

# Great Plains Institute for Sustainable Development, Inc.

Minneapolis, Minnesota

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Financial Statements  
Auditor's Report  
For the Years Ended  
June 30, 2021 and 2020



CERTIFIED PUBLIC ACCOUNTANTS

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Carpenter, Evert & Associates

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### Independent Auditor's Report

Board of Directors  
Great Plains Institute for Sustainable Development, Inc.  
Minneapolis, Minnesota

We have audited the accompanying financial statements of Great Plains Institute for Sustainable Development, Inc., which comprise the statement of financial position as of June 30, 2021 and the related statements of activities and changes in net assets, functional expense, and cash flows for the year 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 audit. We conducted our audit 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 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 Great Plains Institute for Sustainable Development, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Independent Auditor's Report (continued)

**Prior Period Financial Statements**

The financial statements of Great Plains Institute for Sustainable Development, Inc., Inc. as of June 30, 2020, were audited by other auditors whose report dated November 17, 2020, expressed an unmodified opinion on those statements.

*Cyril G. A. and A. R. Ltd.*

Certified Public Accountants

Minneapolis, Minnesota  
January 7, 2022

GREAT PLAINS INSTITUTE FOR SUSTAINABLE DEVELOPMENT, INC.  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Current Assets:		
Cash and Cash Equivalents	\$ 6,792,815	\$ 4,551,721
Accounts Receivable	445,630	133,904
Pledges Receivable	2,604,411	2,329,625
Prepaid Expenses	17,170	-
Total Current Assets	<u>9,860,026</u>	<u>7,015,250</u>
Noncurrent Assets:		
Property and Equipment - Net	32,254	3,338
Security Deposit	3,724	3,724
Total Noncurrent Assets	<u>35,978</u>	<u>7,062</u>
 TOTAL ASSETS	 <u>\$ 9,896,004</u>	 <u>\$ 7,022,312</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts Payable	\$ 456,143	\$ 109,425
Accrued Expenses	421,837	154,828
Notes Payable	27,702	-
Total Current Liabilities	<u>905,682</u>	<u>264,253</u>
Noncurrent Liabilities:		
Notes Payable	122,298	-
PPP Note Payable	681,200	619,100
TOTAL LIABILITIES	<u>1,709,180</u>	<u>883,353</u>
Net Assets:		
Without Donor Restrictions:		
Undesignated - General Operating	301,751	104,260
Board Designated - For Programs	2,570,285	840,230
Total Net Assets Without Donor Restrictions	<u>2,872,036</u>	<u>944,490</u>
With Donor Restrictions	<u>5,314,788</u>	<u>5,194,469</u>
Total Net Assets	<u>8,186,824</u>	<u>6,138,959</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 9,896,004</u>	 <u>\$ 7,022,312</u>

The accompanying Notes to Financial Statements  
are an integral part of these statements.

GREAT PLAINS INSTITUTE FOR SUSTAINABLE DEVELOPMENT, INC.  
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:						
Support:						
Contributions	\$ 1,552,553	\$ 5,533,419	\$ 7,085,972	\$ 699,737	\$ 6,168,750	\$ 6,868,487
Government Grants	1,465,923	-	1,465,923	624,747	-	624,747
Total Support	3,018,476	5,533,419	8,551,895	1,324,484	6,168,750	7,493,234
Revenue:						
Other Contracts	327,449	-	327,449	399,799	-	399,799
Interest Income	3,075	-	3,075	2,414	-	2,414
Other Income	9,217	-	9,217	5,208	-	5,208
Total Revenue	339,741	-	339,741	407,421	-	407,421
Net Assets Released from Restrictions:						
Satisfaction of Purpose Restrictions	5,413,100	(5,413,100)	-	3,226,477	(3,226,477)	-
Total Support and Revenue	8,771,317	120,319	8,891,636	4,958,382	2,942,273	7,900,655
Expense:						
Program Services:						
Electricity	1,048,232	-	1,048,232	1,106,074	-	1,106,074
Carbon Management	2,339,427	-	2,339,427	2,249,718	-	2,249,718
Communities	998,189	-	998,189	917,047	-	917,047
Transportation and Fuels	790,500	-	790,500	639,074	-	639,074
Total Program Services	5,176,348	-	5,176,348	4,911,913	-	4,911,913
Support Services:						
Management and General	1,079,502	-	1,079,502	1,031,060	-	1,031,060
Fundraising	587,921	-	587,921	473,242	-	473,242
Total Support Services	1,667,423	-	1,667,423	1,504,302	-	1,504,302
Total Expense	6,843,771	-	6,843,771	6,416,215	-	6,416,215
Change in Net Assets	1,927,546	120,319	2,047,865	(1,457,833)	2,942,273	1,484,440
Net Assets - Beginning of Year	944,490	5,194,469	6,138,959	2,402,323	2,252,196	4,654,519
Net Assets - End of Year	\$ 2,872,036	\$ 5,314,788	\$ 8,186,824	\$ 944,490	\$ 5,194,469	\$ 6,138,959

