

Indiana Association for Community
Economic Development, Inc.
Db a Prosperity Indiana and Affiliate

Consolidated Financial Statements and
Independent Auditors' Report

December 31, 2020 and 2019

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Independent Auditors' Report

**Board of Directors
Indiana Association for Community Economic
Development, Inc. dba Prosperity Indiana and Affiliate**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Indiana Association for Community Economic Development, Inc. dba Prosperity Indiana and its Affiliate, which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Indiana Association for Community Economic Development, Inc. dba Prosperity Indiana and its Affiliate 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.

Estep Burkey Simmons, LLC

Muncie, Indiana

May 21, 2021

Indiana Association for Community Economic Development, Inc.
dba Prosperity Indiana and Affiliate

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31,

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash	\$ 481,686	\$ 403,937
Grants receivable	17,500	92,022
Accounts receivable	1,345	35,987
Prepaid expenses	18,348	10,152
Total current assets	518,879	542,098
PROPERTY AND EQUIPMENT,		
net of depreciation	16,274	24,038
	\$ 535,153	\$ 566,136
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 8,820	\$ 58,593
Accrued liabilities	20,022	17,351
Deferred revenue - annual summit	39,801	56,976
Deferred revenue - member dues	42,275	34,310
Total current liabilities	110,918	167,230
NET ASSETS		
Without donor restrictions	106,781	53,999
With donor restrictions	317,454	344,907
	424,235	398,906
	\$ 535,153	\$ 566,136

The accompanying notes are an integral part of these statements.

Indiana Association for Community Economic Development, Inc.
dba Prosperity Indiana and Affiliate

CONSOLIDATED STATEMENTS OF ACTIVITIES

Years Ended December 31,

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Operating public support and revenue			
Public support			
Grants	\$ 176,315	\$ 226,094	\$ 402,409
Contributions	94,161		94,161
Total public support	<u>270,476</u>	<u>226,094</u>	<u>496,570</u>
Revenue			
Fees for service	43,278		43,278
Member dues	69,820		69,820
Sponsorships	71,000		71,000
Registrations	25,360		25,360
Interest income	2,727		2,727
Miscellaneous	261		261
	<u>482,922</u>	<u>226,094</u>	<u>709,016</u>
Total operating public support and revenues	482,922	226,094	709,016
Net assets released from restrictions			
Satisfaction of purpose restrictions	253,547	(253,547)	
Operating expenses			
Program services	470,796		470,796
Supporting activities	212,891		212,891
	<u>683,687</u>	<u> </u>	<u>683,687</u>
Total expenses	683,687		683,687
INCREASE (DECREASE) IN NET ASSETS	52,782	(27,453)	25,329
Net assets at beginning of year	<u>53,999</u>	<u>344,907</u>	<u>398,906</u>
Net assets at end of year	<u>\$ 106,781</u>	<u>\$ 317,454</u>	<u>\$ 424,235</u>

The accompanying notes are an integral part of these statements.

2019		
Without Donor Restrictions	With Donor Restrictions	Total
\$ 175,000	\$ 279,412	\$ 454,412
4,106		4,106
<u>179,106</u>	<u>279,412</u>	<u>458,518</u>
65,056		65,056
77,144		77,144
68,015		68,015
20,405		20,405
4,866		4,866
<u>940</u>		<u>940</u>
415,532	279,412	694,944
337,138	(337,138)	
642,382		642,382
<u>222,825</u>		<u>222,825</u>
<u>865,207</u>		<u>865,207</u>
(112,537)	(57,726)	(170,263)
<u>166,536</u>	<u>402,633</u>	<u>569,169</u>
<u>\$ 53,999</u>	<u>\$ 344,907</u>	<u>\$ 398,906</u>

Indiana Association for Community Economic Development, Inc.
dba Prosperity Indiana and Affiliate

