

THE HAITIAN PROJECT, INC.

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Financial Statements

December 31, 2020

Mullen Scorpio Cerilli
Certified Public Accountants
Business Consultants

Mullen Scorpio Cerilli

THE HAITIAN PROJECT, INC.

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Mullen Scorpio Cerilli

Certified Public Accountants
Business Consultants

67 Cedar Street, Suite 106
Providence, RI 02903
401-751-3860
401-751-3987 Fax
www.mullenscorpiorcerilli.com

The Board of Directors of
The Haitian Project, Inc.

Independent Accountant's Review Report

We have reviewed the accompanying financial statements of The Haitian Project, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expense and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

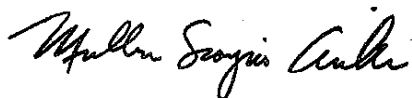
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



June 28, 2022
Providence, Rhode Island

THE HAITIAN PROJECT, INC.
Statement of Financial Position
December 31, 2020

	<u>2020</u>
Assets	
Cash and cash equivalent	\$ 92,930
Cash - restricted	156,323
Accounts receivable	6,661
Contributions receivable	99,534
Annual fund pledges receivable	300,000
Endowment pledges receivable	899,402
Investments	4,145,963
Property and equipment (net of accumulated depreciation)	<u>641,448</u>
Total assets	<u>\$ 6,342,261</u>
Liabilities and Net Assets	
Accounts payable	<u>\$ 1,179</u>
Total liabilities	<u>1,179</u>
Net assets:	
Without donor restrictions:	
Board designated	2,334,696
Invested in property and equipment	641,448
Operating reserves	568,511
Unrestricted	<u>199,125</u>
Total without donor restrictions	3,743,780
With donor restrictions	<u>2,597,302</u>
Total net assets	<u>6,341,082</u>
Total liabilities and net assets	<u>\$ 6,342,261</u>

The notes are an integral part of these financial statements.

THE HAITIAN PROJECT, INC.
Statement of Activities
For the Year Ended December 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and support:			
Contributions - U.S.	\$ 1,184,060	\$ 721,700	\$ 1,905,760
Contributions - Haiti	34	-	34
Paycheck Protection Program Grant	105,300	-	105,300
Student fees	6,070	-	6,070
Other revenue - gain/loss	553	-	553
Interest	661	-	661
Investment income	266,746	128,825	395,571
Contributed services and goods	4,730	-	4,730
Total revenue and support	<u>1,568,154</u>	<u>850,525</u>	<u>2,418,679</u>
Reclassification - net assets released from restrictions:	<u>409,651</u>	<u>(409,651)</u>	<u>-</u>
Total revenue and reclassification	1,977,805	440,874	2,418,679
Expenses:			
Program services	1,363,317	-	1,363,317
Management and general	203,906	-	203,906
Fundraising	228,152	-	228,152
Total expenses	1,795,375	-	1,795,375
Change in net assets	182,430	440,874	623,304
Net assets - beginning, before prior period adjustment	3,284,797	2,156,428	5,441,225
Prior period adjustment	<u>276,553</u>	<u>-</u>	<u>276,553</u>
Net assets - beginning, after prior period adjustment	<u>3,561,350</u>	<u>2,156,428</u>	<u>5,717,778</u>
Net assets - ending	<u>\$ 3,743,780</u>	<u>\$ 2,597,302</u>	<u>\$ 6,341,082</u>

The notes are an integral part of these financial statements.

THE HAITIAN PROJECT, INC.
Statement of Functional Expenses
For the Year Ended December 31, 2020

