

**OSHER LIFELONG LEARNING INSTITUTE
AT GEORGE MASON UNIVERSITY**

**AUDITED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020**

DUNHAM, AUKAMP & RHODES, PLC
Certified Public Accountants
Chantilly, Virginia

**OSHER LIFELONG LEARNING INSTITUTE
AT GEORGE MASON UNIVERSITY**

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Dunham, Aukamp & Rhodes, PLC
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Osher Lifelong Learning Institute at George Mason University
Fairfax, Virginia

Opinion

We have audited the accompanying financial statements of Osher Lifelong Learning Institute at George Mason University (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Osher Lifelong Learning Institute at George Mason University as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Osher Lifelong Learning Institute at George Mason University and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Osher Lifelong Learning Institute at George Mason University's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Osher Lifelong Learning Institute at George Mason University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Osher Lifelong Learning Institute at George Mason University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Certified Public Accountants
Chantilly, Virginia

December 2, 2022

**OSHER LIFELONG LEARNING INSTITUTE
AT GEORGE MASON UNIVERSITY**

**STATEMENTS OF FINANCIAL POSITION
December 31,**

ASSETS		
	2021	2020
Current Assets		
Cash and cash equivalents	\$ 632,859	\$ 585,255
Accounts receivable	3,225	10,000
Prepaid expenses	19,444	19,946
Total Current Assets	655,528	615,201
Property and Equipment		
Computer equipment and software	7,729	3,683
Furniture and fixtures	162,686	155,031
Leasehold improvements	334,515	334,515
Website	38,600	38,600
Less: Accumulated depreciation	(366,890)	(334,109)
Total Property and Equipment	176,640	197,720
Total Assets	\$ 832,168	\$ 812,921
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 29,278	\$ 10,850
Accrued payroll liabilities	5,925	9,337
Deferred revenue	242,587	253,788
Total Current Liabilities	277,790	273,975
Total Liabilities	277,790	273,975
Net Assets		
Without donor restrictions	524,229	507,397
With donor restrictions	30,149	31,549
Total Net Assets	554,378	538,946
Total Liabilities and Net Assets	\$ 832,168	\$ 812,921

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

**OSHER LIFELONG LEARNING INSTITUTE
AT GEORGE MASON UNIVERSITY**

**STATEMENTS OF ACTIVITIES
For the Years Ended December 31,**

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue						
Membership dues	\$ 438,262	\$ -	\$ 438,262	\$ 480,769	\$ -	\$ 480,769
Endowment distributions	87,946	-	87,946	92,166	-	92,166
Contributions	48,807	2,300	51,107	44,676	2,225	46,901
Miscellaneous income	2,008	-	2,008	1,617	-	1,617
Investment income	968	-	968	4,268	-	4,268
Net assets released from donor restrictions	3,700	(3,700)	-	6,267	(6,267)	-
Total Support and Revenue	581,691	(1,400)	580,291	629,763	(4,042)	625,721
Expenses						
Program expenses	398,268	-	398,268	383,264	-	383,264
General and administrative	149,835	-	149,835	172,235	-	172,235
Fundraising	16,756	-	16,756	25,105	-	25,105
Total Expenses	564,859	-	564,859	580,604	-	580,604
Change in Net Assets before						
Contributed Services	16,832	(1,400)	15,432	49,159	(4,042)	45,117
Contributed services and facilities support	465,552	-	465,552	463,215	-	463,215
Contributed facilities expense	(248,318)	-	(248,318)	(176,718)	-	(176,718)
Contributed services expense	(217,234)	-	(217,234)	(286,497)	-	(286,497)
Change in Net Assets from Contributed Services	-	-	-	-	-	-
Other Income						
CARES Act grant - Note 3	-	-	-	75,067	-	75,067
Change in Net Assets	16,832	(1,400)	15,432	124,226	(4,042)	120,184
Net Assets at Beginning of Year	507,397	31,549	538,946	383,171	35,591	418,762
Net Assets at End of Year	\$ 524,229	\$ 30,149	\$ 554,378	\$ 507,397	\$ 31,549	\$ 538,946

