

EISNERAMPER

**THE NEW YORK WOMEN'S
FOUNDATION, INC.**

FINANCIAL STATEMENTS

DECEMBER 31, 2020 and 2019



THE NEW YORK WOMEN'S FOUNDATION, INC.

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INDEPENDENT AUDITORS' REPORT

Board of Directors
The New York Women's Foundation, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of The New York Women's Foundation, Inc. (the "Foundation"), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for each of the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

The Foundation's 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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The New York Women's Foundation, Inc. as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for each of the years then ended, in accordance with accounting principles generally accepted in the United States of America.



EISNERAMPER LLP
New York, New York
September 7, 2021



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THE NEW YORK WOMEN'S FOUNDATION, INC.

Statements of Financial Position

	<u>December 31,</u>	
	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and cash equivalents and restricted cash (Note A[4])	\$ 10,511,924	\$ 9,249,206
Pledges receivable, net	7,487,309	9,962,429
Investments	10,877,884	10,307,779
Prepaid expenses and other assets	163,256	205,192
Beneficial interest in charitable lead annuity trust	953,694	967,145
Software costs, net	-	3,150
Property and equipment, net	<u>61,675</u>	<u>95,894</u>
	<u>\$ 30,055,742</u>	<u>\$ 30,790,795</u>
LIABILITIES		
Accounts payable and accrued expenses	\$ 448,276	\$ 533,842
Grants payable	3,463,920	2,878,000
Paycheck Protection Program loan payable	556,252	-
Deferred rent obligation	<u>66,502</u>	<u>101,965</u>
Total liabilities	<u>4,534,950</u>	<u>3,513,807</u>
Commitments and other uncertainty (Notes I and M)		
NET ASSETS		
Without donor restrictions:		
Undesignated	9,720,026	10,572,612
Board-designated endowment	<u>7,392,046</u>	<u>6,804,985</u>
Total net assets without donor restrictions	<u>17,112,072</u>	<u>17,377,597</u>
With donor restrictions:		
Purpose restrictions	4,771,082	7,198,302
Time-restricted for future periods	1,838,043	901,494
Perpetual in nature	<u>1,799,595</u>	<u>1,799,595</u>
Total net assets with donor restrictions	<u>8,408,720</u>	<u>9,899,391</u>
Total net assets	<u>25,520,792</u>	<u>27,276,988</u>
	<u>\$ 30,055,742</u>	<u>\$ 30,790,795</u>

See notes to financial statements.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Statements of Activities

	Year Ended December 31,					
	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenues:						
Public support:						
Contributions	\$ 6,000,778	\$ 1,305,792	\$ 7,306,570	\$ 7,467,479	\$ 1,378,186	\$ 8,845,665
Foundation grants	1,657,168	1,975,000	3,632,168	1,350,043	2,050,077	3,400,120
Revenue from special events:						
"Celebrating Women" (net of direct benefits to donors of \$237,074 in 2019)	430,519	-	430,519	1,670,800	-	1,670,800
Fall Gala/A Starlight Dinner (net of direct benefits to donors of \$120,688 in 2019)	41,250	-	41,250	435,043	-	435,043
Neighborhood Dinner (net of direct benefits to donors of \$100,059 in 2019)	30,025	-	30,025	73,799	-	73,799
Donated services	25,800	-	25,800	21,600	-	21,600
Change in value of beneficial interest in charitable annuity lead annuity trust	-	48,802	48,802	-	48,878	48,878
Total public support	8,185,540	3,329,594	11,515,134	11,018,764	3,477,141	14,495,905
Revenues:						
Administrative fee	5,775	-	5,775	12,797	-	12,797
Pass-through ordinary loss from LLCs	(9,587)	-	(9,587)	(136,572)	-	(136,572)
Interest and dividend income, net	159,034	13,979	173,013	136,261	48,635	184,896
Net realized and unrealized gains on investments	842,134	366,281	1,208,415	1,082,914	450,262	1,533,176
Total revenues	997,356	380,260	1,377,616	1,095,400	498,897	1,594,297
Total public support and revenues before net assets released from restrictions	9,182,896	3,709,854	12,892,750	12,114,164	3,976,038	16,090,202
Net assets released from restrictions	5,200,525	(5,200,525)	-	4,465,736	(4,465,736)	-
Total public support and revenues	14,383,421	(1,490,671)	12,892,750	16,579,900	(489,698)	16,090,202
Expenses:						
Program services:						
Grants, awards and other related services	11,546,593	-	11,546,593	13,586,860	-	13,586,860
Supporting services:						
General and administrative	1,284,637	-	1,284,637	1,530,522	-	1,530,522
Fund-raising	1,817,716	-	1,817,716	1,562,534	-	1,562,534
Total supporting services	3,102,353	-	3,102,353	3,093,056	-	3,093,056
Total expenses	14,648,946	-	14,648,946	16,679,916	-	16,679,916
Decrease in net assets	(265,525)	(1,490,671)	(1,756,196)	(100,016)	(489,698)	(589,714)
Net assets, beginning of year	17,377,597	9,899,391	27,276,988	17,477,613	10,389,089	27,866,702
Net assets, end of year	\$ 17,112,072	\$ 8,408,720	\$ 25,520,792	\$ 17,377,597	\$ 9,899,391	\$ 27,276,988