	<u>Programs</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Personnel costs:				
Salaries	\$ 635,499	\$ 142,812	\$ 146,827	\$ 925,138
Employee benefits	29,961	23,465	20,009	73,435
Total personnel costs	665,460	166,277	166,836	998,573
Other expenses:				
Advertising and promotion	-	-	9,468	9,468
Bank fees and currency exchange	6,458	772	6,887	14,117
Capital expenses	12,175	-	-	12,175
Community and school programs and outreach	30,599	691	-	31,290
Diesel	5,327	-	-	5,327
Depreciation	122,602	-	-	122,602
Facility maintenance and upgrades	31,858	-	-	31,858
Fees for services	10,713	4,273	-	14,987
Food	47,743	-	-	47,743
Insurance	5,127	4,386	-	9,513
LCS schools network	6,937	-	-	6,937
Meetings and events	-	567	28	596
Miscellaneous	25	-	-	25
Mission trips	40	-	-	40
Missionary In-Country Community	4,457	-	-	4,457
Occupancy	22,446	14,344	8,250	45,040
Post Grad Univ. support and career adv. prog	204,298	-	-	204,298
Postage	-	1,068	3,994	5,062
Printing	-	773	25,326	26,099
Professional development	3,772	3,938	-	7,710
Propane	2,440	-	-	2,440
Special grants	124,408	-	-	124,408
Staff search	-	-	-	-
Supplies and textbooks	17,309	1,585	1,525	20,420
Tech services and upgrades	5,394	709	2,456	8,559
Telephone and internet	7,467	2,749	2,107	12,323
Travel/housing/transportation	9,508	1,773	1,274	12,555
Uncollectible pledges	8,250	-	-	8,250
Vehicle maintenance	8,505	-	-	8,505
Total expenses	697,857	37,629	61,316	796,802
Total functional expenses	<u>\$ 1,363,317</u>	<u>\$ 203,906</u>	<u>\$ 228,152</u>	<u>\$ 1,795,375</u>

The notes are an integral part of these financial statements.

THE HAITIAN PROJECT, INC.

Statement of Cash Flow

December 31, 2020

	<u>2020</u>
Operating activities:	
Change in net assets	\$ 623,304
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	122,602
Unrealized gain on investments	(341,595)
Changes in current assets and liabilities:	
Accounts receivable	8,849
Pledges receivable	(53,832)
Accounts payable	<u>(385)</u>
Net cash provided by operating activities	<u>358,943</u>
Cash flows from investing activities:	
Acquisition of property and equipment	(336,729)
Prior period adjustment for capitalized expenditures	<u>276,553</u>
Net cash provided by investing activities	<u>(60,176)</u>
Net cash flows from investing activities:	
Proceeds from asset sale	553
Disposal of fixed assets	5,000
Purchases of investments	<u>(220,168)</u>
Net cash used in investing activities	<u>(214,615)</u>
Net cash flows from financing activities:	
Proceeds from Paycheck Protection Program - Loan/Grant	105,300
Forgiveness from Paycheck Protection Program - Loan/Grant	<u>(105,300)</u>
Net cash used in financing activities	<u>-</u>
Net increase (decrease) in cash	84,152
Cash and restricted cash and cash equivalents - beginning of period	<u>165,101</u>
Cash and restricted cash and cash equivalents - end of period	<u><u>\$ 249,253</u></u>
Additional disclosures	
Interest paid	\$ -
Taxes paid	\$ -

The notes are an integral part of these financial statements.

THE HAITIAN PROJECT, INC.

Notes to Financial Statements

December 31, 2020

Note 1 - Description of the Organization

The Haitian Project, Inc. through its support of Louverture Cleary School, a tuition-free, Catholic, co-educational secondary boarding school in Haiti, provides for the education of academically talented and motivated students from Haitian families who cannot afford the cost of their children's education in order to maximize their potential and enable them to work toward building a Haiti where justice and peace thrive.

The majority of revenue is from contributions.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Project have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require the Project to report information regarding its financial position and activities according to the following net asset classifications:

- Net assets without donor restrictions are those not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Project. These net assets may be used at the discretion of management and the Board of Directors.
- Net assets with donor restrictions are those subject to stipulations by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Project or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Project considers cash and cash equivalents to be equal to cash balances within checking, savings accounts, certificate of deposits, and money market funds.

Note 2 continued on the next page.

Note 2 - Summary of Significant Accounting Policies (continued)

Pledges Receivable

The Project uses specific write-off method for bad debts. Under this method, an allowance for doubtful accounts is not maintained, but pledges receivable is written off when they become uncollectible.

Generally accepted accounting principles require an allowance for doubtful accounts receivable whenever it can be reasonably estimated and is a material amount. The effect of using the specific write-off method instead of the reserve method is not material to these financial statements.

Property and Equipment

The Project's policy is to capitalize all purchases of property and equipment over \$1,000 having a useful life of a year or more as fixed assets. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value.

Depreciation is calculated under the straight-line method over the estimated useful lives of the assets. Building and improvements have a useful life of twenty-five years; vehicles and equipment have useful lives of five to twenty-five years.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at fair value in the accompanying financial statements. Unrealized gains and losses are included in the change in net assets.