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

**OSHER LIFELONG LEARNING INSTITUTE
AT GEORGE MASON UNIVERSITY**

**STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2021**

	Supporting Services				Total
	Program Expenses	Management and General	Fundraising	Total Supporting Services	
Expenses Incurred					
Bank charges	\$ 14,536	\$ 1,144	\$ 761	\$ 1,905	\$ 16,441
Depreciation	34,649	6,114	-	6,114	40,763
Equipment	13,622	3,949	-	3,949	17,571
Financial assistance	50,250	-	-	-	50,250
Insurance	-	5,112	-	5,112	5,112
Legal and professional	-	6,402	1,000	7,402	7,402
Membership committees	2,019	1,939	1,269	3,208	5,227
Office supplies and expense	100	1,096	-	1,096	1,196
Payroll taxes	17,965	7,682	957	8,639	26,604
Postage	3,629	1,102	-	1,102	4,731
Program expenses	1,039	-	-	-	1,039
Publications	12,912	-	-	-	12,912
Registration	7,450	-	-	-	7,450
Rent	8,500	-	-	-	8,500
Repairs and maintenance	128	185	-	185	313
Salaries	231,303	99,702	12,454	112,156	343,459
Special events	-	829	-	829	829
Telephone and internet	110	12,423	-	12,423	12,533
Training	-	810	315	1,125	1,125
Travel	-	296	-	296	296
Website	56	1,050	-	1,050	1,106
	398,268	149,835	16,756	166,591	564,859
Total Expenses Incurred					
Contributed Expenses					
In-kind rent	121,172	6,378	-	6,378	127,550
In-kind maintenance	84,538	36,230	-	36,230	120,768
In-kind services	217,234	-	-	-	217,234
	422,944	42,608	-	42,608	465,552
Total Contributed Expenses					
Total Expense	\$ 821,212	\$ 192,443	\$ 16,756	\$ 209,199	\$ 1,030,411

**OSHER LIFELONG LEARNING INSTITUTE
AT GEORGE MASON UNIVERSITY**

**STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2020**

	Supporting Services				Total
	Program Expenses	Management and General	Fundraising	Total Supporting Services	
Expenses Incurred					
Bank charges	\$ 15,763	\$ 1,776	\$ 598	\$ 2,374	\$ 18,137
Conference	-	339	-	339	339
Depreciation	34,282	6,050	-	6,050	40,332
Equipment	8,728	4,750	-	4,750	13,478
Financial assistance	25,150	-	-	-	25,150
Insurance	-	5,205	-	5,205	5,205
Legal and professional	-	6,364	-	6,364	6,364
Membership committees	238	7,413	4,623	12,036	12,274
Office supplies and expense	1,835	4,045	125	4,170	6,005
Payroll taxes	17,561	8,126	1,396	9,522	27,083
Postage	2,972	1,724	-	1,724	4,696
Program expenses	2,552	524	-	524	3,076
Publications	18,896	267	-	267	19,163
Registration	1,134	7,280	-	7,280	8,414
Rent	17,496	-	-	-	17,496
Repairs and maintenance	-	612	-	612	612
Salaries	231,008	106,902	18,363	125,265	356,273
Special events	-	841	-	841	841
Telephone and internet	5,643	5,419	-	5,419	11,062
Travel	6	218	-	218	224
Website	-	4,380	-	4,380	4,380
	383,264	172,235	25,105	197,340	580,604
Total Expenses Incurred					
Contributed Expenses					
In-kind rent	121,173	6,377	-	6,377	127,550
In-kind maintenance	34,418	14,750	-	14,750	49,168
In-kind services	286,497	-	-	-	286,497
	442,088	21,127	-	21,127	463,215
Total Contributed Expenses					
Total Expense	\$ 825,352	\$ 193,362	\$ 25,105	\$ 218,467	\$1,043,819