The accompanying Notes to Financial Statements  
are an integral part of these statements.

## GREAT PLAINS INSTITUTE FOR SUSTAINABLE DEVELOPMENT, INC.

STATEMENT OF FUNCTIONAL EXPENSE  
FOR THE YEAR ENDED JUNE 30, 2021  
WITH COMPARATIVE TOTALS FOR 2020

	2021					2020				
	Program Services				Total Program Services	Support Services			Total All Services	Total All Services
Electricity	Carbon Management	Communities	Transportation and Fuels	Management & General		Fund- raising	Total Support Services	Total All Services		
Salaries and Wages	\$ 470,469	\$ 488,342	\$ 487,419	\$ 461,229	\$ 1,907,459	\$ 691,978	\$ 407,952	\$ 1,099,930	\$ 3,007,389	\$ 2,633,001
Payroll Taxes	33,780	34,933	37,930	31,028	137,671	43,562	30,212	73,774	211,445	210,876
Employee Benefits	55,061	73,283	65,960	53,257	247,561	62,566	42,417	104,983	352,544	357,417
Total Personnel Costs	559,310	596,558	591,309	545,514	2,292,691	798,106	480,581	1,278,687	3,571,378	3,201,294
Consultants - Partner Distribution	226,720	1,294,622	246,383	148,493	1,916,218	-	-	-	1,916,218	1,818,664
Consultants	177,867	341,187	63,976	19,312	602,342	50,601	52,616	103,217	705,559	521,376
Professional Services	10,562	16,107	19,900	24,518	71,087	190,224	6,095	196,319	267,406	63,920
Occupancy	37,169	55,463	39,114	36,010	167,756	18,543	20,654	39,197	206,953	194,922
Office Expenses	28,901	21,510	12,538	9,513	72,462	14,326	24,536	38,862	111,324	107,198
GPI Meeting Expenses	-	1,561	15,522	101	17,184	(575)	-	(575)	16,609	254,325
Equipment and Furniture	2,331	3,493	2,727	2,306	10,857	1,163	1,511	2,674	13,531	24,548
Insurance	1,595	2,380	1,678	1,545	7,198	313	886	1,199	8,397	21,643
Travel	2,591	-	1,075	1,357	5,023	1,739	122	1,861	6,884	157,706
Conferences and Exhibits	-	5,250	930	500	6,680	-	-	-	6,680	11,319
Miscellaneous	801	1,296	843	776	3,716	1,113	725	1,838	5,554	1,898
Training	385	-	794	555	1,734	1,381	195	1,576	3,310	28,572
Fundraising Event Hospitality	-	-	1,400	-	1,400	87	-	87	1,487	1,245
Depreciation	-	-	-	-	-	2,481	-	2,481	2,481	7,585
Total Expense	\$ 1,048,232	\$ 2,339,427	\$ 998,189	\$ 790,500	\$ 5,176,348	\$ 1,079,502	\$ 587,921	\$ 1,667,423	\$ 6,843,771	\$ 6,416,215
	15%	34%	15%	12%	76%	16%	8%	24%	100%	

The accompanying Notes to Financial Statements  
are an integral part of this statement.

