

**ROGER TORY PETERSON INSTITUTE
OF NATURAL HISTORY
AND
ROGER TORY PETERSON FOUNDATION, INC.**

**CONSOLIDATED FINANCIAL STATEMENTS
AND
SUPPLEMENTARY CONSOLIDATING INFORMATION**

YEARS ENDED DECEMBER 31, 2019

**ROGER TORY PETERSON INSTITUTE OF NATURAL HISTORY
AND ROGER TORY PETERSON INSTITUTE FOUNDATION, INC.
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James W. Vanstrom & Company

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

James W. Vanstrom, CPA
Harold L. Brunacini, CPA

To the Trustees of
ROGER TORY PETERSON INSTITUTE OF NATURAL HISTORY
AND ROGER TORY PETERSON INSTITUTE FOUNDATION, INC.
Jamestown, NY

We have audited the accompanying financial statements of the ROGER TORY PETERSON INSTITUTE OF NATURAL HISTORY AND ROGER TORY PETERSON INSTITUTE FOUNDATION, INC. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2019, and the related statements of activities and changes in net assets 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 from 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 the ROGER TORY PETERSON INSTITUTE OF NATURAL HISTORY AND ROGER TORY PETERSON INSTITUTE FOUNDATION, INC. as of December 31, 2019 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary consolidating information on pages 17 - 19 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, change in net assets, and cash flows of the individual entities, and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 to the consolidated financial statements as a whole.



James W. Vanstrom & Company
Jamestown, New York

November 13, 2020

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**ROGER TORY PETERSON INSTITUTE OF NATURAL HISTORY
AND ROGER TORY PETERSON INSTITUTE FOUNDATION, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
DECEMBER 31, 2019**

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 130,999
Accounts receivable	16,640
Promises to give, various	283,522
Promises to give - free rent and utilities, net of long-term portion	186,711
Inventory	26,614
Total current assets	<u>644,486</u>

PROPERTY AND EQUIPMENT, net of accumulated depreciation	<u>\$ 13,295</u>
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LONG-TERM PROMISES TO GIVE

Free rent and utilities, net of current portion	2,774,385
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INVESTMENTS, at fair value

Without donor restrictions endowment	536,652
With donor restrictions endowment	1,068,750
Total investments	<u>1,605,402</u>

OTHER ASSETS

Life insurance - cash surrender value	72,049
Collections	1,664,819
Total other assets	<u>1,736,868</u>

Total assets	<u><u>6,774,436</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 12,782
Accrued expenses	21,265
Line of credit	40,000
Total current liabilities	<u>74,047</u>

DEFERRED INCOME

Total liabilities	<u>44,078</u>
Total liabilities	<u>118,125</u>

NET ASSETS

Without donor restrictions:	
Operating	1,041,596
Board restricted	188,455
Total net assets without donor restrictions	<u>1,230,051</u>
With donor restrictions	5,426,260
Total net assets	<u>6,656,311</u>

Total liabilities and net assets	<u><u>\$ 6,774,436</u></u>
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See accompanying independent auditor's report and notes to financial statements.

**ROGER TORY PETERSON INSTITUTE OF NATURAL HISTORY
AND ROGER TORY PETERSON INSTITUTE FOUNDATION, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year Ended December 31, 2019**

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	Without Donor Restriction	With Donor Restrictions	Total
Revenues, support, and gains/(losses):			
Contributions and grants	\$ 370,656	\$ 81,655	\$ 452,311
Contribution - free rent and utilities	59,987	127,835	187,822
Investment return	77,259	207,843	285,102
Service agreement revenue	202,020	-	202,020
Program revenues	119,179	-	119,179
Distributions from funds held by other	44,658	-	44,658
Store, net of cost of sales of \$14,050	10,366	-	10,366
Other income and reimbursements	2,787	-	2,787
Change in cash value of life insurance	420	-	420
Net assets released from restrictions:			
Free rent and utilities	184,863	(184,863)	-
Programs and projects	169,955	(169,955)	-
Total revenues and support	1,242,150	62,515	1,304,665
Expenses			
Program services	882,743	-	882,743
Management and general	117,067	-	117,067
Development	72,769	-	72,769
Total expenses	1,072,579	-	1,072,579
Change in net assets	169,571	62,515	232,086
Prior year adjustment	2,502	-	2,502
Net assets at beginning of year	1,057,978	5,363,745	6,421,723
Net assets at end of year	\$ 1,230,051	\$ 5,426,260	\$ 6,656,311

See accompanying independent auditor's report and notes to financial statements.

