

**SEED SAVERS EXCHANGE, INC.**

**FINANCIAL REPORT**

**OCTOBER 31, 2020**

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**INDEPENDENT AUDITOR'S REPORT  
ON THE FINANCIAL STATEMENTS**

To the Board of Directors  
Seed Savers Exchange, Inc.  
Decorah, Iowa

**Report on the Financial Statements**

We have audited the accompanying financial statements of Seed Savers Exchange, Inc. (a nonprofit organization), which comprise the statements of financial position as of October 31, 2020 and 2019, 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 U.S. generally accepted accounting principles; 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 U.S. generally accepted auditing standards. 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 organization'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 organization'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 Seed Savers Exchange, Inc. as of October 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information shown on pages 19 through 25 is presented for purposes of additional analysis and 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 audits 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 U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Hacker, Nelson & Co., P.C.*

Decorah, Iowa  
April 7, 2021

SEED SAVERS EXCHANGE, INC.  
STATEMENTS OF FINANCIAL POSITION  
October 31, 2020 and 2019

ASSETS

	2020	2019
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 3,262,003	\$ 1,933,320
Investments	477,351	451,413
Accounts receivable, net of allowance for doubtful accounts: 2020 \$16,152; 2019 \$12,177	95,217	51,041
Prepaid expenses	128,881	123,824
Inventory	1,196,309	1,005,456
Total current assets	5,159,761	3,565,054
<b>NONCURRENT ASSETS</b>		
Investments	72,199	71,023
<b>FIXED ASSETS AND EXHIBITS, net, at cost</b>	2,927,044	3,048,158
<b>OTHER ASSETS</b>		
Book publishing costs	181,828	237,359
Total assets	\$ 8,340,832	\$ 6,921,594
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 79,182	\$ 104,774
Accrued expenses	36,536	14,635
Customer deposits, gift certificates and credit memos	147,774	155,805
Accrued wages	209,707	164,297
Accrued interest	2,381	-
Unrelated business income tax payable	72,738	-
Deferred support and revenue	82,508	60,483
Current maturities of long-term debt	302,300	14,676
Total current liabilities	933,126	514,670
<b>NONCURRENT LIABILITIES</b>		
Deferred compensation	-	19,000
Deferred support and revenue	120,239	114,815
Long-term debt, net of current maturities	292,199	162,128
Total noncurrent liabilities	412,438	295,943
Total liabilities	1,345,564	810,613
<b>NET ASSETS</b>		
Without donor restrictions	6,763,766	5,959,561
With donor restrictions	231,502	151,420
Total net assets	6,995,268	6,110,981
Total liabilities and net assets	\$ 8,340,832	\$ 6,921,594

See Notes to Financial Statements.

SEED SAVERS EXCHANGE, INC.  
STATEMENTS OF ACTIVITIES  
Years Ended October 31, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>						
Conference	\$ 6,275		\$ 6,275	\$ 4,630		\$ 4,630
Contributions:						
Corporations	514,679		514,679	440,316		440,316
General	470,413		470,413	363,453		363,453
Foundation grants	349,759	\$ 160,091	509,850	159,507	\$ 8,741	168,248
Investment income	41,960		41,960	78,118		78,118
Memberships	300,465		300,465	254,631		254,631
Fundraisers and sponsorships	75,620		75,620	65,957	97,094	163,051
Rental income	12,163		12,163	12,411		12,411
Sale of merchandise	4,604,778		4,604,778	3,596,793		3,596,793
Shipping and handling	487,000		487,000	398,386		398,386
Miscellaneous income	45,654		45,654	11,076		11,076
Net assets released from restrictions	80,009	(80,009)	-	113,376	(113,376)	-
<b>Total support and revenue</b>	<b>6,988,775</b>	<b>80,082</b>	<b>7,068,857</b>	<b>5,498,654</b>	<b>(7,541)</b>	<b>5,491,113</b>
<b>EXPENSE</b>						
Program services	4,381,318		4,381,318	3,763,868		3,763,868
General and administrative	1,377,936		1,377,936	1,408,963		1,408,963
Facilities	245,742		245,742	247,397		247,397
Fundraising	179,471		179,471	182,551		182,551
<b>Total expenses</b>	<b>6,184,467</b>	<b>-</b>	<b>6,184,467</b>	<b>5,602,779</b>	<b>-</b>	<b>5,602,779</b>
<b>Change in net assets</b>	<b>804,308</b>	<b>80,082</b>	<b>884,390</b>	<b>(104,125)</b>	<b>(7,541)</b>	<b>(111,666)</b>
<b>CHANGE IN NET ASSETS RELATED TO COLLECTION</b>						
Items not capitalized:						
Collection items purchased	103	-	103	-	-	-
<b>Change in net assets</b>	<b>804,205</b>	<b>80,082</b>	<b>884,287</b>	<b>(104,125)</b>	<b>(7,541)</b>	<b>(111,666)</b>
<b>NET ASSETS, beginning of year</b>	<b>5,959,561</b>	<b>151,420</b>	<b>6,110,981</b>	<b>6,063,686</b>	<b>158,961</b>	<b>6,222,647</b>
<b>NET ASSETS, end of year</b>	<b>\$ 6,763,766</b>	<b>\$ 231,502</b>	<b>\$ 6,995,268</b>	<b>\$ 5,959,561</b>	<b>\$ 151,420</b>	<b>\$ 6,110,981</b>

See Notes to Financial Statements.

