

GREATER MINNEAPOLIS CRISIS NURSERY
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2019 AND 2018

**GREATER MINNEAPOLIS CRISIS NURSERY
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YEARS ENDED JUNE 30, 2019 AND 2018**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Greater Minneapolis Crisis Nursery
Minneapolis, Minnesota

We have audited the accompanying financial statements of Greater Minneapolis Crisis Nursery (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
Greater Minneapolis Crisis Nursery

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greater Minneapolis Crisis Nursery as of June 30, 2019 and 2018, 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
December 17, 2019

**GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018**

	2019	2018
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 226,322	\$ 354,934
Investments	-	25,000
Promises to Give, Less Allowance for Uncollectible		
Promises of \$98,834 in 2019 and \$46,054 in 2018	144,117	274,319
Government Grants Receivable	128,380	116,222
Other Receivables	9,787	11,693
Prepaid Expenses	55,633	48,422
Total Current Assets	564,239	830,590
OTHER ASSETS		
Property and Equipment, Net	2,104,399	2,213,814
Long-Term Promises to Give, Net of Current Portion	10,968	36,474
Total Other Assets	2,115,367	2,250,288
Total Assets	\$ 2,679,606	\$ 3,080,878
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 43,201	\$ 45,772
Accrued Expenses and Other Liabilities	263,006	189,913
Total Current Liabilities	306,207	235,685
NET ASSETS		
Without Donor Restrictions	2,242,308	2,551,916
With Donor Restrictions	131,091	293,277
Total Net Assets	2,373,399	2,845,193
Total Liabilities and Net Assets	\$ 2,679,606	\$ 3,080,878

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2019 AND 2018**

	2019			2018		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
PUBLIC SUPPORT AND REVENUE						
Public Support:						
Contributions and Grants	\$ 1,460,149	\$ 95,108	\$ 1,555,257	\$ 1,603,875	\$ 154,030	\$ 1,757,905
United Way	95,025	-	95,025	96,067	-	96,067
Government Grants	929,373	-	929,373	836,632	-	836,632
In-Kind Contributions	227,061	-	227,061	196,849	-	196,849
Special Events Revenues	576,176	8,000	584,176	586,067	-	586,067
Special Events Expenses	(157,383)	-	(157,383)	(155,037)	-	(155,037)
Total Public Support	3,130,401	103,108	3,233,509	3,164,453	154,030	3,318,483
Other Revenue	48,641	-	48,641	41,024	-	41,024
Net Assets Released from Restrictions	265,294	(265,294)	-	252,607	(252,607)	-
Total Public Support and Revenue	3,444,336	(162,186)	3,282,150	3,458,084	(98,577)	3,359,507
EXPENSES						
Program Services	2,623,217	-	2,623,217	2,725,077	-	2,725,077
Supporting Activities:						
Management and General	665,100	-	665,100	446,593	-	446,593
Fundraising	465,627	-	465,627	402,984	-	402,984
Total Supporting Activities	1,130,727	-	1,130,727	849,577	-	849,577
Total Expenses	3,753,944	-	3,753,944	3,574,654	-	3,574,654
CHANGE IN NET ASSETS	(309,608)	(162,186)	(471,794)	(116,570)	(98,577)	(215,147)
Net Assets - Beginning of Year	2,551,916	293,277	2,845,193	2,668,486	391,854	3,060,340
NET ASSETS - END OF YEAR	<u>\$ 2,242,308</u>	<u>\$ 131,091</u>	<u>\$ 2,373,399</u>	<u>\$ 2,551,916</u>	<u>\$ 293,277</u>	<u>\$ 2,845,193</u>

