INTERFAITH RESIDENCE
D/B/A DOORWAYS
AND RELATED ENTITIES

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

DOORWAYS

HOPE LIVES HERE

Contents

RubinBrown
7676 Forsyth Blvd
Suite 2100
St. Louis, MO 63105
T: 314.290.3300
E: info@rubinbrown.com
www.RubinBrown.com
CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

Board of Directors
Interfaith Residence d/b/a Doorways
St. Louis, Missouri

Report On The Audit Of The Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Interfaith Residence d/b/a Doorways and related entities, all not-for-profit organizations, (collectively, Doorways), which comprise the consolidated statement of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Interfaith Residence d/b/a Doorways and related entities, as of June 30, 2024 and 2023, and the changes in their net assets and their 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States *(Government Auditing Standards).* Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Consolidated Financial Statements section of our report. We are required to be independent of Doorways and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities Of Management For The Consolidated Financial Statements

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

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

Auditors' Responsibilities For The Audit Of The Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government 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 are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Doorways' internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Doorways' 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.

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2025, on our consideration of Interfaith Residence d/b/a Doorways' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Interfaith Residence d/b/a Doorways' internal control over financial reporting and compliance.

RubinBrown LLP

March 27, 2025

INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Page 1 Of 2

Assets

	June 30, 2024	2023
Current Assets		
Cash and cash equivalents (Notes 2 and 7)	$ 428,131	$ 667,316
Tenant accounts receivable (net of allowance for doubtful accounts of $68,034 in 2024 and $24,942 in 2023)	42,764	36,917
Medicaid receivable (Note 11)	181,471	227,741
Accounts receivable - HUD	11,343	10,072
Accounts receivable - 340B program	95,483	88,229
Grants receivable (Note 3)	2,600,692	2,123,760
Promises to give - short-term (Note 4)	282,242	548,163
Short-term investments (Notes 5 and 7)	4,816,247	4,290,083
Prepaid expenses and deposits	104,607	125,018
Other receivables (Note 2)	171,559	411,683
Other receivables - developer fee income (Note 2)	278,779	469,672
Inventory	13,454	10,186
Total Current Assets	9,026,772	9,008,840
Restricted Deposits And Funded Reserves (Note 15)		
QALICB reserve escrow	131,901	158,367
Tenants' security deposits	26,445	24,463
Reserves for replacements	600,125	502,226
Residual receipts reserves	15,265	14,822
Other escrows	3,426	3,351
Total Restricted Deposits And Funded Reserves	777,162	703,229
Promises To Give - Long-Term (Note 4)	91,131	393,081
Fixed Assets (Notes 7, 8 And 14)		
Land improvements	861,758	800,738
Buildings and improvements	22,450,914	22,455,670
Leasehold improvements	2,569,541	2,328,921
Furniture and equipment	2,100,066	2,108,153
Vehicles	54,639	54,639
	28,036,918	27,748,121
Less: Accumulated depreciation	12,297,867	11,293,336
	15,739,051	16,454,785
Land	1,114,301	1,344,301
Construction in progress	138,576	306,490
Total Fixed Assets	16,991,928	18,105,576
Other Non-Current Assets		
Leverage loan receivable, net (Note 6)	5,763,200	5,821,400
Note receivable - Doorways 2.0, L.P. (Note 6)	1,680,759	1,010,000
Accrued interest - Doorways 2.0, L.P. (Note 6)	78,781	27,486
Note receivable - Elliott Place, L.P. (Note 6)	250,000	—
Right-of-use asset - finance lease (Note 18)	80,526	104,684
Total Non-Current Assets	7,853,266	6,963,570
Total Assets	$ 34,740,259	$ 35,174,296

INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Page 2 Of 2

Liabilities And Net Assets

	June 30, 2024	June 30, 2023
Current Liabilities		
Accounts payable and accrued expenses	$ 538,379	$ 815,080
Accrued salaries, vacation and payroll withholdings	496,703	417,641
Refundable advances (Note 2)	—	113,886
Prepaid rent	13,607	22,238
Current portion of right-of-use liability - finance lease (Note 18)	25,968	25,968
Total Current Liabilities	1,074,657	1,394,813
Noncurrent Liabilities		
Long-term portion of right-of-use liability - finance leases (Note 18)	56,473	79,703
Tenants' security deposits	22,981	23,409
Total Noncurrent Liabilities	79,454	103,112
Long-Term Debt (Notes 7, 8, And 14)		
Qualified Low-Income Community Investment Loan A	5,821,400	5,821,400
Qualified Low-Income Community Investment Loan B	1,858,600	1,858,600
Note payable - construction bridge loan	87,751	733,466
Note payable - Federal Home Loan Bank (FHLB)	750,000	750,000
Note payable - City of St. Louis Mental Health Board (MHB) - Doorways 2.0, L.P.	175,000	250,000
Note payable - City of St. Louis Mental Health Board (MHB) - Elliott Place, L.P.	250,000	—
Less: Unamortized debt issuance costs (Note 2)	(398,281)	(419,226)
Long-term debt less unamortized debt issuance costs	8,544,470	8,994,240
Capital advances	3,733,600	3,733,600
Affordable Housing Program Subsidy	535,000	535,000
Developer Subsidy Grants	376,892	376,892
Busey Bank line of credit	4,219,092	3,632,537
Total Long-Term Debt	17,409,054	17,272,269
Total Liabilities	18,563,165	18,770,194
Net Assets		
Without donor restrictions:		
Investment in property and equipment	2,506,874	3,200,854
Capital advances (Note 14)	4,014,200	4,014,200
Replacement of land and building	600,125	502,226
Residual receipts	15,265	14,822
QALICB reserve escrow (Note 15)	131,901	158,367
Available for operations	8,378,071	7,420,030
Total without donor restrictions	15,646,436	15,310,499
With donor restrictions (Note 9)	530,658	1,093,603
Total Net Assets	16,177,094	16,404,102
Total Liabilities And Net Assets	$ 34,740,259	$ 35,174,296

INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES

CONSOLIDATED STATEMENT OF ACTIVITIES
For The Years Ended June 30, 2024 And 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues And Public Support						
Contributions and Events:						
Fundraising events	$ 413,677	$ —	$ 413,677	$ 400,404	$ —	$ 400,404
Individuals	230,294	97,321	327,615	204,324	71,527	275,851
Foundations	77,150	488,031	565,181	3,300	458,989	462,289
Corporate	6,450	—	6,450	13,110	1,691	14,801
United Way	50,780	50,780	101,560	52,623	52,626	105,249
Contributed nonfinancial assets (Note 17)	33,449	—	33,449	103,145	257,726	360,871
Other organizations	26,669	25,000	51,669	12,332	—	12,332
Total Contributions and Events	838,469	661,132	1,499,601	789,238	842,559	1,631,797
Government grants (Notes 10, 13 and 19)	11,316,164	—	11,316,164	9,585,507	—	9,585,507
Medicaid and private pay services (Notes 11 and 13)	2,421,642	—	2,421,642	2,492,741	—	2,492,741
Pharmaceutical 340B program reimbursements (Note 2)	1,123,058	—	1,123,058	1,005,259	—	1,005,259
Service fees	135,254	—	135,254	44,810	—	44,810
Rental, net of vacancies and concessions	564,905	—	564,905	501,226	—	501,226
Developer fee income (Note 2)	348,474	—	348,474	469,672	—	469,672
Interest and dividends	270,827	—	270,827	190,247	—	190,247
Miscellaneous	86,870	—	86,870	13,703	—	13,703
Net assets released from restrictions (Note 9)	1,224,077	(1,224,077)	—	5,837,915	(5,837,915)	—
Total Revenues And Public Support	18,329,740	(562,945)	17,766,795	20,930,318	(4,995,356)	15,934,962
Expenses						
Program services	15,607,783	—	15,607,783	13,350,456	—	13,350,456
Management and general	1,927,193	—	1,927,193	1,526,440	—	1,526,440
Private/public fund development	852,594	—	852,594	761,445	—	761,445
Total Expenses	18,387,570	—	18,387,570	15,638,341	—	15,638,341
Increase (Decrease) In Net Assets Before Other Income And Gains (Losses)	(57,830)	(562,945)	(620,775)	5,291,977	(4,995,356)	296,621
Other Income And Gains						
Net realized and unrealized gains on investments (Note 5)	393,767	—	393,767	269,881	—	269,881
Increase (Decrease) In Net Assets	335,937	(562,945)	(227,008)	5,561,858	(4,995,356)	566,502
Net Assets - Beginning Of Year	15,310,499	1,093,603	16,404,102	9,748,641	6,088,959	15,837,600
Net Assets - End Of Year	$ 15,646,436	$ 530,658	$ 16,177,094	$ 15,310,499	$ 1,093,603	$ 16,404,102

INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For The Years Ended June 30, 2024 And 2023

	2024				2023			
	Program Services	Management And General	Private/Public Fund Development	Total	Program Services	Management And General	Private/Public Fund Development	Total
Salaries and wages	$ 4,516,909	$ 758,325	$ 316,690	$ 5,591,924	$ 3,880,965	$ 545,516	$ 291,166	$ 4,717,647
Employee benefits	603,766	78,874	41,435	724,075	498,811	55,698	37,153	591,662
Payroll taxes	317,533	50,714	22,422	390,669	259,790	38,910	21,551	320,251
Direct assistance (Note 12)	6,773,653	—	—	6,773,653	5,851,663	—	—	5,851,663
Depreciation and amortization	913,872	108,883	42,596	1,065,351	814,790	81,750	31,505	928,045
Repairs and maintenance	715,427	53,079	22,478	790,984	594,273	25,854	21,426	641,553
Security contracts	20,085	—	—	20,085	20,058	—	—	20,058
Seminars, travel and recruiting	47,252	54,340	7,931	109,523	52,353	64,026	1,877	118,256
Office supplies	89,126	34,725	4,172	128,023	114,576	46,497	11,291	172,364
Telephone	61,186	14,133	2,535	77,854	60,165	13,890	2,688	76,743
Postage and printing	9,984	2,871	10,062	22,917	12,360	2,334	7,285	21,979
Professional services	186,292	517,624	96,376	800,292	154,751	474,563	42,499	671,813
Insurance	167,956	13,220	6,155	187,331	143,358	9,783	3,091	156,232
Miscellaneous	24,577	44,319	2,689	71,585	7,086	40,433	2,522	50,041
Public relations/fundraising	—	3,131	222,292	225,423	660	4,511	244,885	250,056
Interest (Notes 2, 7 and 8)	273,126	101,819	40,393	415,338	188,138	71,918	27,552	287,608
Bad debt expense	62,825	53,733	5,913	122,471	9,174	10,297	4,700	24,171
Pharmaceutical - 340B program (Note 2)	821,581	—	—	821,581	684,631	—	—	684,631
Bank charges and processing fees	2,633	37,403	8,455	48,491	2,854	40,460	10,254	53,568
	$15,607,783	$ 1,927,193	$ 852,594	$ 18,387,570	$13,350,456	$ 1,526,440	$ 761,445	$15,638,341

INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES

CONSOLIDATED STATEMENT OF CASH FLOWS

	For The Years Ended June 30, 2024	2023
Cash Flows From Operating Activities		
Operating receipts:		
Contributions and events	$ 2,034,023	$ 1,648,065
Government grants	10,725,346	9,478,979
Medicaid insurance and private pay	2,467,912	2,473,781
Pharmaceutical - 340B program	1,115,804	1,004,919
Service fees	135,254	44,810
Rental	484,885	445,913
Interest and dividends	219,532	177,315
Miscellaneous	11,870	25,482
	17,733,993	15,299,264
Operating expenditures:		
Salaries and wages	5,789,563	4,626,181
Employee benefits	724,075	590,922
Payroll taxes	390,669	320,251
Pharmaceutical 340B program	818,313	743,915
Direct assistance	6,773,653	5,804,888
Repairs and maintenance	366,331	666,199
Security contracts	20,085	20,058
Seminars, travel and recruiting	109,523	132,561
Office supplies	128,023	145,070
Telephone	77,854	78,060
Postage and printing	22,917	21,938
Professional services	766,843	610,759
Insurance	166,920	204,216
Miscellaneous	71,585	97,458
Public relations/fundraising	225,423	249,441
Bank charges	48,491	—
Interest	394,393	248,653
Tenants' security deposits	428	(2,585)
	16,895,089	14,557,985
Net Cash Provided By Operating Activities	838,904	741,279
Cash Flows From Investing Activities		
Purchases of fixed assets	(352,198)	(3,933,413)
Repayments from (advances to) related party LIHTC entities	130,690	(302,249)
Repayments from (advances to) consultant for developer fee	109,434	(109,434)
Payments to fund Elliott Place, L.P.	(250,000)	—
Payments to fund Doorways 2.0, L.P.	(670,759)	—
Purchases of investments	(1,074,046)	(120,433)
Proceeds from sales of investments	929,658	28,073
Net Cash Used In Investing Activities	(1,177,221)	(4,437,456)
Cash Flows From Financing Activities		
Payments on lines of credit	(12,784,913)	(9,942,302)
Proceeds from lines of credit	13,371,468	13,074,839
Proceeds from City of St. Louis Mental Health Board note payable	250,000	—
Payments on construction bridge loan	(645,715)	(449,691)
Payments to finance lease	(23,230)	(15,119)
Net Cash Provided By Financing Activities	167,610	2,667,727
Net Decrease In Cash, Cash Equivalents And Restricted Cash	(170,707)	(1,028,450)
Cash, Cash Equivalents And Restricted Cash - Beginning Of Year (Note 2)	1,378,309	2,406,759
Cash, Cash Equivalents And Restricted Cash - End Of Year (Note 2)	$ 1,207,602	$ 1,378,309
Supplemental Cash Flow Disclosure		
Fixed asset and construction in progress additions included in accounts payable	$ 15,000	$ 439,653

1. Operations

Interfaith Residence d/b/a Doorways (Interfaith) was incorporated in the State of Missouri as a not-for-profit corporation on February 22, 1988, organized for the purpose of providing social welfare, health and charitable services, and support to all persons who may be afflicted with catastrophic illnesses.

In the 1980s, people diagnosed with the frightening new disease called HIV/ AIDS were abandoned by families, shunned by society, and dying alone and homeless. St. Louis civic and faith leaders formed Interfaith to address the epidemic by providing hospice housing and services. Medications now deliver viral suppression and undetectable status, and the organization's focus shifted from serving the dying to building lives for the living. By providing safe, affordable housing for people living with HIV/AIDS (PLWH/A), the organization lays the foundation for improved access to healthcare and social services, increased compliance with individual treatment plans, and enhanced quality of life for those living with the disease.

Interfaith Residence d/b/a Doorways is the largest HIV-serving organization in Missouri, a recognized leader and trusted resource in the field, with a reputation for competence among both government and private agencies. Twice the recipient of a Best Practice Award from the U.S. Department of Housing and Urban Development (HUD), Interfaith Residence d/b/a Doorways has been recognized for its "excellence in addressing complex housing and supportive services for persons with HIV/AIDS." The organization's Cooper House, Residential Care Facility, was awarded the prestigious Award for Excellence in Supportive Housing by Enterprise Community Partners and the MetLife Foundation.

The primary supportive programs provided by Interfaith include:

Emergency Housing - responds to clients who are homeless and in desperate situations by offering 90-120 days of housing. Interfaith's housing coordinators work closely with these individuals to secure permanent housing. More than 380 people in housing crisis were sheltered during the year ended June 30, 2024.

Own Home - prevents homelessness by providing rent, mortgage, and utility subsidies for clients at-risk of losing their housing. More than 1,300 clients were served by Own Home during the year ended June 30, 2024.

Residential - provides 103 units of permanent housing in seven buildings in the City of St. Louis. Each development is designed for individuals and families who are capable of independent living but have financial and health issues, which limit their ability to pay fair market rent.

Within the Residential program, Interfaith sponsors five independent living facilities for persons with HIV/AIDS disabilities: Jefferson Park, Inc. d/b/a Anne's House, Tenth And Lami, Inc., Mama Nyumba, Kaya Malaika and Partridge Place. The Board members for these organizations were selected from Interfaith's Board members, and Interfaith has an economic interest in these organizations. Interfaith also operates two additional independent living facilities known as Delmar and Gertrude.

Cooper House - the only program of its kind in the region, is a 36-bed facility, providing 24-hour nursing care for those who are suffering more serious health conditions or are unable to live independently. In addition to round-the-clock supervision and nursing care, a dining room, commercial kitchen, and numerous social and recreational areas allow for interdisciplinary care-planning. This enables clients to achieve good physical health, behavioral health and stable housing goals.

Jumpstart - provides accelerated permanent housing for homeless single individuals with young children. Direct client aid in the form of transportation and food vouchers enables client families to remain in medical care and access other community social services, while raising children who are ready to learn.

Out-State - offers housing services through direct grants from HUD, to clients in 62 under-served counties in outstate Missouri and 55 in Illinois. This program collaborates with one sub-recipient service provider in Missouri and one in Illinois, providing capacity-development training, technical assistance, and administrative support in an effort to increase housing options for PLWH/A.

Empowerment Programs - to strengthen self-sufficiency, offerings include behavioral health counseling, employment assistance, individualized care coordination, self-development programming, community activities, and access to resources.

Interfaith also owns 100% of Doorways 2.0 Developer, L.L.C. (the "Developer") Doorways 2.0 GP, L.L.C. (the "General Partner") and Elliott Place GP, L.L.C. (the "Elliott Place GP"), entities formed to acquire, finance, lease, hold for investment, mortgage, own, operate, sell, exchange, encumber, or otherwise dispose of property.

On January 13, 2021, Interfaith closed on a New Markets Tax Credit (NMTC) deal as described in Note 7. In preparation for this transaction, Interfaith formed Doorways 2.0 Services, a not-for-profit organization that is a supporting organization and the Qualified Active Low Income Community Business (QALICB). The QALICB operates in such a way that it qualifies as a Qualified Active Low-Income Community Business under the definition of the NMTC Program under Internal Revenue Code (IRC) Section 45(d). Given an economic interest, this entity has been consolidated for financial statement purposes with Interfaith. Doorways 2.0 Services has no members and is managed by a Board of Directors that consists of six Board members. Of the six members, four shall be members of the Interfaith Board ("Interfaith Directors"). The remaining two members shall be appointed by the Interfaith Directors.

On March 12, 2021, Interfaith closed on a Low-Income Housing Tax Credit (LIHTC) deal. As part of the transaction, Doorways 2.0, L.P. was created to acquire, own, rehabilitate, manage and operate real estate located in the City of St. Louis. Interfaith is General Partner of Doorways 2.0, L.P. and owns 0.01% of Doorways 2.0, L.P. Due to the Doorways 2.0 L.P.'s controlling ownership interest, Interfaith is not deemed to have a controlling interest, and Doorways 2.0, L.P. is not consolidated for financial statement purposes with Interfaith.

On July 18, 2023, Interfaith closed on a second Low-Income Housing Tax Credit (LIHTC) deal. As part of the transaction, Elliott Place, L.P. was created to acquire, own, rehabilitate, manage and operate real estate located in the City of St. Louis that will add thirty-nine- (39) units of permanent supportive housing. Interfaith is General Partner of Elliott Place, L.P. and owns 0.01% of Elliott Place, L.P. Due to the Elliott Place, L.P.'s controlling ownership interest, Interfaith is not deemed to have a controlling interest, and Elliott Place, L.P. is not consolidated for financial statement purposes with Interfaith.

2. Summary Of Significant Accounting Policies

Basis Of Accounting

The consolidated financial statements of Doorways have been prepared on the accrual basis of accounting.

Principle Of Consolidation

In addition to the five independent living facilities described in Note 1 and consolidated with Interfaith for this report, the accompanying consolidated financial statements include the accounts of Doorways 2.0 Services, Doorways 2.0 GP, L.L.C., Elliott Place GP, L.L.C. and Doorways 2.0 Developer, L.L.C. These ten entities are collectively referred to as Doorways or Organization. All significant inter-entity investments, transactions and account balances have been eliminated in consolidation.

Cash, Cash Equivalents And Restricted Cash

The following is a reconciliation between cash, cash equivalents and restricted cash reported within the consolidated statement of financial position and the total cash, cash equivalents and restricted cash on the consolidated statement of cash flows as of June 30:

	2024	2023
Cash and cash equivalents - operations	$ 428,131	$ 667,316
Cash and cash equivalents included in investments	2,309	7,764
QALICB reserve escrow	131,901	158,367
Tenants' security deposits	26,445	24,463
Other escrows	3,426	3,351
Reserves for replacements	600,125	502,226
Residual receipts reserves	15,265	14,822
Total Cash, Cash Equivalents And Restricted Cash	$ 1,207,602	$ 1,378,309

Cash and cash equivalents are comprised of demand deposits and other short-term investments, which are readily convertible to cash. Doorways has an insured cash sweep account service, which sweeps funds over the FDIC-limit into various FDIC-insured institutions on a daily basis.

Basis Of Presentation

Financial statement presentation follows the requirements issued by the Financial Accounting Standards Board (FASB) for not-for-profit organizations, which require Doorways to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of Doorways. These net assets may be used at the discretion of management and the Board of Directors.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of Doorways or by the passage of time.

Estimates And Assumptions

Management uses estimates and assumptions in preparing consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Operating And Nonoperating Activity

Operating results in the consolidated statement of activities reflect all transactions except net realized and unrealized gains (losses) on investments, loss on disposal of fixed assets, forgiveness of Affordable Housing Program Subsidy loan and Paycheck Protection Program loan extinguishment of debt.

Fair Value Measurements

Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments, which are generally included in this category, include listed equity and debt securities publicly traded on a stock exchange.

Level 2 Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level 3 Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation.

Accounts And Grants Receivables

Accounts and grants receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible receivables through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the receivable. Changes in the valuation allowance for tenant accounts receivable have not been material to the consolidated financial statements. A valuation allowance is not considered necessary for grants receivable and other accounts receivable.

Other Receivables

Other receivables are stated at the amount management expects to collect from outstanding balances. As of June 30, 2024 and 2023, other receivables in the amount of $171,559 and $302,249, respectively, are due from Doorways 2.0, LP and Elliott Place, LP for costs paid for by Interfaith. As of June 30, 2023, $109,434 is due from the consulting on the LIHTC project for an advanced developer fee payment. As of June 30, 2024, all amounts were paid.