**ROGER TORY PETERSON INSTITUTE OF NATURAL HISTORY
AND ROGER TORY PETERSON INSTITUTE FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2019**

	Program Services			
	Museum	Education	Conservation	Total
Salaries and benefits	\$ 106,205	\$ 85,522	\$ 199,231	\$ 390,958
Employee benefits	10,675	8,019	18,985	37,679
Payroll taxes	8,218	6,620	15,418	30,256
Rent and utilities	39,176	127,322	53,867	220,365
Program expenses	5,826	87,385	23,302	116,513
Professional fees	-	15,965	-	15,965
Insurance	7,502	5,001	10,002	22,505
Museum expenses	15,944	-	-	15,944
Life insurance - donor	-	-	-	-
Audit and payroll fees	-	-	-	-
Printing and postage	245	3,426	3,060	6,731
Travel and meetings	452	6,786	679	7,917
Communications	1,793	2,690	1,793	6,276
Office supplies	-	-	-	-
Bank fees and interest	-	-	3,477	3,477
Depreciation	292	1,166	1,824	3,282
Vehicle expense	487	732	487	1,706
Repairs and maintenance	343	514	343	1,200
Miscellaneous expense	120	302	542	964
Equipment	179	580	246	1,005
Distributions to Institute	-	-	-	-
Total expenses	\$ 197,457	\$ 352,030	\$ 333,256	\$ 882,743

See accompanying independent auditor's report and notes to financial statements.

	Supporting Services		
	Management and General	Development	Total
Salaries and benefits	\$ 40,276	\$ 40,275	\$ 471,509
Employee benefits	4,313	4,313	46,305
Payroll taxes	3,120	3,116	36,492
Rent and utilities	14,691	9,794	244,850
Program expenses	-	-	116,513
Professional fees	17,857	-	33,822
Insurance	1,250	1,250	25,005
Museum expenses	-	-	15,944
Life insurance - donor	13,383	-	13,383
Audit and payroll fees	13,093	-	13,093
Printing and postage	612	4,897	12,240
Travel and meetings	1,131	2,262	11,310
Communications	897	1,793	8,966
Office supplies	3,892	3,892	7,784
Bank fees and interest	1,492	-	4,969
Depreciation	183	182	3,647
Vehicle expense	244	487	2,437
Repairs and maintenance	171	343	1,714
Miscellaneous expense	395	120	1,479
Equipment	67	45	1,117
Distributions to Institute	-	-	-
	\$ 117,067	\$ 72,769	\$ 1,072,579

**ROGER TORY PETERSON INSTITUTE OF NATURAL HISTORY
AND ROGER TORY PETERSON INSTITUTE FOUNDATION, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2019**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 232,086
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Decrease in cash restricted for investment in endowment	8,000
Prior year adjustments	2,502
Depreciation	3,647
Change in cash surrender value of life insurance policy	(421)
Increase in total investments	(166,900)
Increase in deferred income	44,078
(Increase) decrease in: Promises to give	(162,721)
(Increase) decrease in: Promise to give - free rent and utilities	58,876
(Increase) decrease in: Accounts receivable	(2,321)
(Increase) decrease in: Inventory	(6,823)
Increase (decrease) in: Accounts payable	(1,935)
Increase (decrease) in: Accrued expenses	436
Net cash provided by operating activities	8,504

CASH FLOWS FROM FINANCING ACTIVITIES

Line of credit borrowings	40,000
Net cash provided by financing activities	40,000
Net increase in cash	48,504
Cash at beginning of year	82,495
Cash at end of year	\$ 130,999

SUPPLEMENTAL CASH FLOW INFORMATION

Cash paid during the year for interest	1,944
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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Roger Tory Peterson Institute of Natural History (the Institute), a non-profit organization, is the official institutional steward of Dr. Roger Tory Peterson's body of work and his enduring legacy. It is our mission to successfully foster understanding, appreciation and protection of the natural world in the spirit of Dr. Peterson's many accomplishments.

