

GENESYS WORKS AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEARS ENDED DECEMBER 31, 2023 AND 2022



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GENESYS WORKS AND SUBSIDIARIES
TABLE OF CONTENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

INDEPENDENT AUDITORS' REPORT	1
CONSOLIDATED FINANCIAL STATEMENTS	
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	4
CONSOLIDATED STATEMENTS OF ACTIVITIES	5
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES	7
CONSOLIDATED STATEMENTS OF CASH FLOWS	9
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	10
SUPPLEMENTARY INFORMATION	
BAY AREA – STATEMENTS OF FINANCIAL POSITION AND STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS	22
CHICAGO – STATEMENTS OF FINANCIAL POSITION AND STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS	25
HOUSTON – STATEMENTS OF FINANCIAL POSITION AND STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS	28
NATIONAL CAPITAL REGION – STATEMENTS OF FINANCIAL POSITION AND STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS	31
NEW YORK CITY – STATEMENTS OF FINANCIAL POSITION AND STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS	34
TWIN CITIES – STATEMENTS OF FINANCIAL POSITION AND STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS	37
NATIONAL – STATEMENTS OF FINANCIAL POSITION AND STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS	40



INDEPENDENT AUDITORS' REPORT

Board of Directors
Genesys Works and Subsidiaries
Houston, Texas

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Genesys Works and Subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Genesys Works and Subsidiaries as of December 31, 2023 and 2022, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Genesys Works and Subsidiaries and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Genesys Works and Subsidiaries' ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Genesys Works and Subsidiaries' 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Genesys Works and Subsidiaries' 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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The site-specific statements of financial position and activities are presented for purposes of additional analysis and are 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 audits 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 GAAS. In our, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
April 30, 2024

GENESYS WORKS AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 12,199,775	\$ 10,738,328
Accounts Receivable, Net of Allowance of \$77,199 in 2023 and \$85,504 in 2022	3,370,808	3,275,856
Contributions Receivable	587,500	668,272
Prepaid Expenses and Other Assets	447,341	454,209
Total Current Assets	16,605,424	15,136,665
OTHER ASSETS		
Property and Equipment, Net	198,195	402,889
Right-of-Use Asset, Net	2,055,194	2,271,119
Total Other Assets	2,253,389	2,674,008
Total Assets	\$ 18,858,813	\$ 17,810,673
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 331,705	\$ 262,020
Accrued Expenses and Other Payables	1,130,685	1,213,217
Deferred Revenue	101,283	183,369
Line of Credit	-	200,500
Lease Liabilities	2,472,871	2,552,684
Total Liabilities	4,036,544	4,411,790
NET ASSETS		
Without Donor Restrictions	11,985,811	10,877,899
With Donor Restrictions	2,836,458	2,520,984
Total Net Assets	14,822,269	13,398,883
Total Liabilities and Net Assets	\$ 18,858,813	\$ 17,810,673

See accompanying Notes to Consolidated Financial Statements.

**GENESYS WORKS AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 9,736,734	\$ 3,256,209	\$ 12,992,943
In-Kind Contributions	253,836	-	253,836
Net Assets Released from Restrictions	2,940,735	(2,940,735)	-
Total Public Support	12,931,305	315,474	13,246,779
Revenues - Program Service Fees	21,577,822	-	21,577,822
Other Income	378,513	-	378,513
Total Public Support, Revenues, and Other	34,887,640	315,474	35,203,114
EXPENSES			
Student Program	26,170,039	-	26,170,039
Management and General	4,916,551	-	4,916,551
Fundraising	2,693,138	-	2,693,138
Total Expenses	33,779,728	-	33,779,728
CHANGE IN NET ASSETS	1,107,912	315,474	1,423,386
Net Assets - Beginning of Year	10,877,899	2,520,984	13,398,883
NET ASSETS - END OF YEAR	\$ 11,985,811	\$ 2,836,458	\$ 14,822,269

See accompanying Notes to Consolidated Financial Statements.

GENESYS WORKS AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 7,758,856	\$ 3,488,796	\$ 11,247,652
In-Kind Contributions	520,378	-	520,378
Net Assets Released from Restrictions	1,960,447	(1,960,447)	-
Total Public Support	10,239,681	1,528,349	11,768,030
Revenues - Program Service Fees	19,692,660	-	19,692,660
Other Income	144,292	-	144,292
Total Public Support, Revenues, and Other	30,076,634	1,528,349	31,604,982
EXPENSES			
Student Program	23,862,304	-	23,862,304
Management and General	3,600,556	-	3,600,556
Fundraising	2,512,759	-	2,512,759
Total Expenses	29,975,619	-	29,975,619
CHANGE IN NET ASSETS	101,015	1,528,349	1,629,364
Net Assets - Beginning of Year	10,776,884	992,635	11,769,519
NET ASSETS - END OF YEAR	\$ 10,877,899	\$ 2,520,984	\$ 13,398,883

See accompanying Notes to Consolidated Financial Statements.