**OSHER LIFELONG LEARNING INSTITUTE
AT GEORGE MASON UNIVERSITY**

**STATEMENTS OF CASH FLOWS
For the Years Ended December 31,**

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 15,432	\$ 120,184
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	40,763	40,332
Changes in operating assets and liabilities:		
Decrease/(Increase) in accounts receivable	6,775	(6,609)
Decrease/(Increase) in prepaid expenses	502	(6,856)
Increase in accounts payable	18,428	3,173
(Decrease)/Increase in accrued payroll liabilities	(3,412)	7,132
Decrease in deferred revenue	<u>(11,201)</u>	<u>(27,811)</u>
Net cash provided by operating activities	<u>67,287</u>	<u>129,545</u>
Cash Flows from Investing Activities		
Purchase of property and equipment	<u>(19,683)</u>	<u>(2,584)</u>
Net cash used in investing activities	<u>(19,683)</u>	<u>(2,584)</u>
Change in cash and cash equivalents	47,604	126,961
Cash and cash equivalents, beginning of year	<u>585,255</u>	<u>458,294</u>
Cash and cash equivalents, end of year	<u><u>\$ 632,859</u></u>	<u><u>\$ 585,255</u></u>

OSHER LIFELONG LEARNING INSTITUTE AT GEORGE MASON UNIVERSITY

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Organization and Summary of Accounting Policies

Osher Lifelong Learning Institute at George Mason University, formerly known as Learning in Retirement Institute (the Institute) was incorporated in 1991, under the laws of the Commonwealth of Virginia. In June 2004, the Institute changed its name in accordance with grant requirements. The Institute operates sites in the counties of Fairfax and Loudoun that provide its members with learning opportunities, in which they can explore new interests, discover and develop their abilities and engage in intellectual pursuits. The Institute's primary sources of support are from membership dues, donated services, contributions and distributions from the George Mason University Foundation endowment.

Nature of Activities: The mission of the Osher Lifelong Learning Institute at George Mason University is to offer to its members learning opportunities in a stimulating environment in which adults can share their talents, experiences and skills; explore new interests; discover and develop latent abilities; engage in intellectual and cultural pursuits; and socialize with others of similar interests. To accomplish its mission, the Institute is guided by the following principles.

- Provides noncredit, non-degree-granting programs, as well as special, cultural and social events.
- Is governed by its members through an elected Board of Directors.
- Functions as an intellectual cooperative in which members volunteer as planners, instructors, organizational officers and committee members.
- Serves as an important resource and forum for the discussion of current issues and concerns of its members and the community.
- Is an affirmative action, equal opportunity, nonprofit institution.

Program Expenses relate to educational programing that includes daytime courses, lectures, special events, and other activities held during spring, summer, fall, and winter terms. The reporting of Member Services has been combined with Program Expenses.

Management and General Expenses relate to operational and administrative uses.

Fundraising Expenses relate to events and activities associated with the raising money for the Institute.

A summary of the Institute's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

- (a) **Basis of Accounting** – The Institute prepares its financial statements in accordance with generally accepted accounting principles, which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.
- (b) **Basis of Presentation** – The Institute is required to report information regarding its financial position and activities according to two classes of net assets as follows:
 - Without Donor Restrictions – represents resources which have met applicable award restrictions and/or resources generated by sources other than from the award.

**OSHER LIFELONG LEARNING INSTITUTE
AT GEORGE MASON UNIVERSITY**

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 1 – Organization and Summary of Accounting Policies (continued)

(b) Basis of Presentation (continued)

- With Donor Restrictions – These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted. As of December 31, 2021 and 2020 the Institute had \$30,149 and \$31,549 in net assets with donor restrictions, respectively.

(c) Support and Revenue – Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets.

(d) Revenue Recognition – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the organization reports the support as net assets without restrictions.

Membership dues are recognized over the class sessions remaining from the time of receipt.