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2019**

	Supporting Activities				Total
	Program Services	Management and General	Fundraising	Total Supporting Activities	
Salaries	\$ 1,633,937	\$ 317,270	\$ 289,676	\$ 606,946	\$ 2,240,883
Benefits	251,689	43,384	39,611	82,995	334,684
Payroll Taxes	134,096	19,011	17,358	36,369	170,465
Total Salaries and Related	2,019,722	379,665	346,645	726,310	2,746,032
Contract Services	11,958	70,806	2,022	72,828	84,786
Child Care and Parent Program General Expense	121,200	18,111	2,973	21,084	142,284
Medical Supplies and Assessments	16,919	1,601	-	1,601	18,520
Event Expenses	-	16,797	140,586	157,383	157,383
Food Service	117,659	-	-	-	117,659
Occupancy	45,074	10,370	4,357	14,727	59,801
Repairs and Maintenance	41,661	9,388	4,397	13,785	55,446
Printing and Publications	5,266	6,372	13,811	20,183	25,449
Professional Fees	92,942	34,581	10,963	45,544	138,486
Insurance	23,311	5,136	2,460	7,596	30,907
Staff Education and Development	14,602	5,552	1,607	7,159	21,761
Public Relations	-	-	50,099	50,099	50,099
Office Supplies and Expenses	14,324	6,552	3,841	10,393	24,717
Postage and Shipping	1,083	1,603	6,686	8,289	9,372
Travel	4,748	841	150	991	5,739
Bad Debt Expense	-	83,816	-	83,816	83,816
Interest	-	1,268	-	1,268	1,268
Other Expenses	-	5,142	5,827	10,969	10,969
Total Expenses Before Depreciation and Amortization	2,530,469	657,601	596,424	1,254,025	3,784,494
Depreciation and Amortization	92,748	24,296	9,789	34,085	126,833
Total	2,623,217	681,897	606,213	1,288,110	3,911,327
Expenses Netted Against Revenues	-	(16,797)	(140,586)	(157,383)	(157,383)
Total Expenses by Function	\$ 2,623,217	\$ 665,100	\$ 465,627	\$ 1,130,727	\$ 3,753,944

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2018**

	Supporting Activities				Total
	Program Services	Management and General	Fundraising	Total Supporting Activities	
Salaries	\$ 1,705,047	\$ 231,555	\$ 173,014	\$ 404,569	\$ 2,109,616
Benefits	251,865	81,310	37,019	118,329	370,194
Payroll Taxes	137,640	15,981	17,069	33,050	170,690
Total Salaries and Related	<u>2,094,552</u>	<u>328,846</u>	<u>227,102</u>	<u>555,948</u>	<u>2,650,500</u>
Contract Services	64,282	-	-	-	64,282
Child Care and Parent Program General Expense	159,649	-	-	-	159,649
Event Expenses	-	-	155,037	155,037	155,037
Food Service	98,522	-	-	-	98,522
Occupancy	10,569	28,489	23,310	51,799	62,368
Repairs and Maintenance	29,166	6,590	5,392	11,982	41,148
Printing and Publications	6,025	3,120	13,384	16,504	22,529
Professional Fees	38,202	13,758	34,633	48,391	86,593
Insurance	22,264	3,849	3,150	6,999	29,263
Staff Education and Development	19,875	603	7,023	7,626	27,501
Public Relations	-	1,667	68,075	69,742	69,742
Office Supplies and Expense	2,881	14,267	2,014	16,281	19,162
Telephone	13,317	1,015	1,401	2,416	15,733
Postage and Shipping	262	5,128	344	5,472	5,734
Bank Fees	30,118	2,295	3,169	5,464	35,582
Miscellaneous	7,754	6,399	10,441	16,840	24,594
Travel	5,091	-	1,762	1,762	6,853
Bad Debt Expense	-	28,000	-	28,000	28,000
Total Expenses Before Depreciation and Amortization	<u>2,602,529</u>	<u>444,026</u>	<u>556,237</u>	<u>1,000,263</u>	<u>3,602,792</u>
Depreciation and Amortization	122,548	2,567	1,784	4,351	126,899
Total	<u>2,725,077</u>	<u>446,593</u>	<u>558,021</u>	<u>1,004,614</u>	<u>3,729,691</u>
Expenses Netted Against Revenues	<u>-</u>	<u>-</u>	<u>(155,037)</u>	<u>(155,037)</u>	<u>(155,037)</u>
Total Expenses by Function	<u><u>\$ 2,725,077</u></u>	<u><u>\$ 446,593</u></u>	<u><u>\$ 402,984</u></u>	<u><u>\$ 849,577</u></u>	<u><u>\$ 3,574,654</u></u>