GENESYS WORKS AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	<u>Student Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries, Benefits, and Taxes - Students	\$ 13,550,015	\$ -	\$ -	\$ 13,550,015
Salaries, Benefits, and Taxes - Staff	9,672,248	2,385,262	2,026,296	14,083,806
Other Expenses:				
Facilities Rent and Expenses	513,966	192,868	122,774	829,608
Professional Services	445,056	1,087,831	73,541	1,606,428
Technology and Communications	850,613	701,369	11,396	1,563,378
Transportation	260,261	34,626	6,050	300,937
Fundraising Events	224,078	20,614	311,081	555,773
Other Miscellaneous Expenses	251,609	131,263	90,210	473,082
Professional Development	114,006	150,315	27,956	292,277
Marketing Expenses	31,579	1,000	7,493	40,072
Insurance	5,735	151,055	-	156,790
Supplies and Materials	112,167	9,046	1,655	122,868
Total Expenses by Function	<u>26,031,333</u>	<u>4,865,249</u>	<u>2,678,452</u>	<u>33,575,034</u>
Depreciation of Property and Equipment	<u>138,706</u>	<u>51,302</u>	<u>14,686</u>	<u>204,694</u>
Total Expenses Included in the Expense Section on the Consolidated Statement of Activities	<u>\$ 26,170,039</u>	<u>\$ 4,916,551</u>	<u>\$ 2,693,138</u>	<u>\$ 33,779,728</u>

See accompanying Notes to Consolidated Financial Statements.

GENESYS WORKS AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	<u>Student Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries, Benefits, and Taxes - Students	\$ 12,157,142	\$ -	\$ -	\$ 12,157,142
Salaries, Benefits, and Taxes - Staff	8,650,601	1,788,339	1,730,626	12,169,566
Other Expenses:				
Facilities Rent and Expenses	393,615	53,737	115,875	563,227
Professional Services	277,937	647,304	111,938	1,037,179
Technology and Communications	983,169	712,261	190,504	1,885,934
Transportation	315,079	10,809	3,655	329,543
Fundraising Events	117,923	22,464	251,829	392,216
Other Miscellaneous Expenses	289,271	104,188	53,053	446,512
Professional Development	94,071	156,707	19,986	270,764
Marketing Expenses	227,601	783	10,363	238,747
Insurance	127,245	36,869	-	164,114
Supplies and Materials	53,486	10,820	5,270	69,576
Total Expenses by Function	<u>23,687,140</u>	<u>3,544,281</u>	<u>2,493,099</u>	<u>29,724,520</u>
Depreciation of Property and Equipment	<u>175,164</u>	<u>56,275</u>	<u>19,660</u>	<u>251,099</u>
Total Expenses Included in the Expense Section on the Consolidated Statement of Activities	<u><u>\$ 23,862,304</u></u>	<u><u>\$ 3,600,556</u></u>	<u><u>\$ 2,512,759</u></u>	<u><u>\$ 29,975,619</u></u>

See accompanying Notes to Consolidated Financial Statements.

GENESYS WORKS AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 1,423,386	\$ 1,629,364
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	204,694	251,099
Lease Liability Transition Adjustment	-	281,565
Receipts of Restricted Contributions to be Held in Perpetuity	(227,026)	-
Forgiveness of Paycheck Protection Program Note Payable	-	(241,915)
Credit Loss Expense	41,344	52,234
(Increase) Decrease in Assets:		
Accounts Receivable, Net	(124,952)	(608,181)
Contributions Receivable	69,428	94,948
Prepaid Expenses and Other Assets	6,868	(125,638)
Right-of-Use Asset, Net	215,925	-
Increase (Decrease) in Liabilities:		
Accounts Payable	69,685	(132,441)
Accrued Expenses and Other Payables	(82,532)	(141,896)
Lease Liabilities	(79,813)	-
Deferred Revenue	(82,086)	141,738
Net Cash Provided by Operating Activities	1,434,921	1,200,877
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts of Restricted Contributions to be Held in Perpetuity	227,026	-
Payments on Line of Credit	(200,500)	(1,000)
CHANGE IN CASH AND CASH EQUIVALENTS	1,461,447	1,199,877
Cash and Cash Equivalents - Beginning of Year	10,738,328	9,538,451
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 12,199,775	\$ 10,738,328

See accompanying Notes to Consolidated Financial Statements.

GENESYS WORKS AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

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. Each of the subsidiaries have independent boards of directors and local leadership.

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.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Genesys 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, 2023 and 2022, we did not have any funds designated by the board for specific purposes.

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.

All contributions are considered to be available for use without donor restrictions unless specifically restricted by the donor or by law. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as with donor restrictions and increases those net asset classes. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restriction and reported in the consolidated statements of activities as net assets released from restrictions.

GENESYS WORKS AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. The organization keeps cash deposits at high-credit-quality institutes which, at, times, may exceed federally insured limits. 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. Management determines the allowance for credit losses based on historical experience, current economic conditions, forward-looking information and management's evaluation of individual outstanding receivables. Accounts receivable are written off when deemed uncollectible, generally after a year.

Changes in the allowance for the years ended December 31, 2023 and 2022, were as follows:

	2023	2022
Balance, Beginning of Year	\$ 85,504	\$ 39,970
Provisions	33,039	97,768
Write-Offs, Net of Recoveries	(41,344)	(52,234)
Balance, End of Year	\$ 77,199	\$ 85,504

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

GENESYS WORKS AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment (Continued)

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 consolidated 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.

Consequently, at December 31, 2023 and 2022 contributions totaling \$310,969 and \$401,240, 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.

