

# **Ain Dah Yung (Our Home) Center**

St. Paul, Minnesota

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**Financial Statements**

**Auditor's Report**

**For the Years Ended**

**December 31, 2023 and 2022**



**CERTIFIED PUBLIC ACCOUNTANTS**

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Carpenter, Evert & Associates

Certified Public Accountants  
7760 France Avenue S. Suite 940 Bloomington Minnesota 55435  
952.831.0085 [carpenterevert.com](http://carpenterevert.com)

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Ain Dah Yung (Our Home) Center  
St. Paul, Minnesota

### **Opinion**

We have audited the accompanying financial statements of Ain Dah Yung (Our Home) Center (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ain Dah Yung (Our Home) Center as of December 31, 2023 and 2022, 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.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ain Dah Yung (Our Home) Center and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Ain Dah Yung (Our Home) Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Ain Dah Yung (Our Home) Center's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Ain Dah Yung (Our Home) Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Caprice Ewert and Ant. Htd.*

Certified Public Accountants

Minneapolis, Minnesota  
May 20, 2024

**AIN DAH YUNG (OUR HOME) CENTER**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023		2022	
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>Support and Revenue:</b>				
Contributions and Grants	\$ 363,570	\$ 1,318,428	\$ 1,681,998	\$ 1,537,037
Contributions of Nonfinancial Assets	-	-	-	4,463
Government Grants	1,978,617	1,500	1,980,117	2,291,626
Program Service Fees	244,236	-	244,236	158,026
Other Income	32,189	-	32,189	3,779
Investment Income	6,620	-	6,620	2,575
Net Assets Released from Restrictions:				
Satisfaction of Purpose Restrictions	842,264	(842,264)	-	(1,005,390)
Satisfaction of Time Restrictions	386,411	(386,411)	-	(184,897)
Total Support and Revenue	3,853,907	91,253	3,945,160	3,997,506
<b>Expense:</b>				
Program Services:				
Youth Programs:				
Emergency Shelter	767,271	-	767,271	725,731
Mino Oski	536,952	-	536,952	566,773
Prevention/Intervention	408,712	-	408,712	345,814
Youth Lodge	472,010	-	472,010	475,973
Family Programs:				
Family Support Services	608,109	-	608,109	648,148
Counseling & Support	188,643	-	188,643	128,225
Total Program Services	2,981,697	-	2,981,697	2,890,664
Support Services:				
Management and General				
Fundraising	753,046	-	753,046	786,177
Total Support Services	236,456	-	236,456	239,308
Total Expense	989,502	-	989,502	1,025,485
Total Expense	3,971,199	-	3,971,199	3,916,149
Change in Net Assets	(117,292)	91,253	(26,039)	81,357
Net Assets - Beginning of Year	2,226,638	1,207,548	3,434,186	3,352,829
Net Assets - End of Year	\$ 2,109,346	\$ 1,298,801	\$ 3,408,147	\$ 3,434,186

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

EXHIBIT B

AIN DAH YUNG (OUR HOME) CENTER  
STATEMENT OF FUNCTIONAL EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2023 WITH  
COMPARATIVE TOTALS FOR 2022

