

Kurtis Smith, LLC

An Audit and Advisory Firm

DSC Foundation, Inc.

Financial Statements

With Independent Auditors' Report

For the year ended December 31, 2022,

with summarized information for the year ended December 31, 2021

Kurtis Smith, LLC

An Audit and Advisory Firm

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INDEPENDENT AUDITORS' REPORT

Board of Directors
DSC Foundation, Inc.
Dallas, Texas

Opinion

We have audited the financial statements of the DSC Foundation, Inc. ("Foundation"), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis for Opinion

We conducted our audit 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 Financial Statements section of our report. We are required to be independent of the Foundation 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 GAAP and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation'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.

Report on Summarized Comparative Information

The financial statements of the Foundation for the year ended December 31, 2021, was previously audited by a predecessor auditor, who expressed an unmodified audit opinion dated May 10, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Kurtis Smith, LLC

Woodland Park, Colorado

May 23, 2023

DSC Foundation, Inc.**Statement of Financial Position****As of December 31, 2022,***with summarized financial information as of December 31, 2021*

	2022	2021
Assets		
Cash and cash equivalents	\$ 526,052	\$ 522,096
Contributions receivable, net	417,022	171,826
Prepaid expenses and other assets	92,484	13,680
Investments	512,090	391,958
Property and equipment, net	18,655	27,325
Total assets	<u>\$ 1,566,303</u>	<u>\$ 1,126,885</u>
Liabilities		
Accounts payable	\$ 111,182	\$ 169,236
Grants payable	39,686	29,554
Refundable advances	27,150	-
Accrued liabilities	146,533	53,089
Total liabilities	324,551	251,879
Net assets		
Without donor restrictions	786,909	660,829
With donor restrictions	454,843	214,177
Total net assets	<u>1,241,752</u>	<u>875,006</u>
Total liabilities and net assets	<u>\$ 1,566,303</u>	<u>\$ 1,126,885</u>

DSC Foundation, Inc.**Statement of Activities****For the year ended December 31, 2022,***with summarized financial information for the year ended December 31, 2021*

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and investment return				
Contributions	\$ 662,881	\$ 596,280	\$ 1,259,161	\$ 910,503
Conference and event income	879,509	-	879,509	631,296
Chapter contributions	63,272	93,734	157,006	81,594
Gifts-in-kind	1,868	-	1,868	-
Investment return (loss), net	(22,682)	(2,030)	(24,712)	30,346
Total support and investment return (loss)	1,584,848	687,984	2,272,832	1,653,739
Net assets released from restrictions	447,318	(447,318)	-	-
Total support, investment return (loss), and net assets released from restrictions	2,032,166	240,666	2,272,832	1,653,739
Expenses				
Grants and direct charitable activities:				
Grants approved	1,285,012	-	1,285,012	953,616
Direct charitable activities and events	199,372	-	199,372	161,672
Operating expenses:				
Compensation and benefits	6,616	-	6,616	158,492
Management fees	129,996	-	129,996	24,165
Communications	186,758	-	186,758	282,441
Depreciation	8,670	-	8,670	10,013
Other operating expenses	89,662	-	89,662	82,840
Total expenses	1,906,086	-	1,906,086	1,673,239
Change in net assets	126,080	240,666	366,746	(19,500)
Net assets, beginning of year	660,829	214,177	875,006	894,506
Net assets, end of year	\$ 786,909	\$ 454,843	\$ 1,241,752	\$ 875,006

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

DSC Foundation, Inc.
Statement of Functional Expenses
For the year ended December 31, 2022

	Program Services	Management and General	Fundraising	Total
Grants and direct charitable activities:				
Grants awarded	\$ 1,285,012	\$ -	\$ -	\$ 1,285,012
Direct charitable activities and events	99,686	-	99,686	199,372
Operating expenses:				
Compensation and benefits	6,616	-	-	6,616
Management fees	64,998	32,499	32,499	129,996
Communications	93,379	-	93,379	186,758
Depreciation	6,503	1,127	1,040	8,670
Other operating expenses	12,087	74,375	3,200	89,662
Total expenses	<u>\$ 1,568,281</u>	<u>\$ 108,001</u>	<u>\$ 229,804</u>	<u>\$ 1,906,086</u>

