

GiveMN

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2016 AND 2015

GiveMN
TABLE OF CONTENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENTS OF FINANCIAL POSITION	3
STATEMENTS OF ACTIVITIES	4
STATEMENTS OF CASH FLOWS	5
NOTES TO FINANCIAL STATEMENTS	6

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, 2016 and 2015, 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, 2016 and 2015, 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 1, 2017

GiveMN
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2016 AND 2015

	2016	2015
ASSETS		
Cash	\$ 779,501	\$ 829,531
Contributions Receivable	93,725	112,789
Website Development Costs, Net	50,326	42,635
Other Assets	600	-
Total Assets	\$ 924,152	\$ 984,955
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 188,350	\$ 187,370
Other Liabilities	2,895	5,725
Total Liabilities	191,245	193,095
NET ASSETS		
Unrestricted	692,907	746,860
Temporarily Restricted	40,000	45,000
Total Net Assets	732,907	791,860
Total Liabilities and Net Assets	\$ 924,152	\$ 984,955

See accompanying Notes to Financial Statements.

GiveMN
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUE AND OTHER SUPPORT						
Contributions	\$ 555,505	\$ 40,000	\$ 595,505	\$ 912,916	\$ 45,000	\$ 957,916
Donation Processing Fees	283,955	-	283,955	-	-	-
Sponsorship Revenue	96,750	-	96,750	43,000	-	43,000
Released from Restrictions	45,000	(45,000)	-	52,000	(52,000)	-
Total Revenue and other Support	<u>981,210</u>	<u>(5,000)</u>	<u>976,210</u>	<u>1,007,916</u>	<u>(7,000)</u>	<u>1,000,916</u>
EXPENSE						
Program Services:						
Nonprofit Grants and Support	228,000	-	228,000	155,000	-	155,000
Other Program Expenses	643,958	-	643,958	639,146	-	639,146
Total Program Services	<u>871,958</u>	<u>-</u>	<u>871,958</u>	<u>794,146</u>	<u>-</u>	<u>794,146</u>
Support Services:						
Management and General	119,712	-	119,712	209,628	-	209,628
Fundraising	43,493	-	43,493	17,163	-	17,163
Total Support Services	<u>163,205</u>	<u>-</u>	<u>163,205</u>	<u>226,791</u>	<u>-</u>	<u>226,791</u>
Total Expense	<u>1,035,163</u>	<u>-</u>	<u>1,035,163</u>	<u>1,020,937</u>	<u>-</u>	<u>1,020,937</u>
CHANGE IN NET ASSETS	(53,953)	(5,000)	(58,953)	(13,021)	(7,000)	(20,021)
Net Assets - Beginning of Year	<u>746,860</u>	<u>45,000</u>	<u>791,860</u>	<u>759,881</u>	<u>52,000</u>	<u>811,881</u>
NET ASSETS - END OF YEAR	<u>\$ 692,907</u>	<u>\$ 40,000</u>	<u>\$ 732,907</u>	<u>\$ 746,860</u>	<u>\$ 45,000</u>	<u>\$ 791,860</u>

See accompanying Notes to Financial Statements.

GiveMN
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (58,953)	\$ (20,021)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	34,282	30,087
Changes in Operating Assets and Liabilities:		
Contributions Receivable	19,064	(22,498)
Other Assets	(600)	6,875
Accounts Payable and Accrued Expenses	980	18,451
Other Liabilities	(2,830)	385
Net Cash Provided (Used) by Operating Activities	(8,057)	13,279
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Website Development Costs	(41,973)	-
NET INCREASE (DECREASE) IN CASH	(50,030)	13,279
Cash - Beginning of Year	829,531	816,252
CASH - END OF YEAR	\$ 779,501	\$ 829,531

See accompanying Notes to Financial Statements.

GiveMN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

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, 2016 and 2015, GiveMN had temporarily restricted net assets of \$40,000 and \$45,000, respectively, which was restricted for time.

GiveMN did not have any permanently restricted net assets as of December 31, 2016 and 2015.

GiveMN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

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, 2016 and 2015, approximately 73% and 65% of GiveMN's contribution revenue was from three donors, respectively.

For the years ended December 31, 2016 and 2015, three contributors made up approximately 90% and 97%, respectively, of the 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. In-kind services received for the year ended December 31, 2016 were \$4,400 in platform performance testing. There were no contributed in-kind services received for the year ended December 31, 2015.

Donation Processing Fees

Donation Processing Fees is recognized in accordance with the underlying contracts and agreements. Revenue is earned based on donations facilitated by GiveMN.

Sponsorship Revenue

Sponsorship service revenue is recognized upon GiveMN providing the service back to the sponsor at the time of the event.

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, 2016 AND 2015

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 years ended December 31, 2016 and 2015 was \$34,282 and \$30,087, respectively. Website development costs capitalized as of December 31, 2016 and 2015 was \$132,260 and \$90,287.

Other Assets

For purposes of financial statement presentation other assets include receivables from gift card sales.

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, 2016 AND 2015

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.

Subsequent Events

In preparing these financial statements, GiveMN has evaluated events and transactions for potential recognition or disclosure through May 1, 2017, 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, 2016 and 2015, expenses incurred for these services were \$540,134 and \$432,488, respectively. At December 31, 2016 and 2015, accounts payable and accrued expenses reflect \$165,925 and \$143,498, respectively, of unpaid obligations under this agreement.

GiveMN also received contributions from the Minnesota Community Foundation and The Saint Paul Foundation of \$300,604 and \$286,080 as of December 31, 2016 and 2015, respectively.