SEED SAVERS EXCHANGE, INC.  
STATEMENTS OF FUNCTIONAL EXPENSES  
Years Ended October 31, 2020 and 2019

	Program Services					Supporting Services				
	Membership	Genetic Preservation Projects	Conferences	Merchandise and Catalog	Total Program Services	General and Administrative	Facilities	Fundraising and Special Events	Total Supporting Services	Total Expenses
<b>Compensation and related expenses:</b>										
Salaries and wages	\$ 41,334	\$ 548,385	\$ 4,160	\$ 869,608	\$ 1,463,487	\$ 407,260	\$ 102,866	\$ 120,407	\$ 630,533	\$ 2,094,020
Payroll taxes	3,438	40,417	318	62,413	106,586	26,769	7,609	9,077	43,455	150,041
Retirement	356	8,364		11,524	20,244	5,594	2,300	743	8,637	28,881
Employee benefits		57,800		80,700	138,500	33,727	12,250	4,800	50,777	189,277
Subtotal	45,128	654,966	4,478	1,024,245	1,728,817	473,350	125,025	135,027	733,402	2,462,219
<b>Bank charges and marketing fees</b>				163,264	163,264	1,401		11,646	13,047	176,311
Interest					-	11,463			11,463	11,463
Contract labor		57,783	800	42,346	100,929	105,315	16,987	750	123,052	223,981
Depreciation					-	267,002			267,002	267,002
<b>Facilities:</b>										
Property taxes					-		12,277		12,277	12,277
Rent		1,645		1,143	2,788		520	134	654	3,442
Repairs and maintenance		20,758		17,275	38,033	2,631	6,948		9,579	47,612
Telephone, taxes and licenses				3,476	3,476	10	1,548		1,558	5,034
Utilities					-		61,720		61,720	61,720
Insurance					-	79,114			79,114	79,114
Postage	21,298	4,841		114,696	140,835	735		7,986	8,721	149,556
<b>Professional fees:</b>										
Accounting fees					-	17,800			17,800	17,800
Curator		(621)			(621)				-	(621)
Consultants and conferences		4,389	800		5,189	11,179		1,700	12,879	18,068
Legal fees					-	13,016			13,016	13,016
<b>Program:</b>										
Advertising and promotion		230		517,045	517,275	1,189			1,189	518,464
Discounts				50,672	50,672				-	50,672
Cost of goods sold		1,775		791,356	793,131				-	793,131
Complimentary gifts		279		1,148	1,427	553		862	1,415	2,842
Printing	30,674	10,191		168,238	209,103			14,597	14,597	223,700
Germination testing		441		27,765	28,206				-	28,206
Shipping, handling and damages		3,286		470,825	474,111	800	273	(19)	1,054	475,165
Veterinary and feed expense		6,031			6,031				-	6,031
Staff development		564		76	640	6,389	117	668	7,174	7,814
Subscriptions and dues	387				387	4,161		250	4,411	4,798
Supplies	2,033	41,992	142	90,565	134,732	298,158	17,559	3,999	319,716	454,448
Office expense		1,388		1,877	3,265	1,157	231		1,388	4,653
Travel, lodging and trade shows		7,199		500	7,699	1,266	65	1,385	2,716	10,415
Meals and entertainment		1,959	127	12	2,098	59		486	545	2,643
Unrelated business income tax					-	72,738			72,738	72,738
Less overhead applied to FG		(77)		(39,543)	(39,620)				-	(39,620)
Fuel and miscellaneous		3,268		6,183	9,451	8,450	2,472		10,922	20,373
<b>Total expenses</b>	<b>\$ 99,520</b>	<b>\$ 822,287</b>	<b>\$ 6,347</b>	<b>\$ 3,453,164</b>	<b>\$ 4,381,318</b>	<b>\$ 1,377,936</b>	<b>\$ 245,742</b>	<b>\$ 179,471</b>	<b>\$ 1,803,149</b>	<b>\$ 6,184,467</b>
See Notes to Financial Statements.										

SEED SAVERS EXCHANGE, INC.  
STATEMENTS OF FUNCTIONAL EXPENSES  
Years Ended October 31, 2020 and 2019

	Program Services					Supporting Services				
	Membership	Genetic Preservation Projects	Conferences	Merchandise and Catalog	Total Program Services	General and Administrative	Facilities	Fundraising and Special Events	Total Supporting Services	Total Expenses
<b>Compensation and related expenses:</b>										
Salaries and wages	\$ 39,425	\$ 452,600	\$ 5,267	\$ 738,810	\$ 1,236,102	\$ 307,126	\$ 88,697	\$ 112,153	\$ 507,976	\$ 1,744,078
Payroll taxes	2,987	32,007	396	53,586	88,976	20,540	6,306	8,187	35,033	124,009
Retirement		6,148		11,555	17,703	3,129	3,081	623	6,833	24,536
Employee benefits		42,250		78,950	121,200	15,390	16,500	5,200	37,090	158,290
Subtotal	42,412	533,005	5,663	882,901	1,463,981	346,185	114,584	126,163	586,932	2,050,913
Bank charges and marketing fees				117,152	117,152	1,451		8,132	9,583	126,735
Interest					-	8,871			8,871	8,871
Contract labor		50,327	1,625	38,424	90,376	190,808	23,469	347	214,624	305,000
Depreciation					-	336,538			336,538	336,538
Facilities:										
Property taxes					-		14,043		14,043	14,043
Rent		910	1,530	564	3,004			3,036	3,036	6,040
Repairs and maintenance		21,940		11,822	33,762	3,370	12,001		15,371	49,133
Telephone, taxes and licenses				3,408	3,408		1,117		1,117	4,525
Utilities					-		66,222		66,222	66,222
Insurance				944	944	77,200			77,200	78,144
Postage	12,926	3,860		110,445	127,231	3,880		12,341	16,221	143,452
Professional fees:										
Executive Director search					-	30,163			30,163	30,163
Accounting fees					-	17,320			17,320	17,320
Curator		7,455			7,455				-	7,455
Consultants and conferences		2,685	800		3,485	8,668		750	9,418	12,903
Legal fees					-	54,821			54,821	54,821
Program:										
Advertising and promotion			164	452,107	452,271	1,038		2,474	3,512	455,783
Discounts				78,397	78,397			29	29	78,426
Cost of goods sold		985		650,829	651,814				-	651,814
Complimentary gifts		561		1,415	1,976	766		1,298	2,064	4,040
Printing	25,649	11,290	313	142,523	179,775			17,990	17,990	197,765
Germination testing		1,056		23,367	24,423				-	24,423
Shipping, handling and damages	648	2,709		399,246	402,603	2,497	239	3,243	5,979	408,582
Veterinary and feed expense		4,727			4,727				-	4,727
Staff development		1,161		35	1,196	10,727			10,727	11,923
Subscriptions and dues		110			110	3,568		50	3,618	3,728
Supplies	719	28,144	4,144	70,021	103,028	279,168	13,366	2,551	295,085	398,113
Office expense		1,632		3,075	4,707	2,459	272		2,731	7,438
Travel, lodging and trade shows		23,140	5,400	14,025	42,565	15,160	88	2,899	18,147	60,712
Meals and entertainment		2,820	7,473	1,300	11,593	1,168		1,248	2,416	14,009
Less overhead applied to FG		(2,866)		(53,086)	(55,952)				-	(55,952)
Fuel and miscellaneous		3,909		5,928	9,837	13,137	1,996		15,133	24,970
<b>Total expenses</b>	<b>\$ 82,354</b>	<b>\$ 699,560</b>	<b>\$ 27,112</b>	<b>\$ 2,954,842</b>	<b>\$ 3,763,868</b>	<b>\$ 1,408,963</b>	<b>\$ 247,397</b>	<b>\$ 182,551</b>	<b>\$ 1,838,911</b>	<b>\$ 5,602,779</b>
See Notes to Financial Statements.										



