,315	-	1,396,315
Other Income	10,653	-	10,653
Investment Income	118	-	118
Total Public Support, Revenues, and Other	<u>2,083,199</u>	<u>23,000</u>	<u>2,106,199</u>
<b>EXPENSES</b>			
Student Program	1,691,996	-	1,691,996
Management and General	139,926	-	139,926
Fundraising	32,628	-	32,628
Total Expenses	<u>1,864,550</u>	<u>-</u>	<u>1,864,550</u>
<b>CHANGE IN NET ASSETS</b>	218,649	23,000	241,649
Net Assets - Beginning of Year	<u>25,960</u>	<u>-</u>	<u>25,960</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 244,609</u>	<u>\$ 23,000</u>	<u>\$ 267,609</u>

**GENESYS WORKS  
BAY AREA  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2019  
(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 969,988	\$ -	\$ 969,988
Net Assets Released from Restrictions	40,000	(40,000)	-
Total Public Support	<u>1,009,988</u>	<u>(40,000)</u>	<u>969,988</u>
Revenues - Program Service Fees	1,836,631	-	1,836,631
Other Income	26,225	-	26,225
Investment Income	1,930	-	1,930
Total Public Support, Revenues, and Other	<u>2,874,774</u>	<u>(40,000)</u>	<u>2,834,774</u>
<b>EXPENSES</b>			
Student Program	2,415,715	-	2,415,715
Management and General	183,856	-	183,856
Fundraising	193,009	-	193,009
Total Expenses	<u>2,792,580</u>	<u>-</u>	<u>2,792,580</u>
<b>CHANGE IN NET ASSETS</b>	82,194	(40,000)	42,194
Net Assets - Beginning of Year	<u>(56,234)</u>	<u>40,000</u>	<u>(16,234)</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 25,960</u>	<u>\$ -</u>	<u>\$ 25,960</u>



**GENESYS WORKS  
CHICAGO  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2020 AND 2019  
(SEE INDEPENDENT AUDITORS' REPORT)**

	2020	2019
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 672,226	\$ 193,579
Accounts Receivable, Net	280,671	408,976
Contributions Receivable	-	75,000
Prepaid Expenses and Other Assets	56,150	408,426
Property and Equipment, Net	39,900	47,301
Total Assets	\$ 1,048,947	\$ 1,133,282
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 21,060	\$ 14,314
Accrued Expenses and Other Payables	169,137	740,733
Deferred Revenue	-	2,835
Paycheck Protection Program Note Payable - See Note 10	581,704	-
Total Liabilities	771,901	757,882
<b>NET ASSETS</b>		
Without Donor Restrictions	231,759	350,401
With Donor Restrictions	45,287	24,999
Total Net Assets	277,046	375,400
Total Liabilities and Net Assets	\$ 1,048,947	\$ 1,133,282

**GENESYS WORKS  
CHICAGO  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2020  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 612,902	\$ 230,933	\$ 843,835
In-Kind Contributions	57,211	-	57,211
Net Assets Released from Restrictions	210,645	(210,645)	-
Total Public Support	880,758	20,288	901,046
Revenues - Program Service Fees	2,279,620	-	2,279,620
Other Income	17,081	-	17,081
Investment Income	468	-	468
Total Public Support, Revenues, and Other	3,177,927	20,288	3,198,215
<b>EXPENSES</b>			
Student Program	2,778,759	-	2,778,759
Management and General	225,747	-	225,747
Fundraising	292,063	-	292,063
Total Expenses	3,296,569	-	3,296,569
<b>CHANGE IN NET ASSETS</b>	(118,642)	20,288	(98,354)
Net Assets - Beginning of Year	350,401	24,999	375,400
<b>NET ASSETS - END OF YEAR</b>	\$ 231,759	\$ 45,287	\$ 277,046

**GENESYS WORKS  
CHICAGO  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2019  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 612,905	\$ 25,000	\$ 637,905
In-Kind Contributions	94,137	-	94,137
Net Assets Released from Restrictions	41,000	(41,000)	-
Total Public Support	748,042	(16,000)	732,042
Revenues - Program Service Fees	3,222,263	-	3,222,263
Other Income	4,890	-	4,890
Investment Income	1,662	-	1,662
Total Public Support, Revenues, and Other	3,976,857	(16,000)	3,960,857
<b>EXPENSES</b>			
Student Program	3,494,886	-	3,494,886
Management and General	328,078	-	328,078
Fundraising	270,123	-	270,123
Total Expenses	4,093,087	-	4,093,087
<b>CHANGE IN NET ASSETS</b>	(116,230)	(16,000)	(132,230)
Net Assets - Beginning of Year	466,631	40,999	507,630
<b>NET ASSETS - END OF YEAR</b>	\$ 350,401	\$ 24,999	\$ 375,400