Revenue Recognition

Revenue received through grants and contributions are recognized as services are rendered or when contractual provisions are satisfied, or donor-imposed restrictions are met.

Recognition of Donor Restrictions

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, the restricted net assets are reclassified to unrestricted net assets. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Project reports the donation as unrestricted.

In-Kind Donations

Contributions of donated non-cash assets are recorded at their fair market values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills and are provided by individuals possessing those skills, and that would typically need to be purchased if not provided by donation are recorded at their fair market values in the period received.

Note 2 continued on the next page.

Note 2 - Summary of Significant Accounting Policies (continued)

Income Taxes

The Project is exempt from income taxes as a charitable organization under Section 501(c)(3) under the Internal Revenue Code and is not considered a private foundation.

The Project evaluates its uncertain tax positions using guidance for contingencies as contained in US generally accepted accounting principles. The Project was not aware of any uncertain tax positions that were not provided for in the accompanying financial statements.

The Project annually files Internal Revenue Service Form 990 - *Return of Organization Exempt from Income Tax*, reporting various information that the IRS uses to monitor the activities of tax-exempt entities. These tax returns are subject to review by the taxing authorities and the Project's income tax returns for 2017, 2018 and 2019 are subject to examination by the IRS and state authorities, generally for three years after they were filed. The Project currently has no tax examinations in progress.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs benefited.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Note 3 - Pledges Receivable

For the year ended December 31, 2020, the Project has accepted contribution pledges. These pledges are expected to be collected in future years. The pledges have not been adjusted to the present value of their estimated future cash flows because it was not material to these financial statements. An allowance for doubtful pledges was not recorded in the year ended December 31, 2020 because the Project uses the specific write-off method. The effect of using the specific write-off method instead of the reserve method is not material to these financial statements.

Included in pledges receivable are the following promises to give:

Pledges receivable	\$ 899,402
Less: unamortized present value discount	<u>-</u>
Net pledges receivable	<u>\$ 899,402</u>
Current:	
Amount due in:	
Year one	<u>\$ 272,118</u>

Note 3 continued on the next page.

Note 3 - Pledges Receivable (continued)

Noncurrent:	
Year two	\$ 264,440
Year three	82,075
Year four	280,769
Year five	-
Thereafter	-
	<hr/>
Total noncurrent	627,284
	<hr/>
Total	\$ 899,402
	<hr/>

Note 4 - Investments

Investments are stated at fair value and are summarized as follows:

	<u>Fair Value</u>
Cash and money markets	\$ 783,158
Certificate of deposit	160,943
U.S. equities	1,548,945
International equities	941,745
Fixed income	711,172
	<hr/>
Total	\$ 4,145,963
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The following schedule summarized the investments return and its classification in the statement of activities for the year ended December 31, 2020:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Interest and dividend income	\$ 18,141	\$ 51,516	\$ 69,657
Unrealized and realized gains	114,987	226,607	341,594
Investment fees	<u>(4,303)</u>	<u>(11,377)</u>	<u>(15,680)</u>
Total	<u>\$ 128,825</u>	<u>\$ 266,746</u>	<u>\$ 395,571</u>

Investments management and bank fees were \$15,680 for the year ended December 31, 2020.

Note 5 - Property and Equipment

At December 31, 2020, the costs of property and equipment were as follows:

Land	\$ 67,242
Building and improvements	977,430
Equipment	297,822
Vehicle	<u>138,050</u>
Total property and equipment	1,480,544
Accumulated depreciation	<u>(839,096)</u>
Net property and equipment	<u>\$ 641,448</u>

Note 6 - Fair Value Measurements

Generally accepted accounting principles establish a framework for measuring fair value and expand disclosures about fair value measurements for assets and liabilities. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 input) and the lowest priority to unobservable inputs (level 3 inputs). The three levels of the fair value hierarchy according to generally accepted accounting principles are as follows:

- Level 1 - valuations based on quoted prices in active markets for identical investments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.
- Level 2 - valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly, and determined through the use of models or other valuation methodologies.
- Level 3 - valuations based on inputs that are unobservable and significant to the overall fair value measurement, and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

The following tables' present assets at December 31, 2020 that the Project measures at fair value on a recurring basis by level within the fair value hierarchy.

Note 6 continued on the next page.

