

Metropolitan Regional Arts Council

St. Paul, Minnesota

Financial Statements
with Additional Information
Auditor's Report
For the Years Ended
June 30, 2014 and 2013

Carpenter *Evert*
Certified Public Accountants



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Independent Auditor's Report

Board of Directors
Metropolitan Regional Arts Council
St. Paul, Minnesota

Carpenter Evert

Certified Public Accountants

Minnesota Center • Suite 940

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Bloomington, Minnesota 55435

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We have audited the accompanying financial statements of Metropolitan Regional Arts Council, which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Metropolitan Regional Arts Council as of June 30, 2014 and 2013, 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.

Carpenter, Evert & Associates, Ltd.
Certified Public Accountants

Minneapolis, Minnesota
October 28, 2014

METROPOLITAN REGIONAL ARTS COUNCIL
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2014 AND 2013

<u>ASSETS</u>	<u>2014</u>	<u>2013</u>
Current Assets:		
Cash and Cash Equivalents	\$ 1,240,644	\$ 927,742
Investments	-	200,280
Accounts Receivable	11,874	-
Grants Receivable	-	200,000
Interest Receivable	-	4,301
Prepaid Expenses	18,587	22,128
Total Current Assets	<u>1,271,105</u>	<u>1,354,451</u>
Permanently Restricted Cash	45,000	45,000
Property and Equipment - Net	<u>11,466</u>	<u>16,989</u>
 TOTAL ASSETS	 <u>\$ 1,327,571</u>	 <u>\$ 1,416,440</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts Payable	\$ 20,753	\$ 19,797
Accrued Vacation	9,874	12,978
Other Accrued Expenses	1,000	476
Funds Held for Others	40,337	-
Grant Commitments Payable	1,022,170	968,886
Total Current Liabilities	<u>1,094,134</u>	<u>1,002,137</u>
Net Assets:		
Unrestricted:		
Undesignated	114,303	114,303
Designated	55,000	55,000
Total Unrestricted Net Assets	<u>169,303</u>	<u>169,303</u>
Temporarily Restricted Net Assets	19,134	200,000
Permanently Restricted	45,000	45,000
Total Net Assets	<u>233,437</u>	<u>414,303</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 1,327,571</u>	 <u>\$ 1,416,440</u>

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

METROPOLITAN REGIONAL ARTS COUNCIL
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	2014			2013				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and Revenue:								
Minnesota State Arts Board Grants and Contributions	\$ 839,271	\$ 3,012,742	\$ -	\$ 3,852,013	\$ 839,271	\$ 2,660,792	\$ -	\$ 3,500,063
Investment Income	6,545	-	-	6,545	7,145	400,000	-	400,000
Miscellaneous Income	25,464	-	-	25,464	48,264	-	-	7,145
Net Assets Released from Restrictions:								
Satisfaction of Program Restrictions	3,193,608	(3,193,608)	-	-	2,860,792	(2,860,792)	-	-
Total Support and Revenue	4,064,888	(180,866)	-	3,884,022	3,755,472	200,000	-	3,955,472
Expense:								
Program Services:								
Grant Services	3,843,324	-	-	3,843,324	3,617,159	-	-	3,617,159
Educational and Technical Assistance	112,289	-	-	112,289	97,855	-	-	97,855
Total Program Services	3,955,613	-	-	3,955,613	3,715,014	-	-	3,715,014
Support Services:								
Administration	105,691	-	-	105,691	105,539	-	-	105,539
Fundraising	3,584	-	-	3,584	-	-	-	-
Total Support Services	109,275	-	-	109,275	105,539	-	-	105,539
Total Expense	4,064,888	-	-	4,064,888	3,820,553	-	-	3,820,553
Change in Net Assets	-	(180,866)	-	(180,866)	(65,081)	200,000	-	134,919
Net Assets - Beginning of Year	169,303	200,000	45,000	414,303	234,384	-	45,000	279,384
Net Assets - End of Year	\$ 169,303	\$ 19,134	\$ 45,000	\$ 233,437	\$ 169,303	\$ 200,000	\$ 45,000	\$ 414,303

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

METROPOLITAN REGIONAL ARTS COUNCIL
STATEMENT OF FUNCTIONAL EXPENSE
FOR THE YEAR ENDED JUNE 30, 2014 WITH COMPARATIVE TOTALS FOR 2013