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended December 31, 2020

	Program Services			Supporting Activities				
	Engagement	Resources	Advocacy	Total Program	Admin & Organizational Development	Fundraising	Total Supporting	Total
Salaries and wages	\$ 85,910	\$ 98,177	\$ 59,009	\$ 243,096	\$ 94,721	\$ 4,885	\$ 99,606	\$ 342,702
Benefits and payroll taxes	15,409	16,278	18,014	49,701	24,344	1,670	26,014	75,715
Office expenses	505			505	3,850		3,850	4,355
Printing and publications	909			909	112		112	1,021
Occupancy					34,012		34,012	34,012
Telephone	7,428	11,360	80	18,868	6,247		6,247	25,115
Insurance					5,263		5,263	5,263
Pass through grants		63,500		63,500				63,500
Speaker fees	4,903			4,903				4,903
Food & refreshments	20,537		152	20,689	414		414	21,103
Other conference expenses	14,520			14,520				14,520
Dues and subscriptions	1,650		2,148	3,798	580		580	4,378
Professional expenses	2,060	12,190	26,998	41,248	29,906	100	30,006	71,254
Development		45		45	2,302		2,302	2,347
Travel	654	211	271	1,136	22		22	1,158
Depreciation	1,708	2,795	855	5,358	2,251	155	2,406	7,764
Advertising					785		785	785
Miscellaneous expenses	1,275	1,168	77	2,520	876	396	1,272	3,792
	<u>\$ 157,468</u>	<u>\$ 205,724</u>	<u>\$ 107,604</u>	<u>\$ 470,796</u>	<u>\$ 205,685</u>	<u>\$ 7,206</u>	<u>\$ 212,891</u>	<u>\$ 683,687</u>

The accompanying notes are an integral part of these statements.

Indiana Association for Community Economic Development, Inc.
dba Prosperity Indiana and Affiliate

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended December 31, 2019

	Program Services				Supporting Activities			
	Engagement	Resources	Advocacy	Total Program	Admin & Organizational Development	Fundraising	Total Supporting	Total
Salaries and wages	\$ 83,133	\$ 147,716	\$ 58,032	\$ 288,881	\$ 94,345	\$ 9,346	\$ 103,691	\$ 392,572
Benefits and payroll taxes	17,264	26,104	7,728	51,096	20,799	2,618	23,417	74,513
Office expenses	1,225	289	10	1,524	8,895	26	8,921	10,445
Printing and publications	1,483		440	1,923	507		507	2,430
Occupancy					35,174		35,174	35,174
Telephone	5,605	10,000	480	16,085	7,426		7,426	23,511
Insurance					4,984		4,984	4,984
Pass through grants		88,261		88,261				88,261
Speaker fees	5,472			5,472				5,472
Food & refreshments	20,814	2,948	1,493	25,255	626	37	663	25,918
Other conference expenses	13,953	75		14,028	500		500	14,528
Dues and subscriptions	1,866	129	2,283	4,278	465		465	4,743
Professional expenses	4,904	80,227	36,270	121,401	26,846	192	27,038	148,439
Development					2,094		2,094	2,094
Travel	4,787	7,580	2,915	15,282	2,170	4	2,174	17,456
Depreciation	2,052	3,358	1,026	6,436	2,705	187	2,892	9,328
Advertising					869		869	869
Miscellaneous expenses	1,323	839	298	2,460	2,010		2,010	4,470
	<u>\$ 163,881</u>	<u>\$ 367,526</u>	<u>\$ 110,975</u>	<u>\$ 642,382</u>	<u>\$ 210,415</u>	<u>\$ 12,410</u>	<u>\$ 222,825</u>	<u>\$ 865,207</u>

The accompanying notes are an integral part of these statements.