	2023										2022		
	Youth Programs					Program Services					Support Services		
	Youth Programs					Family Programs					Support Services		
	Emergency Shelter	Mino Oski	Prevention/ Intervention	Youth Lodge	Family Support Services	Counseling & Support	Total Program Services	Management & General	Fund-raising	Total Support Services	Total All Services	Total All Services	Total All Services
Salaries	\$ 519,601	\$ 237,126	\$ 225,359	\$ 326,485	\$ 393,696	\$ 92,886	\$ 1,795,153	\$ 218,482	\$ 192,744	\$ 411,226	\$ 2,206,379	\$ 2,256,451	\$ 2,256,451
Employee Benefits	38,418	18,130	16,333	24,038	29,200	6,902	133,021	27,276	14,155	41,431	174,452	153,988	153,988
Payroll Taxes	52,339	23,892	22,700	32,962	39,610	9,363	180,866	23,856	19,396	43,252	224,118	238,556	238,556
Total Personnel Expense	610,358	279,148	264,392	383,485	462,506	109,151	2,109,040	269,614	226,295	495,909	2,604,949	2,648,995	2,648,995
Consulting/Professional Fees	30,030	59,574	45,371	19,480	49,512	9,370	213,337	62,615	9,873	72,488	285,825	240,969	240,969
Client Services	15,273	122,087	5,905	2,494	59,862	6,916	212,537	101	-	101	212,638	259,384	259,384
Legal and Accounting	-	-	-	-	-	-	-	209,808	-	209,808	209,808	209,808	209,808
Instructional/Other Supplies	4,322	18,761	17,737	4,395	6,733	11,878	63,826	5,162	-	5,162	68,988	54,863	54,863
Development - Staff	974	3,487	8,647	3,103	133,00	31,841	48,185	18,530	-	18,530	66,715	20,104	20,104
Food	16,746	7,157	10,295	10,123	9,966	5,326	59,613	3,138	-	3,138	62,751	54,615	54,615
Events	7,223	15,483	16,225	5,245	-	9,830	54,006	11	-	11	54,017	32,065	32,065
Building Maintenance	24,569	6,128	-	13,620	-	-	44,317	7,020	-	7,020	51,337	56,973	56,973
Insurance	-	-	(801)	-	-	-	(801)	43,637	-	43,637	42,836	40,753	40,753
Transportation - Staff	3,888	225	18,123	3,737	12,600	1,935	40,508	1,268	225	1,493	42,001	21,604	21,604
Dues, Licenses and Fees	10,225	4,322	1,009	6,597	3,599	971	26,723	11,967	-	11,967	38,690	41,712	41,712
Telephone	6,806	11,733	495	6,023	261	-	25,318	13,269	-	13,269	38,587	35,528	35,528
Utilities	24,255	-	-	9,877	-	-	34,132	-	-	-	34,132	28,439	28,439
Recreation Costs	2,796	1,231	20,447	3,220	800	944	29,438	1,400	-	1,400	30,838	22,499	22,499
Equipment Rental and Maintenance	7,519	5,833	977	-	1,692	-	16,021	8,836	-	8,836	24,857	42,880	42,880
Office Supplies	636	369	40	611	445	481	2,582	7,298	-	7,298	9,880	11,990	11,990
Printing	-	-	(150)	-	-	-	(150)	4,152	-	4,152	4,002	4,319	4,319
Postage	1,501	1,414	-	-	-	-	2,915	857	-	857	3,772	4,333	4,333
Miscellaneous	150	-	-	-	-	-	150	684	63	747	897	854	854
Depreciation	-	-	-	-	-	-	-	83,679	-	83,679	83,679	83,621	83,621
Total	\$ 767,271	\$ 536,952	\$ 408,712	\$ 472,010	\$ 608,109	\$ 188,643	\$ 2,981,697	\$ 753,046	\$ 236,456	\$ 989,502	\$ 3,971,199	\$ 3,916,149	\$ 3,916,149