**GENESYS WORKS  
HOUSTON  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2020 AND 2019  
(SEE INDEPENDENT AUDITORS' REPORT)**

	2020	(As Restated) 2019
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 3,011,479	\$ 1,814,548
Accounts Receivable, Net	323,109	680,917
Contributions Receivable	8,538	234,000
Prepaid Expenses and Other Assets	63,302	112,080
Property and Equipment, Net	386,127	156,624
Total Assets	\$ 3,792,555	\$ 2,998,169
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 17,906	\$ 36,227
Accrued Expenses and Other Payables	395,871	226,645
Deferred Revenue	18,573	7,081
Paycheck Protection Program Note Payable - See Note 10	919,085	-
Total Liabilities	1,351,435	269,953
<b>NET ASSETS</b>		
Without Donor Restrictions	2,174,463	2,326,548
With Donor Restrictions	266,657	401,668
Total Net Assets	2,441,120	2,728,216
Total Liabilities and Net Assets	\$ 3,792,555	\$ 2,998,169

**GENESYS WORKS  
HOUSTON  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2020  
(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 1,208,158	\$ 262,698	\$ 1,470,856
In-Kind Contributions	60,090	-	60,090
Net Assets Released from Restrictions	<u>397,709</u>	<u>(397,709)</u>	<u>-</u>
Total Public Support	1,665,957	(135,011)	1,530,946
Revenues - Program Service Fees	3,322,048	-	3,322,048
Other Income	11,348	-	11,348
Investment Income	<u>3,726</u>	<u>-</u>	<u>3,726</u>
Total Public Support, Revenues, and Other	5,003,079	(135,011)	4,868,068
<b>EXPENSES</b>			
Student Program	4,452,902	-	4,452,902
Management and General	326,114	-	326,114
Fundraising	<u>376,148</u>	<u>-</u>	<u>376,148</u>
Total Expenses	<u>5,155,164</u>	<u>-</u>	<u>5,155,164</u>
<b>CHANGE IN NET ASSETS</b>	(152,085)	(135,011)	(287,096)
Net Assets - Beginning of Year	<u>2,326,548</u>	<u>401,668</u>	<u>2,728,216</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 2,174,463</u>	<u>\$ 266,657</u>	<u>\$ 2,441,120</u>

**GENESYS WORKS  
HOUSTON  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2019  
(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>(As Restated) Total</u>
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 1,446,975	\$ 382,500	\$ 1,829,475
In-Kind Contributions	4,533	-	4,533
Net Assets Released from Restrictions	294,094	(294,094)	-
Total Public Support	<u>1,745,602</u>	<u>88,406</u>	<u>1,834,008</u>
Revenues - Program Service Fees	4,572,256	-	4,572,256
Other Income	1,742	-	1,742
Investment Income	22,463	-	22,463
Total Public Support, Revenues, and Other	<u>6,342,063</u>	<u>88,406</u>	<u>6,430,469</u>
<b>EXPENSES</b>			
Student Program	5,464,430	-	5,464,430
Management and General	469,273	-	469,273
Fundraising	458,528	-	458,528
Total Expenses	<u>6,392,231</u>	<u>-</u>	<u>6,392,231</u>
<b>CHANGE IN NET ASSETS</b>	(50,168)	88,406	38,238
Net Assets - Beginning of Year	<u>2,376,716</u>	<u>313,262</u>	<u>2,689,978</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 2,326,548</u>	<u>\$ 401,668</u>	<u>\$ 2,728,216</u>

**GENESYS WORKS  
NATIONAL CAPITAL REGION  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2020 AND 2019  
(SEE INDEPENDENT AUDITORS' REPORT)**