Roger Tory Peterson was the preeminent American naturalist who illustrated and chronicled the natural world to the public in the 20th century. Over a long career that began with nature study in the seventh grade in Jamestown, New York, he observed, recorded and published for lay audiences the incredible beauty and diversity of plants and animals from North America and around the world. The publication of his "A Field Guide to The Birds" in 1934 fostered a massive and worldwide movement connecting human beings with their natural surroundings. The Institute holds and preserves Dr. Peterson's lifetime work of writings, drawings, paintings, photography, films and artifacts in an award-winning center in Jamestown, NY.

The Institute provides a powerful synergy of art, education and conservation that is positively focused on natural history and the environment. Its message is greatly amplified by the meaningful connections between these three organizational "pillars" and is founded in the creative and innovation body of work by Dr. Peterson that advanced environmental awareness and protection throughout the 20th century. In this spirit, The Institute continues to develop and implement meaningful nature-oriented art, education, and conservation initiatives that open people's eyes to the natural world around them – initiatives that are focused on place but are connected through a global framework.

To accomplish its mission, the Institute reaches diverse audiences, by providing stimulating programs and exhibits for adults and children in its award-winning facility; by offering live and distance learning classes both at its local headquarters and through institutions of higher learning; by organizing, preserving and making broadly available the works and methods of Dr. Peterson; by creating and disseminating materials and methods to assist teachers and other professional to introduce and explain the natural world to the general public; and by collaborating with like-minded partners to create and to support national research, competitions and awards in natural history.

Roger Tory Peterson Institute Foundation, Inc. (The Foundation), a non-profit organization, was organized in 1999 to hold gifts and bequests for the Foundation's stated purpose, to support the Institute.

Basis of Presentation

These consolidated financial statements include accounts and transactions of the Institute and the Foundation (collectively, the Organization). All significant inter-entity transactions and balances have been eliminated.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting Method

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

Basis of Presentation

The Organization has adopted FASB Accounting Standard Update *ASU No. 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*, effective with its 2018 year. The ASU changed the presentation of the Organization's financial statements, as follows:

- On the statement of financial position, the unrestricted net asset class has been renamed *net assets without donor restrictions* and the temporarily restricted and permanently restricted net asset classes have been combined into a single net asset class named *net assets with donor restrictions*.
- Revenues and other support are reported as either *Without donor Restrictions* or *With Donor Restrictions* on the statement of activities.
- Additional disclosures of the methods for allocating expenses between program and supporting services.
- A Note disclosure about liquidity and availability of financial assets to meet general expenditures within one year of year-end.

Contributions, Promised to Give, and Accounts Receivable

Contributions are recognized when the donor make a promise to give that is, in substance, unconditional. Contributions that are restricted by a donor are reported as *Without Donor Restrictions* if the restriction expires in the same year in which the contributions are recognized. All other donor-restricted contributions are reported as *With Donor Restrictions*. When a restriction (e.g. time or purpose) is met, *With Donor Restrictions* net assets are reclassified to *Without donor Restrictions* and reported as net assets released from restrictions.

Promises to give are stated at the amount management expects to collect from outstanding balances. Management expects to collect all promises to give at December 31, 2019 and there, there is no provision for allowance for uncollectible promises to give at December 31, 2019.

The Organization has been notified that it is mentioned in other wills but the amounts cannot be determined at this time. Conditional promises to give are recognized as revenues only when the conditions on which they depend are substantially met and the promises become unconditional.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates

The preparation of financial statements in conformity with U. S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates and these differences could be significant.

