

Ed Allies
Financial Statements
December 31, 2020 and 2019



Ed Allies
Table of Contents

Independent Auditor's Report	1
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	6
Statements of Cash Flows	8
Notes to Financial Statements	9

Independent Auditor's Report

Board of Directors
Ed Allies
Minneapolis, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of Ed Allies (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 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.

Auditor's 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 auditor's 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 Organization'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 Organization'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.

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Ed Allies 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.

BergankDV, Ltd.

St. Cloud, Minnesota
March 22, 2021

Ed Allies
Statements of Financial Position
As of December 31, 2020 and 2019

	2020	2019 (Restated)
Assets		
Current assets		
Cash and cash equivalents	\$ 635,653	\$ 371,017
Contributions receivable	298,020	195,000
Due from fiscal agent	11,822	-
Prepaid expenses	23,393	36,915
Total current assets	968,888	602,932
Property and equipment, net	118,624	149,235
Contributions receivable, net of current portion	173,960	186,000
Total assets	\$ 1,261,472	\$ 938,167
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 400	\$ 3,780
Salaries and related taxes and benefits payable	7,321	10,681
Due to fiscal agent	-	20,000
Deferred lease incentive	19,267	19,267
Total current liabilities	26,988	53,728
Deferred lease incentive, net current portion	67,435	86,702
Total liabilities	94,423	140,430
Net assets		
Without donor restrictions		
Undesignated	268,722	141,994
Board designated for operating reserve	166,274	80,177
With donor restrictions	732,053	575,566
Total net assets	1,167,049	797,737
Total liabilities and net assets	\$ 1,261,472	\$ 938,167

See notes to financial statements.

Ed Allies
Statement of Activities
Year Ended December 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and Revenue			
Contributions and grants	\$ 381,404	877,670	\$ 1,259,074
Program revenue	4,454	-	4,454
Interest income	6,690	-	6,690
Other revenue	13,434	-	13,434
Net assets released from restrictions	721,183	(721,183)	-
Total support and revenue	<u>1,127,165</u>	<u>156,487</u>	<u>1,283,652</u>
Expenses			
Program services	611,735	-	611,735
Supporting services			
Management and general	211,570	-	211,570
Fundraising	91,035	-	91,035
Total expenses	<u>914,340</u>	<u>-</u>	<u>914,340</u>
Change in net assets	212,825	156,487	369,312
Net Assets			
Beginning of year	<u>222,171</u>	<u>575,566</u>	<u>797,737</u>
End of year	<u>\$ 434,996</u>	<u>\$ 732,053</u>	<u>\$ 1,167,049</u>

Ed Allies
Statement of Activities
Year Ended December 31, 2019 (Restated)

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Contributions and grants	\$ 689,475	\$ 605,000	\$ 1,294,475
Interest income	1,482	-	1,482
Other revenue	101	-	101
Net assets released from restrictions	396,793	(396,793)	-
Total support and revenue	1,087,851	208,207	1,296,058
Expenses			
Program services	725,278	-	725,278
Supporting services			
Management and general	223,525	-	223,525
Fundraising	80,898	-	80,898
Total expenses	1,029,701	-	1,029,701
Change in net assets	58,150	208,207	266,357
Net Assets	164,021	367,359	531,380
Beginning of year	\$ 222,171	\$ 575,566	\$ 797,737
End of year			

