

NATIONAL ALLIANCE FOR GRIEVING CHILDREN, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

With Independent Auditor's Report Thereon

NATIONAL ALLIANCE FOR GRIEVING CHILDREN, INC.
DECEMBER 31, 2020 AND 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
National Alliance for Grieving Children, Inc.
Lubbock, Texas

Opinion

We have audited the accompanying financial statements of National Alliance for Grieving Children, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Alliance for Grieving Children, Inc. as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of National Alliance for Grieving Children, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing the audit with generally accepted auditing standards, we:

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

We are required to communicate 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.

A handwritten signature in blue ink that reads "Fulton + Kozak, LLC". The signature is written in a cursive, flowing style.

Morrow, Georgia
June 25, 2021

NATIONAL ALLIANCE FOR GRIEVING CHILDREN, INC.
 STATEMENTS OF FINANCIAL POSITION
 DECEMBER 31, 2020 AND 2019

ASSETS

	2020	2019
CURRENT ASSETS		
Cash and cash equivalents	\$ 959,520	\$ 350,590
Receivables	400	-
Pledges receivable	-	16,000
Books	17,380	20,037
Prepaid expenses	<u>31,586</u>	<u>20,849</u>
TOTAL CURRENT ASSETS	1,008,886	407,476
FIXED ASSETS, NET	<u>678</u>	<u>1,204</u>
TOTAL ASSETS	<u>\$ 1,009,564</u>	<u>\$ 408,680</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 5,466	\$ 8,836
Payroll accruals	-	2,309
Deferred revenue- Symposium	42,850	25,000
Deferred revenue- membership	<u>49,596</u>	<u>33,357</u>
TOTAL CURRENT LIABILITIES	<u>97,912</u>	<u>69,502</u>
TOTAL LIABILITIES	<u>97,912</u>	<u>69,502</u>
NET ASSETS		
Without donor restrictions	881,652	326,301
With donor restrictions	<u>30,000</u>	<u>12,877</u>
TOTAL NET ASSETS	<u>911,652</u>	<u>339,178</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,009,564</u>	<u>\$ 408,680</u>

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

NATIONAL ALLIANCE FOR GRIEVING CHILDREN, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUES			
Grants and other support	\$ 723,057	\$ 30,000	\$ 753,057
Symposium and conference revenue	94,682	-	94,682
Membership revenue	84,505	-	84,505
Program services	49,533	-	49,533
Contributions and donations	40,410	-	40,410
In-kind services	7,917	-	7,917
Interest	<u>457</u>	<u>-</u>	<u>457</u>
Public support and revenue	1,000,561	30,000	1,030,561
Net assets released from restriction	<u>12,877</u>	<u>(12,877)</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUES	<u>1,013,438</u>	<u>17,123</u>	<u>1,030,561</u>
EXPENSES			
Program services	<u>363,469</u>	<u>-</u>	<u>363,469</u>
Supporting services:			
Management and general expenses	68,564	-	68,564
Fundraising expenses	<u>26,054</u>	<u>-</u>	<u>26,054</u>
Total supporting services	<u>94,618</u>	<u>-</u>	<u>94,618</u>
TOTAL EXPENSES	<u>458,087</u>	<u>-</u>	<u>458,087</u>
CHANGE IN NET ASSETS	555,351	17,123	572,474
NET ASSETS AT BEGINNING OF YEARS	<u>326,301</u>	<u>12,877</u>	<u>339,178</u>
NET ASSETS AT END OF YEARS	<u>\$ 881,652</u>	<u>\$ 30,000</u>	<u>\$ 911,652</u>