SEED SAVERS EXCHANGE, INC.  
STATEMENTS OF CASH FLOWS  
Years Ended October 31, 2020 and 2019

	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 884,287	\$ (111,666)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	267,002	336,538
Donated investments	(35,397)	(2,948)
Collection items purchased	103	-
Unrealized gain on investments	(19,525)	(33,955)
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(44,175)	60,606
Decrease in prepaid expenses	25,475	12,770
Decrease in publishing costs	25,000	25,000
Decrease in deferred compensation	(19,000)	(20,000)
(Increase) decrease in inventory	(190,853)	49,757
Increase in deferred patronage dividend receivable	(38)	(69)
Increase (decrease) in deferred revenue	27,449	(7,751)
Increase in accounts payable and accrued expenses	36,068	61,101
Increase in unrelated business income tax payable	72,738	-
Loss on the sale of equipment	-	3,688
<b>Net cash provided by operating activities</b>	<b>1,029,134</b>	<b>373,071</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(10,693)	(27,741)
Proceeds from investments	38,539	11,747
Purchase of collection items	(103)	-
Purchase of property and equipment	(145,889)	(111,939)
<b>Net cash used in investing activities</b>	<b>(118,146)</b>	<b>(127,933)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term debt	442,367	-
Payments on long-term debt	(24,672)	(14,341)
<b>Net cash provided by (used in) financing activities</b>	<b>417,695</b>	<b>(14,341)</b>
<b>Net increase in cash</b>	<b>1,328,683</b>	<b>230,797</b>
<b>CASH, beginning of year</b>	<b>1,933,320</b>	<b>1,702,523</b>
<b>CASH, end of year</b>	<b>\$ 3,262,003</b>	<b>\$ 1,933,320</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid for interest	\$ 9,082	\$ 8,871
<b>Noncash investing and financing activities:</b>		
Donated investments	\$ 35,397	\$ 2,948
Donated equipment	6,300	-
<b>Total noncash investing and financing activities</b>	<b>\$ 41,697</b>	<b>\$ 2,948</b>

See Notes to Financial Statements.

SEED SAVERS EXCHANGE, INC.

NOTES TO FINANCIAL STATEMENTS

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1. Organization

Seed Savers Exchange, Inc. (SSE) was founded in 1975 in the state of Missouri. The organization currently operates in Iowa as a nonprofit organization primarily to preserve "heirloom" garden seeds from extinction. Over 9,000 SSE's members grow and distribute heirloom varieties of vegetables, fruits, and grains. SSE's main focus is on varieties gardeners and farmers brought to North America when their families immigrated, and traditional varieties grown by Native Americans, Mennonites, and Amish. SSE members receive four publications each year, as well as an annual yearbook through which 400 SSE's members offer over 25,000 rare varieties of vegetables and fruits. SSE's publications have created a national awareness of heirloom varieties and efforts to conserve them. SSE and Heritage Farm have provided the models and resources for genetic preservation projects and alternative seed companies throughout the United States and 30 other countries.

Heritage Farm, SSE's scenic 890-acre headquarters near Decorah, Iowa, is a living museum of historic varieties open to the public. This unique educational center is designed to maintain and display endangered food crops and collection items. Each summer over 15,000 gardeners and orchardists tour Heritage Farm's organic preservation Gardens and Historic Orchard.

More than 20,000 rare vegetable varieties are being maintained at Heritage Farm. Each summer, selected seeds are grown out, as necessary, to replenish seed supplies and keep germination at optimum levels.

Twin Valleys, a 716-acre property adjoining Heritage Farm, is home to the Lillian Goldman Visitors Center with a large gift shop, educational exhibits, and an Amish-built oak post-and-beam frame. The property also includes two narrow valleys where SSE has developed a network of 20 certified organic isolation gardens covering more than 20 acres. They are at least one-quarter mile apart, to prevent cross-pollination and contamination from genetically modified crops. Ecological restoration projects recently completed include prairie and savannah plantings, and cold-water stream restoration.

In 1900, there were 20,000 named varieties of apples in the United States, but less than 4,000 of them remain and are steadily dying out. In an attempt to halt this constant genetic erosion, SSE had developed the most diverse public orchard in the U.S., where 1,000 19<sup>th</sup> century apples and 200 hardy grapes are maintained and displayed.

SSE maintains two breeding herds of approximately 70 Ancient White Park Cattle. These extremely rare and threatened cattle roamed the British Isles over 2,000 years ago.

2. Summary of Significant Accounting Policies

A summary of significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

a. Basis of Accounting

The financial statements of Seed Savers Exchange, Inc. have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables, and other liabilities.

b. Fiscal Year Change

Effective fiscal year beginning November 1, 2018, the Organization changed from a fiscal year end of December 31 to October 31. A ten-month fiscal transition period from January 1, 2018 to October 31, 2018, precedes the start of the new fiscal year cycle.