Ed Allies
Statement of Functional Expenses
Year Ended December 31, 2020

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and Related Taxes and Benefits				
Salaries	\$ 394,507	\$ 101,599	\$ 65,979	\$ 562,085
Employee benefits	59,484	15,296	10,197	84,977
Payroll taxes	<u>31,653</u>	<u>8,140</u>	<u>5,427</u>	<u>45,220</u>
Total salaries and related taxes and benefits	485,644	125,035	81,603	692,282
Expenses				
Fees for services	53,546	31,161	1,137	85,844
Office expense	11,392	3,503	1,558	16,453
Information technology	13,722	1,545	1,697	16,964
Advocacy and promotion	8,913	-	-	8,913
Occupancy	27,065	6,942	4,555	38,562
Travel	2,757	-	41	2,798
Conferences and meetings	6,061	-	-	6,061
Insurance	1,997	7,547	334	9,878
Other	<u>638</u>	<u>4,037</u>	<u>110</u>	<u>4,785</u>
Total expenses before depreciation	611,735	179,770	91,035	882,540
Depreciation	<u>-</u>	<u>31,800</u>	<u>-</u>	<u>31,800</u>
Total expenses	<u><u>\$ 611,735</u></u>	<u><u>\$ 211,570</u></u>	<u><u>\$ 91,035</u></u>	<u><u>\$ 914,340</u></u>

Ed Allies
Statement of Functional Expenses
Year Ended December 31, 2019

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and Related Taxes and Benefits				
Salaries	\$ 445,935	\$ 107,162	\$ 54,250	\$ 607,347
Employee benefits	66,246	15,920	8,059	90,225
Payroll taxes	<u>34,145</u>	<u>8,205</u>	<u>4,154</u>	<u>46,504</u>
Total salaries and related taxes and benefits	546,326	131,287	66,463	744,076
Expenses				
Fees for services	52,212	37,364	5,462	95,038
Office expense	11,288	3,593	2,495	17,376
Information technology	14,685	1,540	1,803	18,028
Advocacy and promotion	45,293	881	-	46,174
Occupancy	28,634	6,901	3,488	39,023
Travel	15,416	337	337	16,090
Conferences and meetings	6,330	-	-	6,330
Insurance	1,879	7,328	228	9,435
Other	<u>3,215</u>	<u>1,159</u>	<u>622</u>	<u>4,996</u>
Total expenses before depreciation	725,278	190,390	80,898	996,566
Depreciation	<u>-</u>	<u>33,135</u>	<u>-</u>	<u>33,135</u>
Total expenses	<u><u>\$ 725,278</u></u>	<u><u>\$ 223,525</u></u>	<u><u>\$ 80,898</u></u>	<u><u>\$ 1,029,701</u></u>

Ed Allies
Statements of Cash Flows
Years Ended December 31, 2020 and 2019

	2020	2019
		(Restated)
Cash Flows - Operating Activities		
Change in net assets	\$ 369,312	\$ 266,357
Adjustments to reconcile change in net assets to net cash flows - operating activities		
Depreciation	31,800	33,135
Discount on contributions receivable	(980)	14,000
Change in deferred lease incentive	(19,267)	(19,267)
Change in operating assets and liabilities		
Contributions receivable	(90,000)	(339,000)
Due from fiscal agent	(11,822)	-
Prepaid expenses	13,522	(816)
Accounts payable	(3,380)	(5,456)
Salaries and related taxes and benefits payable	(3,360)	1,173
Due to fiscal agent	(20,000)	20,000
Total adjustments	(103,487)	(296,231)
Net cash flows - operating activities	265,825	(29,874)
 Cash Flows - Investing Activities		
Purchases of property and equipment	(1,189)	(11,592)
Deferred lease incentive	-	125,236
Proceeds from sale of property and equipment	-	271
Net cash flows - investing activities	(1,189)	113,915
 Net change in cash and cash equivalents	264,636	84,041
 Cash and Cash Equivalents		
Beginning of year	371,017	286,976
End of year	\$ 635,653	\$ 371,017

Ed Allies
Notes to Financial Statements

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Ed Allies (the "Organization") launched in October 2016 with the support of education, civic, and philanthropic leaders across the state. As a locally led advocacy nonprofit, the board and staff work to be as responsive as possible to the needs of Minnesota children and schools. The mission of Ed Allies is to partner with schools, families, and communities to ensure that every young Minnesotan has access to a rigorous and engaging education. The Organization advances policies that put underserved students first, remove barriers facing successful schools and programs, and foster an inclusive conversation about what is possible for students.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues are recorded as earned and expenses when incurred. The accounting policies of the Organization conform to accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to nonprofit organizations.

