

GiveMN

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2014 AND 2013

GiveMN
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YEARS ENDED DECEMBER 31, 2014 AND 2013

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INDEPENDENT AUDITORS' REPORT

Board of Directors
GiveMN
Saint Paul, Minnesota

We have audited the accompanying financial statements of GiveMN (a nonprofit organization), which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities 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
GiveMN

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GiveMN as of December 31, 2014 and 2013, 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
May 7, 2015

GiveMN
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2014 AND 2013

	2014	2013
ASSETS		
Cash	\$ 816,252	\$ 890,890
Contributions Receivable	90,291	265,522
Website Development Costs, Net	72,722	-
Other Assets	6,875	25,374
Total Assets	\$ 986,140	\$ 1,181,786
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 168,919	\$ 159,527
Grants Payable	-	17,234
Other Liabilities	5,340	-
Total Liabilities	174,259	176,761
NET ASSETS		
Unrestricted	759,881	755,025
Temporarily Restricted	52,000	250,000
Total Net Assets	811,881	1,005,025
Total Liabilities and Net Assets	\$ 986,140	\$ 1,181,786

See accompanying Notes to Financial Statements.

GiveMN
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014			2013		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUE AND OTHER SUPPORT						
Contributions	\$ 895,356	\$ 27,000	\$ 922,356	\$ 981,944	\$ 250,000	\$ 1,231,944
Contract Service Revenue	-	-	-	170,231	-	170,231
Other Income	25,940	-	25,940	50,000	-	50,000
Released from Restrictions	225,000	(225,000)	-	60,000	(60,000)	-
Total Revenue and other Support	<u>\$ 1,146,296</u>	<u>\$ (198,000)</u>	<u>\$ 948,296</u>	<u>\$ 1,262,175</u>	<u>\$ 190,000</u>	<u>\$ 1,452,175</u>
EXPENSE						
Program Services:						
Nonprofit Grants and Support	257,655	-	257,655	275,858	-	275,858
Other Program Expenses	679,283	-	679,283	490,218	-	490,218
Total Program Services	<u>936,938</u>	<u>-</u>	<u>936,938</u>	<u>766,076</u>	<u>-</u>	<u>766,076</u>
Support Services:						
Management and General	173,724	-	173,724	160,281	-	160,281
Fundraising	30,778	-	30,778	41,753	-	41,753
Total Support Services	<u>204,502</u>	<u>-</u>	<u>204,502</u>	<u>202,034</u>	<u>-</u>	<u>202,034</u>
Total Expense	<u>1,141,440</u>	<u>-</u>	<u>1,141,440</u>	<u>968,110</u>	<u>-</u>	<u>968,110</u>
CHANGE IN NET ASSETS	4,856	(198,000)	(193,144)	294,065	190,000	484,065
Net Assets - Beginning of Year	<u>755,025</u>	<u>250,000</u>	<u>1,005,025</u>	<u>460,960</u>	<u>60,000</u>	<u>520,960</u>
NET ASSETS - END OF YEAR	<u><u>\$ 759,881</u></u>	<u><u>\$ 52,000</u></u>	<u><u>\$ 811,881</u></u>	<u><u>\$ 755,025</u></u>	<u><u>\$ 250,000</u></u>	<u><u>\$ 1,005,025</u></u>

See accompanying Notes to Financial Statements.

GiveMN
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (193,144)	\$ 484,065
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	17,556	-
Changes in Operating Assets and Liabilities:		
Contributions Receivable	175,231	(214,486)
Other Assets	18,499	(22,779)
Accounts Payable and Accrued Expenses	9,392	(47,522)
Grants Payable	(17,234)	-
Other Liabilities	5,340	(7,766)
Net Cash Provided by Operating Activities	15,640	191,512
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Website Development Costs	(90,278)	-
NET INCREASE (DECREASE) IN CASH	(74,638)	191,512
Cash - Beginning of Year	890,890	699,378
CASH - END OF YEAR	\$ 816,252	\$ 890,890

See accompanying Notes to Financial Statements.

GiveMN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

GiveMN is a Type I supporting organization of Minnesota Community Foundation. GiveMN is a collaborative nonprofit venture to transform philanthropy in Minnesota. GiveMN ignites generosity and grows giving. GiveMN links donors with organizations that are working to make Minnesota a better place. By using new technologies and by providing creative ideas, GiveMN makes giving simple, rewarding, and fun.

Financial Statement Presentation

The accompanying financial statements of GiveMN have been prepared in accordance with U.S. generally accepted accounting principles.

Net Asset Classifications

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Net assets of GiveMN and changes therein are classified into the following three categories:

Unrestricted Net Assets – Represent the portion of expendable funds that are available for support of the operation of GiveMN.