Cash and Cash Equivalents

The Organization consider all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash and money market funds included in *investments* are not considered as cash and cash equivalents for purposes of these financial statements.

Inventory

Gift shop inventory is valued at lower of cost or net realizable value.

Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value at the time of donation. Such donations are reported as support without donor restrictions 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 are reported as support with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Institute reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Institute reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method. The Organization capitalizes property and equipment having a value or cost in excess of \$500 and estimated useful lives of three years or more.

Income Taxes

The Institute and Foundation are separate legal entities and are exempt from federal income tax under Section 501(c)3 of the Internal Revenue Code (IRC) and from New York State income taxes under Article 7-A of the Executive Law. Therefore, no provision has been made for federal or state income taxes in these consolidated financial statements. In addition, both the Institute and Foundation qualify for the charitable contribution deduction under IRC Section 170(b)(1)(A) and both have been classified as an organization other than a private foundation under Section 509(a)(3). The Foundation meets the criteria of a 509(a)(3), Type I supporting organization of the Institute.

In accordance with U. S. generally accepted accounting principles, the Organization has adopted provision relating to accounting for uncertainty in income taxes. Management of the Organization has evaluated its tax positions and determined that such positions are more-likely-than-not to be sustained on examination.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes – Continued

The Institute and Foundation file separate exempt organization returns with federal and New York State jurisdictions. The returns filed for 2016 and subsequent years are still open to examination, generally for three years after filing.

Collections

Collection items are stated at cost if purchased, or if donated, at fair market value at the date of donation. The collection items are not depreciated by the Organization.

Fair Values of Financial Instruments

The carrying amounts of cash, cash equivalents and promises to give approximate fair value due to the short-term maturities of those instruments.

Advertising

The Organization uses advertising to promote its purpose and programs. Advertising costs are expenses as incurred. Expense for the year was \$8,932.

Expense Presentation and Allocations

The cost of providing various programs and supporting services are presented in these financial statements by functional and natural classification. Directly identifiable expenses are charged to programs and supporting services. Expenses benefiting more than one function are allocated based on measurable, reasonable, and consistent methods. Methods used to allocate expenses include estimates of time and effort, usage and square footage

Subsequent Events

The Organization has evaluated events and transactions that occurred between January 1, 2019 and November 13, 2020, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

NOTE B – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

Equipment	\$	398,873
Furniture, fixtures, and other		124,394
Vehicle		7,200
		<u>530,467</u>
Less accumulated depreciation		<u>517,172</u>
	\$	<u>13,295</u>

Depreciation expense for the year was \$3,647.

NOTE C – INVESTMENTS

Investments in money market funds, individual equity and debt securities, mutual funds, and exchange-traded funds (ETFs) are carried at fair value.

Fair Value Measurements at reporting date – All investments held by the Organization are reported at fair value based on Level 1 inputs. Level 1 inputs consist of unadjusted quoted prices in active markets.

The following schedule summarizes the investments at December 31, 2019.

	Fair Value	Cost	Unrealized Gain(Loss)
Without donor restrictions			
Institute held investments			
Cash and money market funds	\$ 738	\$ 738	\$ -
Foundation held investments			
Money market funds	8,383	8,383	-
Equities	113,309	78,401	34,908
Mutual funds - equities	60,585	37,216	23,369
Exchange-traded funds (ETFs)			-
Equities	253,869	202,100	51,769
Bonds and other debt	99,768	95,048	4,720
Total investments without donor restrictions	536,652	421,886	114,766
With donor restriction:			
Foundation held investments			
Money Market funds	16,720	16,720	-
Equities	225,966	156,352	69,614
Mutual funds - equities	120,821	74,218	46,603
Exchange-traded funds (ETFs)			-
Equities	506,279	403,039	103,240
Bonds and other debt	198,964	189,549	9,415
Total investments with donor restrictions	1,068,750	839,878	228,872
Total investments	\$ 1,605,402	\$ 1,261,764	\$ 343,638