2. Summary of Significant Accounting Policies (Continued)

A summary of significant accounting policies consistently applied in the preparation of the accompanying financial statements follows (continued):

c. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

d. Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets.

e. Cash and Cash Equivalents

For financial statement purposes, Seed Savers Exchange, Inc. considers all highly liquid investments with an initial maturity of three months or less, when purchased, to be cash and cash equivalents.

f. Accounts Receivable and Allowance for Uncollectible Accounts

Accounts receivable are stated at the amounts expected to be collected, based on prior years' experience. Receivables are recorded at amounts billed and are due 30-90 days from the date of sale, depending upon the sales agreement, after which time they are considered delinquent. Management periodically reviews receivables, and any amounts that become uncollectible are charged to operations when that determination is made. Accounts are considered uncollectible based on how recently payments have been received, on individual credit evaluation, and on specific circumstances of the customer/donor. An allowance for doubtful accounts was provided for the years ended October 31, 2020 and 2019 in the amount of \$16,152 and \$12,177, respectively.

g. Inventory

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2015-11, inventory, which is detailed in Note 5, is stated at the lower of cost (first-in, first-out method) or net realizable value. Inventory consists primarily of heirloom seeds, self-published books, and other resale items.

h. Property and Equipment

Property and equipment are recorded at actual cost or the fair market value at the date of gift. Depreciation has not been provided for historical exhibits or artifacts. Expenditures for maintenance repairs and minor replacements are charged to the current period, while major replacements and betterments costing over \$1,000 per item are capitalized. Depreciation is computed using both the straight-line and accelerated cost recovery systems over the estimated useful life of the asset. Asset lives range from 3 to 39 years.

2. Summary of Significant Accounting Policies (Continued)

A summary of significant accounting policies consistently applied in the preparation of the accompanying financial statements follows (continued):

h. Property and Equipment (Continued)

The organization reviews property and equipment for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds fair value less costs to sell.

i. Income Tax Status

Seed Savers Exchange, Inc. qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to SSE's tax-exempt purpose is subject to taxation as unrelated business income. SSE was liable for \$72,738 and \$None of unrelated business income tax for the tax years ended October 31, 2020 and 2019, respectively. In addition, SSE qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization other than a private foundation within the meaning of Section 509(a) of the Code. SSE's federal exempt organization returns are subject to examination by the Internal Revenue Service, generally for three years after they are filed.

j. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period the contribution is received, the organization reports the support as unrestricted.

Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of donation. Noncash donations totaled \$41,697 and \$2,948 for the years ended October 31, 2020 and 2019, respectively.

k. Deferred Revenue

Income from membership fees is deferred and recognized over the periods to which the memberships relate.

l. Net Assets

SSE reports its 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:* net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of SSE's Board of Directors.

*Net assets with donor restrictions:* net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of SSE or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

2. Summary of Significant Accounting Policies (Continued)

A summary of significant accounting policies consistently applied in the preparation of the accompanying financial statements follows (continued):

l. Net Assets (Continued)

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

m. Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

n. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis. Payroll expenses are allocated based on time and effort. Office supplies are allocated based on usage.

o. Shipping and Handling

Shipping and handling costs billed to customers are classified as revenue in the statements of activities. Shipping and handling costs incurred by the organization are included in expenses.

p. Advertising

SSE uses advertising to promote its programs and products for the audiences it serves. The production costs of advertising are expensed as incurred. During the years ended October 31, 2020 and 2019, advertising costs totaled \$518,464 and \$455,783, respectively.

q. Recent Accounting Pronouncements

In May 2014, FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which requires an organization to recognize revenue for the transfer of goods or services to a customer at an amount that reflects the consideration it expects to receive in exchange for those goods or services. The new standard is effective for SSE's year ending October 31, 2021. The adoption of the new standard is not expected to have a material effect on the organization's financial position, results of operations or cash flows.

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)*, which requires lease assets and liabilities to be recorded on the statements of financial position. Certain qualitative and quantitative disclosures are required, as well as a retrospective recognition and measurement of impacted leases. The new standard is effective for SSE's year ending October 31, 2023. The organization is currently evaluating the effect that implementation of the new standard will have on its financial statements and disclosures.

NOTES TO FINANCIAL STATEMENTS

3. Cash and Cash Equivalents

SSE maintains cash accounts at several commercial banks. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each bank. As of October 31, 2020 and 2019, cash in the amount of \$1,734,999 and \$1,049,872 was not insured by the FDIC, respectively.

4. Investments

Investments as of October 31, 2020 and 2019 are carried at fair value and consisted of the following:

	2020		2019	
	Cost	Fair Value (Level 1)	Cost	Fair Value (Level 1)
Investments whose use is limited:				
Mutual funds:				
Bond funds	\$ 143,805	\$ 154,972	\$ 165,482	\$ 168,588
Equity funds	241,142	322,379	213,052	282,825
<b>Total</b>	<b>\$ 384,947</b>	<b>\$ 477,351</b>	<b>\$ 378,534</b>	<b>\$ 451,413</b>

Fair value of assets measured on a recurring basis at October 31, 2020 and 2019 consist of mutual funds shown above. Fair value for short-term investments is determined by level 1 inputs by reference to quoted market prices in active markets for identical assets and other relevant information generated by market transactions.

The following tabulation summarizes the relationship between cost and fair value of investment assets:

	Cost	Fair Value	Excess of Fair Value Over Cost
Balance, beginning of period	\$ 378,534	\$ 451,413	\$ 72,879
Increase in unrealized gain on investments			19,525
Balance, end of period	\$ 384,947	\$ 477,351	\$ 92,404

Long-term investments at October 31, 2020 and 2019 are carried at cost and are composed of the following:

	2020	2019
Certificates of deposit	\$ 70,497	\$ 69,360
Deferred patronage dividend: Farmers Winneshiek Coop	1,702	1,663
<b>Total</b>	<b>\$ 72,199</b>	<b>\$ 71,023</b>

NOTES TO FINANCIAL STATEMENTS

5. Inventory

Inventory consisted of the following for years ended October 31, 2020 and 2019:

	2020	2019
<b>Books:</b>		
SSE	\$ 44,479	\$ 33,011
Chelsea Green (distributor)	34,059	7,485
	78,538	40,496
Merchandise	151,809	109,905
Seed	918,342	829,359
Seed spoilage valuation	(58,192)	(58,192)
Supplies	43,431	35,077
Seed packets, empty	62,381	48,811
	1,117,771	964,960
<b>Total</b>	\$ 1,196,309	\$ 1,005,456

6. Collections

In conformity with the practice followed by many museums, artifacts purchased and donated are not included in the statements of financial position. SSE does not capitalize its collections; the values of the objects acquired by gift are not recognized in the statements of activities. During the years ended October 31, 2020 and 2019, purchases of artifacts totaled \$103 and \$None, respectively.

