Public Policy Institute of California

Financial Statements
June 30, 2019 and 2018

Page(s)

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Report of Independent Auditors

To the Management and Board of Directors of Public Policy Institute of California

We have audited the accompanying financial statements of Public Policy Institute of California, which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities and changes in net assets for the year ended June 30, 2019 and of cash flows for the years ended June 30, 2019 and 2018.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the 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 our 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, we consider internal control relevant to Public Policy Institute of California'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 Public Policy Institute of California'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 Public Policy Institute of California as of June 30, 2019 and 2018, and the changes in its net assets for the year ended June 30, 2019 and its cash flows for the years ended June 30, 2019 and 2018 in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP, *Three Embarcadero Center San Francisco, California 94111-4004*
T: 415 498 5000; F: 415 498 7100, www.pwc.com/us

Emphasis of Matter

As discussed in Note 2 to the financial statements, Public Policy Institute of California changed the manner in which it presents net assets and reports certain aspects of its financial statements as a not-for-profit entity. Our opinion is not modified with respect to this matter.

Other Matter

We previously audited the statement of financial position as of June 30, 2018, and the related statements of activities and changes in net assets and of cash flows for the year then ended (the statement of activities and changes in net assets is not presented herein), and in our report dated November 7, 2018, we expressed an unmodified opinion on those financial statements. In our opinion, the information set forth in the accompanying summarized financial information as of June 30, 2018 and for the year then ended is consistent, in all material respects, with the audited financial statements from which it has been derived.

PricewaterhouseCoopers LLP

November 14, 2019

Public Policy Institute of California
Statements of Financial Position
June 30, 2019 and 2018

(in thousands of dollars)	**2019**	**2018**
Assets		
Cash and cash equivalents	$ 2,002	$ 1,735
Accounts receivable	123	32
Contributions receivable, net	8,357	3,725
Investments	276,217	271,751
Prepaids and other assets	1,884	1,511
Property and equipment, net	25,177	25,955
Total assets	$ 313,760	$ 304,709
Liabilities and Net Assets		
Liabilities		
Accounts payable and other accrued liabilities	$ 2,897	$ 2,640
Long-term debt	32,545	32,524
Total liabilities	35,442	35,164
Net assets		
Without Donor Restrictions	259,171	257,358
With Donor Restrictions	19,147	12,187
Total net assets	278,318	269,545
Total liabilities and net assets	$ 313,760	$ 304,709

The accompanying notes are an integral part of these financial statements.

Public Policy Institute of California
Statements of Activities and Changes in Net Assets
Years Ended June 30, 2019
(With Summarized Comparative Information for the Year Ended June 30, 2018)

	2019			2018
(in thousands of dollars)	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and revenue				
Contributions	$ 679	$ 13,152	$ 13,831	$ 6,939
Contracts and research support	439		439	595
Investment income	12,084		12,084	2,634
Net assets released from restrictions	6,192	(6,192)	-	-
Total support and revenue	19,394	6,960	26,354	10,169
Expenses				
Program services				
Research	10,965		10,965	9,567
Communication	2,881		2,881	2,567
Total program services	13,846	-	13,846	12,134
Supporting services and other				
Management and general	3,558		3,558	3,563
Net income from building operations	(891)		(891)	(666)
Building financing costs	1,018		1,018	825
Total supporting services and other	3,685	-	3,685	3,722
Total expenses	17,531	-	17,531	15,856
Change in net assets before net realized and unrealized gains on investments	1,863	6,960	8,823	(5,688)
Net realized and unrealized gains (losses) on investments, net of management fees	(50)		(50)	20,098
Increase in net assets	1,813	6,960	8,773	14,410
Net assets				
Beginning of year	257,358	12,187	269,545	255,135
End of year	$ 259,171	$ 19,147	$ 278,318	$ 269,545

The accompanying notes are an integral part of these financial statements.

Public Policy Institute of California
Statements of Cash Flows
Years Ended June 30, 2019 and 2018

