



Financial Statements
April 30, 2021 and 2020
Jerome Foundation

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Independent Auditor's Report

To the Board of Directors and Members
Jerome Foundation, Inc.
Saint Paul, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of Jerome Foundation, Inc. (the Foundation), which comprise the statements of financial position as of April 30, 2021 and 2020, and the related statements of activities, functional expenses, 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 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 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.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of April 30, 2021 and 2020, 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.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Minneapolis, Minnesota

August 11, 2021

Jerome Foundation
Statements of Financial Position
April 30, 2021 and 2020

	2021	2020
Assets		
Cash and cash equivalents	\$ 577,641	\$ 359,976
Other receivables	59	32
Prepaid expenses	52,985	22,626
Investments (Note 3)	127,845,891	99,228,462
Property and equipment, net (Note 4)	263,823	305,277
	\$ 128,740,399	\$ 99,916,373
Liabilities and Net Assets		
Liabilities		
Grant commitments payable (Note 6)	\$ 3,420,550	\$ 4,857,144
Accounts payable	26,850	553
Accrued liabilities	106,907	64,317
Deferred excise tax payable (Note 9)	603,996	296,689
Total liabilities	4,158,303	5,218,703
Net Assets		
Without donor restrictions	124,582,096	94,697,670
Total net assets	124,582,096	94,697,670
	\$ 128,740,399	\$ 99,916,373

See Notes to Financial Statements

Jerome Foundation
Statements of Activities
Years Ended April 30, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains						
Net investment return	\$ 35,442,616	\$ -	\$ 35,442,616	\$ (866,497)	\$ -	\$ (866,497)
Other income	-	-	-	144,309	-	144,309
Total revenue, support, and gains	<u>35,442,616</u>	<u>-</u>	<u>35,442,616</u>	<u>(722,188)</u>	<u>-</u>	<u>(722,188)</u>
Expenses and Losses						
Program services	4,614,143	-	4,614,143	8,244,005	-	8,244,005
Management and general	944,047	-	944,047	402,494	-	402,494
Total expenses	<u>5,558,190</u>	<u>-</u>	<u>5,558,190</u>	<u>8,646,499</u>	<u>-</u>	<u>8,646,499</u>
Change in Net Assets	29,884,426	-	29,884,426	(9,368,687)	-	(9,368,687)
Net Assets, Beginning of Year	<u>94,697,670</u>	<u>-</u>	<u>94,697,670</u>	<u>104,066,357</u>	<u>-</u>	<u>104,066,357</u>
Net Assets, End of Year	<u>\$ 124,582,096</u>	<u>\$ -</u>	<u>\$ 124,582,096</u>	<u>\$ 94,697,670</u>	<u>\$ -</u>	<u>\$ 94,697,670</u>

See Notes to Financial Statements

Jerome Foundation
 Statements of Functional Expenses
 Year Ended April 30, 2021

	Program Services	Management and General	Total
Salaries and Wages	\$ 318,233	\$ 253,614	\$ 571,847
Payroll Taxes	20,873	12,944	33,817
Benefits	85,056	48,599	133,655
Total personnel expenses	<u>424,162</u>	<u>315,157</u>	<u>739,319</u>
Grants	3,866,400	-	3,866,400
Professional Fees	137,185	67,097	204,282
Contract Services	58,462	10,570	69,032
Travel Expenses	3,863	612	4,475
Postage and Mailing	684	1,026	1,710
Printing and Copying	738	1,107	1,845
Telephone	3,082	4,622	7,704
Supplies	228	2,056	2,284
Rent	51,346	18,040	69,386
Professional Development	75	2,001	2,076
Membership and Dues	11,328	4,855	16,183
Technology	17,244	3,446	20,690
General Insurance	8,671	3,716	12,387
Miscellaneous Expenses	-	4,858	4,858
Depreciation	30,675	10,778	41,453
Federal Excise Tax	-	494,106	494,106
	<u> </u>	<u> </u>	<u> </u>
Total expenses included in the expense section on the statement of activities	<u>\$ 4,614,143</u>	<u>\$ 944,047</u>	<u>\$ 5,558,190</u>