Leases

Genesys determines if an arrangement is a lease at inception. Leases are reported on the consolidated statements of financial position as a right-of-use (ROU) asset and lease liability.

GENESYS WORKS AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

ROU assets represent Genesys' right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that Genesys will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. Genesys has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right-of-use assets on the consolidated statements of financial position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, Genesys has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liability.

Genesys has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

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 AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

U.S. GAAP requires that management evaluate tax positions taken by Genesys and recognize a tax liability (or asset) if Genesys 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 and has concluded that as of December 31, 2023 and 2022, there are no uncertain positions taken or expected to be taken that would require recognition or disclosure in the consolidated financial statements. Genesys 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.

Adoption of New Accounting Standards

Genesys has adopted Accounting Standards Update 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses. Genesys adopted this new guidance utilizing the modified retrospective transition method. The adoption of this standard did not have a material impact on Genesys' consolidated financial statements but did change how the allowance for credit losses is determined.

Subsequent Events

Genesys has evaluated subsequent events through April 30, 2024, which is the date that consolidated financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY

The following table reflects financial assets at December 31, 2023 and 2022, 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.

GENESYS WORKS AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 2 LIQUIDITY AND AVAILABILITY (CONTINUED)

	2023	2022
Financial Assets Available Within One Year:		
Cash and Cash Equivalents	\$ 12,199,775	\$ 10,738,328
Accounts Receivable	3,370,808	3,275,856
Contributions Receivable	587,500	668,272
Total With Donor Restrictions	16,158,083	14,682,456
Amounts Unavailable for General Expenditure Within One Year:		
Restricted by Donors	(2,836,458)	(2,520,984)
Total Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	\$ 13,321,625	\$ 12,161,472

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.

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, 2023, these lines of credit had \$1,200,000 available to be drawn.

NOTE 3 CONTRIBUTIONS RECEIVABLE

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

	2023	2022
Contributions and Grants Receivable:		
Within One Year	\$ 587,500	\$ 668,272

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment at December 31 consist of the following:

	2023	2022
Equipment	\$ 300,308	\$ 300,308
Furniture and Fixtures	216,153	216,153
Vehicles	27,218	27,218
Software	277,784	277,784
Leasehold Improvements	1,128,242	1,128,242
Total	1,949,705	1,949,705
Less: Accumulated Depreciation and Amortization	(1,751,510)	(1,546,816)
Property and Equipment, Net	\$ 198,195	\$ 402,889

Depreciation and amortization expense for the years ended December 31, 2023 and 2022 was \$204,694 and \$251,099, respectively.

GENESYS WORKS AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS

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

	2023	2022
Subject to Expenditure for Specified Purpose:		
Internship Training Program	\$ 367,509	\$ 468,875
Site Growth	250,000	219,132
Computers and Training Materials	37,500	200,000
Enablement Hub	375,000	375,000
Technology Infrastructure, Partner Engagement, Data Reporting	705,127	950,000
Student Success Fund	201,133	99,977
Total	1,936,269	2,312,984
Subject to Expenditure for Time:		
Time Restricted Contributions	545,000	208,000
Endowment Earnings Subject to Endowment Spending Policy and Appropriations:	3,163	-
Endowment Held in Perpetuity - General Operations	352,026	-
Total	355,189	-
Total Net Assets With Donor Restrictions	\$ 2,836,458	\$ 2,520,984

NOTE 6 ENDOWMENTS

The endowment consists of donor-restricted funds established to provide for the long-term support of Genesys and its programs.

Interpretation of Relevant Law

Genesys has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, we retain in perpetuity (a) the original value of initial and subsequent gift amounts donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA. We consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of Genesys and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of Genesys
- The investment policies of Genesys

GENESYS WORKS AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 6 ENDOWMENTS (CONTINUED)

Endowment net asset composition by type and changes in endowment net assets are as follows for the years ending December 31:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance as of January 1, 2023	\$ -	\$ -	\$ -
Investment Income	-	3,163	3,163
Cash Additions to Endowment Fund	-	227,026	227,026
Pledge Additions to Endowment Fund	-	125,000	125,000
Appropriations of Endowment Assets for Expenditure	-	-	-
Balance as of December 31, 2023	<u>\$ -</u>	<u>\$ 355,189</u>	<u>\$ 355,189</u>
Balance as of January 1, 2022	\$ -	\$ -	\$ -
Investment Income	-	-	-
Cash Additions to Endowment Fund	-	-	-
Pledge Additions to Endowment Fund	-	-	-
Appropriations of Endowment Assets for Expenditure	-	-	-
Balance as of December 31, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The following is a summary of endowment funds subject to Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) for the years ended December 31:

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Funds - Donor-Restricted	\$ -	\$ 355,189	\$ 355,189
	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Funds - Donor-Restricted	\$ -	\$ -	\$ -

From time to time, the fair market value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires Genesys to retain as a fund of perpetual duration. At December 31, 2023 and 2022, there were no underwater funds.

Investment Objectives and Strategies

The Endowment Fund is invested with the objective of preserving the long-term, real purchasing power of assets in the Fund while providing a relatively predictable and growing stream of annual distributions to support Genesys' programs.

GENESYS WORKS AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 6 ENDOWMENTS (CONTINUED)

Spending Policy

Subject to the specific intent of a donor expressed in writing in a gift instrument, Genesys may appropriate for expenditure so much of the Fund as Genesys determines is prudent for the uses, benefits, purposes, and duration for which the Fund is established. As of December 31, 2023, the Organization is currently in the process of developing a spending policy.