See notes to financial statements.

THE NEW YORK WOMEN'S FOUNDATION, INC.

**Statement of Functional Expenses
Year Ended December 31, 2020**

(with summarized financial information for 2019)

	Program Expenses	Supporting Services			Total	
	Grants, Awards and Related Services	General and Administrative	Fund-Raising	Total Supporting Services	2020	2019
Grants and awards	\$ 8,202,470	\$ -	\$ -	\$ -	\$ 8,202,470	\$ 10,124,400
Salaries and wages	1,470,655	769,298	959,123	1,728,421	3,199,076	3,351,013
Payroll taxes and employee benefits	354,613	186,120	231,269	417,389	772,002	718,208
Professional and consulting fees (including in-kind contributions of \$25,800 and \$21,600 in 2020 and 2019, respectively)	1,200,908	181,516	334,694	516,210	1,717,118	1,557,239
Office supplies and expenses	18,883	23,790	13,622	37,412	56,295	87,535
Printing and publications	125	828	8,907	9,735	9,860	65,682
Postage and delivery	692	440	6,386	6,826	7,518	18,577
Travel, meetings and conferences	56,270	6,561	7,552	14,113	70,383	155,613
Promotion and advertising	6,850	200	-	200	7,050	5,768
Computer expense	14,283	10,604	26,823	37,427	51,710	52,771
Occupancy and utilities	142,232	74,208	103,900	178,108	320,340	306,317
Catering expenses	-	-	-	-	-	457,821
Telephone	11,043	5,762	7,202	12,964	24,007	22,825
Miscellaneous	83	7,623	18,370	25,993	26,076	51,281
Dues and subscriptions	43,772	2,319	9,816	12,135	55,907	69,665
Repair and maintenance	-	2,996	-	2,996	2,996	10,668
Equipment rental	6,524	3,404	4,255	7,659	14,183	13,627
Total expenses before depreciation, amortization and bad debts expense	11,529,403	1,275,669	1,731,919	3,007,588	14,536,991	17,069,010
Depreciation and amortization	17,190	8,968	11,211	20,179	37,369	50,579
Bad debts expense	-	-	74,586	74,586	74,586	18,148
Total expenses	11,546,593	1,284,637	1,817,716	3,102,353	14,648,946	17,137,737
Less: direct benefits to donors	-	-	-	-	-	(457,821)
Total expenses per statements of activities	\$ 11,546,593	\$ 1,284,637	\$ 1,817,716	\$ 3,102,353	\$ 14,648,946	\$ 16,679,916

See notes to financial statements.

THE NEW YORK WOMEN'S FOUNDATION, INC.

