



**NATIVE AMERICAN INDIAN
ASSOCIATION OF TENNESSEE**

**FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDING
SEPTEMBER 30, 2020 (BUDGET FORECAST)**

**JOE OSTERFELD, CPA
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NATIVE AMERICAN INDIAN ASSOCIATION OF TENNESSEE, INC.

**FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDING SEPTEMBER 30, 2020 (BUDGET FORECAST)**

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Board of Directors

Native American Indian Association of Tennessee

230 Spence Lane

Nashville, TN 37210-3623

Management is responsible for the accompanying financial statements of the Native American Indian Association of Tennessee (a not for profit corporation), which comprise the statement of financial position as of September 30, 2019 and the related statements of activities, functional expenses, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services issued by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion nor provide any form of assurance on these financial statements.

**Joe Osterfeld
CPA**

Digitally signed by Joe Osterfeld
CPA
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**Joe Osterfeld, CPA
Columbia, Tennessee
March 25, 2020**

NATIVE AMERICAN INDIAN ASSOCIATION OF TENNESSEE
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2019

Assets

Current Assets	
Cash	\$ 385,196
Total Current Assets	<u>385,196</u>
Property and Equipment	
Land	198,270
Building	40,421
Equipment	59,959
Construction in progress	65,819
	<u>364,469</u>
Less: accumulated depreciation	(80,910)
Net Property and Equipment	<u>283,559</u>
Other Assets: Building fund	561,804
Total Assets	<u><u>\$1,230,559</u></u>

Liabilities and Net Assets

Accrued payroll expenses	\$ 1,667
Total Liabilities	<u>1,667</u>
Net Assets	
Without donor restrictions	124,086
With donor restrictions	1,104,806
Total Net Assets	<u>1,228,892</u>
Total Liabilities and Net Assets	<u><u>\$1,230,559</u></u>

See accompanying notes and accountant's compilation report.

NATIVE AMERICAN INDIAN ASSOCIATION OF TENNESSEE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and Other Support			
Donations	\$ 22,961	\$ 5,364	\$ 28,325
PowWow		55,833	55,833
Grants and awards		541,976	541,976
Membership dues	630		630
Interest income	4,315		4,315
Net assets released from restrictions:			
Satisfaction of program restrictions	<u>262,438</u>	<u>(262,438)</u>	<u>-</u>
Total Revenues	290,344	340,735	631,079
Expenses			
Program Services			
Scholarship and Specific Assistance	2,982		2,982
Membership Services	16,765		16,765
PowWow	41,277		41,277
WIA Program	<u>222,757</u>		<u>222,757</u>
Total Expenses	<u>283,781</u>	<u>-</u>	<u>283,781</u>
Increase in Net Assets	6,563	340,735	347,298
Net assets, beginning of year	117,523	764,071	881,594
Net assets, end of year	<u>\$ 124,086</u>	<u>\$ 1,104,806</u>	<u>\$1,228,892</u>

See accompanying notes and accountant's compilation report.

NATIVE AMERICAN INDIAN ASSOCIATION OF TENNESSEE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Program Services</u>				
	<u>Scholarship & Specific Assistance</u>	<u>Other Membership Services</u>	<u>Pow Wow</u>	<u>WIA Program</u>	<u>Total</u>
Salaries	\$ -	\$ -	\$ -	\$ 78,808	\$ 78,808
Payroll taxes	-	-	-	6,108	6,108
Employee benefits	-	-	-	19,623	19,623
Depreciation	-	1,347	-	1,597	2,944
Lifetime membership return	-	4,000	-	-	4,000
Other expenses	-	848	-	-	848
Postage	-	24	-	56	80
Pow Wow expenses	-	-	41,277	-	41,277
Professional services	-	377	-	4,836	5,213
Rent	-	-	-	9,350	9,350
Repairs & maintenance	-	1,305	-	-	1,305
Specific assistance to individuals	2,982	-	-	88,941	91,923
Supplies	-	2,267	-	1,999	4,266
Taxes and licenses	-	1,346	-	-	1,346
Telephone & internet	-	2,394	-	2,301	4,695
Travel & professional development	-	507	-	8,746	9,253
Utilities	-	2,350	-	392	2,742
Total Expenses	<u>\$ 2,982</u>	<u>\$ 16,765</u>	<u>\$ 41,277</u>	<u>\$ 222,757</u>	<u>\$ 283,781</u>

See accompanying notes and accountant's compilation report.