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2019 AND 2018**

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Decrease in Net Assets	\$ (471,794)	\$ (215,147)
Adjustments to Reconcile Decrease in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization	126,833	126,899
Contribution of Investments	-	(25,000)
Unrealized Loss on Investments	(199)	-
Amortization of Discount of Unconditional Promises to Give Restricted for Long-Term Purposes	-	(3,710)
Changes in Assets and Liabilities:		
Promises to Give	155,708	102,793
Government Grants Receivable	(10,252)	65,052
Other Receivables and Prepaid Expenses	(7,211)	6,861
Accounts Payable	(2,571)	(9,024)
Accrued Expenses and Other Liabilities	73,093	15,556
Net Cash Provided (Used) by Operating Activities	(136,393)	64,280
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(17,418)	(72,115)
Proceeds from Sale of Investments	25,199	-
Net Cash Provided (Used) by Investing Activities	7,781	(72,115)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(128,612)	(7,835)
Cash and Cash Equivalents - Beginning of Year	354,934	362,769
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 226,322	\$ 354,934

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Greater Minneapolis Crisis Nursery (the Nursery) is incorporated under the Minnesota Nonprofit Corporation Act. The Nursery assists in the prevention of child abuse and neglect. Children are placed by their parents at the Nursery for up to 72 hours, while their parents receive assistance from the Nursery's counselors and other community services to address stress and parenting needs.

Income Taxes

The Nursery is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state income tax laws. The Nursery is a nonprivate foundation and contributions to the Nursery qualify as a charitable tax deduction by the contributor. The Nursery's tax returns are subject to review and examination by federal, state, and local authorities.

The Nursery has adopted the provisions for accounting for uncertainty in income taxes. This prescribes a recognition threshold and measurement principles for the financial statement recognition and measurement of tax positions taken or expected to be taken on a tax return that are not certain to be realized. The implementation of accounting for uncertainty in income taxes had no impact on the Nursery's financial statements.

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Nursery considers all cash and other highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Financial Statement Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Contributions are recognized as revenue when they are received or unconditionally pledged. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a 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 statements of activities as net assets released from restrictions.

Government Grants

Governmental grant funds are recorded when reimbursements are requested. All governmental grant funds are received on a reimbursement basis.

Expenditures under government contracts are subject to review by the granting authority. To the extent, if any, that such a review reduces expenditures allowable under these contracts, the Nursery will record such disallowance at the time the final assessment is made.

Promises to Give

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Promises to give represent amounts committed by donors that have not been received by the Nursery. The Nursery determines and establishes an allowance for estimated uncollectible promises to give (contributions receivable).

Unconditional promises to give due within the next 12 months from the statements of financial position date are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using risk-adjusted interest rates as of fiscal year-end (i.e., are discounted). Amortization of the discount is included in contributions revenue. Conditional promises to give are not included as support until such time as the conditions are substantially met.

In-Kind Contributions

Contributions of noncash assets (materials and equipment) are recorded at their fair values in the period received. Contributions of services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and which would typically need to be purchased if not provided by donation, are recorded at their estimated fair values in the period received.

Investments

The Nursery receives contributions of equity securities from donors on occasion. It is the policy of the Nursery to sell these equity securities as soon as is reasonably possible. Any equity holdings at year-end are in the process of being sold or are restricted in some way. The Nursery held \$-0- and \$25,000 of investments at June 30, 2019 and 2018, respectively.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued)

The finance committee of the Nursery has the primary responsibility for directing and monitoring the investment of the Nursery's funds in accordance with the Nursery's investment policy for any investments that are held during the year.

Investment earnings available for distribution are recorded in net assets without donor restrictions on the statements of financial position. If restrictions on investment earnings are fulfilled in the same period in which the earnings are received, the Nursery reports the earnings as without donor restrictions.

Property and Equipment

The Nursery capitalizes all expenditures for property and equipment with a useful life of three or more years, and a cost in excess of \$1,000. Buildings and equipment are recorded at cost, or in the case of contributed property and equipment, at the estimated fair value at the date of donation. If donors stipulate how long the asset must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as support without donor restrictions.