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

NATIONAL ALLIANCE FOR GRIEVING CHILDREN, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUES			
Grants and other support	\$ 70,873	\$ 12,877	\$ 83,750
Symposium and conference revenue	176,932	-	176,932
Membership revenue	71,247	-	71,247
Program services	65,046	-	65,046
Contributions and donations	42,127	-	42,127
Interest	<u>13</u>	<u>-</u>	<u>13</u>
Public support and revenue	426,238	12,877	439,115
Net assets released from restriction	<u>244,133</u>	<u>(244,133)</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUES	<u>670,371</u>	<u>(231,256)</u>	<u>439,115</u>
EXPENSES			
Program services	<u>469,387</u>	<u>-</u>	<u>469,387</u>
Supporting services:			
Management and general expenses	42,003	-	42,003
Fundraising expenses	<u>17,219</u>	<u>-</u>	<u>17,219</u>
Total supporting services	<u>59,222</u>	<u>-</u>	<u>59,222</u>
TOTAL EXPENSES	<u>528,609</u>	<u>-</u>	<u>528,609</u>
CHANGE IN NET ASSETS (DEFICIT)	141,762	(231,256)	(89,494)
NET ASSETS AT BEGINNING OF YEARS	<u>184,539</u>	<u>244,133</u>	<u>428,672</u>
NET ASSETS AT END OF YEARS	<u>\$ 326,301</u>	<u>\$ 12,877</u>	<u>\$ 339,178</u>

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

NATIONAL ALLIANCE FOR GRIEVING CHILDREN, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Payroll and related costs	\$ 246,400	\$ 43,023	\$ 23,467	\$ 312,890
Conferences, webinars, and events	54,864	-	-	54,864
Professional fees	24,945	12,313	306	37,564
General and operations	25,733	3,296	1,625	30,654
Board and staff training	-	8,616	-	8,616
Advertising and marketing	6,461	-	-	6,461
Occupancy and utilities	4,118	1,176	588	5,882
Travel	551	79	-	630
Depreciation	<u>397</u>	<u>61</u>	<u>68</u>	<u>526</u>
 TOTAL EXPENSES	 <u>\$ 363,469</u>	 <u>\$ 68,564</u>	 <u>\$ 26,054</u>	 <u>\$ 458,087</u>

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

NATIONAL ALLIANCE FOR GRIEVING CHILDREN, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Payroll and related costs	\$ 202,211	\$ 31,821	\$ 12,273	\$ 246,305
Conferences, webinars, and events	189,554	87	43	189,684
Professional fees	15,713	2,644	1,322	19,679
General and operations	26,773	4,494	2,249	33,516
Board and staff training	988	18	9	1,015
Advertising and marketing	7,701	1,363	584	9,648
Occupancy and utilities	5,916	1,146	524	7,586
Travel	19,964	329	165	20,458
Depreciation	<u>567</u>	<u>101</u>	<u>50</u>	<u>718</u>
 TOTAL EXPENSES	 <u>\$ 469,387</u>	 <u>\$ 42,003</u>	 <u>\$ 17,219</u>	 <u>\$ 528,609</u>

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

NATIONAL ALLIANCE FOR GRIEVING CHILDREN, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 572,474	\$ (89,494)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	526	718
Decrease (Increase) in operating assets:		
Pledges receivable	16,000	(14,125)
Contributions receivable	(400)	2,100
Grants receivable	-	235,000
Inventory	2,657	(11,235)
Prepaid expenses	(10,737)	(4,551)
(Decrease) Increase in operating liabilities:		
Accounts payable	(3,370)	(24,489)
Payroll liabilities	(2,309)	(613)
Deferred revenue – Symposium	17,850	12,635
Deferred revenue – membership	<u>16,239</u>	<u>3,458</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	608,930	109,404
CASH FLOWS FROM INVESTING ACTIVITIES	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
NET CHANGE IN CASH	608,930	109,404
CASH AT BEGINNING OF YEARS	<u>350,590</u>	<u>241,186</u>
CASH AT END OF YEARS	<u>\$ 959,520</u>	<u>\$ 350,590</u>

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

NATIONAL ALLIANCE FOR GRIEVING CHILDREN, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

1. ORGANIZATION

National Alliance for Grieving Children, Inc. (“NAGC”) is a nonprofit organization formed to promote awareness of the needs of children and teens grieving a death and to provide education and resources for supportive individuals. It provides a network for nationwide communication between professionals and volunteers to share ideas, information, research and resources to better support grieving children and their families. NAGC’s principal activity is the hosting of an annual symposium on children’s grief for education and outreach.

NAGC offers online education, maintains a national database of children’s bereavement support programs, facilitates networking among professionals in the field, develops and distributes grief support resources, and promotes national awareness to enhance public sensitivity to the issues relating to grieving children and teens.