	2014					2013	
	Program Services		Support Services			Total All Services	Total All Services
	Grant Services	Education & Technical Assistance	Total Program Services	Total Admini- stration	Total Fund- raising		
Salaries	\$ 258,913	\$ 49,127	\$ 308,040	\$ 50,073	\$ 2,404	\$ 52,477	\$ 360,517
Employee Benefits	71,391	14,239	85,630	13,253	445	13,698	99,328
Payroll Taxes	19,304	3,663	22,967	3,733	179	3,912	26,879
Total Personnel Costs	349,608	67,029	416,637	67,059	3,028	70,087	486,724
Grant Allocations	3,368,488	-	3,368,488	-	-	-	3,368,488
Rent	42,642	8,504	51,146	7,916	266	8,182	59,328
Training/Workshops	9,981	24,272	34,253	-	-	-	34,253
Professional Services	4,405	848	5,253	21,700	25	21,725	26,978
Communication/Online Grants	13,242	-	13,242	-	-	-	13,242
Panel Expenses	11,305	-	11,305	-	-	-	11,305
Dues and Subscriptions	7,973	1,590	9,563	1,480	50	1,530	11,093
Printing	7,728	1,541	9,269	1,434	48	1,482	10,751
Insurance	4,128	823	4,951	766	26	792	5,743
Staff and Board Development	4,082	814	4,896	758	25	783	5,679
Office Supplies	3,975	793	4,768	738	25	763	5,531
Travel	2,273	1,311	3,584	1,261	11	1,272	4,856
Telephone	3,151	628	3,779	585	20	605	4,384
Office Maintenance	3,073	614	3,687	570	19	589	4,276
Equipment Rental and Maintenance	2,636	526	3,162	489	16	505	3,667
Regional Workshops/RAC	-	2,000	2,000	-	-	-	2,000
Postage	665	204	869	198	-	198	1,067
Depreciation	3,969	792	4,761	737	25	762	5,523
Total Expense	\$ 3,843,324	\$ 112,289	\$ 3,955,613	\$ 105,691	\$ 3,584	\$ 109,275	\$ 4,064,888
							\$ 3,820,553

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

METROPOLITAN REGIONAL ARTS COUNCIL
STATEMENT OF FUNCTIONAL EXPENSE
FOR THE YEAR ENDED JUNE 30, 2013

	Program Services			Total Support Services Administration	Total All Services
	Grant Services	Education & Technical Assistance	Total Program Services		
Salaries	\$ 242,974	\$ 46,976	\$ 289,950	\$ 52,764	\$ 342,714
Employee Benefits	57,768	10,585	68,353	11,828	80,181
Payroll Taxes	18,835	3,641	22,476	4,090	26,566
Total Personnel Costs	319,577	61,202	380,779	68,682	449,461
Grant Allocations	3,169,366	-	3,169,366	-	3,169,366
Rent	41,830	7,665	49,495	8,565	58,060
Training/Workshops	9,911	17,406	27,317	-	27,317
Professional Services	5,816	1,066	6,882	18,570	25,452
Communication/Online Grants	14,069	-	14,069	-	14,069
Panel Expenses	11,399	-	11,399	-	11,399
Dues and Subscriptions	8,763	1,606	10,369	1,794	12,163
Printing	7,949	1,457	9,406	1,628	11,034
Insurance	4,072	746	4,818	834	5,652
Staff and Board Development	5,189	951	6,140	1,063	7,203
Office Supplies	3,609	661	4,270	739	5,009
Travel	2,461	791	3,252	1,156	4,408
Telephone	3,007	551	3,558	616	4,174
Office Maintenance	2,610	478	3,088	534	3,622
Equipment Rental and Maintenance	2,034	373	2,407	417	2,824
Regional Workshops/RAC	-	2,150	2,150	-	2,150
Postage	1,852	84	1,936	195	2,131
Depreciation	3,645	668	4,313	746	5,059
Total Expense	\$ 3,617,159	\$ 97,855	\$ 3,715,014	\$ 105,539	\$ 3,820,553

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

METROPOLITAN REGIONAL ARTS COUNCIL
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>Increase (Decrease) in Cash and Cash Equivalents</u>		
Cash Flows from Operating Activities:		
Change in Net Assets	\$ (180,866)	\$ 134,919
Total Adjustments	<u>370,289</u>	<u>14,717</u>
Net Cash Provided by Operating Activities	189,423	149,636
Cash Flows from Investing Activities:		
Purchase of Property	-	(6,978)
Purchase of Investments	(2,909,975)	(2,747,748)
Sale of Investments	<u>3,033,454</u>	<u>2,903,000</u>
Net Cash Provided by Investing Activities	123,479	148,274
Cash Flows from Financing Activities:		
None	<u>-</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	312,902	297,910
Cash and Cash Equivalents - Beginning of Year	<u>927,742</u>	<u>629,832</u>
Cash and Cash Equivalents - End of Year	<u>\$ 1,240,644</u>	<u>\$ 927,742</u>