DSC Foundation, Inc.**Statement of Cash Flows****For the year ended December 31, 2022,***with summarized financial information for the year ended December 31, 2021*

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Change in net assets	\$ 366,746	\$ (19,500)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	8,670	10,013
Realized and unrealized (gain) loss on investments	23,718	(19,555)
Changes in operating assets and liabilities:		
Contributions receivable	(245,196)	119,963
Prepaid expenses and other assets	(78,804)	(9,209)
Accounts payable	(58,054)	83,763
Grants payable	10,132	(6,750)
Refundable advances	27,150	-
Accrued liabilities	93,444	4,965
Net cash provided (used) by operating activities	<u>147,806</u>	<u>163,690</u>
Cash flows from investing activities		
Purchases of property and equipment	-	(1,407)
Proceeds from sale of investments	643,287	123,561
Purchases of investments	<u>(787,137)</u>	<u>(134,352)</u>
Net cash provided (used) by investing activities	<u>(143,850)</u>	<u>(12,198)</u>
Net change in cash and cash equivalents	3,956	151,492
Cash and cash equivalents		
Beginning of year	<u>522,096</u>	<u>370,604</u>
End of year	<u>\$ 526,052</u>	<u>\$ 522,096</u>

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

DSC Foundation, Inc.

Notes to financial statements

For the year ended December 31, 2022,

with summarized comparative information for the year ended December 31, 2021

1. Nature of Operations

The DSC Foundation, Inc. (the “Foundation”, “we”, “us”, or “our”) was formed to serve the mission and vision of the Dallas Safari Club (“DSC”) by providing charitable funding for wildlife conservation, education, and advocacy related activities. We are governed by our board of directors (“Board”).

The mission of the DSC is to ensure the conservation of wildlife through public engagement, education and advocacy for well-regulated hunting and sustainable use. The vision of DSC is a society that values wildlife, engages in its conservation and understands and supports the role of well-regulated hunting in the sustainable use of wild resources. DSC is governed by its board of directors that is elected annually by its members.

DSC has local chapters (“Chapters”) in other geographic regions that are governed by independently elected boards of directors. The Chapters have affiliation agreements with DSC that provide the structure for common operating policies.

The DSC Frontline Foundation (“Frontline”) was formed to provide financial support for seriously injured individuals and families engaged in the professional hunting industry or in professions related to the conservation of wildlife. The Foundation is governed by its board of directors.

2. Summary of Significant Accounting Policies

Basis of Presentation and Consolidation

Our financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. (“GAAP”). Our significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

The DSC, Frontline, and Chapters are not consolidated with these financial statements as we do not have a controlling interest in these entities in accordance with GAAP.

DSC Foundation, Inc.**Notes to financial statements****For the year ended December 31, 2022,***with summarized comparative information for the year ended December 31, 2021*

Contributions

Contributions are recognized when made or promised, which may be when cash is received, unconditional promises are made, or when ownership of donated assets is transferred. Contributions are reported as an increase in net assets with or without donor restrictions depending on the nature of the restrictions, if any. Contributions received with conditions are reflected as refundable advances. Contributions with donor restrictions for future conferences or events are reflected as refundable advances contingent on the occurrence of those respective events.

Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash deposits at banks and short term, highly liquid investments with maturity dates of less than three months.

Contributions Receivable

Contributions receivable are reflected at net realizable value. We estimate net realizable value using an allowance for doubtful accounts, which is based on collection experience and other known factors anticipated to affect collections. Contributions receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows using a risk-free rate.

Property and Equipment

Property and equipment are reflected at cost net of accumulated depreciation or, in the case of donated assets, at fair value at the date of contribution. Major renewals and improvements are capitalized while maintenance and repairs, which do not improve or extend the life of the respective assets, are expensed. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. Office equipment is depreciated over a period of three to five years.

Grants Approved

Grants are recognized as an expense when the unconditional promise to give is approved. Conditional promises to give are recognized as grant expense in the period in which the recipient meets the terms of the condition.

DSC Foundation, Inc.