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

AIN DAH YUNG (OUR HOME) CENTER  
STATEMENT OF FUNCTIONAL EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Services					Support Services				
	Youth Programs			Family Programs		Total Program Services	Management & General	Fund-raising	Total Support Services	Total All Services
	Emergency Shelter	Mino Oski	Prevention/ Intervention	Youth Lodge	Family Support Services					
Salaries	\$ 510,894	\$ 270,343	\$ 208,779	\$ 339,634	\$ 417,243	\$ 1,825,874	\$ 248,881	\$ 181,696	\$ 430,577	\$ 2,256,451
Employee Benefits	32,354	17,355	13,237	21,525	26,510	115,901	26,547	11,540	38,087	153,988
Payroll Taxes	49,093	27,172	20,095	32,737	40,162	176,831	44,268	17,457	61,725	238,556
Total Personnel Expense	592,341	314,870	242,111	393,896	483,915	2,118,606	319,696	210,693	530,389	2,648,995
Consulting/Professional Fees	29,627	48,749	38,786	19,929	42,470	184,642	46,882	9,445	56,327	240,969
Client Services	12,197	139,850	1,392	2,902	88,710	251,968	7,416	-	7,416	259,384
Legal and Accounting	-	-	-	-	-	-	209,649	-	209,649	209,649
Instructional/Other Supplies	2,110	15,670	7,022	3,882	9,554	47,604	7,259	-	7,259	54,863
Development - Staff	1,277	426	11,728	18	956	14,507	5,597	-	5,597	20,104
Food	17,188	6,776	11,443	8,411	5,932	51,551	3,064	-	3,064	54,615
Events	-	-	9,295	-	-	12,895	-	19,170	19,170	32,065
Building Maintenance	25,467	8,174	-	13,619	-	47,260	9,713	-	9,713	56,973
Insurance	-	-	1,602	-	-	1,602	39,151	-	39,151	40,753
Transportation - Staff	231	736	8,341	1,274	7,226	21,095	509	-	509	21,604
Dues, Licenses and Fees	11,217	3,857	1,045	8,223	3,125	28,452	13,260	-	13,260	41,712
Telephone	6,416	9,198	-	4,711	1,044	21,369	14,159	-	14,159	35,528
Utilities	20,569	-	-	7,870	-	28,439	-	-	-	28,439
Recreation Costs	2,220	-	12,685	787	1,385	20,870	1,629	-	1,629	22,499
Equipment Rental and Maintenance	3,920	15,684	-	29	3,428	24,881	17,999	-	17,999	42,880
Office Supplies	165	1,025	45	859	403	2,497	9,493	-	9,493	11,990
Printing	341	-	300	120	-	761	3,558	-	3,558	4,319
Postage	445	1,758	19	30	-	2,252	2,081	-	2,081	4,333
Miscellaneous	-	-	-	-	-	-	854	-	854	854
Depreciation	-	-	-	-	-	-	74,208	-	74,208	83,621
Total	\$ 725,731	\$ 566,773	\$ 345,814	\$ 475,973	\$ 648,148	\$ 2,890,664	\$ 786,177	\$ 239,308	\$ 1,025,485	\$ 3,916,149

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

AIN DAH YUNG (OUR HOME) CENTER  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Current Assets:		
Cash	\$ 2,239,702	\$ 2,747,590
Investments	24,928	26,023
Accounts Receivable	402,216	245,760
Contributions Receivable	418,954	99,309
Prepaid Expenses	16,246	13,453
Total Current Assets	<u>3,102,046</u>	<u>3,132,135</u>
Partnership Investment	140,000	140,000
Property and Equipment - Net	<u>454,290</u>	<u>458,955</u>
 TOTAL ASSETS	 <u>\$ 3,696,336</u>	 <u>\$ 3,731,090</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts Payable	\$ 51,875	\$ 37,796
Accrued Payroll Liabilities	162,340	192,273
Accrued Expenses	26,474	19,335
Total Current Liabilities	<u>240,689</u>	<u>249,404</u>
Note Payable	<u>47,500</u>	<u>47,500</u>
Total Liabilities	288,189	296,904
Net Assets:		
Without Donor Restrictions:		
Board Designated	125,000	125,000
Undesignated	1,984,346	2,101,638
Total Without Donor Restrictions	<u>2,109,346</u>	<u>2,226,638</u>
With Donor Restrictions	<u>1,298,801</u>	<u>1,207,548</u>
Total Net Assets	<u>3,408,147</u>	<u>3,434,186</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 3,696,336</u>	 <u>\$ 3,731,090</u>

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

AIN DAH YUNG (OUR HOME) CENTER  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>Increase (Decrease) in Cash</u>		
Cash Flows from Operating Activities:		
Change in Net Assets	\$ (26,039)	\$ 81,357
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	83,679	83,621
Donated Property and Equipment	-	(4,463)
Donated Investments	(23,384)	(43,763)
Unrealized (Gain) Loss on Investments	(1,229)	66
Decreases (Increases) in Operating Assets:		
Accounts Receivable	(156,456)	89,580
Contributions Receivable	(319,645)	500,041
Prepaid Expenses	(2,793)	687
Increases (Decreases) in Operating Liabilities:		
Accounts Payable	14,079	(67,998)
Accrued Payroll Liabilities	(29,933)	28,160
Accrued Expenses	7,139	2,085
Net Cash Provided (Used) by Operating Activities	<u>(454,582)</u>	<u>669,373</u>
Cash Flows from Investing Activities:		
Purchase of Property and Equipment	(79,014)	(37,136)
Purchase of Investments	(25,713)	-
Proceeds from Sale of Investments	51,421	17,674
Net Cash (Used) by Investing Activities:	<u>(53,306)</u>	<u>(19,462)</u>
Cash Flows from Financing Activities:		
None	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash	(507,888)	649,911
Cash - Beginning of Year	<u>2,747,590</u>	<u>2,097,679</u>
Cash - End of Year	<u>\$ 2,239,702</u>	<u>\$ 2,747,590</u>

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

AIN DAH YUNG (OUR HOME) CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

1. Summary of Significant Accounting Policies

Organizational Purpose

Since its inception, the Ain Dah Yung (Our Home) Center (the Organization) has provided a healing place within the community for American Indian youth and families to thrive in safety and wholeness. Although it originally concentrated on providing emergency shelter for runaway and homeless American Indian youth, the Organization currently provides a multitude of services intended to strengthen personal and community growth for youth and families in the region.