Note 6 - Fair Value Measurements (continued)

<u>Investments</u>	<u>Balance as of 2020</u>
Level 1:	
Money market and cash equivalents	\$ 783,158
Certificate of deposit - Domestic	160,943
Equity:	
Domestic - Vanguard Index Fund	1,548,945
International - Vanguard Star Fund	941,745
Fixed Income:	
Government Bonds	139,137
Corporate Bonds	572,035
Total Level 1	<u>4,145,963</u>
Level 2	-
Level 3	-
Total investments	<u>\$ 4,145,963</u>

Note 7 - Endowment

The Project's endowment includes both donor-restricted endowment funds and funds designated by the Board to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Project operates under 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 funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Project classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with Rhode Island State law, the Project considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- a) the duration and preservation of the endowment fund
- b) the purpose of the Project and the endowment
- c) general economic conditions
- d) the possible effect of inflation or deflation

Note 7 continued on the next page.

Note 7 - Endowment (continued)

- e) the expected total return from income and the appreciation of investments
- f) other resources
- g) the investment policy of the Project

Return Objective and Risk Parameters - The Project has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Project must hold for a donor-specified time as well as board-designated funds. Given the relationship between risk and return, a fundamental step in determining the investment policy for Endowment Funds is the determination of an appropriate risk tolerance. After taking into consideration such factors as corporate financial stability, uncertainty of cash flows in and out of the Endowment Funds over the long-term and capital market volatility, the Board of Directors believes a very conservative investment strategy is prudent. Under this policy, as approved by the Board of Directors, the goal is to have stable returns over the long-term, with a reduced potential of negative returns in any given year. The Board has reserved the right to change this conservative investment strategy as financial markets improve.

Strategies Employed for Achieving Objective - To satisfy its long-term rate-of-return objectives, the Project relies on a total return strategy in which investment returns are achieved through both capital appreciation (both realized and unrealized) and current yield (interest and dividends). The Project targets an asset allocation of 70% equity and 30% fixed and targets a low-risk asset portfolio to minimize potential market loss.

Spending Policy - The Project has the following Spending Policy.

Post-Graduate Education Fund - Annually the Investment Committee, at the request of the Board of Directors, will make available funds to support the continuing education of Louverture Cleary graduates.

The amounts set aside for this purpose shall not exceed the sum of the gross earnings (both realized and unrealized) for the year plus any carry-forward from prior years (see below). The real gross earnings are the nominal gross earnings adjusted for the annual change in the cost of education in Haiti as measured by the "Haiti Education Price Index," an index established and monitored by the Investment Committee.

No distribution of income will be made in the subsequent year if, at the end of the prior calendar year, the market value of the Fund falls below the sum of the combined principals of all individual scholarship funds.

In years in which less than 100% of the funds set aside for continuing education are used, the difference will be carried forward to subsequent years.

The distribution will be transferred from the Fund to the appropriate operating account(s) in a single transfer in the first calendar quarter of the year.

Note 7 continued on the next page.

Note 7 - Endowment (continued)

Endowment Fund (Board Controlled) - The Investment Committee will annually recommend the percentage distribution (“payout rate”) from the Fund to support the programs of The Haitian Project. Except in extraordinary circumstances, the recommended payout rate is to be no more than 6% and should generally fall in the range of 4% to 6%, a level consistent with that of other established foundations and endowments.

The amount of distribution (“Distribution”) will be the payout rate multiplied by the average of the balance of the Fund on December 31 of the prior two years. For example, the distribution for 2016 will be the payout rate multiplied by the average of the balance of the fund on December 31, 2015 and December 31, 2016.

The distribution will be transferred from the Fund to the appropriate operating account(s) in four equal transfers, one in each calendar quarter. For example, four equal transfers might be made as one each in January, April, July and October.

The Board has reserved the right to change the spending policy depending on the financial market conditions and performance and investment returns.

The composition of endowment net assets by net asset class is as follows for the year ended December 31, 2020 as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 1,242,756	\$ 1,242,756
Board designated endowment funds	2,334,696	-	2,334,696
	<u>\$ 2,334,696</u>	<u>\$ 1,242,756</u>	<u>\$ 3,577,452</u>

Endowment activities by net asset class are as follows for the year ended December 31, 2020:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 2,111,827	\$ 915,055	\$ 3,026,882
Contributions	41,695	248,874	290,569
Investments returns:			
Interest and dividends	42,535	18,142	60,677
Net realized and unrealized gains (losses)	223,173	114,988	338,161
Disbursements	(75,000)	(50,000)	(125,000)
Reclassification of investment earnings	-	-	-
Investments fees	(9,534)	(4,303)	(13,837)
Endowment net assets, end of year	<u>\$ 2,334,696</u>	<u>\$ 1,242,756</u>	<u>\$ 3,577,452</u>

Note 7 continued on the next page.