Notes to financial statements

For the year ended December 31, 2022,

with summarized comparative information for the year ended December 31, 2021

Net Assets

The financial statements reflect amounts by class of net assets. Accordingly, net assets and changes therein are classified as follows:

- *Net assets without donor restrictions:* Net assets not subject to donor-imposed stipulations and are available for use or may be designated for a specific purpose by our Board.
- *Net assets with donor restrictions:* Net assets subject to donor-imposed stipulations that expire by either the passage of time or by actions pursuant to the purpose restrictions. These net assets also included endowments to be maintained in perpetuity.

When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the Statement of Functional Expenses. Certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include direct charitable activities, compensation and benefits, management fees, communication expenses, and certain office expenses. Compensation and benefits, and management fees are allocated based on estimated time incurred. Direct charitable activities and other expenses are allocated based on an estimate of the areas benefited.

Income Taxes

We are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code as a not-for-profit organization. Accordingly, no provision has been made for federal income taxes in the accompanying financial statements.

Use of Estimates

We use estimates and assumptions in preparing these financial statements. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

DSC Foundation, Inc.

Notes to financial statements

For the year ended December 31, 2022,

with summarized comparative information for the year ended December 31, 2021

Fair Value Measurements

GAAP defines fair value, establishes a framework for measuring fair value, and requires certain disclosures about fair value measurements. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

GAAP establishes a fair value hierarchy that prioritizes and ranks the inputs used in valuation techniques to measure fair value. The fair value hierarchy maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Inputs using quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs, other than Level 1 prices, such as quoted prices in active markets for similar assets and liabilities in markets that are not active, or unobservable inputs that are corroborated by market data.

Level 3 – Unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities. This includes discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

Our assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the classification of assets and liabilities within the fair value hierarchy. Because of the long-term nature of certain assets and liabilities measured at fair value as well as differences in the availability of market prices and market liquidity over their terms, inputs for some assets and liabilities may fall into any one of the three levels in the fair value hierarchy. GAAP requires us to classify these assets and liabilities in the lowest level in the hierarchy for which inputs are significant to the fair value measurement; a portion of that measurement may be determined using inputs from a higher level in the hierarchy.

DSC Foundation, Inc.**Notes to financial statements****For the year ended December 31, 2022,***with summarized comparative information for the year ended December 31, 2021*

Changes in Presentation

Certain amounts reflected in the prior year financial statements have been reclassified to conform with the current year presentation. Our Board designated endowment is now reflected as net assets without donor restrictions. Contributions receivable are now included in net assets with donor restrictions. We excluded cash held in endowments from cash and cash equivalents in the statement of cash flows. We also presented donor restricted contributions and grants made from those contributions as contribution income and grant expense. These contributions and grants paid were previously netted.

Subsequent Events

Subsequent events have been evaluated for potential recognition or disclosure through May 23, 2023, which is the date the financial statements were available to be issued.

3. Contributions Receivable

Contributions receivable as of December 31, 2022 and 2021 were as follows:

	<u>2022</u>	<u>2021</u>
Amounts due in:		
Less than one year	\$ 353,572	\$ 58,583
One to five years	74,000	132,334
More than five years	-	-
	<u>427,572</u>	<u>190,917</u>
Less: allowance for doubtful accounts	(10,550)	(19,091)
	<u>\$ 417,022</u>	<u>\$ 171,826</u>

We wrote-off \$70,917 and \$57,608 of our contributions receivable in 2022 and 2021, respectively. The present value discount of contributions due after one year was not significant.

DSC Foundation, Inc.**Notes to financial statements****For the year ended December 31, 2022,***with summarized comparative information for the year ended December 31, 2021***4. Property and Equipment**

Property and equipment consisted of the following as of December 31:

	<u>2022</u>	<u>2021</u>
Office equipment, at cost	\$ 45,361	\$ 45,361
Accumulated depreciation	<u>(26,706)</u>	<u>(18,036)</u>
Property and equipment, net	<u>\$ 18,655</u>	<u>\$ 27,325</u>

Depreciation expense amounted to \$8,670 and \$10,013 for the years ended December 31, 2022 and 2021, respectively.