(in thousands of dollars)	**2019**	**2018**
Cash flows from operating activities		
Change in net assets	$ 8,773	$ 14,410
Adjustments to reconcile change in net assets		
to net cash used in operating activities		
Contributed securities	(13)	(8)
Proceeds from sales of contributed investments	13	8
Net realized and unrealized losses (gains) on investments net of management fees	(867)	(20,565)
Depreciation and amortization	1,984	1,966
Amortization of bond discount and issuance costs	21	24
Loss on disposal of equipment	(5)	
Changes in assets and liabilities		
Contributions receivable, net	(4,632)	(2,083)
Accounts receivable	(91)	14
Prepaids and other assets	(373)	83
Accounts payable and other accrued liabilities	75	(211)
Net cash provided by operating activities	4,885	(6,362)
Cash flows from investing activities		
Proceeds from sales of investments	12,267	8,508
Purchases of investments	(15,866)	(4,266)
Purchases of property and equipment	(1,019)	(482)
Net cash used in investing activities	(4,618)	3,760
Cash flows from financing activities		
Principal payment of long-term debt	-	-
Net cash used in financing activities	-	-
(Decrease) in cash and cash equivalents	267	(2,602)
Cash and cash equivalents, beginning of year	1,735	4,337
Cash and cash equivalents, end of year	$ 2,002	$ 1,735
Noncash Investing Activity		
Purchases of property, plant and equipment not		
yet paid at end of period	182	-
Supplemental Disclosure of Cash Flow Information		
Interest paid	653	458
Securities received by Gift	13	8

The accompanying notes are an integral part of these financial statements.

1. General

Public Policy Institute of California ("PPIC") is a not-for-profit, public charity established in 1994. The mission is to inform and improve public policy in California through independent, objective, nonpartisan research.

2. Significant Accounting Policies

Basis of Presentation

The financial statements of PPIC have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America applicable to not-for-profit organizations. Accordingly, net assets and revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. The net assets of PPIC and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions

PPIC receives contributions including grants from corporations, charitable organizations and individuals. Such contributions are recorded when received or unconditionally promised and are considered to be available for general support of PPIC's operations unless specifically restricted by the donor, in which case they are recorded as with Donor Restrictions. In addition, net assets without donor restrictions includes income from investments.

Net Assets with Donor Restrictions

Net assets with donor restrictions relates primarily to contributions whose use by PPIC is limited by donor imposed stipulations with respect to time and/or purpose that can be fulfilled by actions of PPIC pursuant to those stipulations. In addition, net assets with donor restrictions include donor-imposed restrictions that they be permanently maintained by PPIC.

Cash and Cash Equivalents

PPIC considers all highly liquid investments purchased with original maturities of three months or less at the date of acquisition to be cash equivalents except for those held for investment purposes.

Investments

Equity securities and mutual funds are recorded at estimated fair value based on quoted market prices or at net asset value as practical expedient. Gains and losses resulting from market fluctuations are recognized in the period such fluctuations occur. Realized gains and losses are determined by comparison of proceeds with the carrying value, determined on an average cost basis. Dividend and interest income are accrued when earned.

Alternative Investments

Alternative investments consist of direct investments in venture capital investments, private equity investments, hedge funds and other limited partnership investments. Venture capital investments, private equity investments, hedge funds and other limited partnership interests are carried at fair value. Commingled real estate funds are recorded at fair value based on the valuation provided by the investment manager using independent appraisals. Limited partnership investments are in private equity funds and are carried at valuations provided by external investment managers. Although these investments are not readily marketable and the estimated values are subject to uncertainty, PPIC believes that the carrying amount of these investments is a reasonable estimate of fair value as of June 30, 2019 and 2018. Net changes in unrealized gains (losses) on alternative investments are reported in net realized and unrealized gains (losses) on investments, net of management fees, on the statement of activities and changes in net assets. PPIC uses the net asset value per share (the “NAV”) to determine the fair value of those underlying investments which (a) do not have a readily determinable fair value and (b) either have the attributes of an investment company or prepare their financial statements consistent with the measurement principles of an investment company. If the NAV of the investment obtained from the investee fund manager is not as of PPIC’s measurement date or is not calculated in a manner consistent with the specialized accounting guidance for investment companies, PPIC considers whether an adjustment to the most recent NAV is necessary. Because of the inherent uncertainty of valuations, these amounts may differ materially from values that would be realized if the investments were sold.

Property and Equipment

Property and equipment is stated at cost and depreciated using the straight-line method over the following estimated useful lives:

Building and improvements	30 years
Office furniture and equipment	5–7 years
Computer equipment	3 years
Leasehold improvements	5–10 years

Income Taxes

PPIC is qualified as a tax-exempt organization under Section 501(c) (3) of the Internal Revenue Code. Accordingly, the operations of PPIC are currently considered exempt from federal income and excise taxes.

Long-Term Debt

The carrying amount of PPIC’s long-term debt approximates fair value, as the bonds bear interest at a weekly variable rate.

Revenue Recognition

Contributions are recognized as revenue when received or unconditionally promised. PPIC reports gifts of cash and other assets as with donor restrictions if such gifts are received with donor stipulations that limit the use of the donated asset. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, nets assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions. When the restriction is met in the same period as the contribution is received, the contributions are reported as net assets with donor restrictions and net assets released from restrictions.