SSE's collection database is publicly accessible by researchers, genetic preservation projects, alternative seed companies, and others who are interested in saving heirloom garden seeds from extinction. SSE employs curators to ensure the collections are protected, multiplied for seed, and preserved. In the normal course, collection items are not sold but rather maintained in perpetuity. However, should SSE's Board deem it appropriate to dispose of any item, any proceeds from the disposal are used to purchase new items for the collection or for maintenance of existing items.

7. Fixed Assets

Fixed assets consisted of the following at October 31, 2020 and 2019:

	2020	2019
Land	\$ 875,450	\$ 875,450
Buildings and improvements	3,616,177	3,548,706
Machinery	309,990	247,173
Equipment	2,612,613	2,594,519
Construction in progress	None	2,494
	7,414,230	7,268,342
Less accumulated depreciation	(4,487,186)	(4,220,184)
<b>Net</b>	\$ 2,927,044	\$ 3,048,158

NOTES TO FINANCIAL STATEMENTS

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7. **Fixed Assets (Continued)**

Construction in progress is stated at cost, which includes the cost of construction and other direct costs attributable to the construction. The balance of construction in progress was made up of the following as of October 31, 2020 and 2019:

	2020	2019
Cold Frame	\$     None	\$     2,494

No provision for depreciation is made on construction in progress until such time as the relevant assets are completed and put into service.

Depreciation expense for the years ended October 31, 2020 and 2019 was \$267,002 and \$336,538, respectively.

8. **Book Publishing Costs**

The organization has incurred costs to publish new books that will not be sold within the next twelve months. These costs will be expensed as the sales of books occur. The organization estimates the number of books that may be sold and expensed on a per book basis.

9. **Lease Obligations**

SSE enters into various operating lease arrangements for office equipment. SSE has lease arrangements as follows:

- August 2018 through November 2023 at \$298 per month,
- November 2016 through November 2021 at \$1,911 per month,
- September 2020 through November 2025 at \$219 per month and,
- February 2016 through May 2021 at \$153 per month.

SSE also engages in short-term leases as needed. Lease expense for the years ended October 31, 2020 and 2019 was \$28,682 and \$28,359, respectively.

Future minimum lease payments during the years following October 31, 2020 are as follows:

Year Ending October 31,	Amount
2021	\$     32,429
2022	6,202
2023	6,202
2024	2,628
Total	\$     47,461



NOTES TO FINANCIAL STATEMENTS

10. Notes Payable

Long-term debt consists of the following:

	Balance Due	
	Total	Current
Decorah Bank & Trust Company 5.25% (4.25% starting November 2020) note payable to Decorah Bank & Trust Company, \$1,889 due monthly including interest through April 2019, then \$1,979 monthly through April 2029, collateralized by a general business security agreement.	\$ 162,132	\$ 15,502
1.0% unsecured Payroll Protection Program loan payable, \$24,332 due monthly including interest through April 2022.	432,367	286,798
<b>Total long-term debt</b>	<b>\$ 594,499</b>	<b>\$ 302,300</b>

Future maturities of long-term debt are as follows:

Year Ending October 31,	Amount
2021	\$ 302,300
2022	164,878
2023	18,637
2024	19,443
2025	20,310
2026 and thereafter	68,931
<b>Total</b>	<b>\$ 594,499</b>

11. Deferred Revenue

The change in SSE's deferred revenue account for the years ended October 31, 2020 and 2019 are comprised of the following:

	2020	2019
Balance, beginning of period	\$ 175,298	\$ 183,049
Deferred portion of life-time memberships	5,424	5,134
Change in deferred portion of annual memberships	22,025	(12,885)
Balance, end of period	\$ 202,747	\$ 175,298
Deferred support and revenue:		
Current	\$ 82,508	\$ 60,483
Long-term	120,239	114,815
Book value	\$ 202,747	\$ 175,298

NOTES TO FINANCIAL STATEMENTS

12. Donated Services

A substantial number of unpaid volunteers have made significant contributions of their time to develop SSE's programs, principally in membership development and educational programs. The value of this contributed time is not reflected in the accompanying financial statements since the volunteers' time does not meet the criteria for recognition under accounting standards.

13. Fundraising Development Expenses

The organization established a department in 2013 to develop fundraising activities. Costs allocated to fundraising events for the years ended October 31, 2020 and 2019 were \$179,471 and \$182,551, respectively.

14. Related Party Transactions

Included in support and revenue for the years ended October 31, 2020 and 2019 are gross contributions of \$3,980 and \$17,420, respectively, received from SSE's officers and directors. There were no promises to give from these individuals as of October 31, 2020 and 2019.

15. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor, board, or other restrictions limiting their use, within one year of the statement of financial position date, comprise of the following as of October 31, 2020 and 2019:

	2020	2019
Financial assets at year-end:		
Cash and cash equivalents	\$ 3,262,003	\$ 1,933,320
Short-term investments	477,351	451,413
Accounts receivable	95,217	51,041
Total financial assets	3,834,571	2,435,774
Less amounts unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Grants	196,003	54,326
Digital Orchard Campaign	35,499	97,094
	231,502	151,420
Financial assets available to meet general expenditures over the next twelve months	\$ 3,603,069	\$ 2,284,354

As part of SSE's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, cash in excess of daily requirements, is invested in savings and money market accounts and certificates of deposit.

NOTES TO FINANCIAL STATEMENTS

16. Net Assets

Details of net assets at October 31, 2020 and 2019 are as follows:

	2020	2019
Net assets without donor restrictions:		
Undesignated	\$ 6,763,766	\$ 5,959,561
Net assets without donor restrictions	6,763,766	5,959,561
Net assets with donor restrictions:		
For purpose restrictions:		
Collection Project Grant	92,419	None
Orchard Tree House	None	1,265
Digital Orchard Campaign	35,499	97,094
Amy Goldman Fowler Grant	50,940	8,741
Iowa Culture Affairs Cares Act	499	None
Blooming Prairie Grant	7,236	None
Marketing Lab, Development Director Search, Board Development and Recruitment, Development Software and Data Mitigation, and Shipping Room Automation	35,909	44,320
Susan Friedenbergs Seed Rematriation	9,000	None
Net assets with donor restrictions	231,502	151,420
Total net assets	\$ 6,995,268	\$ 6,110,981

17. Employee Benefit Plan

SSE adopted the non-qualified retirement plan for Diane Ott Whealy (“plan”) effective December 5, 2012. The plan, intended to comply with IRS Code 457(b), was established solely for the purpose of providing a supplement co-founder retirement plan for Diane Ott Whealy, participant of plan and co-founder of SSE. \$33,000 was accrued for contributions in 2012, 2013, and 2014 for a total of \$99,000. No additional contributions by SSE are required under the plan. Participant shall receive five equal annual installments beginning on the first day of the second month following the month in which the participant incurred a separation of service.

