

GREATER MINNEAPOLIS CRISIS NURSERY
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020



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**GREATER MINNEAPOLIS CRISIS NURSERY
TABLE OF CONTENTS
YEARS ENDED JUNE 30, 2021 AND 2020**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENTS OF FINANCIAL POSITION	3
STATEMENTS OF ACTIVITIES	4
STATEMENTS OF FUNCTIONAL EXPENSES	5
STATEMENTS OF CASH FLOWS	7
NOTES TO FINANCIAL STATEMENTS	8



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, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
October 20, 2021

**GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020**

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,088,615	\$ 1,121,925
Promises to Give, Less Allowance for Uncollectible		
Promises of \$23,691 in 2021 and \$99,605 in 2020	36,100	29,965
Government Grants Receivable	180,431	40,031
Other Receivables	26,617	24,743
Prepaid Expenses	14,836	48,143
Total Current Assets	1,346,599	1,264,807
OTHER ASSETS		
Property and Equipment, Net	1,988,476	2,058,903
Long-Term Promises to Give, Net of Current Portion	-	3,304
Total Other Assets	1,988,476	2,062,207
Total Assets	\$ 3,335,075	\$ 3,327,014
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Paycheck Protection Program Loan	\$ -	\$ 517,700
Accounts Payable	50,536	51,479
Accrued Expenses and Other Liabilities	268,242	275,052
Total Current Liabilities	318,778	844,231
NET ASSETS		
Without Donor Restrictions	2,821,369	2,367,513
With Donor Restrictions	194,928	115,270
Total Net Assets	3,016,297	2,482,783
Total Liabilities and Net Assets	\$ 3,335,075	\$ 3,327,014

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2021 AND 2020**

	2021			2020		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
PUBLIC SUPPORT AND REVENUE						
Public Support:						
Contributions and Grants	\$ 1,771,738	\$ 268,428	\$ 2,040,166	\$ 1,941,806	\$ 268,440	\$ 2,210,246
United Way	95,572	-	95,572	76,509	-	76,509
Government Grants	756,398	-	756,398	754,406	-	754,406
PPP Loan Forgiveness	517,700	-	517,700	-	-	-
In-Kind Contributions	120,465	-	120,465	297,992	-	297,992
Special Events Revenues	553,117	-	553,117	640,451	-	640,451
Special Events Expenses	(54,122)	-	(54,122)	(102,094)	-	(102,094)
Total Public Support	<u>3,760,868</u>	<u>268,428</u>	<u>4,029,296</u>	<u>3,609,070</u>	<u>268,440</u>	<u>3,877,510</u>
Other Revenue	25,239	-	25,239	46,156	-	46,156
Net Assets Released from Restrictions	188,770	(188,770)	-	284,261	(284,261)	-
Total Public Support and Revenue	<u>3,974,877</u>	<u>79,658</u>	<u>4,054,535</u>	<u>3,939,487</u>	<u>(15,821)</u>	<u>3,923,666</u>
EXPENSES						
Program Services	2,499,585	-	2,499,585	2,580,117	-	2,580,117
Supporting Activities:						
Management and General	593,795	-	593,795	637,037	-	637,037
Fundraising	427,641	-	427,641	597,128	-	597,128
Total Supporting Activities	<u>1,021,436</u>	<u>-</u>	<u>1,021,436</u>	<u>1,234,165</u>	<u>-</u>	<u>1,234,165</u>
Total Expenses	<u>3,521,021</u>	<u>-</u>	<u>3,521,021</u>	<u>3,814,282</u>	<u>-</u>	<u>3,814,282</u>
CHANGE IN NET ASSETS	453,856	79,658	533,514	125,205	(15,821)	109,384
Net Assets - Beginning of Year	<u>2,367,513</u>	<u>115,270</u>	<u>2,482,783</u>	<u>2,242,308</u>	<u>131,091</u>	<u>2,373,399</u>
NET ASSETS - END OF YEAR	<u>\$ 2,821,369</u>	<u>\$ 194,928</u>	<u>\$ 3,016,297</u>	<u>\$ 2,367,513</u>	<u>\$ 115,270</u>	<u>\$ 2,482,783</u>