Bond Issuance Costs and Bond Discount
Bond issuance costs and bond discount amounts are amortized using the effective-interest method over the life of the bonds. Debt issuance costs are presented as a net of Long-term debt and were $85,000 and $97,000, respectively for 2019 and 2018.

Functional Expense Allocations
Expenses such as depreciation and amortization, supplies and occupancy costs, are allocated among program services and management and general classifications. Allocations are based on the number of full-time equivalent employees within the designated classifications.

Concentrations of Credit Risk
Financial instruments which potentially subject PPIC to credit risk consist primarily of cash and cash equivalents, contributions receivable, and investments. Cash and cash equivalents and investments are maintained with various major financial institutions. PPIC performs periodic evaluations of the relative standing of these financial institutions and limits the amount of credit exposure with any one institution. At times, such amounts may exceed Federal Depository Insurance Corporation limits. Contributions receivable are routinely monitored and, to date, PPIC has not experienced credit losses.

Fair Value of Financial Instruments
Financial instruments included in PPIC's statement of financial position include cash and cash equivalents, accounts receivable, contributions receivable, investments, accounts payable and long-term debt. For cash and cash equivalents, accounts receivable, accounts payable and long-term debt, the carrying amounts represent a reasonable estimate of the corresponding fair values. Contributions receivable have been discounted for those expected to be received outside of one year. Investments are recorded at their fair values using methodologies described previously.

Impairment of Long-Lived Assets
PPIC reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Management believes that no impairment exists at June 30, 2019 and 2018.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent 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.

Summarized Comparative Information
The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with PPIC's financial statements for the year ended June 30, 2018, from which the summarized information was derived.

New Accounting Pronouncements

In August 2016, the FASB issued ASU No. 2016-14, *Presentation of Financial Statements for Not-for-Profit-Entities (Topic 958)*. This guidance revises the not-for-profit reporting model. This update aims to improve the current net asset classification requirements and the information presented in the financial statements and notes regarding a not-for-profit entity's liquidity, financial performance, and cash flows. The guidance is effective in PPIC's fiscal year 2019, the primary impact of which restates net assets previously classified as unrestricted and temporarily or permanently restricted to net assets without donor restrictions and net assets with donor restrictions, respectively. Additionally, the new ASU requires the presentation of functional expenses, net asset composition for contributions with donor restrictions, and quantitative and qualitative information around liquidity resources, all of which have been included in our accompanying notes.

In May 2014, the FASB issued ASU No. 2014-09, ASC 606, *Revenue from Contracts with Customers*. ASU 2014-09 provides companies with a single model for use in accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance, including industry-specific revenue guidance. The new guidance requires an entity to recognize revenue to depict 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. It also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments. The new guidance will be effective for PPIC with our fiscal year 2020. The guidance permits entities to either apply the requirements retrospectively to all prior periods presented, or apply the requirements in the year of adoption, through a cumulative adjustment. PPIC is currently evaluating the impact this will have on future financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842). ASU 2016-02 requires the recognition of rights and obligations arising from lease contracts, including existing and new arrangements, as assets and liabilities on the balance sheet. The guidance will be effective for PPIC in fiscal year 2022. PPIC is currently evaluating the impact this will have on future financial statements.

In June 2018, the FASB issued ASU No. 2018-08, *Not for Profit Entities* (Topic 958). ASU 2018-08 is intended to clarify and improve the scope and the accounting guidance for contributions received and made, primarily by non-for-profit organizations. The amendments in this ASU provide a more robust framework for determining whether a transaction should be accounted for as a contribution or as an exchange transaction. The amendments will be effective for PPIC in fiscal year 2020. PPIC is currently evaluating the impact of the new guidance on the financial statements.

In August 2018, the FASB issued ASU No. 2018-13 *Fair Value Measurement* (Topic 820). ASU 2018-13 modifies the disclosure requirements for fair value measurement by removing, modifying, or adding certain disclosures. This guidance will be effective for PPIC's fiscal year 2021. PPIC is currently evaluating the impact of the new guidance on the financial statements.

3. Contributions Receivable

Contributions receivable at June 30, 2019 and 2018 are due as follows:

(in thousands of dollars)	2019	2018
Contributions receivable before discount	$ 8,525	$ 3,840
Less: Unamortized discount*	(168)	(115)
Net contributions receivable	$ 8,357	$ 3,725
Amounts due in		
Less than one year	$ 2,820	$ 1,571
One to five years	5,705	2,269
	$ 8,525	$ 3,840

* Discount rate used to present value contributions receivable for the years ended June 30, 2019 and 2018 was 0.84%.