Use of Estimates

The preparation of the financial statements in conformity with U.S. GAAP 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 these estimates.

Cash and Cash Equivalents

The Organization considers cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Contributions Receivable

Unconditional contributions are recorded as contribution revenue and are classified as either current or long-term assets, depending on the expected collection date. Unconditional contributions that are expected to be collected within one year are recorded at their net realizable value. No allowance was deemed necessary as of December 31, 2020 and 2019. Unconditional contributions expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contributions and grants revenue in the statements of activities.

Property and Equipment

The Organization capitalizes property and equipment with a value greater than \$1,000 and with an estimated life of greater than one year. Property and equipment purchased is stated at cost. Contributed property and equipment is recorded at fair value at the date of donation. Depreciation of property and equipment is provided on a straight-line basis, over the estimated useful lives of the assets. Estimated useful lives range from 2 to 10 years. Depreciation expense for 2020 and 2019 was \$31,800 and \$33,135, respectively.

Ed Allies
Notes to Financial Statements

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Determination of recoverability is based on an estimate of undiscounted future cash flows resulting from the use of the asset and its eventual disposition. Measurement of an impairment loss for long-lived assets is based on the fair value of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell. Management has determined that no impairment existed at December 31, 2020 and 2019.

Net Assets

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. The governing board has designated, from net assets without donor restrictions, net assets for the operating reserve.

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. Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, 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.

Revenue and Revenue Recognition

Contributions are recognized when cash, securities, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. There were no conditional contributions at December 31, 2020 and 2019.

Grants that are considered nonreciprocal transactions or gifts that further the programs of the Organization are recorded when the Organization receives notification of the grant award or gift, or, if conditions for performance are imposed, revenue is recognized when conditions have been met.

The Organization follows Financial Accounting Standards Board Topic 958-605, *Revenue Recognition for Not-for-Profit Entities* in accounting for its Paycheck Protection Program (PPP) loan. The loan is effectively accounted for as a conditional grant (see Note 9).

Ed Allies
Notes to Financial Statements

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and Revenue Recognition (Continued)

In 2020, the Organization had a contract with a client for public relations, social media, public affairs, and general consulting services. The Organization recognized the program revenue as performance obligations were satisfied. Performance obligations were determined based on the nature of the services provided by the Organization and were recognized at a point in time, when the services were provided. The contract ended in May 2020.

In-Kind Contributions

In-kind contributions are recorded at fair value on date of donation. A similar amount is included in expenses on the statements of activities. The Organization recognizes the fair value of contributed services received if such services (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. For 2020 and 2019, there were no significant donated services, facilities and materials.

Functional Allocation of Expenses

The costs of providing the program and supporting services have been summarized on a functional basis in the statements of activities. The statements of functional expense present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited and based on an estimate of staff time spent on each function.

Tax Status

The Organization is a Minnesota nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3), qualify for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and has been determined not to be a private foundation under IRC Sections 509(a)(1) and (3), respectively. The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Organization is subject to income tax on net income that is derived from business activities unrelated to the exempt purposes. Management has determined that the Organization is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Subsequent Events

The Organization has evaluated subsequent events through March 22, 2021, the date which the financial statements were available to be issued.

Ed Allies
Notes to Financial Statements

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Issued Accounting Pronouncements

Contributed Nonfinancial Assets

In September 2020, the FASB issued ASU No. 2020-07 Not-for-Profit Entities (Topic 958): *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which is intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit organizations. In addition to enhanced disclosures for contributed nonfinancial assets, this ASU requires not-for-profit organizations to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. The amendments in this ASU should be applied on a retrospective basis and are effective for annual reporting periods beginning after June 15, 2021. Early adoption is permitted. The Organization is currently evaluating the impact this standard will have on its financial statements.