NATIVE AMERICAN INDIAN ASSOCIATION OF TENNESSEE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase (decrease) in net assets	\$ 347,298
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operations:	
Depreciation	2,944
(Increase) decrease in building fund cash	(280,707)
Increase (decrease) in accrued expenses	74
Total cash provided (used) by operations	<u>69,609</u>

INVESTING ACTIVITIES:

-

FINANCING ACTIVITIES:

-

Increase (decrease) in cash	69,609
Beginning cash balance	<u>315,587</u>
Ending cash balance	<u><u>\$ 385,196</u></u>

See accompanying notes and accountant's compilation report.

**NATIVE AMERICAN INDIAN
ASSOCIATION OF TENNESSEE
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Native American Indian Association of Tennessee, Inc. (NAIA) is a Tennessee not-for-profit corporation. NAIA was founded October 2, 1982 and is the only non-profit 501(c)(3) statewide Native American Indian organization with an all Indian Board of Directors. NAIA's mission is to provide social services, scholarships, and cultural revitalization for the more than 15,000 Native American in Tennessee. NAIA is governed by a Board of Directors elected by its members.

Basis of Accounting

The financial statements of Native American Indian Association of Tennessee have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, accounts payable, and other liabilities.

Basis of Presentation

Financial statement presentation follows US generally accepted accounting principles which require the Project to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions are not subject to donor-imposed stipulations. Net assets with donor restrictions are subject to donor-imposed stipulations that may or will be met, either by action of NAIA and/or the passage of time. When a restriction expires, 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. Generally, for net assets with donor restrictions, the donor of these assets permit the organization to use all or part of the income earned on any related investments for general or specific purposes.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents are defined as all cash on hand and deposited in FDIC insured bank accounts with an original maturity of three months or less.

Accounts Receivable

Accounts receivable are stated at their net realizable value. At September 30, 2019, NAIA's accounts receivable balance was \$ 0 (zero).

**NATIVE AMERICAN INDIAN
ASSOCIATION OF TENNESSEE
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Donations of Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment is reported as net assets with donor restrictions. Absent donor stipulations regarding how those long lived assets must be maintained, NAIA reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. NAIA transfers net assets with donor restrictions to net assets without donor restrictions at that time.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Fair Values of Financial Instruments

Financial instruments of NAIA include cash. Management estimates that the fair value of all financial instruments at September 30, 2019 do not differ materially from the carrying values of the financial instruments recorded in the accompanying balance sheet.

Income Tax Status

Native American Indian Association of Tennessee is an organization, which is not considered a private foundation and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. NAIA's Form 990, Return of Organization Exempt from Income Tax, for the years ending September 30, 2017, 2018, and 2019 are subject to examination by the IRS, generally for 3 years after they were filed. There are no tax examinations currently in process. Management has concluded that NAIA has taken no uncertain tax positions as of September 30, 2019. Therefore, no provision for income taxes has been included in NAIA's financial statements.

Promises to Give

Unconditional promises to give are recognized as revenue or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed on a straight-line basis over the estimated useful life of assets and is reflected as an expense in the Statement of Functional Expenses. Useful lives are thirty years for buildings and three to seven years for equipment.

**NATIVE AMERICAN INDIAN
ASSOCIATION OF TENNESSEE
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as support without donor restrictions and with donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, 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.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 - CASH AND CREDIT RISK

Total cash held by the Native American Indian Association of Tennessee is deposited in two banks. Accounts are insured by the FDIC up to \$250,000. At September 30, 2019, NAIA had \$697,000 in excess of the FDIC limit. It is the opinion of management that the solvency of the financial institution is not of particular concern at this time.

NOTE 3 - FINANCIAL DEPENDENCE

NAIA is substantially funded by grants from the US Department of Labor, Tennessee Department of Tourism, State of Tennessee, Metro Parks and Recreation, Tennessee Arts Commission, Metro Nashville Arts Commission, Memorial Foundation, Nissan Foundation, Cracker Barrel, Middle TN Electric Customer Care, and revenues and donations from their Annual Pow Wow.

NOTE 4 - DATE OF MANAGEMENT'S REVIEW

Management has evaluated subsequent events through March 25, 2020, the date which the financial statements were available to be issued. No material subsequent events have occurred that need to be disclosed.

Joe Osterfeld, CPA

Certified Public Accountant

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Telephone: 931-388-7144 ~ E-mail: joeosterfeldcpa@att.net

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

**Board of Directors
Native American Indian Association of Tennessee
230 Spence Lane
Nashville, TN 37210-3623**

I have compiled the accompanying statement of activities of the Native American Indian Association of Tennessee (a not for profit corporation) for the budget forecast year ending September 30, 2020 in accordance with Attestation Standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of budget forecast information that is the representation of management and does not include evaluation of the assumptions underlying the budget forecast. I have not examined the budget forecast and, accordingly, do not express an opinion or any other form of assurance on the statement of activities or assumptions. Furthermore, there will usually be differences between the budget forecasted and actual results because the events and circumstances frequently do not occur as expected, and these differences may be material. I have no responsibility to update this report for events and circumstances occurring after the date of this report.