See Notes to Financial Statements

Jerome Foundation
 Statements of Functional Expenses
 Year Ended April 30, 2020

	Program Services	Management and General	Total
Salaries and Wages	\$ 332,736	\$ 219,976	\$ 552,712
Payroll Taxes	21,565	10,788	32,353
Benefits	87,186	34,027	121,213
Total personnel expenses	<u>441,487</u>	<u>264,791</u>	<u>706,278</u>
Grants	7,492,114	-	7,492,114
Professional Fees	98,991	63,842	162,833
Contract Services	33,168	10,809	43,977
Travel Expenses	57,719	8,032	65,751
Postage and Mailing	621	932	1,553
Printing and Copying	1,574	2,361	3,935
Telephone	2,640	3,960	6,600
Supplies	468	4,214	4,682
Rent	51,082	17,948	69,030
Professional Development	75	499	574
Membership and Dues	99	35	134
Technology	20,921	4,742	25,663
General Insurance	8,354	2,974	11,328
Miscellaneous Expenses	-	5,166	5,166
Depreciation	34,692	12,189	46,881
	<u> </u>	<u> </u>	<u> </u>
Total expenses included in the expense section on the statement of activities	<u>\$ 8,244,005</u>	<u>\$ 402,494</u>	<u>\$ 8,646,499</u>

See Notes to Financial Statements

Jerome Foundation
Statements of Cash Flows
Years Ended April 30, 2021 and 2020

	2021	2020
Reconciliation of Change in Net Assets to Net Cash from Operating Activities		
Change in net assets	\$ 29,884,426	\$ (9,368,687)
Adjustments to reconcile change in net assets to net cash used for operating activities		
Depreciation	41,453	46,881
Realized and unrealized (gain) loss on investments	(32,930,372)	3,378,080
Changes in operating assets and liabilities		
Other receivables	(27)	(32)
Prepaid expenses	(30,359)	49,529
Excise tax payable	307,307	(227,314)
Grant commitments payable	(1,436,594)	3,911,774
Accrued liabilities	42,590	4,473
Accounts payable	26,297	(9,297)
Net Cash used for Operating Activities	(4,095,279)	(2,214,593)
Investing Activities		
Purchase of property and equipment	-	(6,961)
Purchases of investments	(2,562,056)	(2,481,843)
Proceeds from sales of investments	6,875,000	4,819,566
Net Cash from Investing Activities	4,312,944	2,330,762
Net Change in Cash and Cash Equivalents	217,665	116,169
Cash and Cash Equivalents, Beginning of Year	359,976	243,807
Cash and Cash Equivalents, End of Year	\$ 577,641	\$ 359,976
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for		
Excise tax	\$ 182,000	\$ 35,000

See Notes to Financial Statements

Note 1 - Principal Activity and Significant Accounting Policies

Organization

The Jerome Foundation, Inc. (the Foundation) is a private foundation incorporated under the laws of Minnesota. Grants are made to support programs and projects located in the State of Minnesota and New York City in the areas of dance, literature, film and video, digital media, multidisciplinary arts, music, theater, and visual arts.

Cash and Cash Equivalents

All cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for, nor restricted by, donors for long-term purposes, are considered to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Property and Equipment

Property and equipment additions over \$3,000 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 4 to 10 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Foundation reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended April 30, 2021 and 2020.

Investments

Investments are recorded at fair value based upon quoted market prices, when available, or estimates of fair value. Donated assets are recorded at fair value at the date of donation, or, if sold immediately after receipt, at the amount of sales proceeds received (which are considered a fair measure of the value at the date of donation). Those investments for which fair value is not readily determinable are carried at cost or, if donated, at fair value at the date of donation, or if no value can be estimated, at a nominal value. The Foundation records the change of ownership of bonds and stocks on the day a trade is made. Net investment return/loss is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

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 certain grantor) restrictions.

New Assets With Donor Restrictions – Net assets subject to donor- (or certain 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. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Foundation 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 purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. There were no net assets with donor restrictions as of April 30, 2021 and 2020.

Contributions

Revenue is recognized when earned. The Foundation recognizes contributions when cash, securities or other assets, an unconditional promise to give, or 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 met. As of April 30, 2021 and 2020, there were no conditional promises to give.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include rent and utilities, general insurance, and depreciation, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, contract services, postage and mailing, printing and copying, telephone, supplies, technology, professional development, membership and dues, investment fees, and timber management fees which are allocated on the basis of estimates of time and effort.

Tax-Exempt Status

The Foundation has received notification that it qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and corresponding provisions of State law. Due to the Foundation's classification as a private foundation under the Internal Revenue Code, it pays an excise tax of 1.39% of its net taxable investment income. Any unrelated business income may also be subject to taxation. The Foundation is not currently under examination by any taxing jurisdiction.