As of October 31, 2020, SSE has made five payments of \$20,000 to the participant, and as of October 31, 2019, SSE had made four payments of \$20,000 to the participant.

18. Retirement Plan

Employees who are at least eighteen years of age, have worked for SSE for at least twelve months, and have worked more than 1,000 hours during the eligibility period can participate. The plan has a matching retirement contribution component. The plan provides for a six-year graded vesting schedule for employer matching contributions as follows:

0 - 1 year	0%
2 years	20%
3 years	40%
4 years	60%
5 years	80%
6 years	100%

18. Retirement Plan (Continued)

SSE follows the policy of funding the retirement plan as accrued. The amount of pension cost recognized during the years ended October 31, 2020 and 2019 was \$28,881 and \$24,536, respectively.

19. Commitments and Contingencies

SSE receives grants for specific purposes that are subject to review and audit by oversight agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

The National Philanthropic Trust awarded SSE a grant of up to \$765,000 on March 10, 2020. The grant term runs through December 31, 2024. SSE received \$145,500 during the fiscal year ended October 31, 2020, which is included in foundation grants on the statements of activities. Additional annual payments will be made to SSE upon receipt and approval of an annual report submitted to the National Philanthropic Trust. The grant shall be used to support increasing SSE's seed collection documentation to guide its seed regenerations, evaluation, and distribution efforts.

As of October 31, 2020 and 2019, SSE had no commitments to purchase seeds.

20. Concentrations

A substantial amount of SSE's contract growing is done outside of the United States. As a result, there is the potential for a severe impact due to negative effects of the economic and political forces within the market or geographic area. SSE also has geographic exposure to catastrophic losses caused by various events, including windstorms, hail, severe weather, and the incidence and severity of catastrophes, which are inherently unpredictable. The extent of losses from a catastrophe is a function of both the total amount of uninsured exposure in the area affected by the event and the severity of the event. A substantial amount of SSE's revenue comes from the sale of merchandise consisting primarily of heirloom seeds. As a result, competition from other seed companies and changes in customer preferences could have a negative impact on activities.

21. Risk Management

SSE is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are minimized by the purchase of commercial insurance from third parties. SSE assumes liability for any deductibles and claims in excess of coverage limits. Settled claims for these risks have not exceeded commercial insurance coverage for the past two years. The collections were insured for losses up to \$2,998,167 and \$2,997,669 as of October 31, 2020 and 2019, respectively.

22. Other Matter

The recent COVID-19 outbreak in the United States has disrupted SSE's operations. While the disruption is expected to be temporary, there is considerable uncertainty around the duration. Accordingly, SSE expects this matter to impact its net assets, however, the related financial impact and duration cannot be reasonably estimated at this time. SSE has applied for and received a Paycheck Protection Program loan to help it through the disruption, see Note 10. The loan was subsequently forgiven in full on November 2, 2020.

23. Subsequent Events

Management has evaluated subsequent events through April 7, 2021, the date these financial statements were available to be issued.

**Supplementary Information**

SEED SAVERS EXCHANGE, INC.  
 STATEMENTS OF ACTIVITIES INFORMATION  
 Years Ended October 31, 2020 and 2019

	2020	2019
<b>CATALOG SALES</b>		
Books	\$ 137,721	\$ 39,036
Eating beans	8,813	4,502
Products	78,733	87,555
Scions	15,953	2,200
Seeds	3,990,699	2,757,156
Transplants	10,770	203,706
Garlic	198,178	136,529
Potatoes	94,256	90,467
Seed rack	9,325	5,070
	4,544,448	3,326,221
<b>LILLIAN GOLDMAN VISITORS CENTER SALES</b>		
Books	2,172	19,040
Eating beans	136	2,555
Products	18,154	98,240
Seeds	9,448	78,025
Transplants	20,245	50,259
Garlic	18	2,211
Potatoes	-	2,751
	50,173	253,081
Livestock, hay and grain sales	10,157	17,491
Total sale of merchandise	\$ 4,604,778	\$ 3,596,793

See Independent Auditor's Report.

## SEED SAVERS EXCHANGE, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES INFORMATION

## PROGRAM SERVICE EXPENSES

Years Ended October 31, 2020 and 2019

	Membership	Genetic Preservation Projects							
	Seed Savers				Tissue Culture	Education	General and		Community
Year Ended October 31, 2020	Exchange, Inc.	Garden	Orchard	Livestock	Club	Outreach	Evaluation	Seed Lab	Seed Resource
<b>Compensation and related expenses:</b>									
Salaries and wages	\$ 41,334	\$ 187,300	\$ 7,030	\$ 20,380	\$ 24,735	\$ 43,394	\$ 212,908	\$ 52,638	
Payroll taxes	3,438	13,943	519	1,487	1,889	3,084	15,514	3,981	
Retirement	356	3,180	180			155	4,849		
Employee benefits		18,000	800			4,800	29,400	4,800	
Subtotal	45,128	222,423	8,529	21,867	26,624	51,433	262,671	61,419	\$ -
<b>Bank charges and marketing fees</b>									
Contract labor		1,234	37,330	7,738		6,000	5,481		
<b>Facilities:</b>									
Rent			492	10	1,143				
Repairs and maintenance		2,108	84	8,339	1,450		8,777		
Telephone, taxes and licenses									
Postage	21,298	109				3	4,729		
<b>Professional fees:</b>									
Curator					(621)				
Consultants and conferences						4,389			
<b>Program:</b>									
Advertising and promotion						230			
Discounts									
Cost of goods sold							1,775		
Complimentary gifts						213	66		
Printing	30,674					350	9,841		
Germination testing								441	
Shipping, handling and damages		185	90				1,381	693	937
Veterinary and feed expense				6,031					
Staff development		133	232				199		
Subscriptions and dues	387								
Supplies	2,033	10,215	17,298	427	1,238	3,783	7,971	1,060	
Office expense						925	463		
Travel, lodging and trade shows			73			7,126			
Meals and entertainment		11				1,948			
Less overhead applied to FG		(77)							
Fuel and miscellaneous		360		929			1,979		
<b>Total expenses</b>	<b>\$ 99,520</b>	<b>\$ 236,701</b>	<b>\$ 64,128</b>	<b>\$ 45,341</b>	<b>\$ 29,834</b>	<b>\$ 76,400</b>	<b>\$ 305,333</b>	<b>\$ 63,613</b>	<b>\$ 937</b>
<b>See Independent Auditor's Report.</b>									