Leases

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842). The new guidance will require all leases to be recorded as assets and liabilities on the statement of financial position. This update would require capitalization of the "right to use" an asset and recognition of an obligation for future lease payments for most leases currently classified as operating leases. Other leases currently classified as capital leases will be referred to as financing leases and will continue to be recorded as assets and liabilities in a similar manner. In June 2020, the FASB issued ASU No. 2020-05 which defers the effective date one year making it effective for annual reporting periods beginning after December 15, 2021, with early adoption permitted. The provisions of this ASU are to be applied using either the retrospective approach or modified retrospective approach. The Organization is currently evaluating the impact this standard will have on its financial statements.

NOTE 2 – LIQUIDITY AND AVAILABILITY

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 of the following:

	2020	2019
Cash and cash equivalents	\$ 635,653	\$ 371,017
Contributions receivable, net	471,980	381,000
Due from fiscal agent	11,822	-
	1,119,455	752,017
Less due to fiscal agent	-	(20,000)
Less board designated net assets for operating reserve	(166,274)	(80,177)
Less net assets with donor restrictions	(732,053)	(595,566)
Total financial assets available for general expenditures	\$ 221,128	\$ 56,274

Ed Allies
Notes to Financial Statements

NOTE 2 – LIQUIDITY AND AVAILABILITY (CONTINUED)

The Organization does not have a formal policy; however, it generally structures its financial assets to be available as its general expenditures, liabilities and other obligations come due. Although the Organization does not intend to spend from its board designated net assets for operating reserve, these amounts could be made available if necessary. In addition, as part of its liquidity management, the Organization would invest cash in excess of daily requirements in various short-term investments, including money market funds, certificates of deposit and short-term treasury instruments.

NOTE 3 – CONTRIBUTIONS RECEIVABLE

	<u>2020</u>	<u>2019</u>
Contributions receivable due in:		
Less than one year	\$ 298,020	\$ 195,000
One to five years	<u>186,980</u>	<u>200,000</u>
Total contributions receivable	485,000	395,000
Less discounts to net present value	(13,020)	(14,000)
Less allowance for uncollectible contributions	<u>-</u>	<u>-</u>
 Contributions receivable, net	 <u>\$ 471,980</u>	 <u>\$ 381,000</u>
	 <u>2020</u>	 <u>2019</u>
Contributions receivable		
Current	\$ 298,020	\$ 195,000
Noncurrent	<u>173,960</u>	<u>186,000</u>
 Contributions receivable, net	 <u>\$ 471,980</u>	 <u>\$ 381,000</u>

NOTE 4 – PROPERTY AND EQUIPMENT

	<u>2020</u>	<u>2019</u>
Leasehold improvements	\$ 139,462	\$ 139,462
Furniture and equipment	<u>47,579</u>	<u>52,402</u>
	187,041	191,864
Less accumulated depreciation	<u>(68,417)</u>	<u>(42,629)</u>
 Property and equipment, net	 <u>\$ 118,624</u>	 <u>\$ 149,235</u>

NOTE 5 – RETIREMENT PLAN

Employees of the Organization participate in a single-employer defined contribution retirement plan covering employees upon employment. Contributions are made to the plan at the discretion of the Board of Directors. Retirement plan expenses for 2020 and 2019 were \$27,000 and \$28,513, respectively.

Ed Allies
Notes to Financial Statements

NOTE 6 – OPERATING LEASE AND DEFERRED LEASE INCENTIVE

The Organization entered into an operating lease for office space which expires in May 31, 2025. The Organization pays a monthly base rate as well as additional rent its pro rata share of the amount of general real estate taxes, installments of special assessments and other government impositions. Total rent expense for 2020 and 2019 was \$37,460 and \$34,621, respectively.

The lease agreement included an incentive for tenant improvements. The Organization paid for the improvements and recorded the related leasehold improvements asset in 2018. The Organization was reimbursed \$125,236 in January 2019, which was then recorded as deferred lease incentive. The deferred lease incentive and leasehold improvements are being amortized over the term of the lease at a rate of \$19,267 per year through the end of the lease term.