The Foundation follows the accounting standards for contingencies in evaluating uncertain tax positions. This guidance prescribes recognition threshold principles for the financial statement recognition of tax positions taken or expected to be taken on a tax return that are not certain to be realized. No liability has been recognized by the Foundation for uncertain tax positions as of April 30, 2021 and 2020. The Foundation's tax returns are subject to review and examination by federal and state authorities.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Foundation 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, and those differences could be material.

Grants

Grant commitments are charged to operations at the time the grants are approved and signed by the Board of Directors, or the President as designated by the Board.

Concentration of Credit Risk

Deposit concentration risk is managed by placing cash, money market accounts, and certificates of deposit with financial institutions believed by the Foundation to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, no losses have been experienced in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from Board members, governmental agencies, and foundations supportive of the Foundation's mission. Investments are made by diversified investment managers whose performance is monitored by the Foundation and the investment committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Foundation and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the Foundation.

Recent Accounting Guidance

The Foundation has adopted Accounting Standards Update (ASU) No. 2018-13, *Fair Value Measurement (Topic 802) Disclosure Framework – Changes to Disclosure Requirements for Fair Value Measurement*, as management believes the standard improves the usefulness and understandability of the Foundation’s financial reporting. This ASU provides revisions and deletions to guidance regarding the disclosure requirements included in Topic 802, including eliminating and modifying existing disclosure requirements. The accounting change has been retrospectively applied to prior periods presented, as required.

Subsequent Events

The Foundation has evaluated subsequent events through August 11, 2021, the date on which the financial statements were available to be issued.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, for the years ended April 30, 2021 and 2020, comprise the following:

	2021	2020
Cash and cash equivalents	\$ 577,641	\$ 359,976
Operating investments	125,975,891	96,969,762
	\$ 126,553,532	\$ 97,329,738

As part of its liquidity management, the Foundation maintains liquid assets sufficient to meet its ongoing funding needs, which include IRS distribution requirements, general expenditures, and other obligations. Its main source of income is derived from investment earnings. The investment strategy of the Foundation emphasizes total return, i.e. the aggregated return from capital appreciation and dividend and interest income. The primary objective of the investment policy is to achieve returns equal to or greater than the rate of inflation, the annual excise tax on net investment income, and the annual required minimum distribution amount. These earnings are expected to be adequate to meet the Foundation’s ongoing funding needs.

Note 3 - Fair Value Measurements

Fair Value Hierarchy

Certain assets are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the Foundation's assessment of the quality, risk, or liquidity profile of the asset or liability.

A significant portion of investment assets are classified within Level 1 because they comprise open-end mutual funds with readily determinable fair values based on daily redemption values. The fair value of timber and timberlands has no readily determinable fair value, therefore the valuation is based on significant unobservable inputs. The Foundation has estimated the fair value of the timber and timberlands using market price data from comparable transactions for land and timber in close proximity and review of discounted cash flow analyses of forestry activities. This is considered to be a Level 3 measurement.

The following table presents assets measured at fair value on a recurring basis at April 30, 2021:

	<u>Total</u>	<u>Fair Value Measurements at Report Date Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Money market funds and short-term investments	\$ 1,233	\$ 1,233	\$ -	\$ -
Mutual funds - domestic stocks	74,058,492	74,058,492	-	-
Mutual funds - international stocks	24,675,597	24,675,597	-	-
Mutual funds - bonds	27,240,569	27,240,569	-	-
Timber and timberlands	<u>1,870,000</u>	<u>-</u>	<u>-</u>	<u>1,870,000</u>
Total	<u>\$ 127,845,891</u>	<u>\$ 125,975,891</u>	<u>\$ -</u>	<u>\$ 1,870,000</u>

The following table presents assets measured at fair value on a recurring basis at April 30, 2020:

	<u>Total</u>	<u>Fair Value Measurements at Report Date Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Money market funds and short-term investments	\$ 1,233	\$ 1,233	\$ -	\$ -
Mutual funds - domestic stocks	56,742,168	56,742,168	-	-
Mutual funds - international stocks	18,717,866	18,717,866	-	-
Mutual funds - bonds	21,508,495	21,508,495	-	-
Timber and timberlands	<u>2,258,700</u>	<u>-</u>	<u>-</u>	<u>2,258,700</u>
Total	<u>\$ 99,228,462</u>	<u>\$ 96,969,762</u>	<u>\$ -</u>	<u>\$ 2,258,700</u>

The following table presents a reconciliation of the statement of financial position amounts for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended April 30, 2021:

	Balances April 30, 2020	Investment return, net	Purchases/ contributions of investments	Distributions	Balances April 30, 2021
Timber and timberlands	\$ 2,258,700	\$ (388,700)	\$ -	\$ -	\$ 1,870,000
	<u>\$ 2,258,700</u>	<u>\$ (388,700)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,870,000</u>

The following table presents a reconciliation of the statement of financial position amounts for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended April 30, 2020:

	Balances April 30, 2019	Investment return, net	Purchases/ contributions of investments	Distributions	Balances April 30, 2020
Timber and timberlands	\$ 2,325,700	\$ (67,000)	\$ -	\$ -	\$ 2,258,700
	<u>\$ 2,325,700</u>	<u>\$ (67,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,258,700</u>

Note 4 - Property and Equipment

A summary of property costs and accumulated depreciation at April 30 is as follows:

	2021	2020
Equipment	\$ 92,156	\$ 92,156
Vehicle	28,821	28,821
Leasehold improvements	283,490	283,490
	<u>404,467</u>	<u>404,467</u>
Less accumulated depreciation	<u>140,644</u>	<u>99,190</u>
	<u>\$ 263,823</u>	<u>\$ 305,277</u>

Note 5 - Lease Commitments

Office space is leased under an operating lease expiring during 2028.

Future minimum lease payments are as follows:

Years Ending April 30,	Amount
2022	\$ 57,144
2023	58,855
2024	60,614
2025	62,433
2026	64,313
Thereafter	163,299
	\$ 466,658

Rent expense for the years ended April 30, 2021 and 2020, totaled \$69,386 and \$69,030, respectively.

Note 6 - Grant Commitments Payable

Grant activity for the years ended April 30, 2021 and 2020, is summarized as follows:

	2021	2020
Grant commitments payable, beginning of year	\$ 4,857,144	\$ 945,370
Grants awarded, net	3,866,400	7,492,114
Payments	(5,302,994)	(3,580,340)
Grant commitments payable, end of year	\$ 3,420,550	\$ 4,857,144

At April 30, 2021, grant commitments payable are expected to be paid as follows:

Year Ending April 30	
2022	\$ 3,420,550
Total grant commitments payable	\$ 3,420,550

Note 7 - Employee Benefits

The Foundation has a defined contribution profit-sharing and 401(k) plan for all eligible employees. Contributions are subject to the Board of Directors' discretion. Employer contributions for the years ended April 30, 2021 and 2020, amounted to 7.5% and 7.5% of qualified compensation per employee, respectively. The Foundation also matched up to and including 7.5% of qualified compensation for any employee who contributed up to and including 7.5% to the retirement plan for the years ended April 30, 2021 and 2020. Retirement plan expense was \$84,285 and \$76,188, respectively.

Note 8 - Related Party Transactions

The following grant commitments were to related parties during the year ended April 30, 2021: \$600,000 to Propel Nonprofits and \$190,000 to Camargo Foundation. As of April 30, 2021, the following payables were to related parties: \$300,000 to Propel Nonprofits and \$110,000 to Camargo Foundation.

The following grant commitments were to related parties during the year ended April 30, 2020: \$35,000 to Poets House, \$175,000 to The Playwrights' Center, \$65,000 to The Public Theater (aka New York Shakespeare Festival), \$50,000 to Rhizome Communications, \$65,000 to Kundiman, Inc., \$12,550 to Minnesota Council on Foundations, and \$21,000 to Grantmakers in the Arts. As of April 30, 2020, the following payables were to related parties: \$44,000 to Twin Cities Theaters of Color Coalition (via fiscal sponsor Propel Nonprofits), \$85,000 to The Public Theater (aka New York Shakespeare Festival), \$59,000 to Rhizome Communications, \$20,000 to Kundiman, Inc., and \$80,000 to The Playwrights' Center.

Note 9 - Federal Excise Tax

The Foundation is subject to an excise tax on its taxable investment income, which includes income from investments plus net realized capital gains. Deferred excise taxes are calculated based upon the 1.39% and 2% rate for the year ended April 30, 2021 and 2020, respectively and result from the difference between the carrying value and tax basis of the Foundation's investments, as well as from certain income and expense items being accounted for in different time periods for financial statement purposes than for federal excise tax purposes.

The federal excise tax provision consists of the following:

	2020	2019
Current	\$ 5,137	\$ 83,005
Deferred	307,307	(227,314)
	\$ 312,444	\$ (144,309)