	2020	2019
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 725,614	\$ 86,217
Accounts Receivable, Net	80,633	118,767
Contributions Receivable	-	450,000
Prepaid Expenses and Other Assets	70,695	20,593
Total Assets	\$ 876,942	\$ 675,577
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 4,069	\$ 10,395
Accrued Expenses and Other Payables	41,853	139,936
Paycheck Protection Program Note Payable - See Note 10	155,735	-
Total Liabilities	201,657	150,331
<b>NET ASSETS</b>		
Without Donor Restrictions	643,285	510,246
With Donor Restrictions	32,000	15,000
Total Net Assets	675,285	525,246
Total Liabilities and Net Assets	\$ 876,942	\$ 675,577

**GENESYS WORKS  
NATIONAL CAPITAL REGION  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2020  
(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 528,926	\$ 45,000	\$ 573,926
In-Kind Contributions	140,350	-	140,350
Net Assets Released from Restrictions	<u>28,000</u>	<u>(28,000)</u>	<u>-</u>
Total Public Support	697,276	17,000	714,276
Revenues - Program Service Fees	624,275	-	624,275
Other Income	2,587	-	2,587
Investment Income	-	-	-
Total Public Support, Revenues, and Other	<u>1,324,138</u>	<u>17,000</u>	<u>1,341,138</u>
<b>EXPENSES</b>			
Student Program	991,410	-	991,410
Management and General	71,865	-	71,865
Fundraising	<u>127,824</u>	<u>-</u>	<u>127,824</u>
Total Expenses	<u>1,191,099</u>	<u>-</u>	<u>1,191,099</u>
<b>CHANGE IN NET ASSETS</b>	133,039	17,000	150,039
Net Assets - Beginning of Year	<u>510,246</u>	<u>15,000</u>	<u>525,246</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 643,285</u>	<u>\$ 32,000</u>	<u>\$ 675,285</u>



**GENESYS WORKS  
NATIONAL CAPITAL REGION  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2019  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 694,267	\$ 15,000	\$ 709,267
In-Kind Contributions	-	-	-
Net Assets Released from Restrictions	35,000	(35,000)	-
Total Public Support	729,267	(20,000)	709,267
Revenues - Program Service Fees	757,632	-	757,632
Other Income	(18)	-	(18)
Investment Income	-	-	-
Total Public Support, Revenues, and Other	1,486,881	(20,000)	1,466,881
<b>EXPENSES</b>			
Student Program	917,115	-	917,115
Management and General	107,210	-	107,210
Fundraising	114,598	-	114,598
Total Expenses	1,138,923	-	1,138,923
<b>CHANGE IN NET ASSETS</b>	347,958	(20,000)	327,958
Net Assets - Beginning of Year	162,288	35,000	197,288
<b>NET ASSETS - END OF YEAR</b>	\$ 510,246	\$ 15,000	\$ 525,246

**GENESYS WORKS  
NEW YORK CITY  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2020 AND 2019  
(SEE INDEPENDENT AUDITORS' REPORT)**

	2020	2019
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 494,450	\$ 179,838
Accounts Receivable, Net	44,194	60,842
Contributions Receivable	-	95,000
Prepaid Expenses and Other Assets	2,913	82,605
Total Assets	\$ 541,557	\$ 418,285
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 3,066	\$ 4,300
Accrued Expenses and Other Payables	24,179	34,488
Paycheck Protection Program Note Payable - See Note 10	53,740	-
Total Liabilities	80,985	38,788
<b>NET ASSETS</b>		
Without Donor Restrictions	439,093	109,497
With Donor Restrictions	21,479	270,000
Total Net Assets	460,572	379,497
Total Liabilities and Net Assets	\$ 541,557	\$ 418,285

**GENESYS WORKS  
NEW YORK CITY  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2020  
(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	339,674	\$ 127,500	\$ 467,174
In-Kind Contributions	81,550	-	81,550
Net Assets Released from Restrictions	<u>376,021</u>	<u>(376,021)</u>	<u>-</u>
Total Public Support	797,245	(248,521)	548,724
Revenues - Program Service Fees	318,418	-	318,418
Other Income	114	-	114
Investment Income	-	-	-
Total Public Support, Revenues, and Other	<u>1,115,777</u>	<u>(248,521)</u>	<u>867,256</u>
<b>EXPENSES</b>			
Student Program	660,356	-	660,356
Management and General	50,035	-	50,035
Fundraising	<u>75,790</u>	<u>-</u>	<u>75,790</u>
Total Expenses	<u>786,181</u>	<u>-</u>	<u>786,181</u>
<b>CHANGE IN NET ASSETS</b>	329,596	(248,521)	81,075
Net Assets - Beginning of Year	<u>109,497</u>	<u>270,000</u>	<u>379,497</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 439,093</u>	<u>\$ 21,479</u>	<u>\$ 460,572</u>