GREAT PLAINS INSTITUTE FOR SUSTAINABLE DEVELOPMENT, INC.  
STATEMENT OF FUNCTIONAL EXPENSE  
FOR THE YEAR ENDED JUNE 30, 2020

	Program Services				Total Program Services	Support Services			Total All Services
	Electricity	Carbon Management	Communities	Transportation and Fuels		Management & General	Fund- raising	Total Support Services	
Salaries and Wages	\$ 441,225	\$ 395,262	\$ 454,779	\$ 394,400	\$ 1,685,666	\$ 612,777	\$ 334,558	\$ 947,335	\$ 2,633,001
Payroll Taxes	34,342	31,113	38,605	31,846	135,906	47,489	27,481	74,970	210,876
Employee Benefits	45,703	35,640	59,231	39,969	180,543	145,343	31,531	176,874	357,417
Total Personnel Costs	521,270	462,015	552,615	466,215	2,002,115	805,609	393,570	1,199,179	3,201,294
Consultants - Partner Distribution	304,166	1,145,104	262,164	107,230	1,818,664	-	-	-	1,818,664
Consultants	98,115	396,813	14,175	1,013	510,116	2,693	8,567	11,260	521,376
Professional Services	182	120	255	2,593	3,150	60,577	193	60,770	63,920
Occupancy	31,740	28,132	33,648	28,387	121,907	49,051	23,964	73,015	194,922
Office Expenses	10,305	14,987	6,081	4,555	35,928	45,802	25,468	71,270	107,198
GPI Meeting Expenses	72,158	130,476	33,511	13,076	249,221	5,097	7	5,104	254,325
Equipment and Furniture	51	167	39	89	346	22,270	1,932	24,202	24,548
Insurance	31	-	-	-	31	21,612	-	21,612	21,643
Travel	55,711	69,036	11,497	12,267	148,511	6,569	2,626	9,195	157,706
Conferences and Exhibits	5,485	2,244	1,740	1,500	10,969	-	350	350	11,319
Miscellaneous	-	536	-	50	586	1,312	-	1,312	1,898
Training	6,860	-	1,272	2,099	10,231	1,840	16,501	18,341	28,572
Fundraising Event Hospitality	-	88	50	-	138	1,043	64	1,107	1,245
Depreciation	-	-	-	-	-	7,585	-	7,585	7,585
Total Expense	\$ 1,106,074	\$ 2,249,718	\$ 917,047	\$ 639,074	\$ 4,911,913	\$ 1,031,060	\$ 473,242	\$ 1,504,302	\$ 6,416,215
	17%	35%	14%	10%	76%	16%	8%	24%	100%

The accompanying Notes to Financial Statements  
are an integral part of this statement.



GREAT PLAINS INSTITUTE FOR SUSTAINABLE DEVELOPMENT, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<u>Increase (Decrease) in Cash and Cash Equivalents</u>		
Cash Flows from Operating Activities:		
Change in Net Assets	\$ 2,047,865	\$ 1,484,440
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	2,481	7,585
Forgiveness of PPP Loan	(619,100)	-
Decreases (Increases) in Current Assets:		
Accounts Receivable	(311,726)	141,492
Pledges Receivable	(274,786)	(122,753)
Prepaid Expense	(17,170)	-
Increases (Decreases) in Current Liabilities:		
Accounts Payable	346,718	(110,262)
Accrued Expenses	267,009	(163,576)
Net Cash Provided by Operating Activities	<u>1,441,291</u>	<u>1,236,926</u>
Cash Flows from Investing Activities:		
Purchases of Property and Equipment	(31,397)	-
Net Cash (Used) by Investing Activities	<u>(31,397)</u>	<u>-</u>
Cash Flows from Financing Activities:		
Proceeds from Issuance of Notes Payable	150,000	-
Proceeds from PPP Loan	681,200	619,100
Net Cash Provided by Financing Activities	<u>831,200</u>	<u>619,100</u>
Net Increase in Cash and Cash Equivalents	2,241,094	1,856,026
Cash and Cash Equivalents - Beginning of Year	<u>4,551,721</u>	<u>2,695,695</u>
Cash and Cash Equivalents - End of Year	<u>\$ 6,792,815</u>	<u>\$ 4,551,721</u>

The accompanying Notes to Financial Statements  
are an integral part of these statements.

GREAT PLAINS INSTITUTE FOR SUSTAINABLE DEVELOPMENT, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020

1. Summary of Significant Accounting Policies

Organizational Purpose

Great Plains Institute for Sustainable Development, Inc. (GPI or the Organization) is a non-partisan, nonprofit organization founded in 1997. GPI takes a pragmatic approach to transforming the way energy is produced, distributed and consumed to be both environmentally and economically sustainable. Through research and analysis, consensus policy development, and technology acceleration, GPI is leading the transition to clean, efficient, and secure energy.