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

METROPOLITAN REGIONAL ARTS COUNCIL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

1. Summary of Significant Accounting Policies

Organizational Purpose

Metropolitan Regional Arts Council (the Organization) was incorporated under the Minnesota Nonprofit Corporation Act with a mission to increase access to the arts in 7-county metropolitan area communities by providing information, organizational support and grants.

The Minnesota State Arts Board (MSAB) serves as fiscal agent for the funds the Organization receives from the Minnesota Legislature. The MSAB's retention, use, and allocations of these funds is contingent on the Organization's continued designation as the Regional Arts Council for the seven-county metropolitan area and its compliance with the biennial plan submitted to the Minnesota State Arts Board.

The Organization's programs are as follows:

Grant Services – Assistance is designed to meet the needs of potential applicants by providing grant writing workshops, one-on-one grant writing assistance, and other technical support to ensure all applicants have equal opportunities to successfully compete for grants.

Grant allocations for the Organization's major grant programs include:

Arts Activities Support – Grants for arts activities in all disciplines.

Arts Learning – Grants for high-quality, age-appropriate arts education for Minnesotans of all ages to develop knowledge, skills, and understanding of the arts.

Community Arts – Grants for arts activities of community-based, smaller and newly formed groups and first time initiatives.

Organizational Development, Management Consulting Fund, and Management Training Fund – Grants for projects designed to strengthen the management of nonprofit arts groups.

Capital – Grants for nonprofit arts groups to purchase equipment and related supplies and services or to make capital improvements.

ADA Access Improvement Fund – Grants for arts organizations to increase accessibility to consumers and participants in their activities.

Next Step Fund – Grants to professional artists in any discipline for the purpose of career development and artistic achievement.

Education and Technical Assistance – Educational resources and assistance are provided to constituent arts organizations in areas such as management and planning. The program informs and educates the general public about the value of the arts and about arts activities taking place in the seven-county metro area. It also provides leadership in the statewide arts community.

METROPOLITAN REGIONAL ARTS COUNCIL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

1. Summary of Significant Accounting Policies (continued)

Fund Accounting

In order to observe the limitation and restrictions placed on resources available to the Organization, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure whereby resources are classified for accounting and reporting purposes into net asset groupings established according to their nature and restriction. A description of the groupings is as follows:

Unrestricted Net Assets – Net assets which are neither permanently nor temporarily restricted by donor-imposed stipulations. These net assets include both board designated and undesignated amounts. Property and equipment is reported as unrestricted net assets.

Temporarily Restricted Net Assets – 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.

Permanently Restricted Net Assets – The part of the net assets of the Organization resulting from contributions and other inflows of assets whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

Investments

The Organization carries its investments at market value.

Accounts Receivable and Doubtful Accounts

The Organization extends credit to its customers on terms it establishes for individual customers. 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.

Property and Equipment

All major expenditures for property and equipment above \$2,000 are capitalized at cost. Contributed items are recorded at fair market value at date of donation. Depreciation is provided through the use of the straight-line method.

METROPOLITAN REGIONAL ARTS COUNCIL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

1. Summary of Significant Accounting Policies (continued)

Contributions

Contributions are recorded when received and recognized as support in the period received. If donor-imposed restrictions accompany the contribution, the amount is recorded as temporarily or permanently restricted until the donor-imposed restrictions expire or are fulfilled. Temporarily restricted net assets are reclassified to unrestricted in the period donor-imposed restrictions expire or are fulfilled, and are reported in the Statements of Activities under the Support and Revenue Category – Net Assets Released from Restrictions.

Promises-To-Give (Grants 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.

Government Grants and Contracts

Government grants and contract funds are recorded as exchange contracts. Revenue is earned when eligible expenditures, as defined in each grant or contract, are made. Funds received but not yet earned are shown as refundable advances. Expenditures under government contracts are subject to review by the granting authority. To the extent, if any, that such a review reduces expenditures allowable under these contracts, the Organization will record such disallowance at the time the final assessment is made.