Temporarily Restricted Net Assets – Consist of contributions and income that have been restricted by the donor for specific purposes or are not available for use until a specific time.

Permanently Restricted Net Assets – Consist of contributions that have been restricted by the donor that stipulate the resources be maintained permanently, but permit GiveMN to use or expend part or all of the income derived from the donated assets for either specified or unspecified purposes.

As of December 31, 2014, GiveMN had temporarily restricted net assets of \$52,000, of which \$35,000 was restricted for time and \$17,000 restricted for purpose. As of December 31, 2013, GiveMN had temporarily restricted net assets of \$250,000 that was restricted for time.

GiveMN did not have any permanently restricted net assets as of December 31, 2014 and 2013.

GiveMN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

Contributions and unconditional promises to give are recognized as revenue in the period received and are reported as increases in the appropriate category of net assets. All contributions are available for unrestricted use unless specifically restricted by the donor. Donor-restricted contributions are reported as increases in temporarily restricted net assets. Contributions where donor restrictions are met in the same fiscal year as the contribution are included in unrestricted net assets. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. An allowance for uncollectible contributions receivable is provided based upon management's judgment including such factors as prior collection history.

For the years ended December 31, 2014 and 2013, approximately 64% and 54% of GiveMN's contribution revenue was from three donors, respectively.

For the years ended December 31, 2014 and 2013, three contributors made up the total contribution receivable balance.

GiveMN received professional in-kind services and recorded the contribution at the fair market value for those services. Contributed in-kind professional services are recognized if those services (a) create or enhance long lived 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. Contributed services received are recognized as contribution revenue and offset by like amounts included in expenses or assets. Contributed in-kind services received for the year ended December 31, 2014 are \$58,313 and were for consulting fees related to the website development. Of these costs, \$18,537 was capitalized. There were no in-kind services received for the year ended December 31, 2013.

Contract Service Revenue

Contract service revenue is recognized in accordance with the underlying contracts and agreements. Revenue is earned based on overall donation metrics.

Cash

GiveMN maintains a cash account with a local bank. At times, the total cash on deposit exceeds the federally insured limit. GiveMN has not experienced any loss as a result of these deposits.

GiveMN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Website Development Costs

Website development costs are carried at cost and purchases in excess of \$1,000 are capitalized. Planning stage costs are expensed as incurred. Application, infrastructure, graphic and content development stage costs are generally capitalized. Operating stage costs are expensed as incurred. Capitalized website development costs are being depreciated over a period of three years and depreciation expense for the year ended December 31, 2014 was \$17,556. Website development costs capitalized as of December 31, 2014 are \$90,278.

Other Assets

For purposes of financial statement presentation other assets include receivables and gift cards held for sale.

Grants

Unconditional grants are recorded as expense when earned based on criteria and guidelines published by GiveMN with endorsement by GiveMN's Board of Directors. Grants that are subject to conditions are recorded when the conditions have been substantially met.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Tax Status

GiveMN is a nonprofit corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

GiveMN follows accounting standards for uncertain tax positions. No liability has been recognized GiveMN under this standard.

Functional Allocation of Expenses

The expenses are summarized on a functional basis. Salaries and related expenses are allocated based on direct time spent on program and support activities. Expenses other than salaries and related expenses, which are not directly identifiable by program or support service, are allocated based on the best estimates of management.

GiveMN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

GiveMN follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. GiveMN currently does not measure any of its assets or liabilities at fair value.

Reclassifications

Certain reclassifications have been made to the prior year financial statements to conform with current year presentation. The reclassifications had no effect on the change in net assets or total net assets as previously reported.

Subsequent Events

In preparing these financial statements, GiveMN has evaluated events and transactions for potential recognition or disclosure through May 7, 2015, the date the financial statements were available to be issued.

NOTE 2 RELATED-PARTY TRANSACTIONS

GiveMN is related to The Saint Paul Foundation through the common board membership and management that exists between Minnesota Community Foundation and The Saint Paul Foundation. GiveMN, under the terms of an agreement, receives administrative and staff services from The Saint Paul Foundation. These services are reimbursed by GiveMN on a quarterly basis. For the years ended December 31, 2014 and 2013, expenses incurred for these services were \$486,080 and \$440,612 respectively. At December 31, 2014 and 2013, accounts payable and accrued expenses reflect \$159,425 and \$144,874, respectively, of unpaid obligations under this agreement.

GiveMN also received contributions from the Minnesota Community Foundation and The Saint Paul Foundation of \$415,128 and \$354,639 as of December 31, 2014 and 2013, respectively.