

**PEOPLE REACHING OUT  
TO OTHER PEOPLE, INC. (PROP)**

**FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2020 AND 2019**

**PEOPLE REACHING OUT TO OTHER PEOPLE, INC. (PROP)**  
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*Certified Public Accountants & Consultants*  
*Meuwissen, Flygare, Kadrlík & Associates, P.A.*  
**Independent Auditor's Report**

The Board of Directors  
People Reaching Out to Other People, Inc. (PROP)  
Eden Prairie, Minnesota

We have audited the accompanying financial statements of People Reaching Out to Other People, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, 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.

***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 audits to obtain reasonable assurance about whether the financial statements are free of 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 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.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of People Reaching Out to Other People, Inc. as of June 30, 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.

*Meuwissen, Flygare  
Kadrlík & Associates, P.A.*

November 20, 2020



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**PEOPLE REACHING OUT TO OTHER PEOPLE, INC. (PROP)**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2020 AND 2019**

	2020	2019
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 1,161,416	\$ 427,524
Grants receivable	11,011	-
Inventory	61,982	51,389
Total current assets	<u>1,234,409</u>	<u>478,913</u>
Property and equipment		
Building and building improvements	1,076,461	1,076,461
Furniture, fixtures, and equipment	175,512	129,848
Accumulated depreciation	<u>(402,565)</u>	<u>(357,014)</u>
Total property and equipment, net	<u>849,408</u>	<u>849,295</u>
Other assets		
Investments	52,983	-
Beneficial interest in assets held by St. Paul & Minnesota Foundation	<u>47,187</u>	<u>-</u>
Total other assets	<u>100,170</u>	<u>-</u>
Total assets	<u><u>\$ 2,183,987</u></u>	<u><u>\$ 1,328,208</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable	\$ -	\$ 6,152
Accrued expenses	<u>709</u>	<u>2,100</u>
Total liabilities	<u>709</u>	<u>8,252</u>
Net assets		
Without donor restrictions	2,081,178	1,309,956
With donor restrictions	<u>102,100</u>	<u>10,000</u>
Total net assets	<u>2,183,278</u>	<u>1,319,956</u>
Total liabilities and net assets	<u><u>\$ 2,183,987</u></u>	<u><u>\$ 1,328,208</u></u>

See accompanying notes and independent auditor's report.

**PEOPLE REACHING OUT TO OTHER PEOPLE, INC. (PROP)**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED JUNE 30, 2020 AND 2019**

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue						
Individual	\$ 848,923	\$ 62,768	\$ 911,691	\$ 454,086	\$ 10,000	\$ 464,086
Grants	663,800	20,000	683,800	331,236	-	331,236
Events	69,166	-	69,166	70,605	-	70,605
Faith based	43,784	-	43,784	43,299	-	43,299
Organizations	46,649	1,000	47,649	15,047	-	15,047
Corporations	94,160	8,332	102,492	61,081	-	61,081
In-kind contributions	1,298,015	-	1,298,015	1,465,497	-	1,465,497
All other	5,359	-	5,359	3,463	-	3,463
Net assets released from restrictions	-	-	-	4,000	(4,000)	-
Total support and revenue	3,069,856	92,100	3,161,956	2,448,314	6,000	2,454,314
Expenses						
Program services	1,917,024	-	1,917,024	2,031,859	-	2,031,859
General and administrative	180,573	-	180,573	172,822	-	172,822
Fundraising	201,037	-	201,037	190,515	-	190,515
Total expenses	2,298,634	-	2,298,634	2,395,196	-	2,395,196
Increase in net assets	771,222	92,100	863,322	53,118	6,000	59,118
Net assets, beginning of year	1,309,956	10,000	1,319,956	1,256,838	4,000	1,260,838
Net assets, end of year	\$ 2,081,178	\$ 102,100	\$ 2,183,278	\$ 1,309,956	\$ 10,000	\$ 1,319,956

See accompanying notes and independent auditor's report.

**PEOPLE REACHING OUT TO OTHER PEOPLE, INC. (PROP)**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**YEARS ENDED JUNE 30, 2020 AND 2019**