NOTE C – INVESTMENTS (CONTINUED)

Investment return (loss) as reported on the consolidated statement of activities consisted of the following:

Interest and dividends	\$	44,142
Realized gain (loss)		22,262
Unrealized gain (loss)		226,031
Investment fees		(7,333)
	\$	<u>285,102</u>

NOTE D – OTHER ASSETS

A \$500,000 life insurance policy was purchased by a donor on his life with the Institute named as owner. Each year the donor has contributed an amount equal to the annual policy premium of \$13,383. The Institute used this contribution to make the annual premium payment on the policy. The policy is reported at its cash surrender value of \$72,049 as of December 31, 2019.

NOTE E – ENDOWMENTS WITH DONOR RESTRICTIONS

As non-profit organizations formed and located in the State of New York, the Institute and foundation followed the Uniform Management of Institution Funds Act of 1972 (UMIFA) and its own governing documents relating to any donor-restricted endowments prior to September 17, 2010. Effective September 17, 2010, such donor-restricted endowments are governed under the State of New York's version of the Uniform Prudent Management of Institutional Fund Act (NYPMIFA). In 2015 the Board of Trustees of both entities formally adopted provisions required under NYPMIFA.

To achieve its objectives, the Organization has an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are to be invested in a well-diversified investment mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make annual distributions of 4%-5% to RTPI, while growing the funds. In accordance with the policy and goals, allowable endowment investments include income producing equities, mutual funds, exchange-traded funds (ETFs) and other commingled funds. Mutual funds, ETFs and other commingled funds may either be equity, equity-related, or U.S. or Eurodollar fixed income investments. Specific investment decisions are to be the responsibility of the investment company selected by the Organization to manage endowment funds.

Committees provide internal oversight and choose investment management for external development of the invested funds. Agreements with external investment managers may be terminated by the Foundation at any time, without penalty, upon not more than sixty days notice.

**ROGER TORY PETERSON INSTITUTE OF NATURAL HISTORY AND ROGER TORY
PETERSON INSTITUTE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019**

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NOTE E – ENDOWMENTS WITH DONOR RESTRICTIONS (CONTINUED)

The composition of the Foundation's endowment asset with donor restrictions as of December 31, 2019, and the changes in such for the year then ended are as follows:

December 31, 2018	\$ 1,068,750
Investment income, net of fees	<u>207,843</u>
December 1, 2019	<u>\$ 1,276,593</u>

At December 31, 2019, \$408,665 of the endowment assets were either available for general support of the Institution or for specific donor-restricted purposes. Use of these assets are available upon appropriation by the Foundation's board of trustees (Note G). The remaining endowment assets of \$867,928 were perpetual in nature.

NOTE F – LINE OF CREDIT

At December 31, 2019, the Organization had an unsecured revolving line of credit (the Institute's line) providing for borrowings up to \$100,000. The amount outstanding balance at December 31, 2019 was \$40,000. Interest is 6.62 %. Interest expense on the line for the year was \$1,944.

NOTE G – NET ASSETS WITH DONOR RESTRICTIONS

Purpose and/or time restrictions:

General operations for subsequent year(s) - endowment earnings	\$ 408,665
Chief Operating Officer position for 2019 - 2020 (Note J)	40,000
Free rent and utilities 2019 - 2042 (Note J)	2,961,096
Fundraising software updates	9,260
Facilitation Outdoor Play - Jamestown Urban Nature Project	2,100
Urban Pollinator Meadow	7,000
Bird feeding station	464
Total purpose and/or time restricted	<u>3,428,585</u>

Perpetual in nature:

Collection items	1,129,747
Endowments	<u>867,928</u>
Total perpetual in nature	<u>1,997,675</u>

Total net assets with donor restrictions \$ 5,426,260

NOTE H – EMPLOYEE RETIREMENT PLAN

The Organization sponsors a defined contribution money purchase plan (the Plan) covering Institute employees meeting the Plan's eligibility requirements. Employer required contributions are 3% of eligible employees' wages. The Plan operates under IRC Section 403(b) and uses fixed-dollar and variable annuities offered through TIAA-CREF to provide for benefits. Plan expense for the year was \$20,351.