Promises To Give

Unconditional promises to give in future periods are recognized as support in the period the promises are received. Conditional promises to give, that is, those with a measurable performance or other barrier, are not recognized until the conditions on which they depend have been met. Promises to give are recorded at the present value of the estimated future cash flows, net of a valuation allowance for uncollectible promises based on historical experience and a review of outstanding balances.

Conditional contributions not recognized due to the existence of measurable performance barriers at June 30, 2024 were $4,507,452 in government grants, of which all is expected to be recognized in 2025. Conditional contributions not recognized due to the existence of measurable performance barriers at June 30, 2023 were $7,996,679 in government grants, of which all was expected to be recognized in 2024.

Investments

Investments in equity and debt securities with readily determinable fair values are measured at fair value in the consolidated statement of financial position. Investment income (including realized and unrealized gains (losses) on investments) is included in increase (decrease) in net assets without donor restrictions unless the income is restricted by donor or law. Realized gains or losses on the sale of investments are determined on the specific identification method.

Doorways invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statement of financial position.

Restricted Deposits And Funded Reserves

Restricted deposits and funded reserves are comprised of interest-bearing checking and savings accounts.

Property And Equipment

Property and equipment are carried at cost, if purchased, or at fair value, if donated, less accumulated depreciation computed using the straight-line method. The assets are depreciated over periods ranging from 3 to 40 years.

Doorways reviews its investment in property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property and equipment may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the property and equipment to the future net undiscounted cash flow expected to be generated by the property and equipment, including the residual value. If the property and equipment is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount exceeds the fair value. There was no impairment loss recognized for the years ended June 30, 2024 or 2023.

Debt Issuance Costs

Debt issuance costs totaling $450,883 consist of fees for obtaining the financing for the New Markets Tax Credit transaction and are being amortized using the straight-line method over the life of the mortgage loan. Accumulated amortization totaled $52,602 and $37,573 at June 30, 2024 and 2023, respectively. Amortization expense amounted to $15,029 for the years ended June 30, 2024 and 2023, and is included in interest expense on the consolidated statement of functional expenses for the years ended June 30, 2024 and 2023.

Debt issuance costs totaling $34,624 consist of fees for obtaining the financing for the construction bridge loan and are being amortized using the straight-line method over the life of the loan. Accumulated amortization totaled $34,624 and $28,708 at June 30, 2024 and 2023, respectively. Amortization expense amounted to $5,916 and is included in interest expense on the consolidated statement of functional expenses for the years ended June 30, 2024 and 2023.

Accounting principles generally accepted in the United States of America require that the effective yield method be used to amortize financing costs; however, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective yield method.

Loan, Note And Interest Receivable

The loan, note and interest receivable are stated at the amount management expects to collect from balances outstanding at year end. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of the loan. Management's periodic evaluation of the adequacy of the allowance is based on the loan's past performance, known and other inherent risks, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral, and current economic conditions. Balances still outstanding after management has used reasonable collection efforts will be written off through a charge to the valuation allowance and a credit to loan and interest receivable. Based on management's assessment of its credit history and current relationship with the borrower, management does not believe an allowance is necessary as of June 30, 2024 and 2023 (Note 6).

Rent Revenue

The rental property is generally leased to tenants under month-to-month noncancellable operating leases. Rent revenue is recognized on a straight-line basis over the terms of the leases.

Revenue Recognition

Medicaid and private pay service revenue is reported at the estimated net realizable amounts from residents/patients, third-party payers and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. Payment for services under the Medicaid program is based on the standard daily billing rates for such services.

The opening and closing balances of receivables from Medicaid and private pay for services for the year ended June 30, 2024 were $168,831 and $113,532, respectively. The opening and closing balances of receivables from Medicaid and private pay for services for the year ended June 30, 2023 were $208,781 and $168,831, respectively.

During 2021, Interfaith entered into a contract pharmacy services agreement whereby Interfaith purchases covered medication and sells it to eligible residents under Section 340B of the Public Health Services Act. Interfaith appointed a pharmacy to act as its duly authorized agent for the purpose of negotiating and recommending provider contracts with 340B participating drug manufacturers, wholesalers, or distributors. Purchases of covered drugs made by the pharmacy, as agent for the provider, are shipped to the pharmacy and billed to the provider. The pharmacy places orders for covered drugs on behalf of Interfaith in accordance with good faith estimates of inventory requirements for such products and based upon relevant information provided by Interfaith. All sales are considered point-of-sale transactions and the fiscal year and timing of services match. Revenue from the 340B program totaled $1,123,058 and $1,005,259 and expenses totaled $821,581 and $684,631 for the years ended June 30, 2024 and 2023, respectively. The opening and closing balances of receivables from the 340B program for the year ended June 30, 2024 were $88,229 and $95,483, respectively. The opening and closing balance of receivables from the 340B program for the year ended June 30, 2023 were $87,889 and $88,229, respectively.

Doorways recognizes revenue when promised goods or services are transferred to the customer in an amount that reflects the consideration expected in exchange for those goods or services.

Support With And Without Donor Restrictions

Doorways reports gifts of cash and other assets as net assets with donor restrictions or without donor restrictions, depending on the existence and/or nature of any donor restrictions. 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 consolidated statement of activities as net assets released from restrictions. Doorways has adopted the policy of reporting net assets released from restrictions upon completion of the donor purpose restriction, regardless of whether the related cash has been received.

Grants

Grants that are deemed to be conditional contributions - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

All federal, state and local grants are recognized as revenues only to the extent allowable expenses have been incurred under the terms of their respective agreements. The remaining portions received in advance of allowable expenses being incurred are recorded as refundable advances on the consolidated statement of financial position. There were no refundable advances at June 30, 2024. Refundable advances amounted to $113,886 at June 30, 2023.

Contributed Nonfinancial Assets

Certain professional services are donated by various organizations. When these donated services meet the criteria for recognition under Accounting Standard Codification (ASC) 958-605, they are recorded at fair value at the date of donation.

Doorways also receives donated materials, which are recorded at fair value at the date of receipt. Doorways records the value of donated materials when there is an objective basis available to measure their value (Note 17).

In addition, a number of volunteers have donated a significant amount of their time to Doorways' programs. However, such donated services have not been recorded because they do not meet the criteria for recognition.

Developer Fee Income

Doorways 2.0 Developer, L.L.C. (Developer) entered into a Development Agreement for the Doorways 2.0 campus expansion project. As part of the Development Agreement, the Developer will earn a Developer Fee to be paid in accordance with the Development Agreement. The Development Fee for the years ended June 30, 2024 and 2023 totaled $348,474 and $469,672, respectively. As of June 30, 2024 and 2023, $278,779 and $469,672, respectively, was receivable and is included in other receivables - developer fee income.

Description Of Program Services And Supporting Activities

The following program services and supporting activities are included in the accompanying consolidated financial statements:

Program Services

Includes those expenditures to assist Doorways in providing housing and related needs along with quality support and social services to persons with HIV/AIDS.

Management And General

Includes the functions necessary to maintain an equitable employment program; ensure an adequate working environment; provide coordination and articulation of Doorways' program strategy; secure proper administrative functioning of the Board of Directors; and manage the financial and budgetary responsibilities of Doorways.

Private/Public Fund Development

Provides the structure necessary to encourage and secure public funds (government grants) and private financial support from corporations, foundations and individuals through various fundraising and special events, including Capital Campaigns.

Expense Allocation

Expenses including depreciation, repairs and maintenance, seminars, travel and recruiting, office supplies, telephone, postage and printing, professional services, insurance, and miscellaneous costs are charged to program services and supporting activities on the basis of management's estimates on how resources are specifically utilized. Expenses that are directly identifiable as program services include direct assistance, security contracts and pharmaceutical - 340B program. Personnel costs, including salaries and wages, employee benefits, and payroll taxes are charged to program and supporting activities on the basis of monthly time and expense studies and management estimates. Supporting activities expenses are not directly attributable to providing program services and include public relations/fundraising, interest and bad debt expense.

Recent Accounting Pronouncements

As of July 1, 2023, Doorways adopted Accounting Standards Codification (ASC) Topic 326, *Financial Instruments - Credit Losses,* using a modified-retrospective approach. The standard replaces the previously incurred loss model and requires entities to record an estimate of expects losses on financial assets for the remaining estimate life of the asset. This estimate must include consideration of historical experience, current conditions and reasonable and supportable forecasts. The adoption did not result in a cumulative adjustment.

Doorways

As further described in Note 19, Doorways maintains a lease for office equipment. Lease right-of-use (ROU) assets and lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. Doorways' lease has a term of five years. Doorways does not record ROU assets or lease liabilities for leases with an initial expected lease term of 12 months or less.

The lease terms utilized in determining ROU assets and lease liabilities include the noncancellable portion of the underlying leases along with renewal periods, only if it is reasonably certain that the option will be exercised. While the leases may contain renewal options, there is generally not a significant economic incentive to exercise the options. Accordingly, only the initial term is included in the lease term when calculating the ROU assets and lease liabilities. Doorways has not included any termination penalties in its lease payments, nor shortened any lease terms related to options to terminate a lease.

As most leases do not provide an implicit discount rate, Doorways estimates an incremental borrowing rate based on the information available at the lease commencement date to determine the present value of the lease payments. The estimated incremental borrowing rate represents the estimated rate of interest that would have been charged to borrow an amount equal to the lease payments on a collateralized basis for a similar period of time.

Doorways does not separate non-lease components of a contract from the lease components to which they relate for all classes of lease assets.

Independent Living Facilities

Jefferson Park, Inc. d/b/a Anne's House, Tenth And Lami, Inc., Mama Nyumba, Kaya Malaika, Partridge Place, Cooper House, as lessors (Lessors), lease multifamily residential units, generally with a lease term of one year. While the leases typically include renewal options, the economic terms of the lease do not make it reasonably certain that a renewal option would be exercised. Under ASC 842, the Lessors classify the leases as operating leases and elect not to separate the lease component, comprised of monthly rents from tenants, from the associated non-lease components, comprised of fees related to utility costs. The Lessors account for the combined lease and non-lease components under ASC 842. Lease income for the year ended June 30, 2024 was as follows:

Lessor	Lease Income For The Year Ended June 30, 2024 Amount	Lease Income For The Year Ended June 30, 2023 Amount
Jefferson Park, Inc.	$ 194,668	$ 149,729
Tenth and Lami, Inc.	203,785	162,609
Mama Nyumba	212,806	182,864
Kaya Malaika	181,269	165,136
Partridge Place	173,864	143,083

Based on the remaining terms of the lease agreements, the Lessors expects to receive lease payments during the year ending June 30, 2025, as follows:

Lessor	Expected Lease Payments During The Year Ended June 30, 2025 Amount
Jefferson Park, Inc.	$ 121,000
Tenth and Lami, Inc.	115,724
Mama Nyumba	87,827
Kaya Malaika	105,470
Partridge Place	145,200

Doorways has elected certain practical expedients, including the use of hindsight in determining the lease term at transition and the package of practical expedients to not reassess prior conclusions related to contracts containing leases, lease classification, and initial direct costs.

Tax Status

Interfaith Residence d/b/a Doorways, Jefferson Park, Inc., Tenth And Lami, Inc., Mama Nyumba, Kaya Malaika, Partridge Place, and Doorways 2.0 Services each constitute a qualified not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code and they are, therefore, exempt from federal income taxes on related, exempt income. Doorways 2.0 Developer, L.L.C., Doorways 2.0 GP, L.L.C, and Elliott Place, GP, L.L.C. are single member LLCs, of which Interfaith is the single member and thus they are also exempt under Section 501(c)(3).