NAGC receives support through foundation grants, contributions, memberships, and programming including the annual symposium. NAGC offers a variety of educational opportunities including an annual National Symposium on Children’s Grief, a Fall Conference and Webcast as well as monthly educational webinars. These events are supported with sponsorships and registration fees. The goal of these events is to allow NAGC to expand its reach to 500 participants at the Symposium and 200 in-person participants plus countless web participants at the Fall Conference and Webcast, and 80-120 participants through the monthly on-line education webinars. The NAGC staff and leadership members provide training and awareness to other organizations and participate in other conferences, trainings, and webinars offered by related organizations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

NAGC classifies its net assets and revenues and expenses, gains and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the NAGC and changes therein are classified and reported as follows:

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 objective of the organization. These net assets may be used at the discretion of NAGC’s management and the board of directors.

NATIONAL ALLIANCE FOR GRIEVING CHILDREN, INC.
NOTES TO FINANCIAL STATEMENTS - Continued

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Basis of accounting - continued

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors, and grantors. All donor restrictions are temporary in nature; those restrictions will be met by actions of the organization or by the passage of time.

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

Estimates

Management of NAGC makes estimates and assumptions related to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare the financial statements in conformity with GAAP. Actual results could differ from these estimates.

Cash and cash equivalents

NAGC considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. For the years ended December 31, 2020 and 2019, NAGC had no cash equivalents.

Furniture, equipment and leasehold improvements

Furniture, equipment, and leasehold improvements are capitalized at cost. It is NAGC's policy to capitalize expenditures for these items in excess of \$2,500. Lesser amounts are generally expensed. Furniture and equipment are being depreciated over estimated useful lives of five to ten years using a straight-line method. Leasehold improvements are being amortized over the shorter of the lease term or useful life.

Public support and revenue

Contributions are generally available for unrestricted use in the year received unless specifically restricted by the donor. Unconditional promises to give are recorded as received. Unconditional promises to give due in the next year are reflected as current promises to give and recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received to discount the amounts.

Donated goods and services

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. Total contributed services were \$7,917 and \$0 for the years ended December 31, 2020 and 2019, respectively.

NATIONAL ALLIANCE FOR GRIEVING CHILDREN, INC.
NOTES TO FINANCIAL STATEMENTS – Continued

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Income taxes

NAGC qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is only subject to federal or state income taxes on specific types of income from activities that are unrelated to its exempt purpose. NAGC had no income from unrelated activities and has no income taxes due as of December 31, 2020 and 2019.

NAGC's application of ASC 740 regarding uncertain tax positions had no effect on its financial position as management believes NAGC has no material unrecognized income tax benefits, including any potential risk of loss of its not-for-profit tax status. NAGC would account for any potential interest or penalties related to possible future liabilities for unrecognized income tax benefits as income tax expense. NAGC is no longer subject to examination by federal, state or local tax authorities for periods before 2017.

Reclassifications

Certain reclassifications have been made to the prior year's financial statements to conform them to the current year's presentation.

Functional expenses

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of NAGC. Those expenses including salaries and wages, payroll taxes, employee benefits, office expenses, professional fees, professional development, postage, printing, insurance and depreciation, which are allocated on the basis of estimates of time and effort.

New accounting pronouncement

In June 2018, the FASB issued ASU 2018-08, Nonprofit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. This ASU clarifies the guidance for evaluating whether a transaction is reciprocal (i.e., an exchange transaction) or nonreciprocal (i.e., a contribution) and for distinguishing between conditional and unconditional contributions. The ASU clarifies the guidance used by entities other than nonprofits to identify and account for contributions made. The ASU has different effective dates for the resource recipients and resource providers. Where the Organization is a resource recipient, the ASU is applicable to contributions received for annual periods beginning after December 15, 2018. The Organization adopted the ASU for the year ended December 31, 2020.

Recent accounting guidance

ASU No. 2016-02 Leases (Topic 842)

FASB issued ASU 2016-02, Leases (Topic 842), which will require organizations to recognize assets and liabilities on the balance sheet for the rights and obligations created by the leases. A lessee will be required to recognize assets and liabilities for leases with terms

NATIONAL ALLIANCE FOR GRIEVING CHILDREN, INC.
NOTES TO FINANCIAL STATEMENTS – Continued

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

that exceed twelve months. The standard will also require disclosures to help financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases. The disclosures include qualitative and quantitative requirements, providing additional information about the amounts recorded in the financial statements. ASU No. 2020-05 delayed the application of the new leases standard for one year. As a result, the leases standard is effective for NAGC's fiscal year ending December 31, 2022. Early application is permitted.