Functional Allocation of Expense

Salaries and other expenses are allocated based on job descriptions and the best estimates of management. Management considers fundraising expenses to be minimal and has included them in Administration.

Income Tax

The Organization has a tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and 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 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). The returns for the years ending June 30, 2011 and later remain subject to examination by the Internal Revenue Service.

METROPOLITAN REGIONAL ARTS COUNCIL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

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.

Subsequent Events

The Organization has evaluated the effect that subsequent events would have on the financial statements through October 28, 2014, which is the date financial statements were available to be issued.

2. Financial Instruments

Significant Concentrations of Credit Risk

The Organization provides services within the Twin Cities area. The amounts due for services provided are from individuals and organizations, substantially all of which are local.

Concentrations of Credit Risk Arising from Cash Deposits in Excess of Insured Limits

At June 30, 2014 and 2013, the Organization held cash at a financial institution in excess of federally insured limits.

3. Investments

The Organization held the following investments as of:

	June 30,			
	2014		2013	
	Cost	Market Value	Cost	Market Value
Corporate Bonds	\$ -	\$ -	\$ 207,124	\$ 200,280
	\$ -	\$ -	\$ 207,124	\$ 200,280

The Organization had an unrealized gain of \$-0- and an unrealized gain of \$1,202, and investment income of \$6,545 and \$5,943 for the years ending June 30, 2014 and 2013, respectively.

METROPOLITAN REGIONAL ARTS COUNCIL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

4. Property and Equipment

The Organization owned the following assets as of:

	<u>June 30,</u>		<u>Estimated Useful Lives</u>
	<u>2014</u>	<u>2013</u>	
Computer Equipment	\$ 11,414	\$ 11,414	3-5 years
Furniture and Equipment	41,119	41,119	3-5 years
	52,533	52,533	
Less Accumulated Depreciation	41,067	35,544	
	<u>\$ 11,466</u>	<u>\$ 16,989</u>	

Depreciation expense of \$5,523 and \$5,059 was recorded for the years ended June 30, 2014 and 2013, respectively.

5. Unrestricted Net Asset Designation

The Board of Directors made the following designation of unrestricted net assets as of:

	<u>June 30,</u>	
	<u>2014</u>	<u>2013</u>
Cash Reserve	<u>\$ 55,000</u>	<u>\$ 55,000</u>

6. Temporarily Restricted Net Assets

Temporarily restricted net assets consisted of amounts from the following as of:

	<u>June 30,</u>	
	<u>2014</u>	<u>2013</u>
Minnesota State Arts Board – Legacy Funds	\$ 19,134	\$ -
McKnight Foundation – Next Step Funds	-	200,000
	<u>\$ 19,134</u>	<u>\$ 200,000</u>

7. Permanently Restricted Net Assets

Permanently restricted net assets represent a \$45,000 contribution from the McKnight Foundation to be used as a permanent cash reserve.

METROPOLITAN REGIONAL ARTS COUNCIL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

8. Pension Plan

The Organization maintains a defined contribution retirement plan covering all employees who have completed six months of continuous service to the Organization. Contributions of \$34,404 and \$32,209 were made for the years ended June 30, 2014 and 2013, respectively.

9. Leased Facilities and Equipment

Rental commitments under noncancelable leases for office space and office equipment in effect at June 30, 2014, totaled \$48,936. The future annual rental commitments are as follows:

<u>Due in the Year Ending June 30,</u>	<u>Office Space</u>	<u>Equipment</u>	<u>Total</u>
2015	<u>\$ 40,176</u>	<u>\$ 8,760</u>	<u>\$ 48,936</u>

Rental expense for office space was \$59,328 and \$58,060 for the years ending June 30, 2014 and 2013, respectively.

10. Related Party Transaction

The Organization awarded grants that totaled \$180,521 and \$425,559 in the years ended June 30, 2014 and 2013, respectively, to organizations that both board and staff members have affiliations with.

11. Funds Held for Others

The Organization is a fiscal sponsor for another organization. Only the cash held and the corresponding liability are recorded in the financial statements.