NOTE I – FUNDS AT CHAUTAUQUA REGION COMMUNITY FOUNDATION

The Organization is the named recipient of annual income from several permanent and designated funds held by the Chautauqua Region community Foundation (CRCF) on behalf of the Institute. Each fund allocates all or a percentage of its annual distributable income to the Institute. CRCF maintains the unilateral right to redirect future income.

At December 31, 2019, the values of the funds as reported by CRCF, were:

Bereda Children's Memorial Fund	\$	10,956
Irene B. Eckberg R.T.P.I. Fund		217,168
Allen R. and Margaret H. Findlay Fund		100,435
G. Dewey and Myrna E. Spencer Larson Memorial Fund		22,101
C. Malcolm and Jeannette M. Nichols R. T. P. I. Fund		551,625
Robert S. and Je'Anne Bargar Fund		9,188
Roger Tory Peterson Institute Fund		21,130
Stanley A. Weeks Charitable Legacy Fund		355,229
Robert and Patricia Sundell Environmental Fund		14,846
	<u>\$</u>	<u>1,302,678</u>

**NOTE J – PROMISES TO GIVE – FREE RENT AND UTILITIES AND CHIEF OPERATING
OFFICER POSITION**

In 2013, the Organization (the Institution) transferred (contributed) its land and buildings to Jamestown Community College Region (JCC) for \$1. In exchange, JCC is leasing the same property back to the Organization at a \$1 year for a term of thirty (30) years ending in 2043, and continuing thereafter as mutually agreed. The lease also includes payment by JCC of all utilities of the building. Based on the favorable lease terms, the Organization has an unconditional promise to give receivable of \$2,961,096 on the consolidated statement of financial position at December 31, 2019, and also net asset with donor restrictions of the same amount at December 31, 2019. (Note G).

**ROGER TORY PETERSON INSTITUTE OF NATURAL HISTORY AND ROGER TORY
PETERSON INSTITUTE FOUNDATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Year Ended December 31, 2019**

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**NOTE J – PROMISES TO GIVE – FREE RENT AND UTILITIES AND CHIEF OPERATING
OFFICER POSITION (CONTINUED)**

The \$2,961,096 at December 31, 2019 was determined as follows:

Undiscounted fair value of free rent through 2043	\$ 4,188,025
Undiscounted fair value of free utilities through 2043	691,216
	<u>4,879,241</u>
Unamortized discount for present value of free rent and utilities	1,918,145
	<u>2,961,096</u>
Less current portion	186,711
Long-term promise to give - free rent and utilities	<u>\$ 2,774,385</u>

For 2019, the fair value of free rent and utilities report as both revenue without donor restrictions and expense on the consolidated statement of activities was \$184,863

Total promises to give at December 31, 2019 are as follows:

Receivable in less than one year	\$ 186,711
Receivable in one to five years	961,940
Receivable in more than five years	3,730,590
	<u>4,879,241</u>
Less discount to net present value	1,918,145
Net promises to give - free rent and utilities	<u>2,961,096</u>

The promises to give are discounted at 4%

NOTE K – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization regularly reviews its financial position and operations, including liquidity required to meet general expenditures, liabilities, and obligations that may come due. The Organization considers general expenditures to be those types of expenditures routinely incurred in operating its program and supporting services.

**ROGER TORY PETERSON INSTITUTE OF NATURAL HISTORY AND ROGER TORY
PETERSON INSTITUTE FOUNDATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Year Ended December 31, 2019**

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NOTE K – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (CONTINUED)

The following reflects the Organization's financial assets available within one year of December 31, 2019, to meet its general expenditures.