The Organization's programs are as follows:

Youth Programs:

Emergency Shelter – A culturally specific emergency shelter to American Indian youth who are homeless, runaway, in a family crisis, or involved with juvenile corrections. Services include: emergency and short-term shelter, crisis intervention, case systems advocacy, information and referrals, access to medical/dental care, counseling, case management and community education.

Mino Oski Ain Dah Yung – Meaning “Our Good New Home” in Ojibwe, Mino Oski Ain Dah Yung is a 42-unit permanent supportive housing project for American Indian youth ages 18 to 24. Opened in November 2019, Mino Oski Ain Dah Yung offers young adults who have experienced homelessness their own efficiency apartment with a complete suite of culturally responsive on-site services.

Prevention/Intervention – Ninijanisag (Our Children) is a multifaceted program focusing heavily on engagement and prevention – working to ground youth in Native culture while designed to combat chemical and commercial tobacco abuse, teen dating violence, gang relations, sex trafficking and other self-compromising behaviors among at-risk youth between ages of 8-17.

Youth Lodge – Beverley A. Benjamin Youth Lodge is a culturally grounded transitional living program available to youth between the ages of 16-21 that have no parental substitute or foster home to which they can safely go. This intervention program emphasizes training, education and employment goals and is designed to develop a support system to meet holistic needs of body, mind, and spirit. The Street Outreach program under youth lodge is a street-based support program to runaway or homeless youth unable or not wanting to enter a shelter. Case workers provide information on safe housing, basic needs resources and health related issues. They also provide health and personal care supplies, food and access to transportation.

Family Programs:

Family Support Services – These services are designed to keep American Indian families together and strong by providing the knowledge, skills and resources they need to provide a safe, stable environment for their children.

AIN DAH YUNG (OUR HOME) CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

1. Summary of Significant Accounting Policies (continued)

Organizational Purpose (continued)

Family Preservation and Reunification – Oyate Nawajin “Stand With the People” is a family advocacy program that uses traditional American Indian traditions and an asset based approach that builds on the strengths of families and was established in response to the disproportionate placement of American Indian children outside the home. We provide family preservation and reunification services that combines self-help, professional intervention, and cultural reinforcement in order to strengthen families experiencing a process of family reunification and/or stressful parenting situations.

Indian Child Welfare Legal Advocacy/Compliance (ICWLAC) Project - Created to enforce local compliance with the federal Indian Child Welfare Act (ICWA). The Organization’s ICWLAC Project provides court monitoring on cases involving American Indian children, legal representation to American Indian families (through a collaboration with SMRLS), and education/outreach to identify systemic problems and strategize on solutions regarding ICWA compliance.

Counseling & Support – Ramsey County Children’s Mental Health Case Management provides support, case management and assistance in coordinating resources for families with children who have mental health needs.

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 available for use in general operations and not subject to donor-or grantor-imposed restrictions.

Net Assets with Donor Restrictions – Net assets subject to donor- or grantor-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. The Organization reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. 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 in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

AIN DAH YUNG (OUR HOME) CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

1. Summary of Significant Accounting Policies (continued)

Accounts Receivable and Doubtful Accounts

Receivables are recorded at amounts billed and are generally due when billed. Amounts outstanding for more than 30 days are considered delinquent. Accounts receivable are generally uncollateralized and the Organization does not charge interest on accounts receivable balances. The Organization reviews accounts receivable balances on a periodic basis and writes off delinquent receivables when they are considered uncollectible. No allowance for doubtful accounts has been provided as accounts receivable are considered collectable.

Promises-To-Give (Contributions Receivable)

Unconditional promises-to-give are recognized in the period the promises are made. Conditional promises-to-give are recognized when the conditions on which they depend are substantially met, that is, when the conditional promise becomes unconditional.