## SEED SAVERS EXCHANGE, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES INFORMATION (Continued)

## PROGRAM SERVICE EXPENSES

Years Ended October 31, 2020 and 2019

	Conferences	Merchandise and Catalog							
	Annual	Catalog		Seed Rack				Garden-Seed	Garden-
Year Ended October 31, 2020	Convention	and Marketing	Seeds	Seeds	Seed Rack	SSE Books	Products	House	Garlic
<b>Compensation and related expenses:</b>									
Salaries and wages	\$ 4,160	\$ 163,014	\$ 272,919	\$ 46,853		\$ 209	\$ 451	\$ 106,938	\$ 12,961
Payroll taxes	318	11,817	20,167	3,183		15	31	8,006	931
Retirement		2,787	4,528	215				675	25
Employee benefits		14,400	18,050	6,600				4,800	
Subtotal	4,478	192,018	315,664	56,851	\$ -	224	482	120,419	13,917
Bank charges and marketing fees			162,519						
Contract labor	800	19,295	23,051						
<b>Facilities:</b>									
Rent			1,143						
Repairs and maintenance			16,805						
Telephone, taxes and licenses			3,446						
Postage		113,950		746					
<b>Professional fees:</b>									
Curator									
Consultants and conferences	800								
<b>Program:</b>									
Advertising and promotion		481,100	35,020	925					
Discounts			45,535						
Cost of goods sold			382,052	67,241	9,833	103,791	43,064	3,210	87,450
Complimentary gifts		887	90	132					
Printing		166,986							
Germination testing			27,625						140
Shipping, handling and damages		2,860	449,309	526		783	95	704	4,096
Veterinary and feed expense									
Staff development			76						
<b>Subscriptions and dues</b>									
Supplies	142	562	33,625	327	1,413			12,589	3,743
Office expense		720	1,157						
Travel, lodging and trade shows		326	174						
Meals and entertainment	127							12	
Less overhead applied to FG								(34,263)	
Fuel and miscellaneous			2,585					2,824	
<b>Total expenses</b>	<b>\$ 6,347</b>	<b>\$ 978,704</b>	<b>\$ 1,499,876</b>	<b>\$ 126,748</b>	<b>\$ 11,246</b>	<b>\$ 104,798</b>	<b>\$ 43,641</b>	<b>\$ 105,495</b>	<b>\$ 109,346</b>
<b>See Independent Auditor's Report.</b>									



## SEED SAVERS EXCHANGE, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES INFORMATION (Continued)

## PROGRAM SERVICE EXPENSES

Years Ended October 31, 2020 and 2019

	Merchandise and Catalog (Continued)							Total
Year Ended October 31, 2020	Garden-Potatoes	Eating Beans	Data Entry	Visitor Center	Mail Room	Scions	Transplants	Program Services
<b>Compensation and related expenses:</b>								
Salaries and wages	\$ 10,215		\$ 70,505	\$ 82,904	\$ 97,503	\$ 1,048	\$ 4,088	\$ 1,463,487
Payroll taxes	766		4,742	5,488	6,885	79	303	106,586
Retirement			1,494	394	1,406			20,244
Employee benefits			9,600	16,650	10,600			138,500
Subtotal	10,981	\$ -	86,341	105,436	116,394	1,127	4,391	1,728,817
Bank charges and marketing fees				745				163,264
Contract labor								100,929
<b>Facilities:</b>								
Rent								2,788
Repairs and maintenance				470				38,033
Telephone, taxes and licenses						30		3,476
Postage								140,835
<b>Professional fees:</b>								
Curator								(621)
Consultants and conferences								5,189
<b>Program:</b>								
Advertising and promotion								517,275
Discounts				5,137				50,672
Cost of goods sold	18,759	3,429		34,850		5,890	31,787	793,131
Complimentary gifts				39				1,427
Printing	1,252							209,103
Germination testing								28,206
Shipping, handling and damages	2,746			6	9,700			474,111
Veterinary and feed expense								6,031
Staff development								640
Subscriptions and dues								387
Supplies	2,175			5,034	21,987	807	8,303	134,732
Office expense								3,265
Travel, lodging and trade shows								7,699
Meals and entertainment								2,098
Less overhead applied to FG						(5,280)		(39,620)
Fuel and miscellaneous					774			9,451
<b>Total expenses</b>	<b>\$ 35,913</b>	<b>\$ 3,429</b>	<b>\$ 86,341</b>	<b>\$ 151,717</b>	<b>\$ 148,855</b>	<b>\$ 2,574</b>	<b>\$ 44,481</b>	<b>\$ 4,381,318</b>
See Independent Auditor's Report.								