	2020				2019			
	Program Services	Support Services			Program Services	Support Services		Total
		Administrative	General and	Fundraising		Administrative	General and	
In-kind distributions	\$ 1,287,422	\$ -	-	\$ -	\$ 1,457,729	\$ -	-	\$ 1,457,729
Contracted services	2,612	6,850	-	9,462	11,039	6,500	-	17,539
Depreciation	34,618	7,744	3,189	45,551	34,218	7,654	3,152	45,024
Development	-	1,320	26,958	28,278	-	882	29,239	30,121
Housing/rent assistance	105,715	-	-	105,715	91,605	-	-	91,605
Insurance	6,380	2,704	1,730	10,814	5,079	2,152	1,377	8,608
Janitorial	7,371	1,649	679	9,699	8,541	1,910	787	11,238
Marketing	291	9,713	5,013	15,017	-	11,864	1,989	13,853
Medical & dental assistance	988	-	-	988	650	-	-	650
Office supplies	3,074	4,471	2,117	9,662	2,986	5,061	693	8,740
Other expenses	8,653	8,456	1,500	18,609	25,350	6,995	-	32,345
Purchased food	85,799	-	-	85,799	52,618	-	-	52,618
Repairs & maintenance	18,728	5,923	1,726	26,377	17,380	6,009	1,467	24,856
Salaries & benefits	288,823	120,592	151,910	561,325	253,064	114,140	146,539	513,743
Technology services	17,088	7,241	4,634	28,963	13,524	5,730	3,667	22,921
Transportation	2,094	70	-	2,164	2,267	29	-	2,296
Transportation assistance	20,243	-	-	20,243	24,566	-	-	24,566
Utilities	17,169	3,840	1,581	22,590	17,426	3,896	1,605	22,927
Utilities assistance	6,395	-	-	6,395	7,519	-	-	7,519
Youth scholarships	3,561	-	-	3,561	6,298	-	-	6,298
Total	\$ 1,917,024	\$ 180,573	\$ 201,037	\$ 2,298,634	\$ 2,031,859	\$ 172,822	\$ 190,515	\$ 2,395,196

See accompanying notes and independent auditor's report.

**PEOPLE REACHING OUT TO OTHER PEOPLE, INC. (PROP)**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2020 AND 2019**

	2020	2019
Cash flows from operations		
Increase in net assets	\$ 863,322	\$ 59,118
Adjustment to reconcile the change in net assets to net cash from operating activities		
Depreciation	45,551	45,024
Unrealized gain/loss on investments	1,354	-
Change in assets and liabilities		
Contributions receivable	(11,011)	-
Inventory	(10,593)	(7,768)
Accounts payable	(6,152)	(6,108)
Accrued expenses	(1,391)	1,426
Net cash from operating activities	<u>881,080</u>	<u>91,692</u>
Cash flows from investing activities		
Purchase of property and equipment	(45,664)	(34,633)
Contribution to beneficial interest held by St. Paul & Minnesota Foundation	(48,541)	-
Reclassification of investments	(52,983)	100,109
Net cash used by investing activities	<u>(147,188)</u>	<u>65,476</u>
Net change in cash and equivalents	733,892	157,168
Cash and cash equivalents, beginning of year	427,524	270,356
Cash and cash equivalents, end of year	<u>\$ 1,161,416</u>	<u>\$ 427,524</u>

See accompanying notes and independent auditor's report.

**PEOPLE REACHING OUT TO OTHER PEOPLE, INC. (PROP)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

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**NOTE 1 – ORGANIZATION**

People Reaching Out to Other People, Inc. (PROP) (“the Organization”) is a Minnesota nonprofit corporation organized in 1982. PROP was formed to provide assistance in all areas of human services to individuals residing in the cities of Eden Prairie and Chanhassen. Services include a food shelf, together with financial assistance in areas, such as, housing, utilities, medical emergencies and other basic needs.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Accounting*

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

*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 at the date of the financial statements and the reported amount of revenues, expenses, gains, losses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

*Financial Statement Presentation*

The Organization is required to report information regarding its financial position and activities according to two net asset classes, net assets without donor restrictions and net assets with donor restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- Net assets without donor restrictions are the net assets of the Organization that are not restricted by donors.
- Net assets with donor restrictions are subject to donor-imposed stipulations that may or may not be met, either by actions of the Organization and/or the passage of time. When a restriction expires, net assets with donor restrictions are transferred to net assets without donor restrictions and reported in the statements of activities as net assets released from donor restrictions.

At June 30, 2020 and 2019, PROP had \$102,100 and \$10,000 of net assets with donor restrictions.

*Cash and Cash Equivalents*

For purposes of the statement of cash flows, the Organization considers all certificates of deposit with a remaining maturity of 1 year or less to be cash equivalents.



**PEOPLE REACHING OUT TO OTHER PEOPLE, INC. (PROP)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Contributions*

Gifts of cash and other assets received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor 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 statement of activities as net assets released from restrictions. Gifts and investment income having donor stipulations that are satisfied in the period the gift is received are reported as revenue and net assets without donor restrictions.

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Gifts of land, buildings, equipment and other long-lived assets are reported as revenue and net assets without donor restrictions unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as revenue and net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions to net assets without donor restrictions are reported when the long-lived assets are placed in service.