4. Investments

The fair value of investments at June 30, 2019 and 2018 is as follows:

(in thousands of dollars)	2019	2018
Mutual funds		
Equity (a)	$ 183,379	$ 184,009
Fixed income	43,245	38,539
Commingled real estate funds (b)	31,679	32,887
Limited partnership investments (b)	17,914	16,316
	$ 276,217	$ 271,751

(a) Equity mutual funds include investments at fair value based on the NAV as a practical expedient of $121.8 million and $121.2 million as of June 30, 2019 and 2018 respectively and, in accordance with Accounting Standards Codification ("ASC") subtopic 820-10, *Fair Value Measurements and Disclosures*, is not included in the fair value hierarchy.

(b) Fair value is based on the NAV as a practical expedient and, in accordance with ASC subtopic 820-10, *Fair Value Measurements and Disclosures*, is not included in the fair value hierarchy.

Net realized and unrealized losses on investments are shown on the Statement of Activities and Changes in Net Assets net of investment management fees for the years ended June 30, 2019 and 2018 of $1.8 million and $1.6 million, respectively.

Unfunded commitments for PPIC's eleven limited partnership investments were $6.8 million as of June 30, 2019 and $9.1 million as of June 30 2018. There is no time limit on the drawdown of commitments, and there are no redemption terms for these investments. PPIC's commingled real estate funds have no commitments.

The following is a description of PPIC's valuation methodologies for assets and liabilities measured at fair value according to ASC 820, *Fair Value Measurements and Disclosures,* requirements. This standard describes a fair value hierarchy based on three levels of inputs of which the first two are considered observable and the third unobservable that may be used to measure fair value.

Fair value for Level I is based upon quoted prices in active markets that PPIC has the ability to access for identical assets and liabilities. Market price data is generally obtained from exchange or dealer markets. PPIC does not adjust the quoted price for such assets and liabilities. Fair value for Level II is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources including market participants, dealers, and brokers. Fair value for Level III is based on valuation techniques that use significant inputs that are unobservable, as they trade infrequently or not at all.

The following table presents the investments carried at fair value as of June 30, 2019, excluding investments at fair value based on NAV of $171.4 million at June 30, 2019, by type of investment in the fair value hierarchy defined above:

(in thousands of dollars)		**Level 1**
Fixed income mutual funds	$	43,245
Domestic, foreign, and global equity mutual funds		61,536
	$	104,781

The following table presents the investments carried at fair value as of June 30, 2018, excluding investments at fair value based on NAV of $170.4 million at June 30, 2018, by type of investment in the fair value hierarchy defined above:

(in thousands of dollars)		**Level 1**
Fixed income mutual funds	$	38,539
Domestic, foreign, and global equity mutual funds		62,781
	$	101,320

5. Property and Equipment

Property and equipment at June 30, 2019 and 2018 consisted of the following:

(in thousands of dollars)	2019	2018
Building and improvements	$ 38,888	$ 37,688
Office furniture and equipment	953	953
Computer equipment	983	1,040
Leasehold improvements	246	245
	41,070	39,926
Accumulated depreciation	(27,909)	(25,987)
Land	12,016	12,016
Property and equipment, net	$ 25,177	$ 25,955

Depreciation expense for each of the years ended June 30, 2019 and 2018 was $2.0 million for both years.

Accumulated depreciation for building and improvements on space leased to tenants under operating lease agreements as of June 30, 2019 and 2018 was $26.1 million and $24.3 million, respectively.

Components of net income from building operations are as follows:

(in thousands of dollars)	2019	2018
Rental income	$ 3,313	$ 3,021
Rental operating expense	(2,422)	(2,355)
Net income	$ 891	$ 666

6. Net Assets with Donor Restrictions

Net assets with donor restrictions as of June 30, 2019 reflect contributions that are restricted as to time and/or purpose. Net assets with donor restrictions as of June 30, 2019 and 2018 are as follows:

(in thousands of dollars)	2019	2018
Water policy center	$ 11,699	$ 5,882
Higher education center	2,443	1,666
Statewide surveys	42	860
Other policy research	3,963	2,779
Permanent Endowment	1,000	1,000
	$ 19,147	$ 12,187

Net assets were released from program restrictions by incurring expenses satisfying the restricted time and/or purpose as follows for the year ended June 30, 2019 and 2018:

(in thousands of dollars)	**2019**	**2018**
Water policy center	$ 1,777	$ 1,406
Higher education center	1,289	1,117
Statewide surveys	910	1,364
Other policy research	2,216	664
	$ 6,192	$ 4,551

7. Liquidity

PPIC has financial assets that are available and liquid to fund its operations and obligations for the next fiscal period. These assets consists of cash and cash equivalents and mutual funds that are readily accessible for liquidation.