**GENESYS WORKS  
NEW YORK CITY  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2019  
(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 452,091	\$ 270,000	\$ 722,091
In-Kind Contributions	32,047	-	32,047
Net Assets Released from Restrictions	-	-	-
Total Public Support	<u>484,138</u>	<u>270,000</u>	<u>754,138</u>
Revenues - Program Service Fees	135,690	-	135,690
Other Income	-	-	-
Investment Income	-	-	-
Total Public Support, Revenues, and Other	<u>619,828</u>	<u>270,000</u>	<u>889,828</u>
<b>EXPENSES</b>			
Student Program	399,693	-	399,693
Management and General	41,764	-	41,764
Fundraising	68,874	-	68,874
Total Expenses	<u>510,331</u>	<u>-</u>	<u>510,331</u>
<b>CHANGE IN NET ASSETS</b>	109,497	270,000	379,497
Net Assets - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 109,497</u>	<u>\$ 270,000</u>	<u>\$ 379,497</u>

**GENESYS WORKS  
TWIN CITIES  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2020 AND 2019  
(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>2020</u>	(As Restated) <u>2019</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 3,169,326	\$ 2,205,585
Accounts Receivable, Net	1,001,410	1,118,358
Contributions Receivable	118,669	81,017
Prepaid Expenses and Other Assets	216,355	47,105
Property and Equipment, Net	<u>86,580</u>	<u>127,232</u>
Total Assets	<u>\$ 4,592,340</u>	<u>\$ 3,579,297</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 109,923	\$ 133,941
Accrued Expenses and Other Payables	486,536	463,663
Deferred Revenue	28,042	22,536
Paycheck Protection Program Note Payable - See Note 10	<u>1,299,593</u>	<u>-</u>
Total Liabilities	1,924,094	620,140
<b>NET ASSETS</b>		
Without Donor Restrictions	2,552,390	2,843,807
With Donor Restrictions	<u>115,856</u>	<u>115,350</u>
Total Net Assets	<u>2,668,246</u>	<u>2,959,157</u>
Total Liabilities and Net Assets	<u>\$ 4,592,340</u>	<u>\$ 3,579,297</u>

**GENESYS WORKS  
TWIN CITIES  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2020  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 1,107,824	\$ 749,513	\$ 1,857,337
In-Kind Contributions	61,111	-	61,111
Net Assets Released from Restrictions	749,007	(749,007)	-
Total Public Support	<u>1,917,942</u>	<u>506</u>	<u>1,918,448</u>
Revenues - Program Service Fees	6,808,947	-	6,808,947
Other Income	98,141	-	98,141
Investment Income	4,748	-	4,748
Total Public Support, Revenues, and Other	<u>8,829,778</u>	<u>506</u>	<u>8,830,284</u>
<b>EXPENSES</b>			
Student Program	8,334,052	-	8,334,052
Management and General	558,723	-	558,723
Fundraising	228,420	-	228,420
Total Expenses	<u>9,121,195</u>	<u>-</u>	<u>9,121,195</u>
<b>CHANGE IN NET ASSETS</b>	(291,417)	506	(290,911)
Net Assets - Beginning of Year	<u>2,843,807</u>	<u>115,350</u>	<u>2,959,157</u>
<b>NET ASSETS - END OF YEAR</b>	<u><u>\$ 2,552,390</u></u>	<u><u>\$ 115,856</u></u>	<u><u>\$ 2,668,246</u></u>

**GENESYS WORKS  
TWIN CITIES  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2019  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions	With Donor Restrictions	(As Restated) Total
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 1,134,285	\$ 115,350	\$ 1,249,635
In-Kind Contributions	3,996	-	3,996
Net Assets Released from Restrictions	100,000	(100,000)	-
Total Public Support	<u>1,238,281</u>	<u>15,350</u>	<u>1,253,631</u>
Revenues - Program Service Fees	7,654,040	-	7,654,040
Other Income	7,002	-	7,002
Investment Income	28,341	-	28,341
Total Public Support, Revenues, and Other	<u>8,927,664</u>	<u>15,350</u>	<u>8,943,014</u>
<b>EXPENSES</b>			
Student Program	7,987,216	-	7,987,216
Management and General	581,536	-	581,536
Fundraising	298,518	-	298,518
Total Expenses	<u>8,867,270</u>	<u>-</u>	<u>8,867,270</u>
<b>CHANGE IN NET ASSETS</b>	60,394	15,350	75,744
Net Assets - Beginning of Year	<u>2,783,413</u>	<u>100,000</u>	<u>2,883,413</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 2,843,807</u>	<u>\$ 115,350</u>	<u>\$ 2,959,157</u>