The entities' tax returns for tax years 2020 and later remain subject to examination by taxing authorities.

3. Grants Receivable

Grants receivable consist of the following:

	2024	2023
H.O.P.W.A.	$ 560,333	$ 518,936
Supportive Housing Program	293,964	306,512
Emergency Solutions Grant	21,862	39,135
Continuum of Care	36,817	62,803
Community Development Block Grant	78,375	81,259
Missouri Housing Development Commission	12,520	35,812
Ryan White Title I	154,850	125,208
Department of Health Services	274,520	215,203
Healthcare Strategic Initiatives	751,778	167,839
Corporation for Supporting Housing	238,190	—
Missouri Foundation for Health	25,850	—
MSD Green Infrastructure Grant	—	369,000
Affordable Housing Commission	151,633	202,053
	$ 2,600,692	$ 2,123,760

4. Promises To Give

Promises to be received in future periods are collectible as of June 30, 2024 as follows:

Year	Capital Campaign	Operating	Total
2025	$ 194,433	$ 87,809	$ 282,242
2026	86,838		86,838
2027	20,100		20,100
2028	11,910		11,910
2029			—
	313,281	87,809	401,090
Less: Allowance for doubtful accounts	(19,984)	—	(19,984)
Discount to record at present value	(7,733)	—	(7,733)
	$ 285,564	$ 87,809	$ 373,373

Promises to be received in future periods were collectible as of June 30, 2023 as follows:

Year	Capital Campaign	Operating	Total
2024	$ 470,562	$ 77,601	$ 548,163
2025	239,890	—	239,890
2026	185,815	—	185,815
2027	20,100	—	20,100
2028	31,910	—	31,910
	948,277	77,601	1,025,878
Less: Allowance for doubtful accounts	(45,957)	—	(45,957)
Discount to record at present value	(38,677)	—	(38,677)
	$ 863,643	$ 77,601	$ 941,244

Discount rates of 8% for the promises to give received in 2024 and 2023 and 4.5% for promises to give received in prior years were utilized to record the promises to give at the present value of estimated future cash flows.

5. Investments And Fair Value Measurements

Investments held as of June 30 are as follows:

	2024	2023
Cash and cash equivalents	$ 2,309	$ 7,764
Bond mutual funds	1,657,807	1,459,104
Equity investments	3,156,131	2,823,215
	$ 4,816,247	$ 4,290,083

The following are the major categories of assets and liabilities measured at fair value on a recurring basis during the years ended June 30, 2024 and 2023 using quoted prices in active markets for identical assets (Level 1); significant observable inputs for similar assets (Level 2); and significant unobservable inputs (Level 3):

	June 30, 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	$ 2,309	$ —	$ —	$ 2,309
Mutual funds:				
Corporate funds	399,705	45,529	—	445,234
Intermediate funds	1,098,793	—	—	1,098,793
World funds	113,780	—	—	113,780
Equity investments:				
Preferred stocks	—	127,268	—	127,268
Small cap	322,388	—	—	322,388
Mid-cap	344,889	—	—	344,889
Large-cap	1,631,333	—	—	1,631,333
Foreign	730,253	—		730,253
	$ 4,643,450	$ 172,797	$ —	$ 4,816,247

	June 30, 2023			
	Level 1	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	$ 7,764	$ —	$ —	$ 7,764
Mutual funds:				
Corporate funds	390,891	44,865	—	435,756
Short-term funds	121,164	—	—	121,164
Intermediate funds	685,951	—	—	685,951
World funds	216,233	—	—	216,233
Equity investments:				
Preferred stocks	—	114,314	—	114,314
Small cap	330,691	—	—	330,691
Mid-cap	441,113	—	—	441,113
Large-cap	1,353,416	—	—	1,353,416
Foreign	583,681	—	—	583,681
	$ 4,130,904	$ 159,179	$ —	$ 4,290,083

Investments carried at fair value are categorized as Level 1 for fair value purposes, except for preferred stocks and certain corporate bonds, which are categorized as Level 2.

These assets utilize the following valuation techniques and inputs:

Mutual Funds and Equity Investments: The fair values of investments in mutual funds and equity investments are primarily determined using techniques that are consistent with the market approach. Significant observable inputs include benchmark yields, reported trades, observable broker-dealer quotes, issuer spreads, and security specific characteristics, such as early redemption options.

At June 30, 2024 and 2023, unrealized gains of $198,075 and $203,467, respectively, were recorded to adjust investments to fair value. For the years ended June 30, 2024 and 2023, realized gains of $195,692 and $66,414, respectively, were recorded.

6. Loan, Note And Interest Receivable

On January 13, 2021, Interfaith entered into a New Markets Tax Credit (NMTC) transaction, further discussed in Note 7, which enabled construction of a new office building. Interfaith serves as the Leverage Lender in the NMTC structure.

Utilizing financial resources from the results of Interfaith's Beyond Tonight capital campaign, predevelopment costs incurred and cash on hand, Interfaith made a leverage loan of $5,821,400 to Twain Investment Fund 522, LLC (the Investment Fund). The loan accrues interest at an annual rate of 1%, with quarterly payments of accrued interest due. Interest-only quarterly payments began on March 15, 2021. Commencing March 15, 2028, quarterly interest payments of all accrued and unpaid interest at the interest rate plus an amount of principal sufficient to amortize the outstanding principal amount over the remaining term of the loan on a level payment basis shall be due with the final payment of principal and accrued interest due on the note's maturity on January 12, 2048. The loan is secured primarily by the Investment Fund's membership interest in the sub-CDE, St. Louis New Markets Tax Credit Fund 67, LLC.

As of June 30, 2024 and 2023, principal of $5,821,400 was outstanding. During the year ended June 30, 2024, Doorways recorded a credit loss of $58,200 based on NMTC industry historical experience. As of June 30, 2024 and 2023, there was no interest outstanding.

On March 12, 2021, Interfaith entered into a Low-Income Housing Tax Credit (LIHTC) transaction, further discussed in Note 7, to enable construction of a new residential building. As part of the financing, funds were awarded to Interfaith from the Federal Home Loan Bank and the City of St. Louis Mental Health Board in the amounts of $750,000 and $250,000, respectively. The funds were then passed to Doorways 2.0, GP, L.L.C. and then to Doorways 2.0, L.P. as part of the new Doorways 2.0 campus financing plan. Doorways 2.0, L.P. will repay Doorways 2.0, GP, L.L.C. $1,000,000 as part of the General Partner loan on the project. The General Partner loan earned interest at 1.62% through May 5, 2023, at which time the interest increased to 3.22%. During 2024, an additional $680,759 was funded. As of June 30, 2024 and 2023, principal of $1,680,759 and $1,000,000, respectively, was outstanding and is payable from Doorways 2.0, L.P.'s Available Annual Net Cash Flow. As of June 30, 2024 and 2023, interest of $78,781 and $27,486, respectively, was outstanding and is payable from Doorways 2.0, L.P.'s Available Annual Net Cash Flow.

On March 12, 2021, as part of the closing on the LIHTC deal, Interfaith funded $10,000 to Doorways 2.0, L.P. through Doorways 2.0, GP, L.L.C. This amount is payable from Doorways 2.0, L.P.'s Available Annual Net Cash Flow.

On July 18, 2023, Interfaith entered into a Low-Income Housing Tax Credit (LIHTC) transaction, further discussed in Note 7, to enable construction of a new residential building. As part of the financing, funds were awarded to Interfaith from the City of St. Louis Mental Health Board in the amount $250,000. The funds were then passed to Elliott Place, GP, L.L.C. and then to Elliott Place, L.P. as part of the new campus financing plan. Elliott Place, L.P. will repay Elliott Place, GP, L.L.C. $250,000 as part of the General Partner loan on the project. The General Partner loan earned does not bear interest. As of June 30, 2024, principal of $250,000 was outstanding and is payable from Elliott Place, L.P.'s Available Annual Net Cash Flow.

7. Long-Term Debt

Capital Advances

During 2003, Kaya Malaika entered into a Capital Advance Agreement (the Note) for a capital advance in the amount of $2,157,100, under Section 811 of the National Affordable Housing Act (NAHA). The Note is secured by a first deed of trust on the property. The Note shall bear no interest and shall be repayable only if Kaya Malaika does not remain available for very low-income, eligible individuals or families as approved by the U.S. Department of Housing and Urban Development (HUD) for no less than 40 years. If default is made by Kaya Malaika under the terms of the capital advance, the entire principal sum shall at once become due and payable without notice.

The debt evidenced by this Note may not be prepaid prior to the maturity date of August 2042 without the prior written approval of HUD. Provided the housing project has remained available for occupancy by eligible families until the maturity date of the Note, and the Note has not otherwise become due and payable by reason of defaults under the Note, mortgage or Regulatory Agreement, the Note shall be deemed to be paid and discharged. The balance at June 30, 2024 and 2023 amounted to $2,157,100.

During 2006, Partridge Place entered into a Capital Advance Agreement (the Note) for a capital advance in the amount of $1,576,500, under Section 811 of the National Affordable Housing Act (NAHA). The Note is secured by a first deed of trust on the property. The Note shall bear no interest and shall be repayable only if Partridge Place does not remain available for very low-income, eligible individuals or families as approved by HUD for no less than 40 years. If default is made by Partridge Place under the terms of the capital advance, the entire principal sum shall at once become due and payable without notice.

The debt evidenced by this Note may not be prepaid prior to the maturity date of January 2047, without the prior written approval of HUD. Provided the housing project has remained available for occupancy by eligible families until the maturity date of the Note, and the Note has not otherwise become due and payable by reason of defaults under the Note, mortgage or Regulatory Agreement, the Note shall be deemed to be paid and discharged. The amount of the Capital Advance outstanding at June 30, 2024 and 2023 is $1,576,500.

Affordable Housing Program Subsidies

On March 14, 2019, Interfaith entered into an Affordable Housing Program Agreement for Rental Project with Subsidy on behalf of Mama Nyumba in the amount of $535,000, with the Federal Home Loan Bank of Des Moines. Mama Nyumba is subject to a deed restriction on the property and the Subsidy shall be repayable only if the Project does not utilize the funds to finance the purchase, construction or rehabilitation of rental housing in which all 14 units will be occupied by and affordable for households at or below 50% of median income for a period of 15 years, beginning on the date of substantial project completion. If default is made by Mama Nyumba under the terms of the Subsidy Agreement, the entire Subsidy, including interest if appropriate, as determined in the Bank's discretion, shall at once become due and payable without notice. The amount of the Subsidy outstanding at June 30, 2024 and 2023 is $535,000.

Developer Subsidy Grants

On August 31, 2005, Partridge Place entered into a Housing Development Grant Agreement for a grant in the amount of $296,800 with the City of St. Louis Affordable Housing Commission. Partridge Place is subject to a deed restriction on the property, and the grant shall be repayable only if Partridge Place does not remain occupied by and affordable for households with incomes at or below 20% of area median income for a period of 30 years from the project completion date February 2007. If default is made by Partridge Place under the terms of the Grant Agreement, the entire amount shall at once become due and payable without notice. The amount of the grant outstanding at June 30, 2024 and 2023 is $296,800.