The accompanying actual historical information for the year ended September 30, 2019, from which the historical data is derived, and my report thereon are set forth on pages 1 to 8 of this document.

**Joe Osterfeld
CPA**

**Digitally signed by Joe Osterfeld
CPA
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c=US
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**Joe Osterfeld, CPA
Columbia, Tennessee
March 25, 2020**

NATIVE AMERICAN INDIAN ASSOCIATION OF TENNESSEE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDING SEPTEMBER 30, 2020 (BUDGET FORECAST)

	<u>Budget</u> <u>9/30/2020</u>
Revenues and Other Support	
Donations	\$ 20,000
Pow Wow	25,000
Grants and awards	250,000
Membership dues	1,000
Interest income	4,000
	<hr/>
Total Revenues	300,000
Expenses	
Program Services	81,200
Salaries	6,200
Payroll taxes	20,200
Employee benefits	2,944
Depreciation	1,556
Other expenses	100
Postage	42,500
Pow Wow expenses	5,400
Professional services	9,600
Rent	1,400
Repairs & maintenance	92,000
Specific assistance to individuals	4,400
Supplies	1,400
Taxes and licenses	4,800
Telephone and internet	9,500
Travel	2,800
Utilities	286,000
	<hr/>
Total Expenses	14,000
Increase in Net Assets	1,228,892
Net assets, beginning of year	
	<hr/>
Net assets, end of year	<u><u>\$ 1,242,892</u></u>

See accompanying notes and accountant's compilation report.

**NATIVE AMERICAN INDIAN
ASSOCIATION OF TENNESSEE
NOTES TO STATEMENT OF ACTIVITIES
SEPTEMBER 30, 2020 (BUDGET FORECAST)**

NOTE 1 – SUMMARY OF SIGNIFICANT BUDGET FORECAST ASSUMPTIONS

The projection presents, to the best of management's knowledge and belief, the Organization's expected results of operations for the budget forecast period. Accordingly, the budget forecast reflects management's judgment as of March 25, 2020, the date of this budget forecast, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that management believes are significant to the budget forecast. There will usually be differences between the budget forecast and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Donations and Fundraisers

Management expects support from donations to remain stable based on its historical experience and expectations for the local economy. Due to the uncertainty of the ability to carry on large public events in 2020, management expects revenues from Pow Wow activities to be less than half of the amount received from the 2019 Pow Wow.

Awards

Management expects awards other than the US Department of Labor WIA grant to be consistent with the prior year.

Functional Expenses

Management expects other expenses to be consistent with the current year with estimated cost increase of approximately 3%.

Depreciation

No significant land, building, or equipment purchases are projected during the next year. Depreciation is based upon the depreciation schedule for current group of fixed assets.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Native American Indian Association of Tennessee, Inc. (NAIA) is a Tennessee not-for-profit corporation. NAIA was founded October 2, 1982 and is the only non-profit 501(c) (3) statewide Native American Indian organization with an all Indian Board of Directors. NAIA's mission is to provide social services, scholarships, and cultural revitalization for the more than 15,000 Native American in Tennessee. NAIA is governed by a Board of Directors elected by its members.

Basis of Accounting

The statement of activities of the Native American Indian Association of Tennessee have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, accounts payable, and other liabilities.

**NATIVE AMERICAN INDIAN
ASSOCIATION OF TENNESSEE
NOTES TO STATEMENT OF ACTIVITIES
SEPTEMBER 30, 2020 (BUDGET FORECAST)**

Basis of Presentation

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Donations of Property and Equipment

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Promises to Give

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**NATIVE AMERICAN INDIAN
ASSOCIATION OF TENNESSEE
NOTES TO STATEMENT OF ACTIVITIES
SEPTEMBER 30, 2020 (BUDGET FORECAST)**

Depreciation

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Use of Estimates

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NOTE 3 - FINANCIAL DEPENDENCE

NAIA is substantially funded by grants from the US Department of Labor, Tennessee Department of Tourism, State of Tennessee, Metro Parks and Recreation, Tennessee Arts Commission, Metro Nashville Arts Commission, Memorial Foundation, Nissan Foundation, Cracker Barrel, Middle TN Electric Customer Care, and revenues and donations from their Annual Pow Wow.

NOTE 4 - DATE OF MANAGEMENT'S REVIEW

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