Revenue and Revenue Recognition

The Organization recognizes program service fee revenue at a point in time when the performance obligations of providing the services are met.

The Organization recognizes contributions 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 conditions on which they depend have been substantially met.

The Organization records contributions of nonfinancial assets at fair market value at date of donation. The Organization's policy related to contributions of nonfinancial assets is to utilize the assets given to carry out the mission of the organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist. The Organization received a vehicle valued at \$4,463 in the year ended December 31, 2022. The vehicle had no donor restrictions and was utilized in programming.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state 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 expenditures are reported as refundable advances in the statement of financial position. No amounts have been received in advance under government grants. The Organization was awarded cost-reimbursable grants of \$3,787,036 and \$1,773,813 that have not been recognized at December 31, 2023 and 2022 because qualifying expenditures have not yet been incurred.

AIN DAH YUNG (OUR HOME) CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

1. Summary of Significant Accounting Policies (continued)

Investments

The Organization carries its investments at market value.

Property and Equipment

All major expenditures for land, buildings, improvements and equipment are capitalized at cost. Property and equipment that was purchased or appraised at a value greater than \$3,000 is capitalized. Property and equipment are stated at the fair value at the date of donation in case of donated assets. Depreciation is provided through the use of the straight-line method, over an estimated useful life.

Functional Allocation of Expense

Salaries and related expenses are allocated on job descriptions and the best estimates of management. Expenses related to a specific program or supporting service are charged directly to that program or service. Expenses, other than salaries and related expenses, which are not directly identifiable by program or supporting service are allocated based on the best estimates of management.

Income Tax

The Organization has a tax-exempt status under Section 501(c)(3) of the Internal Revenue Code. 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 takes the necessary actions to maintain its exempt status. It has been classified as an organization that is not a private foundation under the Internal Revenue Code and charitable contributions by donors are tax deductible. In compliance with its exempt status, the Organization annually files a Return of Organization Exempt From Income Tax (Form 990).

Reclassifications

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

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.

AIN DAH YUNG (OUR HOME) CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

1. Summary of Significant Accounting Policies (continued)

Leases

The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. Management has determined that although the remaining commitments on the equipment leases are more than 12 months, the overall amounts are not significant and will report as short-term leases.

Subsequent Events

The Organization has evaluated the effect that subsequent events would have on the financial statements through May 20, 2024, which is the date financial statements were available to be issued.

2. Significant Concentrations of Credit Risk

The Organization provides services within the Twin Cities area. The amounts due for services provided are from individuals, or their third-party payors, substantially all of whom are local residents. In addition, grants and contributions receivable are from local residents, governments or institutions.

At December 31, 2023 and 2022, the Organization held funds at a local financial institution in excess of federally insured limits. Although the amounts on deposit exceed the federally insured limit, the Organization has not experienced any losses.

3. Contributions Receivable

The balances of contributions receivable are due as follows:

<u>Due in the Year Ending December 31,</u>	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
2023	\$ -	\$ 99,309
2024	418,954	-
Total Contributions Receivable	<u>\$ 418,954</u>	<u>\$ 99,309</u>

All contributions receivable are considered collectable.

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4. Investments

The Organization held the following investments as of:

	December 31,			
	2023		2022	
	Cost	Fair Value	Cost	Fair Value
Marketable Equity Securities	<u>\$ 23,387</u>	<u>\$ 24,928</u>	<u>\$ 26,088</u>	<u>\$ 26,023</u>

The Organization carries its partnership interest in the ADYC Supportive Housing Limited Partnership at cost. The amount carried as a long-term asset was \$140,000 for both the years ended December 31, 2023 and 2022. This investment is tested annually for impairment.

5. Fair Value

Fair value is defined as the price that an organization would receive upon selling an investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. Various inputs are used in determining the value of investments. A three-tier hierarchy of inputs establish a classification of fair value measurements for disclosure purposes. The three-tier hierarchy of inputs is summarized in the three broad levels listed as follows:

- Level 1 – Quoted prices in active markets for identical investments.
- Level 2 – Other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – Significant unobservable inputs.