On January 19, 2016, Interfaith entered into a Housing Development Grant Agreement for a grant in the amount of $80,092 with the City of St. Louis Affordable Housing Commission for the rehabilitation of Gertrude. Gertrude is subject to a deed restriction on the property, and the grant shall be repayable only if Gertrude does not remain occupied by and affordable for households with incomes at or below 20% of area median income for a period of 30 years from the project completion date, September 1, 2016. If default is made by Interfaith under the terms of the Grant Agreement, the entire amount shall at once become due and payable without notice. The amount of the grant funded and outstanding at June 30, 2024 and 2023 is $80,092.

New Markets Tax Credit Loans

In preparation for this transaction, a not-for-profit organization was established, Doorways 2.0 Services (QALICB). The QALICB completed construction and holds title to the office building as well as leases said facility to Interfaith. The QALICB will operate in such a way that it qualifies as a Qualified Active Low-Income Community Business under the definition of the NMTC Program under Internal Revenue Code (IRC) §45(d).

From this Qualified Equity Investment (QEI), loan financing is being provided by St. Louis New Markets Tax Credit Fund 67, LLC (sub-CDE) to the QALICB to finance the facility expansion. Collectively, these loans are secured by the QALICB's Deed of Trust. In addition, on behalf of the QALICB, Interfaith has guaranteed interest payments on these loans as well as other guarantees to the sub-CDE. On a quarterly basis, the QALICB must certify to the sub-CDE the QALICB's compliance with NMTC compliance requirements, including that the QALICB remains a Qualified Active Low-Income Community Business.

This loan financing consists of two loans in the amounts of $5,821,400 (Loan A) and $1,858,600 (Loan B) with the sub-CDE. Both loans bear interest at 1.153911% per annum with quarterly interest payments due beginning March 5, 2021. Commencing on January 1, 2028, quarterly principal and interest payments on Loans A and B of $72,134 and $23,030, respectively, shall be due, with final principal and interest payments due upon the loans' maturity on March 5, 2028. The loans may not be prepaid in whole or in part at any time prior to January 13, 2028.

At both June 30, 2024 and 2023, principal of $5,821,400 and $1,858,600, respectively, was outstanding on these loans. Interest incurred and capitalized on these loans during amounted to $129,976. The building was placed in service during 2023. Interest was expensed for the year ended June 30, 2024 and 2023 totaled $88,620 and $66,465, respectively, and is included in interest expenses on the consolidated statement of functional expenses. No amounts remained payable at June 30, 2024 or 2023.

Interfaith also entered into an Admin Bridge Loan Line of Credit with Busey Bank in the amount of $3,462,400. The loan bears interest at the prime rate minus twenty-five basis points, provided in no event shall the loan rate be less than 3.00%. The loan rate at closing was 3.0%. The interest rate at June 30, 2024 is 7.50%. Interest payments are due monthly beginning on February 21, 2021. This agreement requires Interfaith to apply all capital contributions received by it to the repayment of the loan until the loan is paid in full. All capital contributions required to be used for repayment of the loan shall be paid as follows: (1) any individual capital contributions of $25,000 or more will be paid to the lender within 15 calendar days of receipt, and (2) all other capital contributions of lesser amounts will be paid to the lender in one aggregate payment on a monthly basis no later than the twenty-first of each month following the month in which such capital contribution were received, together with a ledger of pledges and receipts of all capital contributions updated for such amounts received. The loan matures on January 13, 2026. Interfaith has pledged its interest in pledges receivable (promises to give) to Busey Bank as collateral.

At June 30, 2024 and 2023, principal of $87,751 and $733,466, respectively, was outstanding. Interest incurred and expensed amounted to $31,888 and $63,296 for the years ended June 30, 2024 and 2023, respectively.

On January 13, 2021, Interfaith entered into a Line of Credit Loan with Busey Bank in the amount of $2,500,000. The Line of Credit Loan was amended on May 4, 2022, to increase the amount to $3,250,000. The loan bears interest at the weekly average yield on the United States Treasury securities adjusted to a constant maturity of 1 month plus 200 basis points provided that in no event shall the loan rate be less than 2%. The loan rate at closing was 2.01%. The interest rate at June 30, 2024 is 6.75%. Interest payments are due monthly beginning on February 21, 2021. The remaining balance of principal and interest is due upon maturity at June 2, 2025. As of June 30, 2024 and 2023, $2,719,092 and $2,632,537, respectively, was outstanding. Interest incurred and expensed amounted to $192,100 and $100,358 for the years ended June 30, 2024 and 2023, respectively.

Interfaith has granted a security interest in its Pledge Account at Busey Bank and the investments held at Stifel Nicolaus & Company, Inc. to Busey Bank as collateral.

On June 7, 2022, Interfaith entered into a second Line of Credit Loan with Busey Bank in the amount of $1,750,000 under a revolving line of credit agreement. The loan bears interest at the Wall Street Journal Prime rate with a floor of 3.25%. The loan rate at closing was 3.50%. The interest rate at June 30, 2024 is 7.75%. Interest payments are due monthly beginning on June 21, 2022. The remaining balance of principal and interest is due upon maturity at June 7, 2025. As of June 30, 2024 and 2023, $1,500,000 and $1,000,000, respectively, was outstanding. Interest incurred and expensed amounted to $87,701 and $36,544, for the years ended June 30, 2024 and 2023, respectively.

In addition, Interfaith performed certain tenant improvements during construction that were funded by Interfaith, the tenant, in the amount of $2,586,646, subject to change orders during construction as of June 30, 2023. No amounts were funded as of June 30, 2024.

Doorways 2.0, L.P. Financing

On December 12, 2020, Interfaith, as Project Sponsor, entered into an Affordable Housing Program Agreement ("Agreement") for Rental Project with Subsidy on behalf of Doorways 2.0, L.P. in the amount of $750,000, with the Federal Home Loan Bank of Des Moines (FHLB). These funds were drawn down in 2022 and passed through to Doorways 2.0, GP, L.L.C. and then to Doorways 2.0, L.P.

Per the terms of the Agreement, Doorways 2.0, L.P. is subject to a deed restriction on the property and the Subsidy shall be repayable only if Doorways 2.0, L.P. does not utilize the funds to finance the purchase, construction or rehabilitation of rental housing in which 40 units will be occupied by and affordable for households at or below 50% of median income and 10 units will be occupied by and affordable for households between 51 and 60% of median income for a period of 15 years, beginning on the date of substantial project completion. If default is made by Doorways 2.0, L.P. under the terms of the Subsidy Agreement, the entire Subsidy, including interest if appropriate, as determined in the FHLB's discretion, shall at once become due and payable without notice by either the Project Sponsor or Doorways 2.0, L.P. The amount of the Subsidy outstanding at June 30, 2024 and 2023 is $750,000. The balance of the loan is forgivable after 15 years if compliance is maintained.

On March 12, 2021, Interfaith entered into a Promissory Note with the City of St. Louis Mental Health Board (MHB Note) in the amount of $250,000. The MHB Note was used to finance Doorways 2.0, L.P.'s construction of a residential building. Per the terms of the MHB Note, Interfaith is subject to occupancy requirements which require the development of a behavioral health program, evaluation and data tracking system, including, without limitation, support of 15 units dedicated to individuals with mental health conditions, substance abuse, or other serious behavioral health conditions. If default is made by Interfaith or Doorways 2.0, L.P., the entire principal payment for that year shall be due. If compliance is maintained, $25,000 each year will be deemed paid in full on each annual payment date until the maturity date on March 12, 2031. The amount of the Subsidy outstanding at June 30, 2024 and 2023 is $175,000 and $250,000, respectively . As of June 30, 2023, no forgiveness had been recognized. As of June 30, 2024, forgiveness of $75,000 was recognized and is recorded in miscellaneous income on the consolidated statement of activities.

The funds noted above from FHLB and the MHB Note were paid to a disbursing agent on behalf of Interfaith, passed to Doorways 2.0, GP, L.L.C. and then to Doorways 2.0, L.P. as part of the new Doorways 2.0 housing construction financing plan. Doorways 2.0, L.P. will repay Doorways 2.0, GP, L.L.C. $1,010,000 plus interest as part of the General Partner loan on the project.

Interest during the construction period, totaling $136,816 for the years ended June 30, 2023, has been capitalized and is included in construction in progress.

Elliott Place, L.P. Financing

On July 18, 2023, Interfaith entered into a Promissory Note with the City of St. Louis Mental Health Board (MHB Note) in the amount of $250,000. The MHB Note was used to finance Elliott Place, L.P.'s construction of a residential building. Per the terms of the MHB Note, Interfaith is subject to occupancy requirements which require the development of a behavioral health program, evaluation and data tracking system, including, without limitation, support of 15 units dedicated to individuals with mental health conditions, substance abuse, or other serious behavioral health conditions. If default is made by Interfaith or Elliott Place, L.P., the entire principal payment for that year shall be due. If compliance is maintained, $25,000 each year will be deemed paid in full on each annual payment date until the maturity date on July 18, 2033. The amount of the Subsidy outstanding at June 30, 2024 was $250,000. As of June 30, 2024, no forgiveness has been recognized

The funds noted above from the MHB Note were paid to a disbursing agent on behalf of Interfaith, passed to Elliott Place, GP, L.L.C. and then to Elliott Place, L.P. as part of the new housing construction financing plan. Elliott Place, L.P. will repay Elliott Place GP, L.L.C. $250,000 as part of the General Partner loan on the project.

8. Line Of Credit

On March 10, 2021, Interfaith entered into an additional line of credit agreement with Busey Bank to provide maximum borrowings of $371,250. As of June 30, 2024 and 2023, there was no outstanding balance. The line of credit matured on June 9, 2025. The outstanding amounts bear interest at a variable rate, which is the U.S. Prime Rate as published in the Bonds, Rates and Yields section of The Wall Street Journal. The interest rate at issuance was 3.25%. Interest-only payments are payable monthly from April 2021 through June 2025, at which time all unpaid principal and interest are due.