METROPOLITAN REGIONAL ARTS COUNCIL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

12. Cash Flow Operating Adjustments

Adjustments to reconcile Changes in Net Assets to Net Cash Provided (Used) by Operating Activities were as follows as of:

	<u>June 30,</u>	
	<u>2014</u>	<u>2013</u>
Depreciation	\$ 5,523	\$ 5,059
Unrealized Loss on Investments	(6,844)	(1,571)
Realized Loss on Investments	83,645	48,618
Increases (Decreases) in Current Liabilities:		
Accounts Payable	956	(499)
Accrued Vacation	(3,104)	(385)
Other Accrued Expenses	524	(1,679)
Funds Held for Others	40,337	-
Grant Commitments Payable	53,284	161,658
Decreases (Increases) in Current Assets:		
Accounts Receivable	(11,874)	8,363
Grants Receivable	200,000	(200,000)
Interest Receivable	4,301	2,648
Prepaid Expenses	3,541	(7,495)
Total Adjustments	<u>\$ 370,289</u>	<u>\$ 14,717</u>

ADDITIONAL INFORMATION

Statement of Auditor's Responsibility

Carpenter Evert

Certified Public Accountants

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Board of Directors
Metropolitan Regional Arts Council
St. Paul, Minnesota

We have audited the financial statements of Metropolitan Regional Arts Council for the years ended June 30, 2014 and 2013, and our report thereon dated October 28, 2014, which expressed an unmodified opinion on those financial statements, appears on page 1. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The detail schedule of activities and changes in net assets for the year ended June 30, 2014, is presented for purposes of additional analysis is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Carpenter, Evert & Associates, Ltd.

Certified Public Accountants

Minneapolis, Minnesota
October 28, 2014

METROPOLITAN REGIONAL ARTS COUNCIL
DETAIL SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2014

	Access	Education	Cultural Heritage	McKnight	Appropriation	Total
Support and Revenue						
Minnesota State Arts Board	\$ 2,408,508	\$ 424,658	\$ 179,576	\$ -	\$ 839,271	\$ 3,852,013
Investment Income	-	-	-	-	83,346	83,346
Regrants	12,790	-	-	-	10,205	22,995
Realized Loss on Investments	-	-	-	-	(76,801)	(76,801)
Miscellaneous Income	-	-	424	-	2,045	2,469
Total Support and Revenue	2,421,298	424,658	180,000	-	858,066	3,884,022
Expenses						
Arts Activities Support Grants	1,074,560	-	150,000	-	142,924	1,367,484
Arts Learning Grants	80,260	409,613	-	-	-	489,873
Community Arts Grants	555,455	-	30,000	-	35,000	620,455
Org. Development/Capital Grants	-	-	-	-	424,212	424,212
Emergency Accessibility Grants	-	-	-	-	300	300
ADA Access Improvement Grant	220,000	-	-	-	-	220,000
Management Training Fund Grants	-	-	-	-	8,288	8,288
Management Consulting Fund Grants	-	-	-	-	45,290	45,290
Arts Achievement Awards	-	-	-	-	10,000	10,000
Next Step Fund Grants (McKnight)	-	-	-	182,586	-	182,586
Next Step Fund Administration	-	-	-	9,981	-	9,981
Salaries	272,255	7,852	-	4,441	75,969	360,517
Employee Benefits	75,010	2,163	-	1,224	20,931	99,328
Payroll Taxes	20,299	585	-	331	5,664	26,879
Professional Services	19,354	-	-	-	7,624	26,978
Grant Review Panel Expense	2,056	4,445	-	-	4,804	11,305
Rent & Maintenance	49,600	-	-	-	14,004	63,604
Insurance	-	-	-	-	5,743	5,743
Telephone	-	-	-	-	4,384	4,384
Office Supplies	4,425	-	-	-	1,106	5,531
Copier	8,601	-	-	-	2,150	10,751
Postage	-	-	-	-	1,067	1,067
Equipment	-	-	-	-	1,936	1,936
Equipment Rental/Maintenance	-	-	-	-	1,731	1,731
Board Expense	-	-	-	-	1,213	1,213
RAC Forum	-	-	-	-	2,000	2,000
Staff Travel	538	-	-	1,437	2,881	4,856
Memberships	8,874	-	-	-	2,219	11,093
Communications	6,793	-	-	-	1,699	8,492
Online Grants Management	3,800	-	-	-	950	4,750
Board and Staff Development	-	-	-	-	4,466	4,466
Training Expense	19,418	-	-	-	4,854	24,272
Depreciation	-	-	-	-	5,523	5,523
Total Expenses	2,421,298	424,658	180,000	200,000	838,932	4,064,888
Change in Net Assets	\$ -	\$ -	\$ -	\$ (200,000)	\$ 19,134	\$ (180,866)

See the Statement of Auditor's Responsibility.