Cash - non-interest bearing checking	\$ 130,999
Current promises to give and accounts receivable	300,162
Investments without donor restrictions	<u>536,652</u>
Financial assets available	<u>\$ 967,813</u>

The Organization also has an available \$60,000 line of credit that could be drawn upon (Note F). In addition, endowment earnings of \$408,665 (Note G) are available, pending appropriation for use by the Foundation's Board of Trustees.

NOTE L – SUBSEQUENT EVENS

Covid-19 Matters

The current 2020 COVID-19 pandemic is having significant economic and social impacts. The overall short-term and long-term effect on the Organization's future financial position and operations cannot be determined at this time.

SUPPLEMENTARY CONSOLIDATED INFORMATION

**ROGER TORY PETERSON INSTITUTE OF NATURAL HISTORY
AND ROGER TORY PETERSON INSTITUTE FOUNDATION, INC.
SCHEDULE I - CONSOLIDATING STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2019**

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ASSETS

	Institute	Foundation	Consolidating Adjustments	Consolidated Total
CURRENT ASSETS				
Cash and cash equivalents	\$ 130,999	\$ -	\$ -	\$ 130,999
Due from institute	-	187,619	(187,619)	-
Accounts receivable	16,640	-	-	16,640
Promises to give, various	283,522	-	-	283,522
Promise to give - free rent and utilities, net of long-term portion	186,711	-	-	186,711
Inventory	26,614	-	-	26,614
Total current assets	644,486	187,619	(187,619)	644,486
PROPERTY AND EQUIPMENT, net of accumulated depreciation	13,295	-	-	13,295
LONG-TERM PROMISES TO GIVE, net of current portion	2,774,385	-	-	2,774,385
INVESTMENTS, at fair value				
Without donor restrictions endowment	738	535,914	-	536,652
With donor restrictions endowment	-	1,069,750	-	1,069,750
Total investments	738	1,604,664	-	1,605,402
OTHER ASSETS				
Life insurance - cash surrender value	72,049	-	-	72,049
Collections	1,664,819	-	-	1,664,819
Total other assets	1,736,868	-	-	1,736,868
TOTAL ASSETS	\$ 5,169,772	\$ 1,792,283	\$ (187,619)	\$ 6,774,436

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES				
Accounts payable	\$ 12,782.00	\$ -	\$ -	\$ 12,782
Accrued expenses	20,990	275	-	21,265
Due to Foundation	187,619	-	(187,619)	-
Line of credit	40,000	-	-	40,000
Total current liabilities	261,391	275	(187,619)	74,047
DEFERRED INCOME	44,078	-	-	44,078
Total liabilities	305,469	275	(187,619)	118,125
NET ASSETS				
Without donor restrictions:				
Operating	714,636	326,960	-	1,041,596
Board restricted	-	188,455	-	188,455
Total net assets without donor restrictions	714,636	515,415	-	1,230,051
With donor restrictions	4,149,667	1,276,593	-	5,426,260
Total net assets	4,864,303	1,792,008	-	6,656,311
TOTAL LIABILITIES AND NET ASSETS	\$ 5,169,772	\$ 1,792,283	\$ (187,619)	\$ 6,774,436

**ROGER TORY PETERSON INSTITUTE OF NATURAL HISTORY
AND ROGER TORY PETERSON INSTITUTE FOUNDATION, INC.
SCHEDULE II - CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Without Donor Restrictions			
	Institute	Foundation	Consolidating Adjustments	Total
REVENUES AND SUPPORT				
Contributions and grants	\$ 182,202	\$ 188,454	\$ -	\$ 370,656
Contributions - free rent and utilities	59,987	-	-	59,987
Investment returns	2	77,257	-	77,259
Service agreement revenue	202,020	-	-	202,020
Program revenues	119,179	-	-	119,179
Distributions from funds held by other	44,658	-	-	44,658
Store, net of cost of sales of \$14,050	10,366	-	-	10,366
Other income and reimbursements	2,787	-	-	2,787
Change in cash value of life insurance	420	-	-	420
Distributions from Foundation	126,201	-	(126,201)	-
Net assets released from restrictions:				-
Free rent and utilities	184,863	-	-	184,863
Programs and projects	169,955	-	-	169,955
Total revenues, support, gains, and (losses)	1,102,640	265,711	(126,201)	1,242,150
EXPENSES				
Program services	882,743	-	-	-
Management and general	112,854	130,414	(126,201)	117,067
Development	72,769	-	-	72,769
Total program services	1,068,366	130,414	(126,201)	1,072,579
Change in net assets	34,274	135,297	-	169,571
Prior year adjustment	2,502	-	-	2,502
Net assets at beginning of year	677,860	380,118	-	1,057,978
Net assets at end of year	\$ 714,636	\$ 515,415	\$ -	\$ 1,230,051