Indiana Association for Community Economic Development, Inc.
dba Prosperity Indiana

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended December 31,

	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ 25,329	\$ (170,263)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	7,764	9,328
(Increase) decrease in assets:		
Grants and accounts receivable	109,164	139,887
Prepaid expenses	(8,196)	(2,350)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	(47,102)	34,918
Deferred revenue	(9,210)	11,410
	77,749	22,930
Net cash provided by operating activities	77,749	22,930
Cash flows from investing activities:		
Purchases of furniture and equipment	_____	(4,526)
	_____	(4,526)
Net cash used in investing activities	_____	(4,526)
Net increase in cash	77,749	18,404
Cash at beginning of year	403,937	385,533
Cash at end of year	\$ 481,686	\$ 403,937

The accompanying notes are an integral part of these statements.

**Indiana Association for Community Economic Development, Inc.
dba Prosperity Indiana and Affiliate**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Nature of Association

Indiana Association for Community Economic Development, Inc. ("IACED"), d/b/a Prosperity Indiana (the "Organization") builds a better future for our communities by providing advocacy, leveraging resources, and engaging an empowered network of members to create inclusive opportunities that build assets and improve lives.

In August 2017, the Organization formed a wholly-owned, single-member LLC entity called Prosperity Indiana Fund, LLC. The entity was formed to be a non-depository financial entity to primarily provide financial assistance to nonprofit entities in designated Investment Areas with the purpose of improving the economic capability of disinvested individuals and communities in the State of Indiana.

The Organization seeks ways to fund members and their work, build and retain relationships, and address local to national issues impacting the capacity of members and their potential to deliver services and lead change in their communities. The Organization has two classes of membership-voting membership for nonprofit organizations and associate membership for governmental organizations, private enterprises, quasi-governmental organizations, and individuals. The organization impacts: communities, by promoting Comprehensive Community Development efforts across the state, which includes addressing social determinants of health and encouraging inclusive growth; organizations, by improving member capacity to impact communities and individuals and track the progress of their efforts; and individuals, by fostering innovation in financial capability and asset building strategies and increasing opportunities to access resources. Driven by values of empowerment, integrity, impact, collaboration, and social justice, Prosperity Indiana seeks to REAP prosperity to strengthen communities (people and places). REAP stands for Resources, Engagement, Advocacy and signature Programs.

Resources: Prosperity Indiana is dedicated to providing members with helpful tools to advance their work. Resources include consulting services, trainings, a resource library, and funding. Training and technical assistance are aligned services to build the capacity of community economic development practitioners and the organizations employing them. The Organization delivers a robust program of training for member organization staff and others in the community development field. Training topics address the diversity of technical and adaptive knowledge necessary to manage organizations, exercise leadership, and deliver outcomes. Technical assistance is long-term, one-on-one consulting support. Staff provide a depth of experience and knowledge. The Organization provides technical assistance in the following categorical areas: board governance, financial management, planning, program/project development and delivery, resource development, staff development, and staff management services. The Organization's role of funder primarily includes securing pass-through grants to support member projects, including leveraging state and national partner resources available for this purpose. The Organization also serves as the fiscal agent and program manager for member initiatives to help launch innovation.

Engagement: Prosperity Indiana utilizes a number of strategies to accomplish community building and connecting to network and unite members. This includes the Organization's blog and social networks, the monthly Piece of the PI newsletter, peer-to-peer convenings, a mobile app and membership directory, an annual summit and leadership awards, and regional member meetings. The Organization also accomplishes connectivity and advocacy goals through coalition building efforts.

Advocacy: Advocacy and policy engagement are important parts of a successful community economic development framework. The Organization's advocacy work strengthens members by building relationships. It enhances members' skills and capacity to understand their own policy environments, large and small, and to communicate their values and priorities to their elected officials and program administrators. It enables front-line practitioners to have their voices heard in policy debates. Advocacy organizes members and supporters around a policy agenda, builds and maintains strategic partnerships with allies to advance this agenda, and monitors and explains trends in policymaking to members.