(e) Cash and Cash Equivalents – For purposes of the statement of cash flows, the Institute considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. Investments in money funds are considered to be cash equivalents.

(f) Accounts Receivable – The Institute solicits contributions from individuals, corporations, foundations, and businesses. Management periodically evaluates the accounts receivable and determines the need for an allowance for doubtful accounts. Management considers the Institution's past receivables loss experience, adverse situations that may affect the donor's ability to pay, and current economic conditions. The Institute expects all receivables at December 31, 2021 and 2020 to be received within one year and no allowance has been recorded for uncollectible amounts. Bad debt expense was \$-0- for the years ended December 31, 2021 and 2020.

(g) Deferred Revenue – Deferred revenue represents unearned membership dues received during the years ended December 31, 2021 and 2020. The Institutes policy is to allocate membership dues receipts ratably over the class sessions remaining from the time of receipt.

**OSHER LIFELONG LEARNING INSTITUTE
AT GEORGE MASON UNIVERSITY**

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 1 – Organization and Summary of Accounting Policies (continued)

- (h) Property and Equipment – Property and equipment are recorded at cost for purchased items and market value at date of gift for donated items. It is the organization’s policy to capitalize acquisitions of property and equipment in excess of \$1,000. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets which range from three to seven years.
- (i) Income Taxes – The Institute is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code on all income other than unrelated business income. Accordingly, no provision for income tax has been provided in the accompanying financial statements. The Institute has been classified as an organization that is not a private foundation. In September 2000, the Institute elected 501(h) status. This election allows the Institute to make limited expenditures to influence legislation. Lobbying expenditures incurred by the Institute are taxable if the Institute exceeds the permitted total. As of December 31, 2021 and 2020, the Institute had not exceeded its allowable lobbying expenditure amount and therefore is not liable for any excise taxes.
- (j) Uncertain Tax Positions – As of December 31, 2021, the Institute had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The tax years subject to examination by the taxing authorities are the years ended December 31, 2018 through 2020.
- (k) 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.
- (l) Concentration of Credit Risk – Financial instruments that potentially expose the Institute to concentrations of credit risk consist primarily of cash and cash equivalents and certificates of deposit. Cash equivalents and certificates of deposit are maintained at high-quality financial institutions, which at times may exceed federally insured limits, and credit exposure is limited to any one institution. The Institute has not experienced any losses on its cash equivalents or certificates of deposit.
- (m) Financial Assistance – Financial Assistance consists of payment for scholarships and grants for George Mason University, support for George Mason University’s Fall for the Book Festival, and approved assistance to offset the cost of membership.

**OSHER LIFELONG LEARNING INSTITUTE
AT GEORGE MASON UNIVERSITY**

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 1 – Organization and Summary of Accounting Policies (continued)

- (n) Recently Issued Accounting Standards – In 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)* which was subsequently amended by ASU 2018-11 in July 2018 and ASU 2020-05 in June 2020. The guidance in these ASUs supersede the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than twelve months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Institute is currently evaluating the impact of their pending adoption of the new standard on its financial statements.

- (o) Advertising Costs – Advertising costs are expensed as incurred.

NOTE 2 – Functional Allocation of Expenses

The Institute's operating costs have been allocated between program, management and general, and fundraising expenses based on direct identification when possible, and allocation if a single expenditure benefits more than one program or function. Expenditures that require allocation are allocated on either a personnel-cost or square-footage basis, whichever is more reasonable for the expenditure.

NOTE 3 – EIDL Advance and CARES Act PPP Loan Forgiveness

In April 2020, the Institute received a CARES Act Paycheck Protection Program (PPP) Loan of \$65,067. Based on certain performance requirements under the PPP issued as part of the CARES Act, the Institute is eligible for the loan to be forgiven. In January 2021, the Institute received full forgiveness on the loan. Accordingly, as of December 31, 2020, \$65,067 has been recorded as revenue.