GPI's major sources of revenue are contributions from foundations, government grants and contracts, and other contracts.

GPI's programs are as follows:

Electricity – GPI envisions an economy that is increasingly electrified (including transportation and heating), and an energy system that relies heavily on renewable resources (wind, solar, hydro, biomass, geothermal) and a robust transmission system that can move clean electricity from one part of the country to another. An electric grid designed for central station power plants and a significant shortage of regional transmission lines that can move large amounts of remote renewable energy have become key barriers to meeting more of our energy needs with renewable resources (e.g., wind and solar). GPI's focus areas include: 1) working with the Midcontinent Independent System Operator to increase the deployment of renewable electricity, improve the market rules for Demand Response and integrate the full range of Distributed Energy Resources; 2) working with utilities and other key interests to realign the utility business model and regulatory framework to more effectively achieve a low-carbon energy system and meet evolving consumer demands (this includes GPI's nation-leading e21 Initiative and related work with Madison Gas and Electric).

Carbon Management – Fossil fuels today provide the vast majority of our electricity, heating/cooling and transportation fuel (87% globally) and will likely continue to play a significant role for decades. Yet burning coal, oil, and natural gas is also a primary cause of global warming and climate change, and a range of other unintended and negative outcomes. GPI works to develop market-based strategies for reducing harmful fossil fuel emissions and effective transition strategies for industries and communities that depend on fossil fuels. Focus areas include: expanding education, dialogue and outreach on federal carbon regulation implementation by convening and facilitating the stakeholder groups of the Midcontinent States Environmental and Energy Regulators (MSEER), PJM States Group, and the Midwestern Power Sector Collaborative (MPSC); helping shape the national discourse surrounding the Clean Power Plan by presenting to numerous groups and conferences around the US; and supporting the deployment of carbon capture and sequestration with enhanced oil recovery (CCS-EOR) through incentives and education by convening of the National Enhanced Oil Recovery Initiative (NEORI) and the State CCS-EOR group.

GREAT PLAINS INSTITUTE FOR SUSTAINABLE DEVELOPMENT, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020

1. Summary of Significant Accounting Policies (continued)

Organizational Purpose (continued)

Communities – Lawrence Livermore National Lab estimates more than 50% of the energy produced in the United States is wasted somewhere along the line, from production and distribution to consumption. GPI is committed to more efficiently using all forms of energy. Focus areas include the energy use in communities and the industrial sector, working with the Midwest’s grid operator on better market rules for energy efficiency, and new financing mechanisms to increase investment in energy efficiency. Cities are a key focus because collectively they are big enough to matter and small enough to adopt new ideas and technologies relatively quickly. GPI’s goal is to make it the norm for communities to be economically and environmentally sustainable. GPI’s priorities include: increasing energy efficiency and supporting sustainable communities through Minnesota GreenStep Cities, the Metro Clean Energy Resource Team, small business energy coaching, and RE-AMP Energy Efficiency and Local Solutions Working Groups; increasing the deployment of solar energy and transforming local solar markets through solar garden deployment and a Grow Solar Partnership; and improving local planning practices to support clean energy deployment.

Transportation and Fuels – GPI focuses on two main strategies for reducing our dependence on foreign oil and greenhouse gases in the transportation sector; less polluting, domestic fuels (electricity, biofuels, CNG, bioCNG and hydrogen); and reducing the need for driving through better urban design. Priorities include: convening the Bioeconomy Coalition of Minnesota – making MN the best place in the world to site the development of advanced biofuel, renewable chemical, and biomass thermal industries; facilitating Drive Electric Minnesota – a statewide electric vehicle partnership working to expand electric vehicle ownership and public charging infrastructure (this may expand to a regional Midwestern effort); and collaborating with Argonne National Lab to make the Greenhouse Gases, Regulated Emissions, and Energy Use in Transportation Model (GREET) more robust and user-friendly.

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 that are not subject to donor-imposed stipulations. These net assets include both board designated and undesignated amounts. Property and equipment is reported as net assets without donor restrictions.