Cash and cash equivalents	$ 2,002
Mutual Funds	
Fixed Income	43,245
Domestic, foreign, and global equity	183,379
Total assets available	$ 228,626

PPIC structures its investment assets to ensure sufficient liquidity to cover more than one year of general expenditures and other obligations. Additionally, other components of PPIC's investments such as return of capital from private equity, and receivables due within one year may provide liquidity throughout the year.

8. Long-Term Debt and Available Line of Credit

In November 2001, PPIC issued the 2001 Series A and B Revenue Bonds (the "2001 Bonds") totaling $33.5 million. The bonds were issued with a discount of $268,000 and are being accreted to their redemption value over their life. Accumulated amortization as of June 30, 2019 was $208,000. The proceeds were used to finance the purchase of the 500 Washington Street building in San Francisco, California. The 2001 Bonds bear interest at a variable weekly rate payable on the first day of each month.

There is a standing letter of credit associated with the unpaid principal amount of the 2001 Bonds. There are various restrictive financial covenants related to the line of credit that are in effect throughout the fiscal year. These require that total outstanding debt may not exceed 33% of net assets; endowments (maintained within fixed income, domestic, foreign and global equity mutual funds) must remain above $85.0 million; and no additional debt may be collateralized by the 500 Washington Street building. PPIC was in compliance with the covenants as of June 30, 2019 and the letter of credit was not used during the fiscal year.

Long-term debt maturing on November 1, 2031 is as follows:

(in thousands of dollars)	2019	2018
Long term debt	$ 32,690	$ 32,690
Less: Unamortized bond discount and bond issuance costs	(145)	(166)
Long term debt, net	$ 32,545	$ 32,524

9. Leases

PPIC leases office space to tenants under several operating lease agreements whose expiration dates range from August 2019 through October 2026. Rental income for the years ended June 30, 2019 and 2018 was $3.3 million and $3.0 million, respectively. In accordance with lease agreement terms, tenant rent for these years included each tenant’s proportional share of common area cost recovery.

Future minimum rental receipts under these leases are as follows:

(in thousands of dollars)

Years Ending	
2020	$ 3,298
2021	3,161
2022	2,804
2023	2,252
2024	2,119
Thereafter	3,731
	$ 17,365

PPIC leases approximately 3,566 square feet of office space in Sacramento, California. In September 2015, PPIC extended the office lease in Sacramento for another 126 months, to February 2025. Rental expense for the years ended June 30, 2019 and 2018 was $130,000 and $131,000, respectively. Future minimum rental payments under this lease are as follows:

(in thousands of dollars)

Years Ending	
2020	$ 136
2021	140
2022	143
2023	147
2024	150
Thereafter	102
	$ 818

10. Defined Contribution Plan

PPIC has a defined contribution retirement plan covering substantially all employees, with full and immediate vesting occurring after the first year of employment. PPIC contributed $829,000 and $765,000 to the plan during the years ended June 30, 2019 and 2018, respectively.

11. Analysis of Expenses

PPIC expenses are charged directly to program, management or development in general categories based on functional expense. Occupancy allocation are allocated based on full time equivalent personnel.

	Program Expenses	Management and General	Development	Total Expenses
Personnel	$ 8,655	$ 2,526	$ 408	$ 11,589
Consulting and Professional Fees	369	254	6	629
Outside Research	732	-	-	732
Surveys	1,385	-	-	1,385
Travel	724	118	4	846
Other	228	5	4	237
Occupancy	1,753	154	79	1,985
Total Expenses	**$ 13,846**	**$ 3,057**	**$ 501**	**$ 17,404**

For comparative purposes, below is FY2018 expense analysis.

	Program Expenses	Management and General	Development	Total Expenses
Personnel	$ 7,587	$ 2,457	$ 440	$ 10,483
Consulting and Professional Fees	316	305	9	630
Outside Research	495	-	-	495
Surveys	1,251	-	-	1,251
Travel	609	133	8	751
Other	220	14	4	239
Occupancy	1,656	113	80	1,849
Total Expenses	$ 12,134	$ 3,022	$ 541	$ 15,697

12. Subsequent Events

PPIC has evaluated for subsequent events through November 14, 2019, which is the date the financial statements were available to be issued.