**Indiana Association for Community Economic Development, Inc.
dba Prosperity Indiana and Affiliate**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

1. Nature of Association - Continued

Programs: Prosperity Indiana leads or co-leads a variety of branded programs to meet its mission around providing advocacy, engagement and resources to members. Current initiatives include:

Community Loan Center: The Community Loan Center Affordable Small-Dollar Loan Program (CLC) is an alternative to expensive payday loans. Prosperity Indiana is the Indiana statewide coordinator for the CLC program. Support includes helping these organizations raise lending capital. Twenty-three (23) counties in Indiana are currently served by a local CLC lender. In 2020, Prosperity Indiana provided pass-thru grant funds to support the launch of an additional CLC to bring the number of counties served to 30.

Empower Indiana: In partnership with CareSource Foundation, Prosperity Indiana conducted the Empower Indiana Grant challenge in 2019 that awarded nearly \$100,000 to nonprofit organizations actively addressing social determinants of health. Most grantees closed out their projects in 2020.

Envision Collaborative: Envision Collaborative combines training, coaching, and technical assistance to expand the impact of comprehensive community development. This holistic approach engages residents, nonprofits, government, and other stakeholders in developing and implementing strategies that affect quality of life.

Housing4Hoosiers: Housing4Hoosiers, a program of Prosperity Indiana, is an affordable housing resource to promote educational information about housing options and tenant and landlord rights and responsibilities in Indiana. The goal of the program is to ensure Hoosiers have safe, affordable, and stable homes they can count on in their community. "Renting in Indiana: A Handbook for Tenants and Landlords" was created and was recently updated and has been housed on the Housing4Hoosiers site. Prosperity Indiana acquired this program from former member South Central Indiana Housing Opportunities with the vision to expand its role from Monroe County-focused to a statewide resource.

Hoosier Housing Needs Coalition (HHNC): The Hoosier Housing Needs Coalition was formed by members of Indiana's housing security advocacy community in April 2020, to support advocacy and education related to housing and homelessness prevention in response to the COVID-19 pandemic. Staffed by Prosperity Indiana through advocacy and coalition building grants from the National Low Income Housing Coalition and the Central Indiana Community Foundation, HHNC convenes partners from across Indiana to advocate for immediate, medium- and long-term housing stability policy solutions and conduct education and research to achieve federal, state, and local policies for an equitable response and recovery to the pandemic and beyond.

Indiana Assets and Opportunity Network ("A&O"): Co-led by Prosperity Indiana and the Indiana Institute for Working Families, the A&O Network strives to increase asset acquisition for low-wealth Hoosiers and strengthen local economies through policy advocacy and capacity building. A&O advocates for economic security issues, such as housing, child care, food, transportation, and health care.

Opportunity Investment Consortium: Prosperity Indiana is a training and resource partner for the Opportunity Investment Consortium. The purpose of the Consortium is to encourage the transformation of Opportunity Zone neighborhoods into vibrant places that are sustainable for both residents and businesses.

Outcomes Platform: Prosperity Indiana acts as the statewide reseller of licenses for InsightVision, a cloud-based strategy management system that hosts the Organization's Outcomes Platform. It addresses two critical areas of outcome analysis for Prosperity Indiana members: 1) Organizational performance and 2) Collective impact strategy.

Indiana Association for Community Economic Development, Inc.
dba Prosperity Indiana and Affiliate

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

1. Nature of Association - Continued

Opportunity Starts at Home: The goal of the Opportunity Starts at Home - Indiana Coalition (OSAH-IN) is to achieve ambitious increases in affordable housing – through existing and new housing infrastructure; and direct support to organizations that assist those who are unstably housed or homeless. The Indiana coalition will also seek to expand voucher supports that fund deeply targeted housing assistance for extremely low-income households, including vulnerable populations, such as youth, seniors and those with disabilities. The coalition will also seek to implement policy change to reduce federal and state barriers to housing stability.

Indiana Assets and Opportunity Corps (IAOC) AmeriCorps Fellowship: The IAOC fellowship program matches talented emerging leaders with Prosperity Indiana members. AmeriCorps members serve with nonprofit organizations and local governments to provide capacity building support around integrating financial capability, outcomes measurement and comprehensive community development. This 3-year program was completed in 2020.