Expenditures for renewals and improvements are capitalized while repairs and maintenance costs are charged to expense as incurred. When assets are retired, or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts, and any resulting gain or loss is reflected in income for the period.

Depreciation of building and components is computed on the straight-line method over estimated useful lives of 5 to 30 years. Depreciation of equipment is computed on the straight-line method over estimated useful lives of 3 to 10 years.

Use of Estimates

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

Functional Allocation of Expenses

The cost of providing programs and services has been summarized on a functional basis. Accordingly, salaries and benefits have been allocated between program and the supporting services benefited based on management's best estimates of such amounts and the ratio of each program's personnel costs. Occupancy and facilities expenses, including depreciation, telephone, repairs and maintenance, insurance are allocated based on usable square footage. Other joint costs (including dues, licenses, and fees) are allocated on a basis determined to be appropriate to the particular costs. All other costs are directly charged to the program for which the work has been done or is allocated based on management's best estimates.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Change in Accounting Principle

The Nursery adopted Financial Accounting Standards Board (FASB) ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities in 2018*. These changes were applied retrospectively to ensure comparability with the prior year presented herein.

Subsequent Events

In preparing these financial statements, the Nursery has evaluated events and transactions for potential recognition or disclosure through December 17, 2019, the date the financial statements were available to be issued.

NOTE 2 LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>2019</u>	<u>2018</u>
Cash and Cash Equivalents	\$ 226,322	\$ 354,934
Pledges Receivable	155,085	274,319
Accounts Receivable	<u>138,167</u>	<u>127,915</u>
Liquid Financial Assets Available to Meet General Expenditures Within One Year	519,574	757,168
Less: Those Unavailable for General Expenditures Within One Year, Due to Donor-Imposed Time or Purpose Restrictions	<u>(131,091)</u>	<u>(293,277)</u>
Financial Assets Available to Meet Cash needs for General Expenditures Within One Year	<u>\$ 388,483</u>	<u>\$ 463,891</u>

The Nursery's board of directors meets annually to review and approve the annual budget. The Organization has a \$250,000 line of credit (see Note 5) available to meet cash flow needs.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 3 PROMISES TO GIVE

The details of promises to give receivables as of June 30 are as follows:

	<u>2019</u>	<u>2018</u>
Receivable in:		
Less than One Year	\$ 242,951	\$ 320,373
One to Five Years	15,424	40,930
Total	<u>258,375</u>	<u>361,303</u>
Allowance for Doubtful Collections	(98,834)	(46,054)
Discount to Present Value	(4,456)	(4,456)
Total Promises to Give Receivable	<u>155,085</u>	<u>310,793</u>
Less: Current Portion	144,117	274,319
Total Noncurrent Portion	<u>\$ 10,968</u>	<u>\$ 36,474</u>

The discount rate used in calculating the present value of long-term pledges for the years ended June 30, 2019 and 2018 was 5%.

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment components at June 30 are as follows:

	<u>2019</u>	<u>2018</u>
Land	\$ 70,991	\$ 70,991
Building	3,118,655	3,112,183
Equipment:		
Program	5,124	5,124
Office	94,398	70,065
Kitchen	25,095	28,540
Other Fixed Assets	2,888	21,888
Total Property and Equipment	<u>3,317,151</u>	<u>3,308,791</u>
Less: Accumulated Depreciation	1,212,752	1,094,977
Property and Equipment, Net	<u>\$ 2,104,399</u>	<u>\$ 2,213,814</u>

NOTE 5 LINE OF CREDIT

The Nursery had \$250,000 lines of credit at both June 30, 2019 and 2018. Interest on the line of credit for years ended June 30, 2019 and 2018 was a variable rate which equaled 5.75% and 4.75%, respectively. Payments of interest only are due each month on any outstanding balance.