**GENESYS WORKS  
NATIONAL**  
(EXCLUDING WASHINGTON, D.C. AND NEW YORK CITY)  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2020 AND 2019**  
(SEE INDEPENDENT AUDITORS' REPORT)

	<u>2020</u>	(As Restated) <u>2019</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 1,468,698	\$ 1,356,267
Investments	15,719	-
Contributions Receivable	900	675,000
Prepaid Expenses and Other Assets	460,270	1,201,544
Property and Equipment, Net	<u>141,714</u>	<u>181,190</u>
Total Assets	<u>\$ 2,087,301</u>	<u>\$ 3,414,001</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 114,495	\$ 54,579
Accrued Expenses and Other Payables	528,287	750,135
Deferred Revenue	27,883	114,710
Paycheck Protection Program Note Payable - See Note 10	<u>556,926</u>	<u>-</u>
Total Liabilities	1,227,591	919,424
<b>NET ASSETS</b>		
Without Donor Restrictions	744,709	1,755,569
With Donor Restrictions	<u>115,001</u>	<u>739,008</u>
Total Net Assets	<u>859,710</u>	<u>2,494,577</u>
Total Liabilities and Net Assets	<u>\$ 2,087,301</u>	<u>\$ 3,414,001</u>



**GENESYS WORKS  
NATIONAL**  
(EXCLUDING WASHINGTON, D.C. AND NEW YORK CITY)  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEAR ENDED DECEMBER 31, 2020**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Without Donor Restrictions	With Donor Restrictions	Total
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 2,104,153	\$ 125,000	\$ 2,229,153
In-Kind Contributions	-	-	-
Net Assets Released from Restrictions	749,007	(749,007)	-
Total Public Support	2,853,160	(624,007)	2,229,153
Revenues - Program Service Fees	1,869,332	-	1,869,332
Other Income	17,785	-	17,785
Investment Income	2,621	-	2,621
Total Public Support, Revenues, and Other	4,742,898	(624,007)	4,118,891
<b>EXPENSES</b>			
Student Program	2,697,373	-	2,697,373
Management and General	1,962,387	-	1,962,387
Fundraising	1,093,998	-	1,093,998
Total Expenses	5,753,758	-	5,753,758
<b>CHANGE IN NET ASSETS</b>	(1,010,860)	(624,007)	(1,634,867)
Net Assets - Beginning of Year	1,755,569	739,008	2,494,577
<b>NET ASSETS - END OF YEAR</b>	\$ 744,709	\$ 115,001	\$ 859,710

**GENESYS WORKS  
NATIONAL**  
(EXCLUDING WASHINGTON, D.C. AND NEW YORK CITY)  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEAR ENDED DECEMBER 31, 2019**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Without Donor Restrictions	With Donor Restrictions	(As Restated) Total
<b>PUBLIC SUPPORT, REVENUES, AND OTHER</b>			
Public Support:			
General Public	\$ 2,556,270	\$ 668,212	\$ 3,224,482
In-Kind Contributions	-	-	-
Net Assets Released from Restrictions	358,000	(358,000)	-
Total Public Support	<u>2,914,270</u>	<u>310,212</u>	<u>3,224,482</u>
Revenues - Program Service Fees	2,327,380	-	2,327,380
Other Income	3,409	-	3,409
Investment Income	11,350	-	11,350
Total Public Support, Revenues, and Other	<u>5,256,409</u>	<u>310,212</u>	<u>5,566,621</u>
<b>EXPENSES</b>			
Student Program	2,565,835	-	2,565,835
Management and General	1,854,112	-	1,854,112
Fundraising	901,094	-	901,094
Total Expenses	<u>5,321,041</u>	<u>-</u>	<u>5,321,041</u>
<b>CHANGE IN NET ASSETS</b>	(64,632)	310,212	245,580
Net Assets - Beginning of Year	<u>1,820,201</u>	<u>428,796</u>	<u>2,248,997</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 1,755,569</u>	<u>\$ 739,008</u>	<u>\$ 2,494,577</u>