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, 2023 and 2022, we matched employee voluntary contributions, resulting in contributions to the plan of \$128,756 and \$92,810, respectively.

NOTE 8 LINES OF CREDIT

Genesys Works has separate 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. 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, 2023 and 2022, the outstanding balance on the line of credit was \$- and \$200,500, respectively.

NOTE 9 RIGHT-OF-USE ASSET AND LIABILITY

Genesys leases office space under noncancelable lease agreements that expire through the year 2031. Under the terms of the agreement, Genesys is committed to annual rental adjusted for defined escalations.

GENESYS WORKS AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 9 RIGHT-OF-USE ASSET AND LIABILITY (CONTINUED)

The following table provides Genesys' right-of-use assets and lease liability for the years ended December 31, 2023 and 2022.

	<u>2023</u>	<u>2022</u>
Right of Use Assets:		
Operating Leases	\$ 2,055,194	\$ 2,271,119
Total	<u>\$ 2,055,194</u>	<u>\$ 2,271,119</u>
Lease Liabilities:		
Current:		
Operating Leases	\$ 608,126	\$ 481,034
Noncurrent:		
Operating Leases	1,864,745	2,071,650
Total	<u>\$ 2,472,871</u>	<u>\$ 2,552,684</u>

The following tables provides quantitative information concerning Genesys' leases for years ended December 31:

	<u>2023</u>	<u>2022</u>
Operating Lease Costs	\$ 614,203	\$ 561,579
Other Information:		
Operating Cash Flows from Operating Leases	\$ 642,153	\$ 473,808
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liability	\$ -	\$ 2,817,810
Weighted-Average Remaining Lease Term	5.2 Years	5.2 Years
Weighted-Average Discount Rate	0.5%	0.5%

A maturity analysis of annual undiscounted cash flows for lease liability as of December 31, 2023, is as follows:

<u>Year Ending December 31,</u>	<u>Operating Leases</u>
2024	\$ 616,255
2025	623,576
2026	320,058
2027	329,291
2028	212,885
Thereafter	<u>404,829</u>
Total Lease Payments	2,506,894
Less: Interest	<u>(34,023)</u>
Present Value of Lease Liabilities	<u>\$ 2,472,871</u>

GENESYS WORKS AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 10 CONTRACT REVENUE, ASSETS, AND LIABILITIES

	<u>2023</u>	<u>2022</u>
Revenue Recognized Over Time:		
Alumni Services	\$ 6,142,632	\$ 5,978,375
IT Services	15,480,651	13,769,348
Net of Accounts Receivable Processing Fees	<u>(45,461)</u>	<u>(55,063)</u>
Total Revenue Recognized Over Time	<u>\$ 21,577,822</u>	<u>\$ 19,692,660</u>

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Accounts Receivable:			
Intern and Participant Services Provided	<u>\$ 3,370,808</u>	<u>\$ 3,275,856</u>	<u>\$ 2,719,910</u>
Total Accounts Receivable	<u>\$ 3,370,808</u>	<u>\$ 3,275,856</u>	<u>\$ 2,719,910</u>

Deferred Revenue:			
Proceeds Received for Which Conditions not Met	\$ -	\$ -	\$ 15,205
Prepayments in Advance of Earned Services Performed	<u>101,283</u>	<u>183,369</u>	<u>26,426</u>
Total Deferred Revenue	<u>\$ 101,283</u>	<u>\$ 183,369</u>	<u>\$ 41,631</u>

NOTE 11 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 years ended December 31, 2023 and 2022, we received \$588,622 and \$476,635, respectively, in gifts from related individuals and related entities.

As of December 31, 2023 and 2022, \$112,774 and \$15,730, respectively, in reimbursements were owed to employees.

As of December 31, Genesys Works National had the following net amounts due from its subsidiaries:

	<u>2023</u>	<u>2022</u>
Genesys Works Houston	\$ -	\$ 37,012
Genesys Works Twin Cities	145,874	80,226
Genesys Works Bay Area	39,666	26,408
Genesys Works National Capital Region	55,458	
Genesys Works Chicago	<u>40,517</u>	<u>20,558</u>
Total Due from National	<u>\$ 281,515</u>	<u>\$ 164,204</u>

GENESYS WORKS AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 11 RELATED PARTY TRANSACTIONS (CONTINUED)

As of December 31, Genesys Works National had the following net amounts due to its subsidiaries:

	<u>2023</u>	<u>2022</u>
Genesys Works Houston	\$ 48,342	\$ -
Genesys Works National Capital Region	-	6,984
Genesys Works New York City	<u>223,648</u>	<u>64,031</u>
Total Due to National	<u>\$ 271,990</u>	<u>\$ 71,015</u>

These intercompany amounts are eliminated upon consolidation.