Note 7 - Endowment (continued)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment assets and those functioning as endowment assets	\$ 2,334,696	\$ 1,242,756	\$ 3,577,452
Other net assets	<u>1,409,084</u>	<u>1,354,546</u>	<u>2,763,630</u>
Total net assets	<u>\$ 3,743,780</u>	<u>\$ 2,597,302</u>	<u>\$ 6,341,082</u>

Note 8 - Paycheck Protection Program - SBA Loan

On April 15, 2020, the Project received a loan through the Paycheck Protection Program, Loan 1, for \$105,300. The full loan amount of \$105,300 was forgiven on November 2, 2020. On January 30, 2021, the Project received a loan through the Paycheck Protection Program, Loan 2, for \$126,785. The full loan amount of \$126,785 was forgiven August 13, 2021. For the year ending December 31, 2020, the \$105,300 was recorded as grant revenue on the Consolidated Statement of Activities.

Note 9 - Board Designated Net Assets

At December 31, 2020, the Project's Board of Directors has designated unrestricted net assets as follows:

Designated for long term investment	<u>\$ 2,334,696</u>
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Note 10 - Net Assets - With Donor Restrictions

As of December 31, 2020, the following is a detail of the restricted net assets:

Program grants and isolated funds	\$ 154,794
Pledges	600,581
Post Grad Support Endowment Earnings	<u>141,726</u>

Total restrictions for specific purpose	<u>\$ 897,101</u>
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Not subject to appropriation of expenditures:

Post Grad Support Endowment	\$ 746,460
OEA Endowment	599,399
Pledges	<u>354,342</u>

Total donor restricted endowment	<u>\$ 1,700,201</u>
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Total with Donor Restrictions	<u>\$ 2,597,302</u>
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Note 11 - Net Assets Released from Restrictions

Net assets were released from contract and donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the contracts or donors. The amounts released during the years ended December 31, 2020 is as follows:

Program expenses	\$ 84,761
Endowment pledge payments	284,095
Endowment Distribution	50,000
To restrict funds with donor restrictions not spent in 2020	<u>(9,205)</u>
Total net assets released from restriction	<u>\$ 409,651</u>

Note 12 - Prior Period Adjustment

During the year ending December 31, 2020, the Project recorded the capitalization of the Science Building. These costs were expensed in prior years and were recorded as a period adjustment to the Net Asset balance on the Statement of Activities.

Note 13 - Contributed Services and Facilities

The Project has received in-kind donations of program services. The values of these donations are recorded as revenue and expense in the Statement of Activities, and for the years ended December 31, 2020 are as follows:

Accounting and legal services	\$ 2,802
Food, diesel and supplies	<u>1,928</u>
Total	<u>\$ 4,730</u>

Note 14 - Related Party

During the year ending December 31, 2020, the spouse of the executive director was employed by the Project as the Director of New School Construction. The employee earned \$60,000 during the year ended December 31, 2020.

Note 15 - Concentration of Credit Risk

The Project has concentrated its credit risk for cash by maintaining deposits in one financial institution. The Federal Deposit Insurance Corporation (FDIC) insure the balance up to \$250,000. At December 31, 2020, the Project had no uninsured cash balances.

Note 16 - Subsequent Events

Subsequent events have been evaluated through June 28, 2022, which is the date the financial statements were available for issuance.

Paycheck Protection Program - Loan 2

On August 13, 2021, the full amount of the loan \$126,785 was forgiven.

Foundation Haitian Project and Foundation Educative Louverture Cleary

In 2015, The Haitian Project began the process of establishing two Haitian nonprofits to create the appropriate structures for the development of a nationwide system of Louverture Cleary Schools, Foundation Haitian Project and Foundation Educative Louverture Cleary. The foundations are responsible for the direct management of school programs and the related physical plants. The Haitian Project continues to oversee and fund its activities in Haiti through its partnership with them. In 2021 the financial books of the partner entities were separated from THP's.