9. Net Assets

Net assets with donor restrictions consist of the following:

	2024	2023
Capital campaign - time restriction	$ 285,562	$ 863,643
Emergency housing subsidies	10,700	—
Community outreach	25,000	—
Provision pantry	23,995	40,418
Food voucher program	—	15,000
Residential programs	14,970	29,145
Transportation and clothing	11,328	11,096
Volunteering	15,000	
Behavioral health	40,665	50,000
Employment	13,778	—
Jumpstart	1,849	2,000
Operations - time restriction	87,811	82,301
	$ 530,658	$ 1,093,603

Net assets were released from donor-imposed restrictions as follows:

	2024	2023
Capital campaign	$ 613,121	$ 5,399,190
Broadway cares	10,000	10,000
Jumpstart	151	—
Own Home subsidies	—	20,000
Emergency housing subsidies	1,800	—
Jefferson Park flooring	15,000	—
Food voucher program	15,000	—
Residential programs	6,569	28,172
Family residential capital projects	7,606	8,897
Transportation and clothing	36,212	19,540
Housing program	—	—
Provisions pantry	16,422	4,024
Behavioral health	392,455	266,498
Operations - time restriction	109,741	81,594
	$ 1,224,077	$ 5,837,915

10. Government Grants

Government grants consist of the following:

	2024	2023
Federal Funds		
U.S. Department of Housing and Urban Development		
H.O.P.W.A.		
Passed through the City of St. Louis Department of Health	$ 1,660,502	$ 1,914,145
Outstate Missouri	380,114	358,843
Outstate Illinois	276,041	312,467
Housing as an Intervention to Fight AIDS	929,371	478,242
Continuum of Care		
Passed through the City of St. Louis Department of Human Services	1,407,049	1,059,024
Emergency Solutions Grant		
Passed through Missouri Housing Development Commission	72,593	42,455
Passed through the City of St. Louis Department of Human Services	—	209,261
Community Development Block Grant		
Passed through City of St. Louis Community Development Administration	147,116	124,595
U.S. Department of Health and Human Services		
Ryan White Title I HIV Emergency Relief Project Grants		
Passed through the City of St. Louis Department of Health	1,616,204	842,826
Ryan White Title II HIV Care Formula Grants		
Passed through the St. Clair County Health Department	117,318	96,114
Ryan White Title II Emergency Financial Assistance		
Passed through Healthcare Strategic Initiatives	1,989,555	1,831,371
Ryan White Special Projects of National Significance		
Passed Through Corporation for Supportive Housing	341,225	—
U.S. Department of Treasury		
Emergency Rental Assistance		
Passed through the City of St. Louis Department of Human Services	422,490	761,995
Non-Federal Funds		
MSD Green Infrastructure Grant	—	369,000
State of Missouri Appropriation	572,300	—
Affordable Housing Commission	564,008	463,366
Missouri Housing Development Commission	206,606	236,420
HUD Project Rental Assistance Contracts		
Jefferson Park, Inc.	119,811	72,569
Tenth And Lami, Inc.	110,849	79,730
Mama Nyumba	159,103	137,703
Kaya Malaika	112,363	107,711
Partridge Place	111,546	87,670
	$ 11,316,164	$ 9,585,507

Doorways receives government grant funds as follows:

U.S. Department of Housing and Urban Development (HUD):

Housing Opportunities for Persons with AIDS (H.O.P.W.A.) - used to provide rent, mortgage and utility assistance and housing related services for PLWH/A in the St. Louis Metropolitan Area and Outstate Missouri and Illinois.

Continuum of Care - made available by the Stewart B. McKinney Homeless Assistance Act, are reimbursement for expenses related to the operations and supportive services of Cooper House, Delmar and Jumpstart to provide qualified residents with self-contained units and to provide for necessary services, as needed, as well as expenses related to operations.

Emergency Solutions Grant - used to address the needs of people experiencing homelessness or housing instability by providing rapid rehousing and homeless prevention services in the form of rental, deposit, and application assistance.

Community Development Block Grant - provide support for salaries related to emergency housing services.

Project Rental Assistance Contracts - support operations of Jefferson Park, Inc., Tenth And Lami, Inc., Mama Nyumba, Kaya Malaika and Partridge Place.

U.S. Department of Health and Human Services (HHS):

Ryan White HIV/AIDS Treatment Extension Act of 2009 - used to provide rental, security deposit and emergency housing assistance.

U. S. Department of Treasury:

Emergency Rental Assistance Program - used for rent, mortgage and utility assistance for eligible City of St. Louis residents experiencing financial hardship due to the COVID-19 pandemic.

Other:

MSD Green Infrastructure Grant - use to offset costs for design, constructions and other related expenses associated with Green Stormwater Infrastructure Best Management Practices.

State of Missouri Appropriation - used to support staffing and operations across DOORWAYS Housing and Empowerment programs as well as the operations of the programmatic offices on the Jefferson Avenue campus.

Missouri Department of Economic Development - used for rent, mortgage and utility assistance for eligible residents experiencing financial hardship due to the COVID-19 pandemic.

Affordable Housing Commission and Missouri Housing Development Commission – used to supplement expenses incurred in providing housing operations or housing assistance for low-income PLWH/A.

11. Missouri Medicaid Waiver Program

Cooper House functions include, but are not limited to, dispensing medication, monitoring resident health concerns, and providing healthcare professionals to administer patient issues as they arise. Doorways is reimbursed for these rehabilitation services by the Missouri Department of Mental Health (DMH) under the Medicaid Waiver Program on a per diem basis. For the years ended June 30, 2024 and 2023, Doorways recognized total income of $2,407,874 and $2,492,741, respectively, from the Medicaid Waiver Program, which is included in Medicaid and private pay services in the consolidated statement of activities.

12. Direct Assistance

The expense category entitled direct assistance appearing in the consolidated statement of functional expenses consists of expenses for rents and utilities for the benefit of qualifying individuals and certain operating expenses of Cooper House, Delmar, Gertrude, Jefferson Park, Inc., Tenth And Lami, Inc., Mama Nyumba, Kaya Malaika and Partridge Place. A summary is as follows:

	2024	2023
Assistance for qualifying individuals	$ 6,281,511	$ 5,379,646
Cooper House expenses	263,456	250,648
Delmar and Gertrude utilities	28,023	25,106
Jefferson Park, Inc. utilities	37,885	41,851
Tenth And Lami, Inc. utilities	43,163	37,382
Mama Nyumba utilities	40,340	37,056
Kaya Malaika utilities	38,226	44,182
Partridge Place utilities	41,049	35,792
	$ 6,773,653	$ 5,851,663

13. Concentrations

Doorways operates in a heavily regulated environment and is subject to the administrative directives, rules, and regulations of federal, state, and local regulatory agencies, including, but not limited to the Departments of HUD and HHS. Such administrative directives, rules and regulations are subject to change by acts of Congress or administrative changes mandated by HUD or HHS and may occur with little notice or inadequate funding to pay for the related compliance costs. For the fiscal years ended June 30, 2024 and 2023, Doorways recognized total income of $5,486,458 and $4,984,415, respectively, from HUD and $3,723,077 and $2,770,311, respectively, from HHS.

Additionally, Doorways receives funding for certain residents from the Missouri Department of Mental Health (DMH) under the Medicaid Waiver Program. DMH reimburses Doorways for the expenses associated with the rehabilitation of these individuals. Doorways recognized total income of $2,407,874 and $2,492,741 from DMH for the years ended June 30, 2024 and 2023, respectively.

14. Capital Advance Agreements

Jefferson Park, Inc., Tenth And Lami, Inc., Mama Nyumba, Kaya Malaika, and Partridge Place have entered into Capital Advance Agreements with HUD. Capital advances do not bear interest and are not required to be repaid so long as the housing that was built using these funds remains available to eligible very low-income households for a period of 40 years in accordance with Section 811 of the National Affordable Housing Act. If the housing does not remain available to very low-income households until the maturity date of the Note, HUD may bill these projects for the entire capital advance outstanding plus interest since the date of the first advance. Each of these capital advances is secured by a deed of trust on the property constituting a valid first lien on the property and improvements of the respective project.

As of June 30, 2024 and 2023, Jefferson Park, Inc. had drawn $1,248,800, Tenth And Lami, Inc. had drawn $1,393,000 and Mama Nyumba had drawn $1,372,400 on their respective capital advances. The maturity dates of the Notes for Jefferson Park, Inc., Tenth And Lami, Inc. and Mama Nyumba are January 2034, September 2035 and April 2039, respectively. Due to the low probability that the Projects will default on the terms of the Capital Advance Agreements, Doorways has elected to treat the entire proceeds as components of net assets without donor restrictions on the consolidated statement of financial position.

As of June 30, 2024 and 2023, Kaya Malaika had drawn $2,157,100 on its capital advance agreement. As of June 30, 2024 and 2023, Partridge Place had drawn $1,576,500 on its capital advance agreement. These are included in long-term debt in the consolidated statement of financial position (Note 7).

15. Restricted Deposits And Funded Reserves

The Capital Advance Agreements of Jefferson Park, Inc., Tenth And Lami, Inc., Mama Nyumba, Kaya Malaika and Partridge Place require each project to set aside amounts for the replacement of property and other project expenditures approved by HUD.

Additionally, HUD requires each project to deposit all surplus cash into a residual receipts account. The projects received notice from HUD in September 2015 stating that any balance greater than $250 per unit in a residual receipts account must be remitted to HUD's Accounting Center upon termination of the Project Rental Assistance Program Agreement. These Agreements renew annually, and the projects are prohibited from making any rental increases without prior approval from HUD. The residual receipts balance for each project meets the HUD requirements.

HUD restricted deposits for replacement of property and residual receipts totaled $600,125 and $517,048 at June 30, 2024 and 2023, respectively.

HUD also requires each project to hold security deposits received by tenants in separate federally insured, interest-bearing accounts. Security deposit accounts for these projects totaled $26,445 and $24,463 at June 30, 2024 and 2023, respectively.

At the NMTC closing, proceeds from debt were placed in a disbursing account for construction costs. A portion of the proceeds at closing were required to be set aside in a reserve escrow. The balance in the reserve escrow account totaled $131,901 and $158,367 at June 30, 2024 and 2023, respectively.

16. Deferred Compensation Plan

Doorways maintains a deferred compensation plan under Section 403(b) of the Internal Revenue Code to which eligible employees contribute on a tax-deferred basis. Doorways matches contributions up to a maximum of 3%. Contributions for 2024 and 2023 amounted to $86,120 and $68,627, respectively.

17. Contributed Nonfinancial Assets

Doorways received the following contributions of nonfinancial assets for the years ending June 30:

	2024	**2023**
Tax credit downward adjustor	$ —	$ 78,045
Land improvements	—	257,726
Auction items	21,000	14,700
Professional services	12,449	10,400
	$ 33,449	$ 360,871

During 2023, Doorways received a waiver of the contractual timing adjustor related to the closing of the Doorways 2.0 LP project in the amount of $78,045 which was the amount due to be paid prior to the waiver.

In addition, a third party paid for land improvements related to the sitework for the administration building in the amount of $257,726 which was recorded at the price paid by the third party equaling the fair market value.

Doorways receives items to be sold at its annual auction. Contributed auction items are valued at the gross selling prices received. The proceeds from the sale of auction items are used for general purposes. Donated professional services include legal and marketing services that are recorded at fair market value. Doorways also receives donated materials, which are used in its programs and are recorded at fair value at the date of receipt.

All donated services and assets were utilized by Doorways programs and supporting services. There were no donor-imposed restrictions associated with the donated assets.

18. Financing Lease

During 2023, Doorways entered into a finance lease for office equipment, which matures in October 2027. The assets under the finance lease are capitalized using a discount rate of 2.88% and amortized over the remaining life of the lease. As of June 30, 2024, 3.33 years of the lease term remains. Rent is payable in monthly installment of $2,164. Amounts paid and included within financing activities on the statement of cash flows were $23,230 and $15,119, respectively, for the years ended June 30, 2024 and 2023. Doorways has finance lease costs of $26,896 and $18,299, respectively, which consists of $24,158 and $16,106, respectively, of amortization of the right-of-use asset included in rent expense and $2,738 and $2,193, respectively, of interest expense included in interest expenses for the year ended June 30, 2024 and 2023, on the statement of functional expenses.