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimate future cash flows technique. The resulting discount is amortized using the level-yield method and is reported as contribution revenue.

Conditional gifts depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets and revenue when the conditions are substantially met and the gift becomes unconditional.

*Donated Services*

Contribution of services are recognized as revenue at their estimated fair value only when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated.

Services donated by volunteers for the years ended June 30, 2020 and 2019 were not recognized in the financial statements because they did not meet the criteria for recognition.

*Property and Equipment and Depreciation*

The Organization capitalizes all expenditures for property and equipment in excess of \$500. Purchased property and equipment are carried at cost. Donated property and equipment are carried at fair value at time of donation. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis ranging from three to thirty-nine years.

*Government Grants*

Government grants are generally considered exchange transactions and are recorded as revenues when earned. Revenue is earned when eligible expenditures, as defined in each grant, are incurred. Funds received, but not yet earned are recorded as deferred revenue.

**PEOPLE REACHING OUT TO OTHER PEOPLE, INC. (PROP)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Adoption of New Accounting Standards*

ASC Topic 606 - Revenue Recognition

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606). This ASU provides a single principles-based revenue recognition model with a five-step analysis of transactions to determine when and how revenue is recognized. The core principle is that an organization should recognize revenue to depict the transfer of promised goods or services to customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Association has analyzed the provisions of the FASB's ASC Topic 606, *Revenue from Contracts with Customers*, and has concluded that no changes are necessary to conform with the new standard as of and for the year ended June 30, 2020. Contributions are recognized in the year they are received, which coincides with the Association's year.

*Investments*

Investments are generally recorded at fair value based on quoted market prices, when available, or estimates of fair value. Those investments for which fair value is not readily determinable are carried at cost or, if donated, at fair value at the date of donation, or if no value can be estimated, at a nominal value. Investment income or loss and related gains and losses, both realized and unrealized, are included in the statement of activities as increases or decreases in net assets without restrictions unless the income or loss is restricted by donor law.

*Functional Expenses*

The cost of providing various programs and other activities are presented on a functional basis in the accompanying statements of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services that received benefits.

*Date of Management Review*

Management has evaluated subsequent events through November 20, 2020, the date the financial statements were available to be issued.

**NOTE 3 – CONCENTRATION OF CREDIT RISK**

The Organization maintains cash balances with various financial institutions, which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times, such balances may be in excess of the FDIC limit. The Organization has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

#### **NOTE 4 – FAIR VALUE MEASUREMENTS**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level with the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation methodologies used for assets measured at fair value, including the general classification of such pursuant to the valuation hierarchy.

Certificates of deposit: Valued at the closing price reported by the financial institution holding the certificate of deposit.

Beneficial interest in assets held by St. Paul & Minnesota Foundations: Valued at quoted market prices multiplied by the Organizations proportionate amount of the fund.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**PEOPLE REACHING OUT TO OTHER PEOPLE, INC. (PROP)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

**NOTE 4 – FAIR VALUE MEASUREMENTS (CONTINUED)**

Fair values of assets measured on a recurring basis at June 30, 2020 and 2019 are as follows:

<i>Assets at Fair Value as of June 30, 2020</i>				
	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ 52,983	\$ -	\$ -	\$ 52,983
Beneficial interest in assets held by St. Paul & Minnesota Foundation	-	-	47,187	47,187
Total assets at fair value	\$ 52,983	\$ -	\$ 47,187	\$ 100,170

  

<i>Assets at Fair Value as of June 30, 2019</i>				
	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ -	\$ -	\$ -	\$ -
Beneficial interest in assets held by St. Paul & Minnesota Foundation	-	-	-	-
Total assets at fair value	\$ -	\$ -	\$ -	\$ -

The following table summarizes the changes in fair values of financial statements measured using Level 3 inputs:

Balance at June 30, 2019	\$ -
Additional amounts invested in fund	50,176
Share of depreciation of fund	(517)
Appropriated expenditures and distributions	(2,472)
	<u>\$ 47,187</u>

**PEOPLE REACHING OUT TO OTHER PEOPLE, INC. (PROP)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

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**NOTE 5 – INCOME TAXES**

The Organization is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code and applicable state law, except on net income derived from unrelated business activities. The Organization is classified as a public charity.

The Organization may recognize the tax benefit from a tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income (UBIT). The Organization has analyzed its tax positions taken for filings with the Internal Revenue Service and the state of Minnesota. The Organization believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial condition, results of operations, or cash flows.

The Organization's Form 990, Return of Organization Exempt from Income Tax, for the years ended June 30, 2017 and thereafter, are subject to examination by the IRS, generally for three years after they were filed.