5. Fair Value Measurements

The following table presents assets and liabilities measured and recorded at fair value on a recurring basis as of December 31, 2022:

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investments:				
Cash equivalents	\$ 175,557	\$ -	\$ -	\$ 175,557
U.S. Treasury notes	-	44,180	-	44,180
Treasury note fund	157,516	-	-	157,516
ETF	<u>134,837</u>	<u>-</u>	<u>-</u>	<u>134,837</u>
	<u>\$ 467,910</u>	<u>\$ 44,180</u>	<u>\$ -</u>	<u>\$ 512,090</u>

DSC Foundation, Inc.**Notes to financial statements****For the year ended December 31, 2022,***with summarized comparative information for the year ended December 31, 2021*

The following table presents assets and liabilities measured and recorded at fair value on a recurring basis as of December 31, 2021:

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investments:				
Cash equivalents	\$ 190,685	\$ -	\$ -	\$ 190,685
U.S. Treasury notes	-	-	-	-
Treasury note fund	-	-	-	-
ETF/Mutual funds	201,273	-	-	201,273
	<u>\$ 391,958</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 391,958</u>

Fair value for our cash equivalents and U.S. Treasury notes is based on values provided by our investment brokerage firm. Fair value for our U.S. Treasury Fund and Exchange Traded Funds (“ETF”) is based on daily values that are publicly traded.

Investment return (loss) as reflected in our Statement of Activities is comprised of realized and unrealized gains (losses) and interest and dividends. A summary of our investment return (loss) for the years ended December 31, 2022, and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
Realized and unrealized gains (losses)	\$ (30,791)	\$ 19,555
Interest and dividends	6,079	10,791
	<u>\$ (24,712)</u>	<u>\$ 30,346</u>

DSC Foundation, Inc.**Notes to financial statements****For the year ended December 31, 2022,***with summarized comparative information for the year ended December 31, 2021*

6. Availability and Liquidity

The following table summarizes our financial assets available within one year for general expenditures as of December 31:

	2022	2021
Financial assets at year-end:		
Cash and cash equivalents	\$ 526,052	\$ 522,096
Contributions receivable, net	417,022	171,826
Investments	512,090	391,958
	<u>1,455,164</u>	<u>1,085,880</u>
Less:		
Restricted by donors for programs	(7,646)	(10,146)
Donor-restricted endowment funds	(30,175)	(32,205)
Contributions receivable greater than one year	(74,000)	(132,334)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,343,343</u>	<u>\$ 911,195</u>

We regularly monitor liquidity required to meet our operating needs and other contractual commitments, while also striving to maximize the investment of available funds.

DSC Foundation, Inc.**Notes to financial statements****For the year ended December 31, 2022,***with summarized comparative information for the year ended December 31, 2021*

7. Net Assets

The following table summarizes our net assets as of December 31:

	<u>2022</u>	<u>2021</u>
Net assets without donor restrictions:		
Unrestricted	\$ 254,994	\$ 251,076
Emergency funds for grants designated by the Board	50,000	50,000
Funds functioning as an endowment by the Board for conservation, education, and advocacy grants.	<u>481,915</u>	<u>359,753</u>
Total net assets without donor restrictions	786,909	660,829
Net assets with purpose or time restrictions:		
Net assets restricted by donors for specific purposes	7,646	10,146
Contributions receivable	417,022	171,826
Endowment funds with donor restrictions:		
Accumulated earnings (losses) that are restricted by donors for conservation, education, and advocacy grants.	5,175	7,205
The portion of endowment funds that are restricted by donors to be maintained in perpetuity.	<u>25,000</u>	<u>25,000</u>
Total endowment funds with donor restrictions	<u>30,175</u>	<u>32,205</u>
Total net assets with donor restrictions	<u>454,843</u>	<u>214,177</u>
Total net assets	<u>\$ 1,241,752</u>	<u>\$ 875,006</u>

DSC Foundation, Inc.**Notes to financial statements****For the year ended December 31, 2022,***with summarized comparative information for the year ended December 31, 2021*

8. Endowments

Our endowments consist of both donor-restricted and Board designated endowments. Net assets associated with endowments, including funds designated by our Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. These endowments provide a source of income for our grant program.