NOTE 12 IN-KIND CONTRIBUTIONS

Genesys records in-kind contributions at fair market value at the date of donation. In-kind contributions consist of the following for the years ended December 31:

	<u>2023</u>	<u>2022</u>
Rent and Occupancy Provided	\$ 21,000	\$ 21,000
Legal Services	69,652	124,538
Intern Wages	80,424	-
Consulting	80,560	-
Software and Equipment	-	361,433
Events	<u>2,200</u>	<u>13,407</u>
Total In-Kind Revenue	<u>\$ 253,836</u>	<u>\$ 520,378</u>

All donated services and assets were utilized by Genesys' programs and supporting services. There were no donor-imposed restrictions associated with the donated services and assets. Donated software and equipment is valued at the estimated fair value to purchase similar items. Donated legal and consulting services are valued at the estimated fair value based on normal market hourly rates of providing similar services. The Organization received contributed intern wages that are reported using current rates for similar services.

Genesys receives use of donated facilities for its program operations and supporting services. In-kind contribution revenue and a corresponding expense is recognized in an amount approximating the estimated fair value at the time of the donation. Fair value is estimated using the average price per square foot of similar rental listings. The contributed rent expense is allocated based on percentage of time and effort of staff members.

**GENESYS WORKS
BAY AREA
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	2023	2022
ASSETS		
Cash and Cash Equivalents	\$ 2,443,581	\$ 1,686,503
Accounts Receivable, Net	198,982	213,359
Contributions Receivable	250,000	15,000
Prepaid Expenses and Other Assets	21,605	14,684
Total Assets	\$ 2,914,168	\$ 1,929,546
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 5,015	\$ 3,842
Accrued Expenses and Other Payables	162,790	142,513
Deferred Revenue	57,139	156,943
Line of Credit	-	200,500
Total Liabilities	224,944	503,798
NET ASSETS		
Without Donor Restrictions	2,689,224	1,425,748
Total Net Assets	2,689,224	1,425,748
Total Liabilities and Net Assets	\$ 2,914,168	\$ 1,929,546

**GENESYS WORKS
BAY AREA
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 1,734,206	\$ 418,550	\$ 2,152,756
Net Assets Released from Restrictions	418,550	(418,550)	-
Total Public Support	2,152,756	-	2,152,756
Revenues - Program Service Fees	1,795,824	-	1,795,824
Other Income	83,510	-	83,510
Total Public Support, Revenues, and Other	4,032,090	-	4,032,090
EXPENSES			
Student Program	2,149,100	-	2,149,100
Management and General	384,007	-	384,007
Fundraising	235,507	-	235,507
Total Expenses	2,768,614	-	2,768,614
CHANGE IN NET ASSETS	1,263,476	-	1,263,476
Net Assets - Beginning of Year	1,425,748	-	1,425,748
NET ASSETS - END OF YEAR	\$ 2,689,224	\$ -	\$ 2,689,224

**GENESYS WORKS
BAY AREA
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 561,893	\$ 196,000	\$ 757,893
In-Kind Contributions	40,159	-	40,159
Net Assets Released from Restrictions	<u>211,000</u>	<u>(211,000)</u>	<u>-</u>
Total Public Support	813,052	(15,000)	798,052
Revenues - Program Service Fees	2,160,711	-	2,160,711
Other Income	<u>13,956</u>	<u>-</u>	<u>13,956</u>
Total Public Support, Revenues, and Other	2,987,719	(15,000)	2,972,719
EXPENSES			
Student Program	2,339,255	-	2,339,255
Management and General	280,666	-	280,666
Fundraising	<u>63,133</u>	<u>-</u>	<u>63,133</u>
Total Expenses	<u>2,683,054</u>	<u>-</u>	<u>2,683,054</u>
CHANGE IN NET ASSETS	304,665	(15,000)	289,665
Net Assets - Beginning of Year	<u>1,121,083</u>	<u>15,000</u>	<u>1,136,083</u>
NET ASSETS - END OF YEAR	<u>\$ 1,425,748</u>	<u>\$ -</u>	<u>\$ 1,425,748</u>

**GENESYS WORKS
CHICAGO
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	2023	2022
ASSETS		
Cash and Cash Equivalents	\$ 257,811	\$ 455,355
Accounts Receivable, Net	448,603	527,699
Contributions Receivable	32,500	5,500
Prepaid Expenses and Other Assets	70,130	98,130
Property and Equipment, Net	21,719	27,781
Right-of-Use Asset, Net	307,503	474,240
Total Assets	\$ 1,138,266	\$ 1,588,705
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 27,482	\$ 19,774
Accrued Expenses and Other Payables	193,379	281,232
Lease Liability	298,654	464,350
Total Liabilities	519,515	765,356
NET ASSETS		
Without Donor Restrictions	598,751	803,349
With Donor Restrictions	20,000	20,000
Total Net Assets	618,751	823,349
Total Liabilities and Net Assets	\$ 1,138,266	\$ 1,588,705

**GENESYS WORKS
CHICAGO
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 886,947	\$ 95,000	\$ 981,947
Net Assets Released from Restrictions	95,000	(95,000)	-
Total Public Support	981,947	-	981,947
Revenues - Program Service Fees	3,800,628	-	3,800,628
Other Income	17,424	-	17,424
Total Public Support, Revenues, and Other	4,799,999	-	4,799,999
EXPENSES			
Student Program	4,268,528	-	4,268,528
Management and General	439,324	-	439,324
Fundraising	296,745	-	296,745
Total Expenses	5,004,597	-	5,004,597
CHANGE IN NET ASSETS	(204,598)	-	(204,598)
Net Assets - Beginning of Year	803,349	20,000	823,349
NET ASSETS - END OF YEAR	\$ 598,751	\$ 20,000	\$ 618,751