Future minimum lease payments are as follows for the years ending December 31:

2021	\$ 40,231
2022	41,418
2023	42,692
2024	43,978
2025	<u>18,823</u>
Total minimum future lease payments	<u><u>\$ 187,142</u></u>

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS

	<u>2020</u>	<u>2019</u>
Subject to expenditure for specified purpose		
Teacher quality advocacy and college readiness	\$ 237,755	\$ 104,946
Community Allies Program	-	10,000
Expanding access to independent school choice	21,798	-
Subject to passage of time	<u>472,500</u>	<u>460,620</u>
Total net assets with donor restrictions	<u><u>\$ 732,053</u></u>	<u><u>\$ 575,566</u></u>

Ed Allies
Notes to Financial Statements

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

	<u>2020</u>	<u>2019</u>
Satisfaction of purpose restrictions		
Teacher quality advocacy and college readiness	\$ 267,191	\$ 192,970
Community Allies Program	10,000	24,668
Expanding access to independent school choice	50,872	-
Expiration of time restrictions	<u>393,120</u>	<u>179,155</u>
Total net assets released from restrictions	<u>\$ 721,183</u>	<u>\$ 396,793</u>

NOTE 8 – CONCENTRATIONS

Cash and Cash Equivalents

At various times during the year, the Organization had cash on deposit with banks in excess of Federal Deposit Insurance Corporation (FDIC) insured limits. The Organization has not experienced any losses from such accounts.

Contributions Receivable

Two contributors accounted for 82% of the balance as of December 31, 2020, and two contributors accounted for 95% of the balance as of December 31, 2019, respectively.

Revenue

Three contributors accounted for 52% in 2020 and four contributors accounted for 69% in 2019 of total contributions and grants revenue, respectively.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Paycheck Protection Program Loan

In April 2020, the Organization applied for and obtained a \$139,800 PPP loan, administered by the U.S. Small Business Administration (SBA), established under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Under the terms of the loan, the Organization could apply for forgiveness for a portion of or all of the loan. In order to meet the conditions for forgiveness, the Organization was required to maintain certain employee levels and use the proceeds on eligible expenses including payroll, benefits, rent, and utilities. All conditions for forgiveness were met during 2020. Accordingly, the Organization recorded grant income of \$139,800, which is classified as contributions and grants on the statement of activities. The Organization must retain all records relating to the loan for six years from the date of forgiveness and must permit authorized representatives of the SBA, including representatives of its Office of Inspector General, to access such files upon request.

Ed Allies
Notes to Financial Statements

NOTE 10 – FISCAL AGENT AGREEMENT

The Organization acted as a fiscal agent for Minnesota Parent Union (MPU) in 2020 and 2019. During 2020, the Organization collected \$427,785 and disbursed \$459,609 on behalf of MPU. Per the agreement the Organization retained \$13,434 as an administrative fee in 2020. During 2019, the Organization collected \$20,000 on behalf of MPU. At December 31, 2020 the Organization had \$11,822 due from MPU and at December 31, 2019, the Organization and \$20,000 due to MPU.

NOTE 11 – RISKS AND UNCERTAINTIES

On March 13, 2020, a national emergency was declared for COVID-19 outbreak in the United States of America. This event affects the economy and financial markets. The extent of the impact on the Organization may be both direct and indirect and will vary based on the duration of the outbreak and various other factors. An estimate of the financial effect on the Organization's financial statements cannot be determined at this time.

NOTE 12 – PRIOR YEAR RESTATEMENT

During 2020, the Organization noted prior year contributions and grants revenue with donor restrictions were overstated by \$20,000 received on behalf of MPU (see Note 10). Prior year contributions and grants revenue with donor restrictions were restated to exclude the \$20,000 and a liability due to fiscal agent was recorded. The restatement decreased ending net assets with donor restrictions for the year ended December 31, 2019, by \$20,000.