The following is a summary of the inputs used to determine the fair value of the investments at December 31, 2023:

	Level 1	Level 2	Level 3	Total
Marketable Equity Securities	<u>\$ 24,928</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,928</u>

The following is a summary of the inputs used to determine the fair value of the investments at December 31, 2022:

	Level 1	Level 2	Level 3	Total
Marketable Equity Securities	<u>\$ 26,023</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,023</u>

6. Board-Designated Net Assets

The Board of Directors has made the following designation of net assets without donor restrictions as of:

	December 31,	
	2023	2022
Board Designated Reserve	<u>\$ 125,000</u>	<u>\$ 125,000</u>

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7. Net Assets with Donor Restrictions

Net assets with donor restrictions consisted of amounts for the following as of:

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
Subject to expenditure for specified purpose:		
MOADY Housing Stability	\$ 278,119	\$ 55,113
Capital Campaign	214,369	268,742
Kinship	192,172	80,762
Safe Harbor	98,926	92,243
Sponsored Units	53,823	73,977
Others	45,781	4,854
Youth Advisory Council	29,489	86,439
Pow-Wow	18,775	-
Digital Equity	17,989	14,972
Family Advocacy	-	124,898
Pay Equity	-	100,000
Mino Capacity Building	-	28,055
Youth Lodge	-	24,090
Subject to passage of time:		
Future Years General Operations	349,358	253,403
Total Net Assets with Donor Restrictions	<u>\$ 1,298,801</u>	<u>\$ 1,207,548</u>

8. Property and Equipment

The Organization owned the following as of:

	<u>December 31,</u>		
	<u>2023</u>	<u>2022</u>	
Land	\$ 68,000	\$ 68,000	
Buildings and Improvements	1,298,628	1,295,578	30 years
Furniture and Equipment	351,890	331,233	2-10 years
Vehicles	92,503	37,196	3-5 years
	1,811,021	1,732,007	
Less Accumulated Depreciation	<u>1,356,731</u>	<u>1,273,052</u>	
	<u>\$ 454,290</u>	<u>\$ 458,955</u>	

Depreciation expense of \$83,679 and \$83,621 was recorded for the years ended December 31, 2023 and 2022, respectively.

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9. Liquidity and Availability

The following represents the Organization's financial assets as of:

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
Financial Assets:		
Cash	\$ 2,239,702	\$ 2,747,590
Investments	24,928	26,023
Accounts Receivable	402,216	245,760
Contributions Receivable	<u>418,954</u>	<u>99,309</u>
	<u>\$ 3,085,800</u>	<u>\$ 3,118,682</u>
Less assets not available to be used within one year:		
Net Assets with Donor Restrictions	1,298,801	1,207,548
Net Assets with Restrictions to be met within one year	(1,298,801)	(1,207,548)
Board-Designated Net Assets	<u>125,000</u>	<u>125,000</u>
Total assets not available to be used within one year	<u>125,000</u>	<u>125,000</u>
Financial assets available for general expenditures within one year	<u>\$ 2,960,800</u>	<u>\$ 2,993,682</u>

The Board has designated \$125,000 as an operating reserve. This designated amount has been excluded from the assets available for general expenditures within one year, but could be made available if necessary with a resolution from the Board.

10. Short-term Leases

Rental non-cancelable commitments under leases for equipment that are considered short-term leases in effect at December 31, 2023, total \$5,583. The future annual rental commitments are as follows:

Due in the Year After December 31:

2024	\$ 4,990
2025	<u>593</u>
Total	<u>\$ 5,583</u>

Rental expense was \$12,684 and \$13,214 for the years ended December 31, 2023 and 2022, respectively.

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11. Notes Payable

The breakdown of deferred loans and notes payable are as follows:

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
Deferred, non-interest bearing loan with Family Housing Fund. No interest or monthly payments on this loan. Matures April 2027. Secured by property.	\$ 23,750	\$ 23,750
Deferred, non-interest bearing loan with Housing and Redevelopment Authority of the City of St. Paul. No interest of monthly payments on this loan. Matures April 2027. Secured by property.	<u>23,750</u>	<u>23,750</u>
	47,500	47,500
Less Portion Due Within One (1) Year	<u>-</u>	<u>-</u>
Long-term Portion	<u>\$ 47,500</u>	<u>\$ 47,500</u>

Principal payments required are as follows:

<u>Due in the Year Ending December 31,</u>	
2024	\$ -
2025	-
2026	-
2027	<u>47,500</u>
Total	<u>\$ 47,500</u>