**GENESYS WORKS
CHICAGO
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 826,152	\$ 70,000	\$ 896,152
In-Kind Contributions	40,159	-	40,159
Net Assets Released from Restrictions	74,999	(74,999)	-
Total Public Support	941,310	(4,999)	936,311
Revenues - Program Service Fees	3,181,226	-	3,181,226
Other Income	5,179	-	5,179
Total Public Support, Revenues, and Other	4,127,715	(4,999)	4,122,716
EXPENSES			
Student Program	3,541,658	-	3,541,658
Management and General	337,384	-	337,384
Fundraising	399,624	-	399,624
Total Expenses	4,278,666	-	4,278,666
CHANGE IN NET ASSETS	(150,951)	(4,999)	(155,950)
Net Assets - Beginning of Year	954,300	24,999	979,299
NET ASSETS - END OF YEAR	\$ 803,349	\$ 20,000	\$ 823,349

**GENESYS WORKS
HOUSTON
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	2023	2022
ASSETS		
Cash and Cash Equivalents	\$ 3,073,762	\$ 3,438,751
Accounts Receivable, Net	539,686	564,892
Contributions Receivable	50,000	2,772
Prepaid Expenses and Other Assets	207,978	81,894
Property and Equipment, Net	24,191	129,005
Right-of-Use Asset, Net	858,505	908,057
Total Assets	\$ 4,754,122	\$ 5,125,371
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 80,305	\$ 30,962
Accrued Expenses and Other Payables	305,089	269,011
Deferred Revenue	23,385	8,120
Lease Liability	1,056,026	1,103,736
Total Liabilities	1,464,805	1,411,829
NET ASSETS		
Without Donor Restrictions	3,024,317	3,324,276
With Donor Restrictions	265,000	389,266
Total Net Assets	3,289,317	3,713,542
Total Liabilities and Net Assets	\$ 4,754,122	\$ 5,125,371

**GENESYS WORKS
HOUSTON
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 1,420,584	\$ 444,171	\$ 1,864,755
Net Assets Released from Restrictions	568,437	(568,437)	-
Total Public Support	1,989,021	(124,266)	1,864,755
Revenues - Program Service Fees	3,834,164	-	3,834,164
Other Income	144,268	-	144,268
Total Public Support, Revenues, and Other	5,967,453	(124,266)	5,843,187
EXPENSES			
Student Program	5,187,980	-	5,187,980
Management and General	635,486	-	635,486
Fundraising	443,946	-	443,946
Total Expenses	6,267,412	-	6,267,412
CHANGE IN NET ASSETS	(299,959)	(124,266)	(424,225)
Net Assets - Beginning of Year	3,324,276	389,266	3,713,542
NET ASSETS - END OF YEAR	\$ 3,024,317	\$ 265,000	\$ 3,289,317

**GENESYS WORKS
HOUSTON
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 2,305,737	\$ 498,443	\$ 2,804,180
In-Kind Contributions	200,796	-	200,796
Net Assets Released from Restrictions	<u>428,182</u>	<u>(428,182)</u>	<u>-</u>
Total Public Support	2,934,715	70,261	3,004,976
Revenues - Program Service Fees	3,309,453	-	3,309,453
Other Income	<u>50,546</u>	<u>-</u>	<u>50,546</u>
Total Public Support, Revenues, and Other	6,294,714	70,261	6,364,975
EXPENSES			
Student Program	4,561,482	-	4,561,482
Management and General	413,682	-	413,682
Fundraising	<u>422,124</u>	<u>-</u>	<u>422,124</u>
Total Expenses	<u>5,397,288</u>	<u>-</u>	<u>5,397,288</u>
CHANGE IN NET ASSETS	897,426	70,261	967,687
Net Assets - Beginning of Year	<u>2,426,850</u>	<u>319,005</u>	<u>2,745,855</u>
NET ASSETS - END OF YEAR	<u>\$ 3,324,276</u>	<u>\$ 389,266</u>	<u>\$ 3,713,542</u>

**GENESYS WORKS
NATIONAL CAPITAL REGION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	2023	2022
ASSETS		
Cash and Cash Equivalents	\$ 32,062	\$ 432,872
Accounts Receivable, Net	159,204	148,838
Contributions Receivable	10,000	7,500
Prepaid Expenses and Other Assets	128,527	46,941
Right-of-Use Asset, Net	426,099	521,940
Total Assets	\$ 755,892	\$ 1,158,091
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 16,687	\$ 17,620
Accrued Expenses and Other Payables	258,111	113,167
Lease Liability	442,691	531,104
Total Liabilities	717,489	661,891
NET ASSETS		
Without Donor Restrictions	38,403	460,762
With Donor Restrictions	-	35,438
Total Net Assets	38,403	496,200
Total Liabilities and Net Assets	\$ 755,892	\$ 1,158,091

**GENESYS WORKS
NATIONAL CAPITAL REGION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 452,758	\$ 25,000	\$ 477,758
In-Kind Contributions	163,184	-	163,184
Net Assets Released from Restrictions	60,438	(60,438)	-
Total Public Support	676,380	(35,438)	640,942
Revenues - Program Service Fees	1,208,233	-	1,208,233
Other Income	77,072	-	77,072
Total Public Support, Revenues, and Other	1,961,685	(35,438)	1,926,247
EXPENSES			
Student Program	1,840,638	-	1,840,638
Management and General	341,201	-	341,201
Fundraising	202,205	-	202,205
Total Expenses	2,384,044	-	2,384,044
CHANGE IN NET ASSETS	(422,359)	(35,438)	(457,797)
Net Assets - Beginning of Year	460,762	35,438	496,200
NET ASSETS - END OF YEAR	\$ 38,403	\$ -	\$ 38,403