**NOTE 6 – DONATED FOOD INVENTORY**

Inventory consists of perishable and non-perishable foods and related products. Donated inventory items are valued at the approximate average wholesale cost as determined by an annual study done by Feeding America. The total weight of food at year-end was weighed on June 30, 2020 and 2019.

**NOTE 7 – FUND-RAISING EXPENSE**

Total fund-raising expense for the years ended June 30, 2020 and 2019, was \$201,037 and \$190,515 or 6.4% and 7.8% of the total campaign contribution revenue, respectively. The ratio of expenses to amounts raised is computed using actual expenses and related contributions on an accrual basis.

**PEOPLE REACHING OUT TO OTHER PEOPLE, INC. (PROP)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

**NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS AND ASSETS RELEASED FROM RESTRICTIONS**

Net assets with donor restrictions for the following purposes at June 30, 2020 and 2019 were:

	2020	2019
Funds for future investment	\$ -	\$ 10,000
Endowment fund	47,187	-
Funds for program services	54,913	-
Total	<u>\$ 102,100</u>	<u>\$ 10,000</u>

Net assets released from restriction were as follows:

	2020	2019
Funds for program services	\$ -	\$ (4,000)
Total	<u>\$ -</u>	<u>\$ (4,000)</u>

**NOTE 9 – RETIREMENT PLANS**

The Organization has a retirement SIMPLE IRA plan covering substantially all of its employees. The Organization makes a contribution of 2% of eligible compensation. The expense related to the SIMPLE IRA plan for the years ended June 30, 2020 and 2019 was \$9,063 and \$8,461, respectively.

**NOTE 10 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Organization has \$1,159,486 of financial assets available within one year of the statement of financial position date, June 30, 2020, to meet cash needs for general operating expenditures, consisting of cash and cash equivalents of \$1,161,416 and long-term investments of \$52,983. At June 30, 2019, the Organization had \$417,524 of financial assets available within one year, to meet cash needs for general operating expenditures, consisting of cash and cash equivalents of \$427,524. The following reflects the Organization's financial assets as of June 30, 2020 and 2019, reduced by amounts not available for general use because of donor-imposed restriction within one year of the statement of financial position date.

	2020	2019
Financial assets, at year end	<u>\$1,214,399</u>	<u>\$ 427,524</u>
Less those unavailable for general expenditures within one year due to:		
Donor-imposed restrictions	<u>\$ (54,913)</u>	<u>\$ (10,000)</u>
Financial assets available, at year end	<u>\$1,159,486</u>	<u>\$ 417,524</u>



**PEOPLE REACHING OUT TO OTHER PEOPLE, INC. (PROP)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

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**NOTE 10 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (CONTINUED)**

Management of the Organization reviews cash balances and cash use on a daily and weekly basis. Additionally, its Board of Directors and Finance Committee review the cash balance, and specifically, the months of cash on hand, monthly. The Organization uses a benchmark of three months of operating expenditures. At June 30, 2020 and 2019, the Organization had 13.8 and 5.3 months of financial assets available for future general operating expenditures, respectively.

**NOTE 11 – BENEFICIAL INTEREST IN ASSETS HELD BY ST. PAUL & MINNESOTA FOUNDATION**

During the year ended June 30, 2020, the Organization made an irrevocable contribution to the St. Paul & Minnesota Foundation (the Foundation) which is holding them as an endowed component fund (“Fund”) for the benefit of the Organization.

The Foundation has the right to modify the terms of the fund agreement if, in the judgment of the Foundation’s Board of Directors, the restrictions and conditions in the agreement become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. The authority to modify restrictions is sometimes referred to as the “variance power” and is a legal requirement imposed on all community foundations. The Organization has granted the Foundation variance power which gives the Foundation’s Board of Trustees the power to use the Fund for other purposes in certain circumstances. As a result of the variance power, all component funds are considered to be parts of a single public charity, in this case the Foundation.

The Foundation will distribute amounts to PROP in furtherance of its charitable purpose, such amounts of the Fund’s net income or principal or both as determined by the spending policy adopted by the Foundation, and amended from time to time, at such times the Foundation deems appropriate.

The Fund is subject to the Foundation’s investment and spending policies. The Organization reports the fair value of the Fund as Beneficial Interest In Assets Held By St. Paul & Minnesota Foundation in the statement of financial position. Changes in value of the Fund are reported in the statement of activities.

Changes in the Fund for the year ended June 30, 2020 are as follows:

	With Donor Restrictions	Without Donor Restrictions	Total
Balance at June 30, 2019	\$ -	\$ -	\$ -
Additions	50,176	-	50,176
Share of depreciation of fund	(517)	-	(517)
Appropriated expenditures of assets	(2,472)	-	(2,472)
Balance at June 30, 2020	\$ 47,187	\$ -	\$ 47,187