ASU No. 2020-07 Not-for-Profit Entities (Topic 958): Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets

The ASU requires that an NFP present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash and other financial assets, and disclose the following: (1) A disaggregation of the amount of contributed nonfinancial assets recognized within the statement of activities by category that depicts the type of contributed nonfinancial assets. (2) For each category of contributed nonfinancial assets recognized, qualitative information about whether nonfinancial assets were monetized or utilized; the NFP's policy (if any) about monetizing rather than utilizing contributed nonfinancial assets; donor-imposed restrictions associated with contributed nonfinancial assets; and valuation techniques, inputs, and the principal market used for determining fair value. This ASU is effective for NAGC's fiscal year ending December 31, 2022. Retrospective basis is used for implementation.

Subsequent events

Subsequent events have been evaluated through June 25, 2021, which is the date the financial statements were available to be issued.

3. AVAILABILITY AND LIQUIDITY

The following represents NAGC's financial assets at December 31, 2020, reduced by amounts not available for expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year.

Financial assets:	
Cash and cash equivalents	\$ 959,520
Accounts Receivable	<u>400</u>

Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 959,920</u>
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NAGC's goal is generally to maintain financial assets to meet 6 month of operating expenses.

NATIONAL ALLIANCE FOR GRIEVING CHILDREN, INC.
NOTES TO FINANCIAL STATEMENTS – Continued

4. FIXED ASSETS, NET

Equipment at December 31, 2020 and 2019 are summarized as follows:

	2020	2019
Office equipment	\$ 4,042	\$ 4,042
Less accumulated depreciation	(3,364)	(2,838)
Fixed assets, net	\$ 678	\$ 1,204

5. INVENTORY

Inventory consists of books. The books are stated at the lower of cost or net realizable value.

6. NET ASSETS

Net assets with donor restrictions were as follows for the years ended December 31, 2020 and 2019:

	2020	2019
Subject to expenditures for specific purpose:		
Restricted for resource development	\$ 16,155	\$ -
Restricted for resource printing	13,845	-
Restricted for building resources	-	12,877
Total net assets with donor restrictions	\$ 30,000	\$ 12,877

Net assets with donor restrictions released from restrictions were as follows for the years ended December 31, 2020 and 2019:

	2020	2019
Restricted for building resources	\$ 12,877	\$ -
Restricted for time	-	244,133
Total released from restrictions	\$ 12,877	\$ 244,133

7. PAYCHECK PROTECTION PROGRAM

In March 2020, the President of the United States signed into law the Coronavirus Aid, Relief and Economic Security (CARES) Act, which provides Payroll Protection Program (PPP) loans to small businesses facing an unprecedented economic disruption due to the Coronavirus (COVID-19) outbreak. Paycheck Protection Program loans provide a direct incentive for small businesses to keep their workers on the payroll and to maintain their operations. On May 1, 2020, NAGC was granted a loan of \$46,557 from the U.S. Government's Payroll Protection Program (PPP). The loan was fully forgiven on January 22, 2021. NAGC has recognized \$46,557 as grants and other support for the year ended December 31, 2020.

NATIONAL ALLIANCE FOR GRIEVING CHILDREN, INC.
NOTES TO FINANCIAL STATEMENTS – Continued

8. CONCENTRATION OF RISK

At certain times during the years, NAGC had funds in excess of federally insured deposit limits on deposit with federally insured financial institutions. However, management does not believe that this creates any undue risk for NAGC.

9. COMMITMENT AND CONTIGENCY

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. NAGC is closely monitoring its liquidity and is actively working to minimize the impact of these declines. The extent of the impact on COVID-19 on NAGC's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impact on NAGC's donors, employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact NAGC's financial statements is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

10. SUBSEQUENT EVENTS

On February 4, 2021, the NAGC received loan proceeds in the amount of \$61,350 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after eight weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the eight-week period. The unforgiven portion of the PPP loan is payable over four years at an interest rate of 1 percent, with a deferral of payments for the first twelve months. The NAGC intends to use the proceeds for purposes consistent with the PPP. While the NAGC currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, no assurances can be provided.