**GENESYS WORKS
NATIONAL CAPITAL REGION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 336,908	\$ -	\$ 336,908
In-Kind Contributions	40,159	-	40,159
Net Assets Released from Restrictions	64,562	(64,562)	-
Total Public Support	441,629	(64,562)	377,067
Revenues - Program Service Fees	914,434	-	914,434
Other Income	60,698	-	60,698
Total Public Support, Revenues, and Other	1,416,761	(64,562)	1,352,199
EXPENSES			
Student Program	1,300,581	-	1,300,581
Management and General	144,889	-	144,889
Fundraising	200,218	-	200,218
Total Expenses	1,645,688	-	1,645,688
CHANGE IN NET ASSETS	(228,927)	(64,562)	(293,489)
Net Assets - Beginning of Year	689,689	100,000	789,689
NET ASSETS - END OF YEAR	\$ 460,762	\$ 35,438	\$ 496,200

**GENESYS WORKS
NEW YORK CITY
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	2023	2022
ASSETS		
Cash and Cash Equivalents	\$ 716,211	\$ 762,244
Accounts Receivable, Net	228,893	235,506
Contributions Receivable	-	120,000
Prepaid Expenses and Other Assets	303,284	137,696
Total Assets	\$ 1,248,388	\$ 1,255,446
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 24,400	\$ 12,115
Accrued Expenses and Other Payables	151,241	121,219
Total Liabilities	175,641	133,334
NET ASSETS		
Without Donor Restrictions	950,881	770,441
With Donor Restrictions	121,866	351,671
Total Net Assets	1,072,747	1,122,112
Total Liabilities and Net Assets	\$ 1,248,388	\$ 1,255,446

**GENESYS WORKS
NEW YORK CITY
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 794,717	\$ 76,981	\$ 871,698
In-Kind Contributions	25,917	-	25,917
Net Assets Released from Restrictions	306,786	(306,786)	-
Total Public Support	1,127,420	(229,805)	897,615
Revenues - Program Service Fees	1,311,249	-	1,311,249
Total Public Support, Revenues, and Other	2,438,669	(229,805)	2,208,864
EXPENSES			
Student Program	1,918,823	-	1,918,823
Management and General	243,369	-	243,369
Fundraising	96,037	-	96,037
Total Expenses	2,258,229	-	2,258,229
CHANGE IN NET ASSETS	180,440	(229,805)	(49,365)
Net Assets - Beginning of Year	770,441	351,671	1,122,112
NET ASSETS - END OF YEAR	\$ 950,881	\$ 121,866	\$ 1,072,747

**GENESYS WORKS
NEW YORK CITY
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 569,707	\$ 388,000	\$ 957,707
In-Kind Contributions	74,566	-	74,566
Net Assets Released from Restrictions	222,929	(222,929)	-
Total Public Support	867,202	165,071	1,032,273
Revenues - Program Service Fees	973,324	-	973,324
Total Public Support, Revenues, and Other	1,840,526	165,071	2,005,597
EXPENSES			
Student Program	1,436,988	-	1,436,988
Management and General	158,245	-	158,245
Fundraising	111,814	-	111,814
Total Expenses	1,707,047	-	1,707,047
CHANGE IN NET ASSETS	133,479	165,071	298,550
Net Assets - Beginning of Year	636,962	186,600	823,562
NET ASSETS - END OF YEAR	\$ 770,441	\$ 351,671	\$ 1,122,112

**GENESYS WORKS
TWIN CITIES
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	2023	2022
ASSETS		
Cash and Cash Equivalents	\$ 2,274,928	\$ 2,343,275
Accounts Receivable, Net	1,747,962	1,585,562
Contributions Receivable	78,500	32,500
Prepaid Expenses and Other Assets	39,741	51,977
Property and Equipment, Net	-	28,860
Right-of-Use Asset, Net	322,517	35,244
Total Assets	\$ 4,463,648	\$ 4,077,418
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 42,799	\$ 49,289
Accrued Expenses and Other Payables	497,926	467,187
Deferred Revenue	20,759	18,306
Lease Liability	344,779	50,645
Total Liabilities	906,263	585,427
NET ASSETS		
Without Donor Restrictions	3,091,521	3,366,429
With Donor Restrictions	465,865	125,562
Total Net Assets	3,557,386	3,491,991
Total Liabilities and Net Assets	\$ 4,463,649	\$ 4,077,418

**GENESYS WORKS
TWIN CITIES
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 1,232,142	\$ 663,849	\$ 1,895,991
Net Assets Released from Restrictions	323,546	(323,546)	-
Total Public Support	1,555,688	340,303	1,895,991
Revenues - Program Service Fees	9,523,918	-	9,523,918
Other Income	98,656	-	98,656
Total Public Support, Revenues, and Other	11,178,262	340,303	11,518,565
EXPENSES			
Student Program	9,979,382	-	9,979,382
Management and General	1,054,855	-	1,054,855
Fundraising	418,933	-	418,933
Total Expenses	11,453,170	-	11,453,170
CHANGE IN NET ASSETS	(274,908)	340,303	65,395
Net Assets - Beginning of Year	3,366,429	125,562	3,491,991
NET ASSETS - END OF YEAR	\$ 3,091,521	\$ 465,865	\$ 3,557,386