2. Basis of Accounting

The consolidated financial statements have been prepared on the accrual basis of accounting.

Net assets, support, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. While most gift instruments give the Organization's Board of Directors the right to vary the terms of the gift, this only allows for a limited right of modification and does not relieve the restrictions imposed by the donor. Accordingly, the net assets of the Organization are classified and reported as follows:

Net assets without donor restrictions - Net assets available for use in general operations and not subject to donor restrictions. The board of directors has designated, from net assets without donor restrictions, net assets for an operating reserve, capital reserve, and board-designated endowment.

Net assets with donor restrictions - Net assets subject to donor-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.

3. Cash and Cash Equivalents

The Organization's cash consists of checking, savings and money market accounts with three financial institutions. The Organization maintains its cash in bank accounts which, at times, may exceed federally insured limits. To date, there have been no losses on such accounts.

4. Accounts Receivable

The Organization's policy for determining when receivables are past due is on a case-by-case basis. Amounts are considered uncollectible at the time management believes that satisfactory payment arrangements cannot be made. For the years ended December 31, 2020 and 2019, an allowance for uncollectible accounts is not deemed necessary.

Indiana Association for Community Economic Development, Inc.
dba Prosperity Indiana and Affiliate

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. Grants Receivable

Grants receivable includes reimbursements and unconditional promises to give, and is reported at net realizable value. All amounts are expected to be collected within one year, and none are considered uncollectible as of the years ended December 31, 2020 and 2019.

6. Property and Equipment

Property and equipment are stated at cost. Donated property and equipment is reflected as a contribution in the consolidated financial statements at its estimated fair market value. It is the Organization's policy to consider a donor restriction of or for long-lived assets satisfied when the asset is purchased and put into service. The Organization's capitalization policy is \$500 for assets purchased with an estimated useful life of 3 years or more. Depreciation is provided using the straight-line method over the estimated useful lives of the assets ranging from 3 to 10 years.

Expenditures for property and equipment and for renewals or betterments which extend the originally estimated economic life of the assets are capitalized. Expenditures for maintenance and repairs are charged to expense. When an asset is retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the Consolidated Statements of Activities. Projects in progress are not depreciated until the asset is placed into service.

7. Concentration of Risk

The Organization receives a significant portion of its support and revenue from various sources. The percentage of support and revenue received from those sources is as follows:

	<u>2020</u>	<u>2019</u>
Funding sources:		
IN Housing & Community Development Authority	0%	13%
Lilly Endowment, Inc.	25%	25%
Fifth Third Bank	7%	14%
National Low Income Housing Coalition	14%	0%

8. Support and Revenue

Contributions are recognized when the donor makes a promise to give to the Organization that is in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the financial year in which the contributions are 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.

Support funded by government grants is recognized as the Organization performs contracted services under grant agreements. Government grant revenue is recognized as earned when eligible expenses are incurred. Government grant expenditures are subject to audit and acceptance by the granting agency. Adjustments would be required for any disallowed expenditures.

Indiana Association for Community Economic Development, Inc.
dba Prosperity Indiana and Affiliate

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

8. Support and Revenue - Continued

Funding is primarily provided through government agencies, foundation grants, contributions and membership dues. The Organization also receives fees for consulting services, such as strategic planning, community engagement, research, board training, and program design and management assistance. Revenue from fees for services is recognized when earned.

9. Functional Allocation of Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the Consolidated Statements of Activities. Accordingly, certain indirect costs have been allocated among programs and other activities based on percentages of staff time spent.

10. Tax Status

The Organization recognizes a tax benefit only if it is more likely than not the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized will be the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax benefit will be recorded. The Organization has examined this issue and has determined there are no material contingent tax liabilities.