**Statement of Functional Expenses
Year Ended December 31, 2019**

	Program Expenses	Supporting Services			Total
	Grants, Awards and Related Services	General and Administrative	Fund- Raising	Total Supporting Services	
Grants and awards	\$ 10,124,400	\$ -	\$ -	\$ -	\$ 10,124,400
Salaries and wages	1,611,269	868,866	870,878	1,739,744	3,351,013
Payroll taxes and employee benefits	341,743	190,536	185,929	376,465	718,208
Professional and consulting fees (including in-kind contributions of \$21,600)	1,027,946	276,178	253,115	529,293	1,557,239
Office supplies and expenses	38,619	10,982	37,934	48,916	87,535
Printing and publications	38,374	1,555	25,753	27,308	65,682
Postage and delivery	15,944	974	1,659	2,633	18,577
Travel, meetings and conferences	129,672	7,058	18,883	25,941	155,613
Promotion and advertising	5,768	-	-	-	5,768
Computer expense	20,530	17,399	14,842	32,241	52,771
Occupancy and utilities	147,399	79,250	79,668	158,918	306,317
Catering expenses	-	-	457,821	457,821	457,821
Telephone	10,861	6,057	5,907	11,964	22,825
Miscellaneous expense	13,252	14,289	23,740	38,029	51,281
Dues and subscriptions	31,358	28,582	9,725	38,307	69,665
Repairs and maintenance	-	10,668	-	10,668	10,668
Equipment rental	5,405	5,014	3,208	8,222	13,627
Total expenses before depreciation, amortization and bad debts expense	13,562,540	1,517,408	1,989,062	3,506,470	17,069,010
Depreciation and amortization	24,320	13,114	13,145	26,259	50,579
Bad debts expense	-	-	18,148	18,148	18,148
Total expenses	13,586,860	1,530,522	2,020,355	3,550,877	17,137,737
Less: direct benefits to donors	-	-	(457,821)	(457,821)	(457,821)
Total expenses per statements of activities	\$ 13,586,860	\$ 1,530,522	\$ 1,562,534	\$ 3,093,056	\$ 16,679,916

See notes to financial statements.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Statements of Cash Flows

	Year Ended December 31,	
	2020	2019
Cash flows from operating activities:		
Decrease in net assets	\$ (1,756,196)	\$ (589,714)
Adjustments to reconcile decrease in net assets to net cash provided by operating activities:		
Depreciation and amortization	37,369	50,579
Bad debts expense	74,586	18,148
Net realized and unrealized gains on investments	(1,208,415)	(1,533,176)
Changes in:		
Pledges receivable, net	2,400,534	2,543,465
Prepaid expenses and other assets	41,936	(12,742)
Beneficial interest in charitable annuity lead trust	13,451	2,999
Accounts payable and accrued expenses	(85,566)	87,004
Grants payable	585,920	(125,500)
Funds received in advance	-	(53,506)
Deferred rent obligation	(35,463)	(26,908)
	<u>68,156</u>	<u>360,649</u>
Cash flows from investing activities:		
Purchases of investments	(2,489,950)	(2,157,068)
Proceeds from sales of investments	3,128,260	2,116,668
Purchases of property and equipment	-	(91,001)
	<u>638,310</u>	<u>(131,401)</u>
Cash flows from financing activities:		
Proceeds from Paycheck Protection Program loan	556,252	-
	<u>556,252</u>	<u>-</u>
Net increase in cash, cash equivalents, and restricted cash	1,262,718	229,248
Cash, cash equivalents, and restricted cash, beginning of year	<u>9,249,206</u>	<u>9,019,958</u>
Cash, cash equivalents, and restricted cash, end of year	<u>\$ 10,511,924</u>	<u>\$ 9,249,206</u>
Supplemental disclosures of cash flow information:		
In-kind services	\$ 25,800	\$ 21,600
Unrelated business income taxes paid	\$ -	\$ 8,000

See notes to financial statements.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE A - THE FOUNDATION AND ITS SIGNIFICANT ACCOUNTING POLICIES

[1] The Foundation:

The New York Women's Foundation, Inc. (the "Foundation"), formed in 1987 and incorporated in New York, is a cross-cultural alliance of women catalyzing partnerships and leveraging human and financial capital to achieve sustained economic security and justice for women and girls in New York City. The Foundation strategically funds organizations and programs that move women and families toward long-term economic security, health and stability through individual transformation and systemic change. The Foundation responds directly to community needs and is often one of the first institutions to support women-led, community-based nonprofits. The Foundation supports organizations and programs that apply gender, racial, economic and social-justice lenses to their work and express an understanding and willingness to work toward eradicating the root causes of poverty. Additionally, the Foundation mobilizes hearts, minds and resources to create an equitable and just future for women, families and communities in New York City.

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code") and is not a private foundation under Section 509(a) of the Code. It is also exempt from state and local taxes under comparable laws.

[2] Basis of accounting:

The financial statements of the Foundation have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP"), as applicable to not-for-profit organizations.