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021**

	Supporting Activities				Total
	Program Services	Management and General	Fundraising	Total Supporting Activities	
Salaries	\$ 1,552,645	\$ 345,511	\$ 284,061	\$ 629,572	\$ 2,182,217
Benefits	266,519	42,366	48,861	91,227	357,746
Payroll Taxes	93,165	27,511	16,888	44,399	137,564
Total Salaries and Related	<u>1,912,329</u>	<u>415,388</u>	<u>349,810</u>	<u>765,198</u>	<u>2,677,527</u>
Contract Services	132,513	25,778	16,111	41,889	174,402
Child Care and Parent Program General Expense	79,989	10,647	6,638	17,285	97,274
Medical Supplies and Assessments	7,901	377	-	377	8,278
Event Expenses	-	-	54,122	54,122	54,122
Food Service	36,802	-	-	-	36,802
Occupancy	40,205	10,464	4,406	14,870	55,075
Repairs and Maintenance	40,805	10,620	4,472	15,092	55,897
Printing and Publications	3,426	7,871	12,122	19,993	23,419
Professional Fees	130,727	11,851	7,407	19,258	149,985
Insurance	20,626	16,090	2,344	18,434	39,060
Staff Education and Development	8,833	2,902	859	3,761	12,594
Public Relations	1,030	-	7,825	7,825	8,855
Office Supplies and Expenses	3,158	772	85	857	4,015
Postage and Shipping	357	2,247	6,928	9,175	9,532
Travel	725	372	28	400	1,125
Bad Debt Expense	31	21,386	220	21,606	21,637
Other Expenses	89	6,708	-	-	89
Total Expenses Before Depreciation and Amortization	<u>2,419,546</u>	<u>543,473</u>	<u>473,377</u>	<u>1,016,850</u>	<u>3,436,396</u>
Depreciation and Amortization	80,039	50,322	8,386	58,708	138,747
Total	<u>2,499,585</u>	<u>593,795</u>	<u>481,763</u>	<u>1,075,558</u>	<u>3,575,143</u>
Expenses Netted Against Revenues	<u>-</u>	<u>-</u>	<u>(54,122)</u>	<u>(54,122)</u>	<u>(54,122)</u>
Total Expenses by Function	<u><u>\$ 2,499,585</u></u>	<u><u>\$ 593,795</u></u>	<u><u>\$ 427,641</u></u>	<u><u>\$ 1,021,436</u></u>	<u><u>\$ 3,521,021</u></u>

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2020**

	Supporting Activities				Total
	Program Services	Management and General	Fundraising	Total Supporting Activities	
Salaries	\$ 1,638,164	\$ 325,245	\$ 310,224	\$ 635,469	\$ 2,273,633
Benefits	251,644	118,700	47,563	166,263	417,907
Payroll Taxes	105,583	33,950	19,729	53,679	159,262
Total Salaries and Related	1,995,391	477,895	377,516	855,411	2,850,802
Contract Services	46,976	11,503	16,751	28,254	75,230
Child Care and Parent Program General Expense	84,131	9,756	12,073	21,829	105,960
Medical Supplies and Assessments	12,612	345	-	345	12,957
Event Expenses	-	-	102,094	102,094	102,094
Food Service	99,007	-	-	-	99,007
Repairs and Maintenance	36,613	8,686	4,042	12,728	49,341
Printing and Publications	5,513	3,339	17,936	21,275	26,788
Professional Fees	121,730	10,287	26,762	37,049	158,779
Insurance	27,494	5,879	3,098	8,977	36,471
Staff Education and Development	10,204	4,360	699	7,626	17,830
Public Relations	-	-	115,471	115,471	115,471
Office Supplies and Expenses	4,951	2,606	702	3,308	8,259
Postage and Shipping	345	811	7,781	8,592	8,937
Travel	3,699	843	14	857	4,556
Bad Debt Expense	-	55,386	-	55,386	55,386
Interest	-	3,147	-	3,147	3,147
Other Expenses	1,143	10,207	19	10,226	11,369
Total Expenses Before Depreciation and Amortization	2,487,527	615,851	688,790	1,304,641	3,792,168
Depreciation and Amortization	92,590	21,186	10,432	31,618	124,208
Total	2,580,117	637,037	699,222	1,336,259	3,916,376
Expenses Netted Against Revenues	-	-	(102,094)	(102,094)	(102,094)
Total Expenses by Function	\$ 2,580,117	\$ 637,037	\$ 597,128	\$ 1,234,165	\$ 3,814,282