In April 2020, the Institute received a Small Business Administration Economic Injury Disaster Loan (EIDL) Advance in the amount of \$10,000. The funds were used for qualified expenses under the advance guidelines and forgiveness for the loan was received.

NOTE 4 – Tax Shelter Annuity

The Institute makes available to all employees the opportunity to participate in a self-directed tax sheltered annuity as provided under Section 403(b) of the Internal Revenue Code. The Institute does not match employee contributions.

**OSHER LIFELONG LEARNING INSTITUTE
AT GEORGE MASON UNIVERSITY**

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 5 – Development Grant

In 2006, the George Mason University Foundation received a \$1,000,000 endowment from the Bernard Osher Foundation. Distributions from the endowment are available to the Institute for operating purposes, not including salaries and benefits for Institute staff, over the next several years. Annual distributions from the endowment are equal to the greater of half the endowment’s return or 5% of the endowment valued as of July 1st of the preceding year. Annual distributions received in 2021 and 2020 were \$35,966 and \$37,692 respectively.

In 2012, the George Mason University Foundation received an additional \$1,000,000 endowment from the Bernard Osher Foundation. Distributions from the endowment are available to the Institute for operating purposes, not including salaries and benefits for Institute staff. Annual distributions from the additional endowment are equal to the greater of half the endowment’s return or 5% of the endowment valued as of July 1st of the preceding year. Annual distributions received in 2021 and 2020 were \$51,980 and \$54,474 respectively.

NOTE 6 – Depreciation

<u>2021</u>	<u>Cost</u>	<u>Depreciation Expense</u>	<u>Accumulated Depreciation</u>
Leasehold improvements	\$334,515	\$29,867	\$198,023
Furniture and fixtures	162,686	10,198	127,996
Website	38,600	-	38,600
Computer equipment and software	<u>7,729</u>	<u>698</u>	<u>2,271</u>
	<u>\$543,530</u>	<u>\$40,763</u>	<u>\$366,890</u>
<u>2020</u>	<u>Cost</u>	<u>Depreciation Expense</u>	<u>Accumulated Depreciation</u>
Leasehold improvements	\$334,515	\$29,929	\$168,156
Furniture and fixtures	155,031	9,929	125,780
Website	38,600	-	38,600
Computer equipment and software	<u>3,683</u>	<u>474</u>	<u>1,573</u>
	<u>\$531,829</u>	<u>\$40,332</u>	<u>\$334,109</u>

NOTE 7 – Donated Services-Teaching Services

The Institute received contributed teaching services from various sources, including George Mason University, in the District of Columbia metropolitan area during the years ended December 31, 2021 and 2020, valued at \$217,234 and \$286,497, respectively. These services are included in revenue and in contributed services expense in the accompanying financial statements.

**OSHER LIFELONG LEARNING INSTITUTE
AT GEORGE MASON UNIVERSITY**

NOTES TO FINANCIAL STATEMENTS

(Continued)

NOTE 8 – Donated Services-Facilities and Maintenance-Affiliation with George Mason University

The Institute has a five year renewable affiliation agreement with George Mason University (Mason) which expires on June 30, 2022. Under this agreement Mason provides the Institute with facilities and services, on the same terms and conditions as are available to other Mason affiliates, including use of printing and copying facilities, design services, fund-raising advice, use of conference rooms and banquet halls as well as providing and maintaining space used by the Institute as its main location. These donated services and the use and maintenance of the facilities for the years ended December 31, 2021 and 2020 are valued at \$248,318 and \$176,718, respectively and are included in revenue and rent expense in the accompanying financial statements.

Mason encourages its faculty to assist the Institute with its teaching needs but does not require its faculty to participate. Participating faculty do not receive any payment or honoraria. Also, under this agreement, the Institute is allowed the use of an escrow account, whereby the Institute deposits funds with Mason and Mason uses the funds to reimburse itself for costs incurred by the Institute, such as printing and copying fees. In return for these services, the Institute agrees to continue to provide older persons with educational classes, award annual scholarships to the Mason foundation, assist Mason in its fund-raising activities and publicize Mason sponsored events that may also be of interest to its members in any print or electronic publications generated by the Institute.