[3] Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, public support and revenues and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

[4] Cash, cash equivalents, and restricted cash:

The Foundation's policy is to classify all liquid investments with original maturities of three months or less when purchased as cash equivalents. The Foundation has classified amounts that are not available for use in its operations as restricted cash. At December 31, 2020 and 2019, respectively, the Foundation's cash included balances of \$1,177,636 and \$2,422,619 that were restricted for the NYC Fund for Girls and Young Women of Color program and fiscal sponsorship (see Note A[15] and Note G).

[5] Investments:

The Foundation's investments in equity and fixed income securities are reported at their fair values at year-end in the statements of financial position, based on quoted market prices. Investments also include money market funds which are considered held for investment.

The Foundation also has investments in two limited liability companies ("LLC"), for which readily determinable fair values do not exist. The fair values of the LLCs have been estimated based on the underlying investments in the respective portfolios, as reported by the investment managers.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE A - THE FOUNDATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[5] Investments: (continued)

Because of the complex management structures, nature of the investments, and the inherent uncertainty of their valuations, the Foundation's management and its various investment managers monitor their positions on a routine basis, to reduce the risk of potential losses due to changes in fair values or the failure of counterparties to perform. Management believes the carrying amounts of these investments are a reasonable estimate of fair value. However, estimated fair values may differ significantly from the values that would have been used had a ready market for these investments existed.

The Foundation's investments, in general, are subject to various risks, such as interest-rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of those securities could occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Investment transactions are recorded on a trade-date basis. Realized gains and losses on investments sold, and unrealized appreciation and depreciation on investments held, are reported in the statements of activities as increases or decreases in net assets without donor restrictions unless their use is restricted by donors. Realized gains and losses on investments are determined by comparison of the cost basis at the time of acquisition to the proceeds at the time of disposition. Unrealized gains and losses on investments are determined by comparing the investment's cost to the fair value at the end of each year. The earnings from dividends and interest are recognized when earned.

Donated securities are recorded at their estimated fair values at the dates of donation. The Foundation's policy is to sell the donated securities immediately, and, accordingly, for purposes of the statements of cash flows, donated securities and the proceeds generated from their sale are included as operating activities.

Investment expenses include the services of bank trustees, investment managers and custodians. The balances of investment advisory fees disclosed in Note C are those specific fees charged by the Foundation's various investment managers in each year; however, they do not include those fees that are embedded in various investment transactions.

[6] Beneficial interest in a charitable lead annuity trust:

Contribution revenue for the charitable lead annuity trust was recognized upon the establishment of the agreement, at the fair value of the estimated future receipts, discounted for the estimated time period necessary to complete the agreement. Gains or losses resulting from changes in actuarial assumptions and accretions of the discount are recorded as increases or decreases in the respective net-asset class in the statements of activities.

On December 31, 2013, the Foundation became the beneficiary of an irrevocable charitable lead annuity trust (the "Trust"). Under the Trust agreement, the Foundation is entitled to receive annual annuity payments for fifteen years. The funds in the Trust are managed by an unrelated trustee. The original donated value of the Trust was \$1,500,000 and is included at the fair value of the estimated future receipts, adjusted for present value, in the statements of financial position. During 2020 and 2019, the Foundation recognized as revenue within net assets with donor restrictions, the change in present value in the Trust of \$48,802 and \$48,878, respectively. Actual annuity payments of \$62,253 and \$51,877 were received during 2020 and 2019, respectively. The estimated fair value of the Trust as of December 31, 2020 and 2019 was \$953,694 and \$967,145, respectively.

[7] Prepaid expenses:

Amounts expended in relation to each following year's "Celebrating Women" breakfast are reported as part of prepaid expenses in the statements of financial position.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE A - THE FOUNDATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[8] Property and equipment:

Property and equipment are stated at their original costs at dates of acquisition, or, if contributed, at their fair values at the dates of donation net of accumulated depreciation and amortization. The Foundation capitalizes equipment and furniture and fixtures with a cost of \$2,000 or more and leasehold improvements with a cost of \$5,000 or more, whereas minor costs of repair and maintenance are expensed as incurred. Depreciation of equipment and furniture and fixtures is provided using the straight-line method over the estimated useful lives of the assets, ranging from three to ten years. Amortization of leasehold improvements is provided using the straight-line method over the remaining lease term, or the useful lives of the improvements, whichever is shorter.