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in Net Assets	\$ 533,514	\$ 109,384
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	138,747	124,208
Noncash PPP Loan Forgiveness	(517,700)	-
Amortization of Discount of Unconditional Promises to Give Restricted for Long-Term Purposes	(578)	(3,878)
Changes in Assets and Liabilities:		
Promises to Give	(2,831)	121,816
Government Grants Receivable	(141,696)	77,271
Other Receivables and Prepaid Expenses	33,307	7,490
Accounts Payable	(943)	8,278
Accrued Expenses and Other Liabilities	(6,810)	12,046
Net Cash Provided by Operating Activities	35,010	456,615
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(68,320)	(78,712)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Long-Term Debt	-	517,700
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(33,310)	895,603
Cash and Cash Equivalents - Beginning of Year	1,121,925	226,322
 CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,088,615	\$ 1,121,925

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Greater Minneapolis Crisis Nursery (the Nursery) was incorporated under the Minnesota Nonprofit Corporation Act in 1981. In September 1983, GMCN was determined to be a nonprofit 501(c)(3) organization and was also classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

The Nursery's mission is to assist in the prevention of child abuse and neglect and create strong, healthy families. The Crisis Nursery provides free, voluntary services 24 hours a day, 365 days a year to families in crisis with young children at risk of abuse or neglect. The families that the Nursery serves are primarily low-income families of which 94% are of color or those identifying as Native or Hispanic, and of those, 75% have annual incomes of \$10,000 or less.

The core program at the Nursery is a residential shelter open 24 hours/365 days per year for at-risk children whose parents are in crisis. Children newborn through age six may stay for up to three nights at a time for 30 nights per year, and parents set developmentally-appropriate goals for children during their stay.

The Family Services program offers a 24-hour hotline for parents in crisis through which our Family Advocates provide strength-based crisis counseling and emotional support, community resource connections, and arrange transportation for child placement if needed. The Clinical Home Visiting program offers our families a chance to receive home-visiting services if they experience several barriers to stability or could benefit from more intensive support. Our Clinical Home Visitors meet weekly with families for up to two years to stabilize crises, meet basic needs, and promote stability through empowerment and validating client strengths.

Rounding off our services is the Adult Mental Health Services program which offers parents that we serve in-home mental health services if they are referred from Family Services or Clinical Home Visiting. Our licensed, master's-level clinicians assist parents with anxiety, depression, post-traumatic stress disorder, substance abuse disorders, and other diagnoses related to their own childhood trauma.

The programs and services provided by the Nursery are proven to be effective in the reduction of child abuse and neglect.

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.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

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.

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.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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- of investments at June 30, 2021 and 2020.

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.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment (Continued)

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.

Subsequent Events

In preparing these financial statements, the Nursery has evaluated events and transactions for potential recognition or disclosure through October 20, 2021, the date the financial statements were available to be issued.

GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

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>2021</u>	<u>2020</u>
Cash and Cash Equivalents	\$ 1,088,615	\$ 1,121,925
Pledges Receivable	36,100	29,965
Accounts Receivable	<u>207,048</u>	<u>64,774</u>
Liquid Financial Assets Available to Meet General Expenditures Within One Year	1,331,763	1,216,664
Less: Those Unavailable for General Expenditures Within One Year, Due to Donor-Imposed Time or Purpose Restrictions	<u>(194,928)</u>	<u>(115,270)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u><u>\$ 1,136,835</u></u>	<u><u>\$ 1,101,394</u></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.