NOTE 9 – Lease Commitments

The Institute has an operating lease for parking space at its Fairfax location which expires on August 31, 2022. The agreement requires quarterly payments of \$4,250 until the end of the lease. The Institute leases classroom space on a month-to-month basis. With travel and gathering restrictions implemented due to COVID-19, lease payments were not required during the second half of the year. Total rent expense paid during 2021 and 2020 was \$8,500 and \$17,496, respectively.

Future minimum lease commitments at December 31, 2021, are \$12,750 for the year ended December 31, 2022.

NOTE 10 – Designation of Net Assets Without Donor Restrictions

The Institute’s board has designated net assets without donor restrictions for the following purposes as of December 31:

	<u>2021</u>	<u>2020</u>
OLLI Reserve	\$153,571	\$176,321
Capital technology fund	92,740	39,082
Friends of OLLI	<u>7,399</u>	<u>75,235</u>
Total	<u>\$253,710</u>	<u>\$290,638</u>

**OSHER LIFELONG LEARNING INSTITUTE
AT GEORGE MASON UNIVERSITY**

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 11 – Net Assets with Donor Restrictions

As of December 31, 2021 and 2020, the nature of the Institute’s net assets with donor restrictions consists of the following:

	<u>2021</u>	<u>2020</u>
Bernard and Barbro Osher	\$ 15,000	\$ 15,000
Future Planning	7,750	7,750
Landscaping	4,774	4,574
Facility Improvement	2,425	2,175
OLLI Players	200	200
Audio and Video Upgrades	-	1,700
Financial Assistance to Members	-	150
Total Net Assets with Donor Restrictions	<u>\$ 30,149</u>	<u>\$ 31,549</u>

Net assets were released from donor restrictions by incurring expenses, satisfying the purpose or time restrictions specified by donors as follows:

	<u>2021</u>	<u>2020</u>
Audio and Video Upgrades	\$ 3,050	\$ 3,923
Financial Assistance to Members	650	585
Member Services	-	1,259
Friends of OLLI General	-	500
Total Net Assets with Donor Restrictions	<u>\$ 3,700</u>	<u>\$ 6,267</u>

NOTE 12 – Liquidity and Availability of Financial Assets

The Institute has \$628,685 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the Statement of Financial Position date. The contributions receivable are subject to implied time restrictions but are expected to be collected within one year. The Institute monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. The Institute has a goal to maintain financial assets on hand to meet 60 days of normal operating expenses, not including contributed medical services. On average, 60 days of normal operating expenses are approximately \$94,000. The Institute has the following financial assets that could readily be made available within one year of the statement of financial position date to fund expenses without limitations:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$632,859	\$585,255
Accounts receivable	<u>3,225</u>	<u>10,000</u>
Total	636,084	595,255
Less amount not available to be used within one year:		
Net assets with donor restrictions	<u>30,149</u>	<u>31,549</u>
Total Financial Assets Available to Use for General Expenditures Within One Year	<u>\$605,935</u>	<u>\$563,706</u>

**OSHER LIFELONG LEARNING INSTITUTE
AT GEORGE MASON UNIVERSITY**

NOTES TO FINANCIAL STATEMENTS

(Concluded)

NOTE 13 – Evaluation of Subsequent Events

In January 2022, the Institute signed a lease extension agreement for parking space at its Fairfax location. The lease is extended through August 31, 2027.

In June 2022, the Institute renewed its affiliation agreement with George Mason University (Mason) for an additional five years, expiring on June 30, 2027.

In June 2022, the Institute renewed its space usage agreement with George Mason University (Mason) for an additional five years, expiring on June 30, 2027.

The Institute has evaluated subsequent events through December 2, 2022, the date which the financial statements were available to be issued.