Management evaluates the recoverability of the investment in long-lived assets on an on-going basis and recognizes any impairment in the year of determination. There were no triggering events during 2020 or 2019 requiring management to test for impairment that would require any adjustments to property and equipment. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

[9] Software costs:

The costs incurred for the purchase of software and upgrades that result in additional functionality are capitalized in amounts over \$10,000. Costs relating to operation and content are expensed as incurred. Capitalized software costs are amortized over a three-year expected life using the straight-line method. Capitalized software costs were fully depreciated December 31, 2020 while at December 31, 2019 capitalized software costs were reported in the statements of financial position net of accumulated amortization of \$23,850. The software remains in use as of December 31, 2020.

[10] Accrued vacation:

Based on their tenure, the Foundation's employees are entitled to be paid for unused vacation time, for a period of up to 10 days, in the event that employees leave the Foundation. Accordingly, at each year-end, the Foundation must recognize a liability for the amount that would be incurred if employees with such unused vacation time were to leave. At December 31, 2020 and 2019, this accrued vacation obligation was approximately \$156,000 and \$107,000, respectively, and was reported as a part of accounts payable and accrued expenses in the statements of financial position.

[11] Deferred rent obligation:

For financial reporting purposes, the aggregate minimum rent expense is recognized using the straight-line method over the term of the lease. The accumulative difference between rent expense incurred by the Foundation and the rental amounts actually paid, which is attributable to scheduled rent increases and rent abatement, is reported as deferred rent obligation in the statements of financial position. At December 31, 2020 and 2019, the deferred rent obligation was approximately \$67,000 and \$102,000, respectively.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE A - THE FOUNDATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[12] Paycheck Protection Program loan payable:

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Security ("CARES") Act. The Paycheck Protection Program ("PPP") established by the CARES Act, implemented by the U.S. Small Business Administration ("SBA"), provides businesses, including certain not-for-profit organizations, with funds to pay payroll and other costs during the coronavirus ("COVID-19") outbreak. During 2020, the Foundation applied for and received PPP funds.

There are two acceptable methods for accounting for the PPP funds received under the CARES Act. Entities can elect to treat the funds as a loan or as a conditional contribution. The Foundation has elected to record the PPP funds as a loan under the Financial Accounting Standards Board's (the "FASB") Accounting Standards Codification ("ASC") 470, *Debt*. As of December 31, 2020, the Foundation was in the process of applying for loan forgiveness, which will be recognized when the application is formally approved by the bank and the SBA (see Note K). Subsequent to year-end the Foundation received full forgiveness of the loan.

[13] Net assets:

(i) *Net Assets Without Donor Restrictions:*

Net assets without donor restrictions represent those resources that are not subject to donor restrictions and are available for current operations. The Foundation's board-designated endowment fund, is subject to other uses at the discretion of the Board of Directors and is presented as without donor restrictions, as there are no donor restrictions on the use of these assets.

(ii) *Net Assets With Donor Restrictions:*

Net assets with donor restrictions represent those resources that are subject to donor imposed restrictions, such as specific purposes and/or a specific period of time. Also included within net assets with donor restrictions are donor restrictions that are perpetual in nature and subject to the requirements of the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). These donors have stipulated that those resources be maintained in perpetuity with the resultant income and net capital appreciation arising from the underlying assets to be used in satisfaction of the wishes of those donors. When a donor restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, or funds are appropriated through an action of the Board of Directors, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities as "net assets released from restrictions."

[14] Revenue recognition:

(i) *Contributions, and foundation grants:*

Contributions and foundation grants are recognized as revenue upon receipt of cash, other assets, or of unconditional pledges. Contributions and foundation grants are reported as "with donor restrictions" if they are received with donor stipulations or time considerations as to their use. Conditional contributions are recognized when the donor's conditions have been met. Pledges of contributions and foundation grants to be received over periods longer than a single year are discounted at an interest rate commensurate with the risk involved. An allowance for uncollectible pledges receivable is provided, using management's estimate of potential defaults.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE A - THE FOUNDATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[14] Revenue recognition: (continued)

(ii) *Special events:*

Gross proceeds paid by attendees at special events held as fundraising activities represents contribution revenue, as well as the payment of the direct costs of the benefits received by the attendee at the event. Special-event income is reported net of the direct benefits to donors. Special event revenues, other than contributions, applicable to a current year are recognized as revenue when the special event takes place. Special event revenue received for a future year's event is deferred and recognized when the event occurs.