**GENESYS WORKS
TWIN CITIES
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 1,366,788	\$ 221,353	\$ 1,588,141
Net Assets Released from Restrictions	<u>256,821</u>	<u>(256,821)</u>	<u>-</u>
Total Public Support	1,623,609	(35,468)	1,588,141
Revenues - Program Service Fees	9,153,513	-	9,153,513
Other Income	<u>21,585</u>	<u>-</u>	<u>21,585</u>
Total Public Support, Revenues, and Other	10,798,707	(35,468)	10,763,239
EXPENSES			
Student Program	10,011,460	-	10,011,460
Management and General	718,509	-	718,509
Fundraising	<u>386,037</u>	<u>-</u>	<u>386,037</u>
Total Expenses	<u>11,116,006</u>	<u>-</u>	<u>11,116,006</u>
CHANGE IN NET ASSETS	(317,299)	(35,468)	(352,767)
Net Assets - Beginning of Year	<u>3,683,728</u>	<u>161,030</u>	<u>3,844,758</u>
NET ASSETS - END OF YEAR	<u>\$ 3,366,429</u>	<u>\$ 125,562</u>	<u>\$ 3,491,991</u>

**GENESYS WORKS
NATIONAL
(EXCLUDING WASHINGTON, DC AND NEW YORK CITY)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	2023	2022
ASSETS		
Cash and Cash Equivalents	\$ 3,401,420	\$ 1,619,328
Accounts Receivable, Net	47,478	-
Contributions Receivable	166,500	485,000
Prepaid Expenses and Other Assets	1,033,792	775,452
Property and Equipment, Net	152,285	217,243
Right-of-Use Asset, Net	140,570	331,638
Total Assets	\$ 4,942,045	\$ 3,428,661
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 147,802	\$ 144,148
Accrued Expenses and Other Payables	907,351	555,722
Lease Liability	330,721	402,849
Total Liabilities	1,385,874	1,102,719
NET ASSETS		
Without Donor Restrictions	1,592,444	726,895
With Donor Restrictions	1,963,727	1,599,047
Total Net Assets	3,556,171	2,325,942
Total Liabilities and Net Assets	\$ 4,942,045	\$ 3,428,661

**GENESYS WORKS
NATIONAL**
(EXCLUDING WASHINGTON, DC AND NEW YORK CITY)
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 3,287,154	\$ 1,532,658	\$ 4,819,812
In-Kind Contributions	64,138	-	64,138
Net Assets Released from Restrictions	<u>1,167,978</u>	<u>(1,167,978)</u>	<u>-</u>
Total Public Support	4,519,270	364,680	4,883,950
Revenues - Program Service Fees	4,218,307	-	4,218,307
Other Loss	<u>(66,120)</u>	<u>-</u>	<u>(66,120)</u>
Total Public Support, Revenues, and Other	8,671,457	364,680	9,036,137
EXPENSES			
Student Program	2,919,444	-	2,919,444
Management and General	3,899,008	-	3,899,008
Fundraising	<u>987,456</u>	<u>-</u>	<u>987,456</u>
Total Expenses	<u>7,805,908</u>	<u>-</u>	<u>7,805,908</u>
CHANGE IN NET ASSETS	865,549	364,680	1,230,229
Net Assets - Beginning of Year	<u>726,895</u>	<u>1,599,047</u>	<u>2,325,942</u>
NET ASSETS - END OF YEAR	<u>\$ 1,592,444</u>	<u>\$ 1,963,727</u>	<u>\$ 3,556,171</u>

**GENESYS WORKS
NATIONAL**
(EXCLUDING WASHINGTON, DC AND NEW YORK CITY)
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2022
(SEE INDEPENDENT AUDITORS' REPORT)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
PUBLIC SUPPORT, REVENUES, AND OTHER			
Public Support:			
General Public	\$ 1,806,876	\$ 2,115,000	\$ 3,921,876
In-Kind Contributions	124,539	-	124,539
Net Assets Released from Restrictions	<u>701,954</u>	<u>(701,954)</u>	<u>-</u>
Total Public Support	2,633,369	1,413,046	4,046,415
Revenues - Program Service Fees	2,895,787	-	2,895,787
Other Loss	<u>(7,672)</u>	<u>-</u>	<u>(7,672)</u>
Total Public Support, Revenues, and Other	5,521,484	1,413,046	6,934,530
EXPENSES			
Student Program	2,074,691	-	2,074,691
Management and General	3,067,769	-	3,067,769
Fundraising	916,401	-	916,401
Total Expenses	<u>6,058,861</u>	<u>-</u>	<u>6,058,861</u>
CHANGE IN NET ASSETS	(537,377)	1,413,046	875,669
Net Assets - Beginning of Year	<u>1,264,272</u>	<u>186,001</u>	<u>1,450,273</u>
NET ASSETS - END OF YEAR	<u><u>\$ 726,895</u></u>	<u><u>\$ 1,599,047</u></u>	<u><u>\$ 2,325,942</u></u>



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