NOTE 3 PROMISES TO GIVE

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

	<u>2021</u>	<u>2020</u>
Receivable in:		
Less than One Year	\$ 59,791	\$ 129,570
One to Five Years	-	3,882
Total	<u>59,791</u>	<u>133,452</u>
Allowance for Doubtful Collections	(23,691)	(99,605)
Discount to Present Value	-	(578)
Total Promises to Give Receivable	<u>36,100</u>	<u>33,269</u>
Less: Current Portion	<u>36,100</u>	<u>29,965</u>
Total Noncurrent Portion	<u><u>\$ -</u></u>	<u><u>\$ 3,304</u></u>

The discount rate used in calculating the present value of long-term pledges for the years ended June 30, 2021 and 2020 was 5%.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment components at June 30 are as follows:

	2021	2020
Land	\$ 70,991	\$ 70,991
Building	3,140,384	3,146,794
Equipment:	259,231	178,079
Total Property and Equipment	3,470,606	3,395,864
Less: Accumulated Depreciation	1,482,130	1,336,961
Property and Equipment, Net	\$ 1,988,476	\$ 2,058,903

NOTE 5 LINE OF CREDIT

The Nursery had a \$250,000 line of credit at both June 30, 2021 and 2020. Interest on the line of credit for years ended June 30, 2021 and 2020 was a variable rate which equaled 3.25% and 3.75%, respectively. Payments of interest only are due each month on any outstanding balance.

As of June 30, 2021 and 2020, the Nursery had no outstanding balances on the line of credit. The current line of credit matures in March 2023.

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:

	2021	2020
Future Periods	\$ 146,347	\$ 115,270
Purpose Restricted	48,581	-
Total	\$ 194,928	\$ 115,270

Releases from Restriction

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

	2021	2020
Expiration of Time Restrictions	\$ 188,770	\$ 284,261

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 7 CONTRIBUTIONS AND GRANTS REVENUE

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

	<u>2021</u>	<u>2020</u>
Foundations	\$ 477,275	\$ 519,638
Corporations	382,649	415,859
Churches and Community Groups	42,425	74,901
Individuals	<u>1,137,817</u>	<u>1,199,848</u>
Total Contributions and Grants	<u>\$ 2,040,166</u>	<u>\$ 2,210,246</u>

NOTE 8 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>2021</u>	<u>2020</u>
Supplies Child Care and Parent Program (Program Services)	\$ 35,106	\$ 41,648
Food (Program Services)	6,552	68,350
Public Relations (Fundraising)	-	108,319
Professional Fees (Program and Management and General)	76,352	69,745
Medical Assessments (Program Services)	<u>2,455</u>	<u>9,930</u>
Total In-Kind Contributions	<u>\$ 120,465</u>	<u>\$ 297,992</u>

In-kind contributions relating to special events in the amount of \$-0- and \$108,319 are included in special event revenue for the years ended June 30, 2021 and 2020, 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, 2021 and 2020 was \$49,305 and \$543,844, respectively.

NOTE 9 SIGNIFICANT CONCENTRATIONS

Approximately 66% of the employees of the Nursery are subject to a collective bargaining agreement with the Federation of Social Justice Advocates. The agreement expires on June 30, 2022.

The majority of governmental revenues are from one agency. Governmental revenues from that agency were approximately 14% and 15% of total revenue for the years ended June 30, 2021 and 2020, respectively.

GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 10 EMPLOYEE RETIREMENT PLAN

On January 1, 2021, the Nursery changed from a SIMPLE IRA Retirement Plan to a 403(b) Retirement Plan. Employees who are .75 FTE to 1.0 FTE and have been employed for one year qualify for a dollar for dollar match up to 3% of wages. The 403(b) plan gives staff the option to make adjustments to their contributions throughout the year. Payout of the match, upon termination, is based on a Vesting Schedule designed to retain staffing. The total contributions for the fiscal years ended June 30, 2021 and 2020 were \$40,447 and \$36,709, respectively.

NOTE 11 PAYCHECK PROTECTION PROGRAM

On April 16, 2020, the Organization received proceeds in the amount of \$517,700 to fund payroll through the Paycheck Protection Program (PPP). In November 2020, the SBA formally approved forgiveness. The Organization recognized \$517,700 of revenue related to this agreement during the year ended June 30, 2021, which represents the portion of the PPP loan funds for which the performance barriers have been met. The SBA may review funding eligibility and usage of funds for compliance with program requirements based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the Organization's financial position.

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