(iii) *Administrative management fees:*

Administrative fees include management fees charged by the Foundation for financial administration of fiscal sponsorship programs and on grants received to cover administrative overhead costs. The fees are recognized commensurate with the administrative services being provided. These amounts have been included in the statements of activities.

(iv) *Donated services:*

For recognition of donated services in the Foundation's financial statements, such services must: (i) create or enhance non-financial assets; and (ii) typically need to be acquired if not provided by donation. Additionally, recognition of donated services must: (i) require a specialized skill; and (ii) be provided by individuals possessing these skills. Donated services are recorded as support at the estimated fair value at the dates of donation and are reported as both contributions and offsetting expenses in the accompanying statements of activities (see Note E).

[15] Fiscal-sponsorship programs:

During 2014, the Foundation established a fiscal-sponsorship program for unincorporated not-for-profit associations whose work is consistent with the Foundation's mission and exempt purpose. The Foundation has variance power over funds received and collects a management fee ranging from 4% - 8% on contributions received for the fiscal-sponsorship projects. Contribution revenue received in conjunction with these programs amounted to \$175,000 and \$186,620 and amounts expended for these program activities and reimbursable fees were \$256,768 and \$274,865 during 2020 and 2019, respectively. These amounts have been included in the statements of activities.

As of December 31, 2020 and 2019, the Foundation's restricted cash balance included \$252,911 and \$146,184, respectively, of funds maintained on behalf of these programs.

[16] Functional allocation of expenses:

The cost of providing the Foundation's various programs and supporting services have been summarized on a functional basis in the statements of activities. The statements of functional expenses present expenses by function and natural classification. Accordingly, direct costs have been functionalized within program and supporting services based on the nature of the expense. Indirect costs have been allocated on the basis of time allocation and effort.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE A - THE FOUNDATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[17] Grants and awards:

Unconditional grants and awards are recognized as expenses in the financial statements at the time of approval. Unconditional grants and awards approved, but not yet paid are recognized as grants payable at each year-end. At each year-end, grants payable amounted \$3,463,920 and \$2,878,000, respectively. All amounts reported as grants payable at year-end are payable within twelve months.

[18] Income taxes:

The Foundation is subject to the provisions of the FASB's ASC Topic 740, *Income Taxes*, as it relates to accounting and reporting for uncertainty in income taxes. For the Foundation, ASC, Topic 740 is potentially applicable to the incurrence of unrelated business income attributable to the pass-through income from the Foundation's LLC investments. Nonetheless, because of the Foundation's general tax-exempt status, management believes ASC Topic 740 has not had, and is not expected to have, a material impact on the Foundation's financial statements.

[19] Adoption of accounting principle:

Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made:

In June 2018, the FASB issued Accounting Standards Update ("ASU") 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 985)*. ASU 2018-08 clarified and improved guidance concerning: 1) evaluating whether a transaction should be accounted for as an exchange transaction or as a contribution; and 2) determining whether a contribution received is conditional. ASU 2018-08 should be applied on a modified prospective basis. ASU 2018-08 was effective for annual periods beginning after December 15, 2018 for entities that are resource recipients. Accordingly, the Foundation adopted the resource recipient portion for its year ended December 31, 2019. ASU 2018-08 is effective for annual periods beginning after December 15, 2019 for entities that are resource providers. The Foundation therefore adopted the resource provider portion of this ASU during 2020, and this accounting guidance did not have a material effect on the Foundation's financial statements.

[20] Upcoming accounting pronouncements:

Leases:

In February 2016, the FASB issued its lease accounting guidance in ASU 2016-02, *Leases*. ASU 2016-02 will require lessees to recognize on the statements of financial position for all leases (with terms of more than 12 months) at the commencement date, the following: a) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis, and b) a right-of-use-asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The lease guidance also simplified the accounting for sale and leaseback transactions primarily because lessees must recognize lease assets and lease liabilities. Lessees will no longer be provided with a source of off-balance sheet financing. This ASU is required to be adopted on a modified retrospective basis. As a result of recent deferrals due to COVID-19, ASU 2016-02 will be effective for private not-for-profit organizations for fiscal years beginning after December 15, 2021. The Foundation is currently evaluating the effect that this guidance will have on the financial statements and related disclosures.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE A - THE FOUNDATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[20] Upcoming accounting pronouncements: (continued)