## SEED SAVERS EXCHANGE, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES INFORMATION

## PROGRAM SERVICE EXPENSES

Years Ended October 31, 2020 and 2019

	Membership	Genetic Preservation Projects							
	Seed Savers				Tissue				Community
Year Ended October 31, 2019	Exchange, Inc.	Garden	Orchard	Livestock	Culture	Education	General and	Seed Lab	Seed
					Club	Outreach	Evaluation		Resource
<b>Compensation and related expenses:</b>									
Salaries and wages	\$ 39,425	\$ 163,171	\$ 160	\$ 17,666	\$ 26,780	\$ 35,547	\$ 167,207	\$ 42,069	
Payroll taxes	2,987	11,748	12	1,330	2,017	2,705	12,333	1,862	
Retirement		2,314			566	84	3,184		
Employee benefits					4,800	4,800	29,400	3,250	
Subtotal	42,412	177,233	172	18,996	34,163	43,136	212,124	47,181	\$ -
<b>Bank charges and marketing fees</b>									
Contract labor		7,542	33,925	8,057		290	513		
<b>Facilities:</b>									
Rent			282	64	564				
Repairs and maintenance		3,389		7,904	150		10,497		
Telephone, taxes and licenses									
<b>Insurance</b>									
Postage	12,926						3,860		
<b>Professional fees:</b>									
Curator					7,455				
Consultants and conferences						2,155	530		
<b>Program:</b>									
Advertising and promotion									
Discounts									
Cost of goods sold							985		
Complimentary gifts						514	47		
Printing	25,649					878	10,340		72
Germination testing								1,056	
Shipping, handling and damages	648	98	53		7	206	440	886	1,019
Veterinary and feed expense				4,727					
Staff development		35				700	76	350	
Subscriptions and dues						110			
Supplies	719	12,149	2,703	843	1,383	7,854	2,068	1,144	
Office expense						1,088	544		
Travel, lodging and trade shows						21,802	736	602	
Meals and entertainment				12		2,637	118	53	
Less overhead applied to FG		(2,866)							
Fuel and miscellaneous		346		1,062			2,501		
<b>Total expenses</b>	<b>\$ 82,354</b>	<b>\$ 197,926</b>	<b>\$ 37,135</b>	<b>\$ 41,665</b>	<b>\$ 43,722</b>	<b>\$ 81,370</b>	<b>\$ 245,379</b>	<b>\$ 51,272</b>	<b>\$ 1,091</b>
See Independent Auditor's Report.									

## SEED SAVERS EXCHANGE, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES INFORMATION (Continued)

## PROGRAM SERVICE EXPENSES

Years Ended October 31, 2020 and 2019

	Conferences	Merchandise and Catalog							
		Catalog and Marketing	Seeds	Seed Rack Seeds	Seed Rack	SSE Books	Products	Garden-Seed House	Garden- Garlic
Year Ended October 31, 2019	Annual Convention								
<b>Compensation and related expenses:</b>									
Salaries and wages	\$ 5,267	\$ 150,080	\$ 221,268	\$ 49,478				\$ 66,541	\$ 19,987
Payroll taxes	396	10,858	15,900	3,544				5,037	1,483
Retirement		2,247	4,438	1,226				831	94
Employee benefits		16,450	33,750	8,350					
Subtotal	5,663	179,635	275,356	62,598	\$ -	\$ -	\$ -	72,409	21,564
Bank charges and marketing fees			114,752						
Contract labor	1,625	34,940	2,284						158
<b>Facilities:</b>									
Rent	1,530		564						
Repairs and maintenance			11,033						
Telephone, taxes and licenses			2,910						
<b>Insurance</b>									
Postage		106,936		3,509					
<b>Professional fees:</b>									
<b>Curator</b>									
Consultants and conferences	800								
<b>Program:</b>									
Advertising and promotion	164	404,388	47,394						
Discounts			77,462						
Cost of goods sold			274,658	57,930	8,840	55,428	47,824	895	47,919
Complimentary gifts		136	445	269					
Printing	313	142,167							
Germination testing			23,242						125
Shipping, handling and damages		403	389,977	1,868		758	84		348
Veterinary and feed expense									
Staff development			35						
<b>Subscriptions and dues</b>									
Supplies	4,144	6,029	17,536		1,348			2,447	1,457
Office expense		980	2,095						
Travel, lodging and trade shows	5,400	463	2,152	11,328					
Meals and entertainment	7,473	57	165	960					
Less overhead applied to FG								(48,971)	(3,245)
Fuel and miscellaneous			4,956					205	
<b>Total expenses</b>	<b>\$ 27,112</b>	<b>\$ 876,134</b>	<b>\$ 1,247,016</b>	<b>\$ 138,462</b>	<b>\$ 10,188</b>	<b>\$ 56,186</b>	<b>\$ 47,908</b>	<b>\$ 26,985</b>	<b>\$ 68,326</b>
See Independent Auditor's Report.									

## SEED SAVERS EXCHANGE, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES INFORMATION (Continued)

## PROGRAM SERVICE EXPENSES

Years Ended October 31, 2020 and 2019

	Merchandise and Catalog (Continued)							Total
Year Ended October 31, 2019	Garden-Potatoes	Eating Beans	Data Entry	Visitor Center	Mail Room	Scions	Transplants	Program Services
<b>Compensation and related expenses:</b>								
Salaries and wages	\$ 7,626		\$ 64,539	\$ 62,622	\$ 85,781	\$ 699	\$ 10,189	\$ 1,236,102
Payroll taxes	580		4,638	4,446	6,274	53	773	88,976
Retirement			1,138	933	648			17,703
Employee benefits			7,600	6,200	6,600			121,200
Subtotal	8,206	\$ -	77,915	74,201	99,303	752	10,962	1,463,981
Bank charges and marketing fees				2,400				117,152
Contract labor							1,042	90,376
<b>Facilities:</b>								
Rent								3,004
Repairs and maintenance				789				33,762
Telephone, taxes and licenses				468		30		3,408
Insurance				944				944
Postage								127,231
<b>Professional fees:</b>								
Curator								7,455
Consultants and conferences								3,485
<b>Program:</b>								
Advertising and promotion				325				452,271
Discounts				935				78,397
Cost of goods sold	18,290	1,828		96,978		655	39,584	651,814
Complimentary gifts				565				1,976
Printing				312	44			179,775
Germination testing								24,423
Shipping, handling and damages	11			72	5,725			402,603
Veterinary and feed expense								4,727
Staff development								1,196
Subscriptions and dues								110
Supplies	3,234			3,973	17,020	2,288	14,689	103,028
Office expense								4,707
Travel, lodging and trade shows				82				42,565
Meals and entertainment				118				11,593
Less overhead applied to FG						(870)		(55,952)
Fuel and miscellaneous					767			9,837
<b>Total expenses</b>	<b>\$ 29,741</b>	<b>\$ 1,828</b>	<b>\$ 77,915</b>	<b>\$ 182,162</b>	<b>\$ 122,859</b>	<b>\$ 2,855</b>	<b>\$ 66,277</b>	<b>\$ 3,763,868</b>
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