The Organization's federal and state exempt organization tax returns for 2017, 2018, and 2019 are subject to examination by the Internal Revenue Service and the Indiana Department of Revenue. Returns are generally subject to examination for three years after they are filed.

11. Use of Estimates

The preparation of consolidated 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 consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B - DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

The following table disaggregates the Organization's revenue from contracts with customers based on the type of revenue for the years ended December 31, 2020 and 2019:

	2020	2019
Fees for service	\$ 43,278	\$ 65,056
Member dues	69,820	77,144
Registrations	25,360	20,405
	\$ 138,458	\$ 162,605

**Indiana Association for Community Economic Development, Inc.
dba Prosperity Indiana and Affiliate**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE C - LIQUIDITY

The Organization has financial assets available within one year of the Consolidated Statements of Financial Position date consisting of the following:

	<u>2020</u>	<u>2019</u>
Cash	\$ 481,686	\$ 403,937
Accounts receivable	1,345	35,987
	<u>\$ 483,031</u>	<u>\$ 439,924</u>

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the Consolidated Statements of Financial Position date. The Organization has a goal to maintain cash on hand to meet 180 days of its normal operating budget, approximately \$372,000.

NOTE D - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following:

	<u>2020</u>	<u>2019</u>
Subject to expenditure for specific purpose:		
Resources		
Integrating Financial Capability		\$ 6,635
Community Development Financial Institution Certification	\$ 8,000	8,000
AmeriCorps		5,868
Community Development Capacity Building Initiative	22,154	53,392
Outcomes Platform development		6,861
Opportunity Starts at Home	29,976	49,538
Community Loan Center expansion	154,160	205,293
Empower Indiana grant	1,273	9,320
A&O Network	43,184	
Advocacy		
Opportunity Starts at Home	49,970	
Homelessness due to COVID	1,238	
Consumer Protections Campaign	7,499	
	<u>\$ 317,454</u>	<u>\$ 344,907</u>

NOTE E - PAYROLL PROTECTION PROGRAM

A promissory note was obtained as part of the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020. Funds from the promissory note may only be used for certain costs incurred after February 15, 2020. Under the terms of the PPP, certain amounts of the promissory note may be forgiven if they are used for qualifying expenses as described in the CARES Act. The Organization received \$88,100 through PPP, which was fully forgiven and included in support and revenue for the year ended December 31, 2020.

**Indiana Association for Community Economic Development, Inc.
dba Prosperity Indiana and Affiliate**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE F - NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors as follows for the year ended December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Purpose restrictions accomplished:		
Resources		
AmeriCorps	\$ 61,962	\$ 82,722
Integrating Financial Capability	6,635	1,396
Indiana Bond Bank Flipping Finance Challenge		6,000
Community Loan Center expansion	51,133	50,776
Opportunity zones		13,500
Opportunity Starts at Home	19,562	462
Community Development Capacity Building Initiative	31,238	46,608
Empower Indiana grants	8,047	90,680
Outcomes Platform development	6,861	6,360
A&O Network	6,816	
Advocacy		
Opportunity Starts at Home	30	
Homelessness due to COVID	48,762	
Consumer protections campaign	12,501	23,918
Administration and Organization Development		
Office relocation and leadership transition		14,716
	<u>\$ 253,547</u>	<u>\$ 337,138</u>

NOTE G - OPERATING LEASES

In May 2018, the Organization entered into a lease agreement for office space expiring in November 2025. Minimum office space lease payments are \$19.60 per square foot per year until May 2019 and increase by \$.040 per square foot per year every 12 months thereafter. Total rent expense for the years ended December 31, 2020 and 2019 was \$32,353 and \$31,443, respectively. Future minimum lease payments are as follows.

Year ending December 31, 2021	\$ 32,713
2022	33,348
2023	33,983
2024	34,618
2025	29,325

NOTE H - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through May 21, 2021, which is the date these consolidated financial statements were available to be issued. All subsequent events requiring recognition as of December 31, 2020, have been incorporated into these consolidated financial statements herein.