With Donor Restrictions

Institute	Foundation	Consolidating Adjustments	Total	Consolidated Total
\$ 81,655.00	\$ -	\$ -	\$ 81,655.00	\$ 452,311
127,835	-	-	127,835	187,822
-	207,843	-	207,843	285,102
-	-	-	-	202,020
-	-	-	-	119,179
-	-	-	-	44,658
-	-	-	-	10,366
-	-	-	-	2,787
-	-	-	-	420
-	-	-	-	-
(184,863)	-	-	(184,863)	-
(169,955)	-	-	(169,955)	-
(145,328)	207,843	-	62,515	1,304,665
-	-	-	-	-
-	-	-	-	-
-	-	-	-	1,072,579
-	-	-	-	-
(145,328)	207,843	-	62,515	-
-	-	-	-	2,502
-	-	-	-	-
4,294,995	1,068,750	-	5,363,745	6,421,723
\$ 4,149,667	\$ 1,276,593	\$ -	\$ 5,426,260	\$ 6,656,311

**ROGER TORY PETERSON INSTITUTE OF NATURAL HISTORY
AND ROGER TORY PETERSON INSTITUTE FOUNDATION, INC.
SCHEDULE III - CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Program Services				Supporting Services			Consolidated Total
	Museum Institute	Education Institute	Conservation Institute	Total Consolidated Program	Institute	Foundation	Consolidating Management and General Adjustment	
Salaries and benefits	\$ 106,205	\$ 85,522	\$ 199,231	\$ 390,958	\$ 40,276	\$ -	\$ -	\$ 40,276
Employee benefits	10,675	8,019	18,985	37,679	4,313	-	-	4,313
Payroll taxes	8,218	6,620	15,418	30,256	3,120	-	-	3,120
Rent and utilities	39,176	127,322	53,867	220,365	14,691	-	-	14,691
Program expenses	5,826	87,385	23,302	116,513	-	-	-	-
Professional fees	-	15,965	-	15,965	17,857	-	-	17,857
Insurance	7,502	5,001	10,002	22,505	1,250	-	-	1,250
Museum expenses	15,944	-	-	15,944	-	-	-	-
Life insurance - donor	-	-	-	-	13,383	-	-	13,383
Audit and payroll fees	-	-	-	-	9,155	-	-	9,155
Printing and postage	245	3,426	3,060	6,731	612	3,938	-	612
Travel and meetings	452	6,786	679	7,917	1,131	-	-	1,131
Communications	1,793	2,690	1,793	6,276	897	-	-	897
Office supplies	-	-	-	-	3,892	-	-	3,892
Bank fees and interest	-	-	3,477	3,477	1,492	-	-	1,492
Depreciation	292	1,166	1,824	3,282	183	-	-	183
Vehicle expense	487	732	487	1,706	244	-	-	244
Repairs and maintenance	343	514	343	1,200	171	-	-	171
Miscellaneous expense	120	302	542	964	120	275	-	395
Equipment	179	580	246	1,005	67	-	-	67
Distributions to Institute	-	-	-	-	-	126,201	(126,201)	-
TOTAL EXPENSES	\$ 197,457	\$ 352,030	\$ 333,256	\$ 882,743	\$ 112,854	\$ 130,414	\$ (126,201)	\$ 117,067
								\$ 72,769
								\$ 1,072,579