Undiscounted cash flows for each of the next four years of the lease reconciled to the liabilities recorded on the consolidated statement of financial position is as follows:

Year	Finance Lease
2025	$ 25,968
2026	25,968
2027	25,968
2028	8,657
Total minimum lease payments	86,561
Less: Amount of lease payments representing interest	(4,120)
Present value of future minimum lease payments	82,441
Less: Current portion	25,968
	$ 56,473

19. Liquidity And Availability Of Financial Assets

At June 30, Doorways' financial assets available within one year of the consolidated statement of financial position date for general expenditures are as follows:

	2024	2023
Cash and cash equivalents	$ 428,131	$ 667,316
Tenant accounts receivable	42,764	36,917
Medicaid receivable	181,471	227,741
Accounts receivable - HUD	11,343	10,072
Accounts receivable - 340B program	95,483	88,229
Grants receivable	2,600,692	2,123,760
Promises to give - short-term	282,242	548,163
Short-term investments	4,816,247	4,290,083
	8,458,373	7,992,281
Less: Amounts subject to donor restrictions	(439,527)	(700,522)
Financial Assets Available To Meet General Expenditures Over The Next Twelve Months	$ 8,018,846	$ 7,291,759

Doorways regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

Annually, the Organization conducts a rigorous process to develop the operating and capital budgets for the succeeding fiscal year. The resulting budget is presented in detail to the Board of Directors for approval in advance of the respective fiscal year. Monthly, a budget v. actual statement of revenue and expense is prepared by the finance office, which is reviewed timely by the Finance Committee of the Board of Directors.

The Organization has a complex array of reimbursable government funding sources as discussed in Note 10. Due to the complexity of managing the different funding sources and timing of reimbursements, it is essential to maintain the revolving lines of credit as discussed in Notes 7 and 8.

The Organization's short-term investments are held without donor restrictions. While not specifically designated by the Board of Directors, the investments are held with the intent to be available in the event of the loss of a significant funding source or for major capital or programmatic expansion. At the end of each fiscal year, liquidity is analyzed and projected for the next twelve months to determine if operating funds can be transferred to the investment accounts.

The Organization receives significant contributions restricted by donors both for programmatic operations and for the capital campaign launched in fiscal year 2019. These amounts are not considered available to meet general operating needs over the next twelve months and the total of such has been deducted in the analysis above.

20. Commitments And Contingencies

Doorways routinely receives and expends federal grant awards and also provides federal awards to subrecipients. Compliance with the requirements of laws, regulations, contracts and grants could have a direct and material effect on the major federal programs. Management does not believe any noncompliance, which would result in reimbursement to the federal government to be material to Doorways' consolidated financial statements.

Doorways is a direct party for lease agreements for 18 families in the Jumpstart program. The initial lease term is for a period of one year and renewals are month-to-month.

The NMTC transaction includes an indemnity agreement on behalf of the Investment Fund and an Investment Fund Put and Call Agreement. The QALICB is a Qualified Active Low-Income Community Business. As a result, Interfaith, the Leverage Lender, and the QALICB (collectively, the Indemnitors) guarantee NMTC compliance in connection with the loans obtained from the sub-CDE to prevent recapture of these credits. This guarantee will be up to the full amount of any recapture and/or lost credits, including interest and penalties thereon. In addition, the Indemnitors have made other guarantees for the benefit of the Investment Fund, such as environmental indemnification. The maximum potential amount of future payments cannot readily be determined due to the nature of these guarantees.

Following the earlier of (a) the seventh anniversary of the date of the last qualified equity investment made by the Investment Fund with respect to any qualified low-income community investment in the QALICB, and (b) the date that a Recapture Event has occurred, the Investment Fund shall have the right and option, but not the obligation, to require Interfaith as the Leverage Lender to purchase all of the Investment Fund's interest in the sub-CDE. The purchase price for the Investment Fund's interest shall be $1,000 plus any further amounts payable to the Investment Fund as defined in the Investment Fund Put and Call Agreement. The Investment Fund shall have 180 days to exercise its option. Provided the Investment Fund has not exercised its option, the Leverage Lender shall have the right and option, but not the obligation, to purchase all of the Investment Fund's interest for 180 days. If the Leverage Lender exercises its option, the purchase price for the Investment Fund's interest shall be an amount equal to the fair market value of the Investment Fund's interest as defined in the Investment Fund Put and Call Agreement. These options are expected to be exercised and will ultimately result in Interfaith as the Leverage Lender owning the Investment Fund's interest in the sub-CDE, including the debt to the QALICB. This ownership acquisition will allow Interfaith to "collapse" the NMTC deal, repaying all outstanding obligations with no additional capital outlay.

21. Subsequent Events

Management has evaluated subsequent events through the date, which the consolidated financial statements were available for issue, which is the date of the Independent Auditors' Report.

In 2018, Doorways launched a capital expansion plan to build a new campus to increase Doorways' capacity to provide service-enriched housing, and facilitate the relocation of its administrative and program headquarters. Ultimately, the plan entailed an $8 million capital campaign, combined with a myriad of funding sources including the NMTC and LIHTC deals described in Notes 1 and 7 as well as financing via the line of credit agreement with Busey Bank discussed in Note 7. The expansion included the construction of three buildings of which two were completed and placed into service in fiscal year 2024. The third building was placed into service in fiscal year 2025.

On November 14, 2024, Doorways celebrated the grand opening of Elliott Place, which provides thirty-nine (39) new units of permanent supportive housing to the community. The construction was funded via Low-Income Housing Tax Credits as well as other government sources and represents the final phase of the multi-year campus construction. The opening celebration was held in partnership with BOCA Pharmacy, which opened a new pharmacy in October 2024. The pharmacy is located in the leased retail space of Doorways' three-acre campus on the corner of Jefferson Avenue and Gamble Street, providing vital access to medication in what was previously a pharmacy desert.

Independent Auditors' Report On Supplementary Information

Board of Directors
Interfaith Residence d/b/a Doorways
St. Louis, Missouri

We have audited the consolidated financial statements of Interfaith Residence d/b/a Doorways and related entities as of and for the years ended June 30, 2024 and 2023, and our report thereon dated March 27, 2025, which expressed an unmodified opinion on those consolidated financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating statements of financial position, activities and expenses, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Interfaith Residence d/b/a Doorways, Doorways 2.0 GP, L.L.C, , Elliott Place, GP, L.L.C., Doorways 2.0 Developer L.L.C. and Doorways 2.0 Services have not implemented Accounting Standards Codification (ASC) Topic 842, Leases, for related party leases contracted between/among the combined entities. The lack of implementation of ASC 842 for leases between/among the consolidated entities does not affect the consolidated financial statements as a whole. The supplementary information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

RubinBrown LLP

March 27, 2025

INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
Page 1 Of 2
June 30, 2024

Assets

	Interfaith Residence d/b/a Doorways	Doorways 2.0 GP, L.L.C.	Elliott Place GP, L.L.C.	Doorways 2.0 Developer L.L.C.	Doorways 2.0 Services	Jefferson Park, Inc.	Tenth And Lami, Inc.	Mama Nyumba	Kaya Malaika	Partridge Place	Eliminations	Total
Current Assets												
Cash and cash equivalents	$ 423,828	$ —	$ —	$ —	$ —	$ 717	$ 549	$ 1,641	$ 562	$ 834	$ —	$ 428,131
Tenant accounts receivable, net of allowance	11,295	—	—	—	—	3,313	10,414	3,487	9,663	4,592	—	42,764
Medicaid receivable	181,471	—	—	—	—	—	—	—	—	—	—	181,471
Accounts receivable - HUD	11,343	—	—	—	—	—	—	—	—	—	—	11,343
Accounts receivable - 340B program	95,483	—	—	—	—	—	—	—	—	—	—	95,483
Grants receivable	2,600,692	—	—	—	—	—	—	—	—	—	—	2,600,692
Interagency receivable	987,537	—	—	970,275	3,969	—	—	—	—	—	(1,961,781)	—
Promises to give - short term	282,242	—	—	—	—	—	—	—	—	—	—	282,242
Short-term investments	4,816,247	—	—	—	—	—	—	—	—	—	—	4,816,247
Prepaid expenses and deposits	87,146	—	—	—	—	5,550	6,030	3,557	—	2,324	—	104,607
Other receivables	171,559	—	—	—	—	—	—	—	—	—	—	171,559
Other receivables - developer fee income	278,779	—	—	—	—	—	—	—	—	—	—	278,779
Inventory	13,454	—	—	—	—	—	—	—	—	—	—	13,454
Total Current Assets	9,961,076	—	—	970,275	3,969	9,580	16,993	8,685	10,225	7,750	(1,961,781)	9,026,772
Restricted Deposits And Funded Reserves												
QALICB reserve escrow	—	—	—	—	131,901	—	—	—	—	—	—	131,901
Tenants' security deposits	—	—	—	—	—	7,236	6,540	4,183	4,640	3,846	—	26,445
Reserves for replacements	—	—	—	—	—	121,250	102,131	100,967	206,095	69,682	—	600,125
Residual receipts reserves	—	—	—	—	—	5,025	5,497	—	—	4,743	—	15,265
Other escrows	—	—	—	—	—	726	745	755	836	364	—	3,426
Total Restricted Deposits And Funded Reserves	—	—	—	—	131,901	134,237	114,913	105,905	211,571	78,635	—	777,162
Promises To Give - Long-Term	91,131	—	—	—	—	—	—	—	—	—	—	91,131
Fixed Assets												
Land improvements	394,237	—	—	—	—	—	—	8,060	231,654	227,807	—	861,758
Buildings and improvements	5,312,309	—	—	—	6,377,003	1,201,574	1,637,218	2,909,993	2,795,583	2,217,234	—	22,450,914
Leasehold improvements	2,569,541	—	—	—	—	—	—	—	—	—	—	2,569,541
Furniture and equipment	1,601,609	—	—	—	—	120,869	—	140,517	139,970	97,101	—	2,100,066
Vehicles	54,639	—	—	—	—	—	—	—	—	—	—	54,639
	9,932,335	—	—	—	6,377,003	1,322,443	1,637,218	3,058,570	3,167,207	2,542,142	—	28,036,918
Less: Accumulated depreciation	5,300,062	—	—	—	278,994	1,001,838	1,127,887	1,474,501	1,851,726	1,262,859	—	12,297,867
	4,632,273	—	—	—	6,098,009	320,605	509,331	1,584,069	1,315,481	1,279,283	—	15,739,051
Land	62,001	—	—	—	696,918	152,140	44,984	147,500	8,729	2,029	—	1,114,301
Construction in progress	138,576	—	—	—	—	—	—	—	—	—	—	138,576
Total Fixed Assets	4,832,850	—	—	—	6,794,927	472,745	554,315	1,731,569	1,324,210	1,281,312	—	16,991,928
Other Non-Current Assets												
Leverage note receivable, net	5,763,200	—	—	—	—	—	—	—	—	—	—	5,763,200
Note receivable - Doorways 2.0, G.P.	1,680,759	—	—	—	—	—	—	—	—	—	(1,680,759)	—
Accrued interest - Doorways 2.0, G.P.	78,781	—	—	—	—	—	—	—	—	—	(78,781)	—
Note receivable - Doorways 2.0, L.P.	—	1,680,759	—	—	—	—	—	—	—	—	—	1,680,759
Accrued interest - Doorways 2.0, L.P.	—	78,781	—	—	—	—	—	—	—	—	—	78,781
Note receivable - Elliott Place, L.P.	—	—	250,000	—	—	—	—	—	—	—	—	250,000
Note receivable - Elliott Place, G.P.	250,000	—	—	—	—	—	—	—	—	—	(250,000)	—
Right-of-use asset - finance lease	80,526	—	—	—	—	—	—	—	—	—	—	80,526
Total Other Non-Current Assets	7,853,266	1,759,540	250,000	—	—	—	—	—	—	—	(2,009,540)	7,853,266
Total Assets	$ 22,738,323	$ 1,759,540	$ 250,000	$ 970,275	$ 6,930,797	$ 616,562	$ 686,221	$ 1,846,159	$ 1,546,006	$ 1,367,697	$ (3,971,321)	$ 34,740,259

INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
Page 2 Of 2
June 30, 2024

Liabilities And Net Assets

	Interfaith Residence d/b/a Doorways	Doorways 2.0 GP, L.L.C.	Elliott Place GP, L.L.C.	Doorways 2.0 Developer L.L.C.	Doorways 2.0 Services	Jefferson Park, Inc.	Tenth And Lami, Inc.	Mama Nyumba	Kaya Malaika	Partridge Place	Eliminations	Total
Current Liabilities												
Accounts payable and accrued expenses	$ 531,751	$ —	$ —	$ —	$ —	$ 744	$ 797	$ 1,519	$ 312	$ 3,256	$ —	$ 538,379
Interagency payable	970,275	—	—	—	—	36,840	85,569	437,622	208,409	188,139	(1,926,854)	—
Accrued salaries, vacation and payroll withholdings	494,922	—	—	—	—	6,600	7,791	7,118	8,201	6,998	(34,927)	496,703
Prepaid rent	10,362	—	—	—	—	1,338	800	15	81	1,011	—	13,607
Current portion of right-of-use liability - finance lease	25,968	—	—	—	—	—	—	—	—	—	—	25,968
Total Current Liabilities	2,033,278	—	—	—	—	45,522	94,957	446,274	217,003	199,404	(1,961,781)	1,074,657
Noncurrent Liabilities												
Long-term portion of right-of-use liability - finance leases	56,473	—	—	—	—	—	—	—	—	—	—	56,473
Tenants' security deposits	2,075	—	—	—	—	5,396	5,546	2,906	3,529	3,529	—	22,981
Total Noncurrent Liabilities	58,548	—	—	—	—	5,396	5,546	2,906	3,529	3,529	—	79,454
Long-Term Debt												
QLICI Loan A	—	—	—	—	5,821,400	—	—	—	—	—	—	5,821,400
QLICI Loan B	—	—	—	—	1,858,600	—	—	—	—	—	—	1,858,600
Note payable - construction bridge loan	87,751	—	—	—	—	—	—	—	—	—	—	87,751
Note payable - FHLB	750,000	—	—	—	—	—	—	—	—	—	—	750,000
Note payable - MHB - Doorways, 2.0, LP	175,000	—	—	—	—	—	—	—	—	—	—	175,000
Note payable - MHB - Elliott Place, LP	250,000	—	—	—	—	—	—	—	—	—	—	250,000
Note payable - Interfaith Residence d/b/a Doorways - Doorways 2.0, L.P.	—	1,680,759	—	—	—	—	—	—	—	—	(1,680,759)	—
Accrued interest - Interfaith Residence d/b/a Doorways	—	78,781		—	—	—	—	—	—	—	(78,781)	—
Note payable - Interfaith Residence d/b/a Doorways - Elliott Place, L.P.	—	—	250,000	—	—	—	—	—	—	—	(250,000)	—
Less: Unamortized debt issuance costs	—	—	—	—	(398,281)	—	—	—	—	—	—	(398,281)
Long-term debt less unamortized debt issuance costs	1,262,751	1,759,540	250,000	—	7,281,719	—	—	—	—	—	(2,009,540)	8,544,470
Capital advances	—	—	—	—	—	—	—	—	2,157,100	1,576,500	—	3,733,600
Affordable Housing Program Subsidy	—	—	—	—	—	—	—	535,000	—	—	—	535,000
Developer Subsidy Grants	80,092	—	—	—	—	—	—	—	—	296,800	—	376,892
Busey Bank lines of credit	4,219,092	—	—	—	—	—	—	—	—	—	—	4,219,092
Total Long-Term Debt	5,561,935	1,759,540	250,000	—	7,281,719	—	—	535,000	2,157,100	1,873,300	(2,009,540)	17,409,054
Total Liabilities	7,653,761	1,759,540	250,000	—	7,281,719	50,918	100,503	984,180	2,377,632	2,076,233	(3,971,321)	18,563,165
Net Assets												
Without donor restrictions	14,553,904	—	—	970,275	(350,922)	565,644	585,718	861,979	(831,626)	(708,536)	—	15,646,436
With donor restrictions	530,658	—	—	—	—	—	—	—	—	—	—	530,658
Total Net Assets	15,084,562	—		970,275	(350,922)	565,644	585,718	861,979	(831,626)	(708,536)	—	16,177,094
Total Liabilities And Net Assets	$ 22,738,323	$ 1,759,540	$ 250,000	$ 970,275	$ 6,930,797	$ 616,562	$ 686,221	$ 1,846,159	$ 1,546,006	$ 1,367,697	$ (3,971,321)	$ 34,740,259

INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES

CONSOLIDATING STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2024

	Interfaith Residence d/b/a Doorways	Doorways 2.0 GP, L.L.C.	Elliott Place GP, L.L.C.	Doorways 2.0 Developer L.L.C.	Doorways 2.0 Services	Jefferson Park, Inc.	Tenth And Lami, Inc.	Mama Nyumba	Kaya Malaika	Partridge Place	Eliminations	Total
Revenues And Public Support												
Contributions and Events:												
Fundraising events	$ 413,677	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 413,677
Individuals	327,615	—	—	—	—	—	—	—	—	—	—	327,615
Foundations	565,181	—	—	—	—	—	—	—	—	—	—	565,181
Corporate	6,450	—	—	—	—	—	—	—	—	—	—	6,450
United Way	101,560	—	—	—	—	—	—	—	—	—	—	101,560
Contributed nonfinancial assets	33,449	—	—	—	—	—	—	—	—	—	—	33,449
Other organizations	51,669	—	—	—	—	—	—	—	—	—	—	51,669
Total Contributions and Events	1,499,601	—	—	—	—	—	—	—	—	—	—	1,499,601
Government grants	10,702,492	—	—	—	—	119,811	110,849	159,103	112,363	111,546	—	11,316,164
Medicaid and private pay services	2,421,642	—	—	—	—	—	—	—	—	—	—	2,421,642
Pharmaceutical 340B program reimbursements	1,123,058	—	—	—	—	—	—	—	—	—	—	1,123,058
Service fees	194,355	—	—	—	—	—	—	—	—	—	(59,101)	135,254
Rental, net of vacancies and concessions	212,185	—	—	—	70,000	74,857	92,936	53,703	68,906	62,318	(70,000)	564,905
Developer fee income	—	—	—	348,474	—	—	—	—	—	—	—	348,474
Interest and dividends	242,386	51,295	—	—	6,534	1,417	4,373	4,125	8,864	3,128	(51,295)	270,827
Miscellaneous	425,119	—	—	—	—	2,184	—	2,810	2,243	2,988	(348,474)	86,870
Total Revenues And Public Support	16,820,838	51,295	—	348,474	76,534	198,269	208,158	219,741	192,376	179,980	(528,870)	17,766,795
Total Expenses	17,394,833	51,295	—	—	271,682	202,361	223,768	269,820	274,149	228,532	(528,870)	18,387,570
Increase (Decrease) In Net Assets Before Other Income And Gains (Losses)	(573,995)	—	—	348,474	(195,148)	(4,092)	(15,610)	(50,079)	(81,773)	(48,552)	—	(620,775)
Other Income And Gains (Losses)												
Net realized and unrealized losses on investments	393,767	—	—	—	—	—	—	—	—	—	—	393,767
Increase (Decrease) In Net Assets	(180,228)	—	—	348,474	(195,148)	(4,092)	(15,610)	(50,079)	(81,773)	(48,552)	—	(227,008)
Net Assets - Beginning Of Year	15,264,790	—	—	621,801	(155,774)	569,736	601,328	912,058	(749,853)	(659,984)	—	16,404,102
Net Assets - End Of Year	$ 15,084,562	$ —	$ —	$ 970,275	$ (350,922)	$ 565,644	$ 585,718	$ 861,979	$ (831,626)	$ (708,536)	$ —	$ 16,177,094

INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES

CONSOLIDATING STATEMENT OF EXPENSES
For The Year Ended June 30, 2024

	Interfaith Residence d/b/a Doorways	Doorways 2.0 GP, L.L.C.	Elliott lace GP, L.L.C.	Doorways 2.0 Developer L.L.C.	Doorways 2.0 Services	Jefferson Park, Inc.	Tenth And Lami, Inc.	Mama Nyumba	Kaya Malaika	Partridge Place	Eliminations	Total
Salaries and wages	$ 5,459,711	$ —	$ —	$ —	$ —	$ 25,420	$ 28,303	$ 27,441	$ 27,113	$ 23,936	$ —	$ 5,591,924
Employee benefits	696,211	—	—	—	—	5,290	5,556	6,035	5,964	5,019	—	724,075
Payroll taxes	379,008	—	—	—	—	2,223	2,360	2,501	2,461	2,116	—	390,669
Direct assistance	6,572,990	—	—	—	—	37,885	43,163	40,340	38,226	41,049	—	6,773,653
Depreciation and amortization	575,742	—	—	—	159,425	38,632	48,252	110,996	73,436	58,868	—	1,065,351
Repairs and maintenance	638,250	—	—	—	—	41,480	39,806	27,748	71,766	41,934	(70,000)	790,984
Security contracts	—	—	—	—	—	5,059	6,396	2,660	2,710	3,260	—	20,085
Seminars, travel and recruiting	109,523	—	—	—	—	—	—	—	—	—	—	109,523
Office supplies	128,023	—	—	—	—	—	—	—	—	—	—	128,023
Telephone	70,885	—	—	—	—	1,671	956	1,670	1,716	956	—	77,854
Postage and printing	22,917	—	—	—	—	—	—	—	—	—	—	22,917
Professional services	729,582	—	—	—	8,608	11,536	11,536	14,845	12,478	11,707	—	800,292
Insurance	112,594	—	—	—	—	14,987	14,719	14,445	16,554	14,032	—	187,331
Miscellaneous	62,296	—	—	—	—	2,163	1,798	1,721	1,181	2,426	—	71,585
Public relations/fundraising	225,423	—	—	—	—	—	—	—	—	—	—	225,423
Interest	311,689	51,295	—	—	103,649	—	—	—	—	—	(51,295)	415,338
Management fees	—	—	—	—	—	12,992	13,328	9,450	10,521	12,810	(59,101)	—
Bad debt expense	81,443	—	—	—	—	3,023	7,595	9,968	10,023	10,419	—	122,471
Other expenses paid to related party	348,474	—	—	—	—	—	—	—	—	—	(348,474)	—
Pharmaceutical - 340B program	821,581	—	—	—	—	—	—	—	—	—	—	821,581
Bank charges and processing fees	48,491	—	—	—	—	—	—	—	—	—	—	48,491
	$ 17,394,833	$ 51,295	$ —	$ —	$ 271,682	$ 202,361	$ 223,768	$ 269,820	$ 274,149	$ 228,532	$ (528,870)	$ 18,387,570