As of June 30, 2019 and 2018, the Nursery had no outstanding balances on the line of credit. The current line of credit matures in December 2019.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 6 NET ASSETS WITH DONOR RESTRICTIONS

Net Assets With Donor Restrictions

Net assets with donor restrictions as of June 30 are available for the following purposes:

	2019	2018
Future Periods	\$ 131,091	\$ 276,384
Purpose Restricted	-	16,893
Total	<u>\$ 131,091</u>	<u>\$ 293,277</u>

Releases from Restriction

Net assets released from restrictions for the years ended June 30 are as follows:

	2019	2018
Expiration of Time Restrictions	\$ 208,401	\$ 198,579
Satisfaction of Purpose Restrictions	56,893	54,028
Total	<u>\$ 265,294</u>	<u>\$ 252,607</u>

NOTE 7 BOARD-DESIGNATED NET ASSETS

Greater Minneapolis Crisis Nursery's decrease in net assets in fiscal years 2019 and 2018 was anticipated and supported by proceeds from The Multiplying Effect campaign. The funds raised through the campaign were intended to directly support program expansion over the course of a defined period of time.

In fiscal year 2014, the Nursery's board of directors approved a new Innovation Fund Campaign, known as The Multiplying Effect Campaign, to support the organization as it seeks to expand programs that help reduce child abuse and neglect. The Nursery successfully raised contributions and pledges over a three-year period. Contributions generated from the campaign are being used across the organization to support strategic priorities.

The board of directors of the Nursery has designated funding for specific initiatives related to the expansion of program activities. Activities related to these designations for the years ended June 30 are as follows:

	2019	2018
Beginning Balance	\$ 310,559	\$ 390,834
Additions to Board-Designated Funds	10,500	235,875
Releases from Board-Designated Funds	(321,059)	(316,150)
Ending Balance	<u>\$ -</u>	<u>\$ 310,559</u>

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 8 CONTRIBUTIONS AND GRANTS REVENUE

Contributions and grants to the Nursery for the years ended June 30 are classified as follows:

	<u>2019</u>	<u>2018</u>
Foundations	\$ 341,778	\$ 411,384
Corporations	357,952	296,569
Churches and Community Groups	63,342	72,844
Individuals	<u>792,185</u>	<u>937,923</u>
Total Contributions and Grants	<u>\$ 1,555,257</u>	<u>\$ 1,718,720</u>

NOTE 9 IN-KIND CONTRIBUTIONS

The Nursery records in-kind contributions at estimated fair market value at date of donation. In-kind contributions for the years ended June 30 include the following:

	<u>2019</u>	<u>2018</u>
Children's Supplies (Program Services)	\$ 64,435	\$ 56,319
Food (Program Services)	85,350	61,200
Public Relations (Management and General and Fundraising)	64,066	66,010
Medical Assessments (Program Services)	<u>13,210</u>	<u>13,320</u>
Total In-Kind Contributions	<u>\$ 227,061</u>	<u>\$ 196,849</u>

In-kind contributions relating to special events in the amount of \$64,066 and \$45,062 are included in special event revenue for the years ended June 30, 2019 and 2018, respectively.

The Nursery receives significant amounts of donated services from a substantial number of unpaid volunteers who assist in the Nursery's programs, fundraising and special projects. No amounts have been recognized in the accompanying statements of activities because the criteria for recognition of such volunteer effort have not been satisfied. The estimated fair market value of these services for the years ended June 30, 2019 and 2018 was \$549,868 and \$710,075, respectively.

NOTE 10 SIGNIFICANT CONCENTRATIONS

Approximately 51% of the employees of the Nursery are subject to a collective bargaining agreement with the Federation of Social Justice Advocates. The agreement expires on December 31, 2019.

Pledges receivable from board members and employees made up approximately 6% and 14% of the total pledges receivable at June 30, 2019 and 2018, respectively.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 10 SIGNIFICANT CONCENTRATIONS (CONTINUED)

The majority of governmental revenues are from one agency. Governmental revenues from that agency were approximately 21% and 20% of total revenue for years ended June 30, 2019 and 2018, respectively.

NOTE 11 EMPLOYEE RETIREMENT PLAN

During 2013, the Nursery started a SIMPLE IRA Plan for qualified employees who earned greater than \$5,000 in the previous calendar year. The Plan has a dollar for dollar match up to 3% of wages, and total contributions for the years ended June 30, 2019 and 2018 were \$33,272 and \$9,918, respectively.