Net Assets with Donor Restrictions – The part of net assets of the Organization resulting from contributions and other inflows of assets whose use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions pursuant to those stipulations. Contributions restricted by donors are reported as an increase in net assets with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions on the statements of activities.

GREAT PLAINS INSTITUTE FOR SUSTAINABLE DEVELOPMENT, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020

1. Summary of Significant Accounting Policies (continued)

Use of 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 amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers short-term, highly liquid investments and investments purchased with a maturity of three months or less to be cash equivalents. The Organization's cash balances held in bank depositories may exceed federally insured limits at times.

Accounts Receivable and Doubtful Accounts

Accounts receivable from government grants and contracts are uncollateralized obligations. The carrying amount of receivables is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. Receivables are written off when, in management's estimation, it is probable that the receivable is worthless. As of June 30, 2021 and 2020, management has determined that no allowance is necessary.

Property and Equipment

Leasehold improvements and equipment are carried at cost, with the exception of donated equipment which is recorded at the fair market value at the date of gift. Additions with a cost of less than \$5,000 are expensed. Depreciation is computed using the straight-line method over the shorter of the estimated useful life of each asset or the lease term.

Maintenance and repairs are expensed as incurred. Major renewals or betterments that extend the lives of leasehold improvements and equipment are capitalized.

Functional Allocation of Expense

GPI reports its expenses on a functional basis. Expenses that can be identified with a specific program or support service are allocated directly. Other expenses are allocated based on management estimates of how employees spend their time.

Reclassifications

Certain amounts in prior year comparative totals have been reclassified to conform to the presentation in the current year financial statements.

GREAT PLAINS INSTITUTE FOR SUSTAINABLE DEVELOPMENT, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020

1. Summary of Significant Accounting Policies (continued)

Revenue and Revenue Recognition

Grants and contributions are recognized when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the condition they depend have been substantially met.

A portion of the revenue is derived from cost-reimbursement contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenses are reported as refundable advances in the statement of financial position. No amounts have been received in advance under the contracts and grants.

Income Tax

The Organization has a tax-exempt status under Section 501(c)(3) of the Internal Revenue Code. The Organization has adopted *Accounting for Uncertainty in Income Taxes*, ASC 740-10. The Organization's policy is to evaluate uncertain tax positions, at least annually, for the potential for income tax exposure from unrelated business income or from loss of nonprofit status. The Organization continues to operate consistent with its original exemption application and each year take the necessary actions to maintain its exempt status. The Organization has been classified as an organization that is not a private foundation under the Internal Revenue Code and charitable contributions to the Organization by donors are tax deductible. In compliance with their exempt status, the Organization annually file a Return of Organization Exempt From Income Tax (Form 990).

Subsequent Events

The Organization has evaluated the effect that subsequent events would have on the financial statements through January 7, 2022, which is the date financial statements were available to be issued.

2. Uncertainties and Contingencies

The COVID-19 outbreak in the United States has caused business disruption through both mandated and voluntary suspension of operations. There are still uncertainties about whether there will be future disruptions due to additional outbreaks. Therefore, the Organization expects this matter may impact its operating results, but reasonable estimates cannot be made at this time.

GREAT PLAINS INSTITUTE FOR SUSTAINABLE DEVELOPMENT, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020

3. Pledges Receivable

Pledges receivable for the years ending June 30, 2021 and 2020 were \$2,604,411 and \$2,329,625, respectively. Of these balances all are due within the next year. Management has determined that no allowance is necessary.

4. Property and Equipment

The Organization owned the following assets as of:

	<u>June 30,</u>		<u>Estimated Useful Lives</u>
	<u>2021</u>	<u>2020</u>	
Equipment	\$ 122,153	\$ 122,153	3-5 years
Leasehold Improvements	<u>35,680</u>	<u>4,283</u>	5-10 years
	157,833	126,436	
Less Accumulated Depreciation	<u>125,579</u>	<u>123,098</u>	
	<u>\$ 32,254</u>	<u>\$ 3,338</u>	

Depreciation expense of \$2,481 and \$7,585 was recorded for the years ended June 30, 2021 and 2020, respectively.

5. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purpose or periods as of:

	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
Subject to expenditure for specified purpose:		
Carbon Management	\$ 2,883,497	\$ 3,319,415
Electricity	1,128,131	1,411,094
Transportation and Fuels	776,636	213,754
Communities	460,524	250,206
Renewable Energy	50,000	-
Development	<u>16,000</u>	<u>-</u>
	<u>\$ 5,314,788</u>	<u>\$ 5,194,469</u>

6. Board Designated Net Assets

The Board of Directors has designated a portion of the net assets without donor restrictions for specific programming projects.

GREAT PLAINS INSTITUTE FOR SUSTAINABLE DEVELOPMENT, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020

7. Notes Payable

The breakdown of notes payable was as follows as of:

	June 30,	
	2021	2020
4.0% installment note payable to Sunrise Bank, N.A. Payable in monthly amounts of \$2,766 including interest beginning July 2021 with last payment due in June 2026. Secured by the Organization's assets.	\$ 150,000	\$ -
Less Portion Due Within One (1) Year	27,702	-
Long-term Portion	\$ 122,298	\$ -

Principal payments required are as follows:

<u>Due in the Year Ending June 30,</u>	
2022	\$ 27,702
2023	28,830
2024	30,005
2025	31,227
2026	32,236
	\$ 150,000

The Organization also maintains a \$500,000 line-of-credit with Sunrise Bank, N.A. that matures on June 22, 2022. Interest is at a variable rate based on the Wall Street Journal prime rate plus 1%. The line-of-credit is secured by all business assets of the Organization. There were no advances on the line-of-credit at June 30, 2021 and 2020.

8. Paycheck Protection Program Notes Payable

In April 2021, the Organization entered into a promissory note agreement with Sunrise Bank in the amount of \$681,200 pursuant the Paycheck Protection Program (PPP) created by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and governed by the Small Business Administration (SBA). The note accrues interest at 1 percent per annum and is scheduled to mature April 2026. Up to 100 percent of the loan is forgivable when used to pay specific payroll and other costs within the qualified period (generally 24 weeks after receiving the funds).

In April 2020, the Organization entered into a similar PPP promissory note agreement with Sunrise Bank in the amount of \$619,100. The full amount of the note and accrued interest was forgiven by the SBA on March 31, 2021 and is included with government grants on the statement of activities.

9. Retirement Plan

The Organization has a 401(k) retirement plan that covers employees who meet the eligibility requirements. Employer contributions were \$224,263 and \$204,866 for the years ended June 30, 2021 and 2020, respectively.

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10. Leased Office Space

Rental commitments under an agreement for office space and equipment in effect at June 30, 2021, total \$756,070. The future annual rental commitments are as follows:

<u>Due in the Year Ending June 30,</u>	<u>Office</u>	<u>Equipment</u>	<u>Total</u>
2022	\$ 138,215	\$ 1,680	\$ 139,895
2023	142,835	1,680	144,515
2024	147,455	1,680	149,135
2025	152,075	280	152,355
2026	156,695	-	156,695
2027	13,475	-	13,475
	<u>\$ 750,750</u>	<u>\$ 5,320</u>	<u>\$ 756,070</u>

Rental expense for was \$135,660 and \$123,227 for the years ended June 30, 2021 and 2020, respectively.

11. 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:

	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
Financial Assets:		
Cash and Cash Equivalents	\$ 6,792,815	\$ 4,551,721
Accounts Receivable	445,630	133,904
Pledges Receivable	<u>2,604,411</u>	<u>2,329,625</u>
Total Financial Assets	9,842,856	7,015,250
Less assets not available for general expenditures within one year, do to:		
Board Designated Net Assets	(2,570,285)	(840,230)
Net Assets with Donor Restrictions	<u>(5,314,788)</u>	<u>(5,194,469)</u>
Financial assets available for general expenditures within one year:	<u>\$ 1,957,783</u>	<u>\$ 980,551</u>

The Organization's Board of Directors and Executive Management continuously monitors the liquidity and cash reserves of the Organization. As part of the liquidity management, the Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization invests cash in excess of monthly requirements in short-term investments and money market funds.



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12. Concentrations

During the year ended June 30, 2021, GPI received approximately 42% (\$3,700,000) of its support and revenue from two foundations whose contributions were individually in excess of 10% of the total support and revenue.

During the year ended June 30, 2020, GPI received approximately 33% (\$2,600,000) of its support and revenue from two foundations whose contributions were individually in excess of 10% of the total support and revenue.