The following table summarizes our endowment activity for the year ended December 31, 2022:

	With Restrictions	Without Restrictions	Total
Endowments, December 31, 2021	\$ 32,205	\$ 359,753	\$ 391,958
Contributions and expenditures:			
Contributions	-	-	-
Expenditures	-	-	-
Investment return and transfers:			
Investment return, net	(2,030)	(22,682)	(24,712)
Designated by the Board	-	144,844	144,844
Endowments, December 31, 2022	<u>\$ 30,175</u>	<u>\$ 481,915</u>	<u>\$ 512,090</u>

The following table summarizes our endowment activity for the year ended December 31, 2021:

	With Restrictions	Without Restrictions	Total
Endowments, December 31, 2020	\$ 29,712	\$ 331,900	\$ 361,612
Contributions and expenditures:			
Contributions	-	-	-
Expenditures	-	-	-
Investment return and transfers:			
Investment return, net	2,493	27,853	30,346
Designated by the Board	-	-	-
Endowments, December 31, 2021	<u>\$ 32,205</u>	<u>\$ 359,753</u>	<u>\$ 391,958</u>

DSC Foundation, Inc.

Notes to financial statements

For the year ended December 31, 2022,

with summarized comparative information for the year ended December 31, 2021

Interpretation of Relevant Law

We have interpreted the Texas Uniform Prudent Management of Institutional Funds Act (“TUPMIFA”) as requiring the preservation 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, we classify as net assets with donor restrictions that must be maintained in perpetuity (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. Accumulated earnings not required to be maintained in perpetuity remain in net assets with donor restrictions until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence defined by TUPMIFA.

In accordance with TUPMIFA, we consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the funds;
- 2) The purposes of the Foundation and the donor-restricted endowment funds;
- 3) General economic conditions;
- 4) The possible effect of inflation and deflation;
- 5) The expected total return from income and the appreciation of investments;
- 6) Other resources of the Foundation; and
- 7) The investment policies of the Foundation.

Endowment Investment and Spending Policies

No withdrawals from our endowments were permitted by our Board prior to December 31, 2022 while we develop our endowment assets. We have adopted investment policies for endowment assets that are designed and intended to provide a predictable stream of funding to programs while seeking to maintain their purchasing power. We will approve our spending policies once we achieve a minimum level for our endowment assets.

DSC Foundation, Inc.**Notes to financial statements****For the year ended December 31, 2022,***with summarized comparative information for the year ended December 31, 2021*

9. Concentrations and Contingencies**Concentrations of Credit Risk**

Financial instruments that potentially subject us to concentrations of credit risk consist principally of cash and cash equivalents. We maintain cash deposits with banks that, at times, may exceed federally insured limits. We periodically assess the financial condition of financial institutions and believe the risk of any loss is minimal.

Concentrations in Contributions Receivable

As of December 31, 2022, two donors, each of whom accounted for more than 10% of our contributions receivable, accounted for \$330,000 of our contributions receivable. This includes DSC, which accounted for \$250,000 of our contributions receivable as of December 31, 2022.

10. Related Party Transactions**Administrative Services Agreement**

We entered into an agreement with DSC on September 25, 2021 to provide us with certain general office and administrative services, including executive and support staff, computer and technology support, and office facilities. We incurred \$129,996 and \$24,165 for these services during the years ended December 31, 2022 and 2021, respectively.

Related Party Vendor

We engage a company owned by a Board member for production and media services. Measures are taken to mitigate any actual or perceived conflict, including the excusal of the Board member during the monthly Board meetings when discussions involving changes to the service agreement are necessary. We incurred \$175,000 and \$262,500 in expenses for these services during the years ended December 31, 2022 and 2021, respectively. We owed this company \$87,500 as of December 31, 2022 and 2021.

Contributions

We made contributions to DSC in the amount of \$251,280 for the year ended December 31, 2022 for advocacy and related programs.

DSC made contributions to us in the amount of \$500,000 to support our grant program during the year ended December 31, 2022. DSC owed us \$250,000 in contributions receivable as of December 31, 2022.