Accounting Updates to Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets:

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts in-kind, for not-for-profit organizations. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statements of activities, apart from contributions of cash or other financial assets. For each category of contributed nonfinancial assets recognized, a not-for-profit organization will need to disclose: (i) qualitative information about whether the contributed nonfinancial assets were either monetized or utilized during the reporting period, if utilized, a description of the programs or other activities in which those assets were used; (ii) the not-for-profit's policy (if any) about monetizing rather than utilizing contributed nonfinancial assets; (iii) a description of any donor-imposed restrictions associated with the contributed nonfinancial assets; (iv) the valuation techniques and inputs used to arrive at a fair value measure, in accordance with the requirements in Topic 820, *Fair Value Measurement*, at initial recognition; and (v) the principal market (or most advantageous market) used to arrive at a fair value measure, if it is a market in which the recipient entity is prohibited by a donor-imposed restriction from selling or using the contributed nonfinancial assets. The amendments in this ASU will be applied on a retrospective basis and are effective for annual reporting periods beginning after June 15, 2021. Management is in the process of assessing the impact of this ASU on the financial statements.

[21] Subsequent events:

The Foundation evaluated subsequent events through September 7, 2021, the date on which the financial statements were available to be issued.

NOTE B - PLEDGES RECEIVABLE

At each year-end, pledges receivable consisted of the following:

	December 31,	
	2020	2019
Less than one year	\$ 6,655,080	\$ 8,611,406
One to five years	1,000,000	1,460,000
	7,655,080	10,071,406
Reduction of pledges due in excess of one year to present value, at a rate of 1.5%	(42,185)	(42,977)
	7,612,895	10,028,429
Less: allowance for doubtful collections	(125,586)	(66,000)
	\$ 7,487,309	\$ 9,962,429

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE B - PLEDGES RECEIVABLE (CONTINUED)

During 2020 and 2019, the Foundation received contributions from a donor that represented approximately 37% and 51% of total contributions received, respectively. In addition, the Foundation wrote-off uncollectible pledges receivable of \$15,000 and \$18,148 against its allowance in 2020 and 2019, respectively.

On December 19, 2019, the Foundation received a matching challenge grant for \$111,000 from an unrelated organization for the grant period of January 1, 2020 through December 31, 2020. The grant is to be used for education purposes consistent with the Foundation's mission. During 2020, the Foundation satisfied the condition and recorded the revenue accordingly.

NOTE C - INVESTMENTS AND BENEFICIAL INTEREST IN A CHARITABLE LEAD ANNUITY TRUST

At each year-end, investments consisted of the following:

	December 31,			
	2020		2019	
	Fair Value	Cost	Fair Value	Cost
United States Treasury Bill	\$ 967,277	\$ 907,983	\$ 1,059,563	\$ 1,030,229
Common and preferred stocks	7,215,882	4,754,688	6,638,569	5,083,427
Corporate bonds	1,944,649	1,836,962	1,791,905	1,759,810
Limited liability companies	750,076	788,876	817,742	817,742
	<u>\$10,877,884</u>	<u>\$ 8,288,509</u>	<u>\$10,307,779</u>	<u>\$ 8,691,208</u>

During each year, investment earnings and losses consisted of the following:

	Year Ended December 31,	
	2020	2019
Interest and dividends	\$ 220,591	\$ 242,850
Pass-through ordinary loss from LLCs	(9,587)	(136,572)
Investment advisory fees	(47,578)	(57,954)
	<u>163,426</u>	<u>48,324</u>
Realized gains	235,611	144,415
Unrealized gains	972,804	1,388,761
	<u>1,208,415</u>	<u>1,533,176</u>
	<u>\$ 1,371,841</u>	<u>\$ 1,581,500</u>

ASC Topic 820, *Fair Value Measurements*, establishes a three-level valuation hierarchy of fair-value measurements. These valuation techniques are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE C - INVESTMENTS AND BENEFICIAL INTEREST IN A CHARITABLE LEAD ANNUITY TRUST (CONTINUED)

These two types of inputs create the following fair-value hierarchy:

Level 1: Valuations are based on observable inputs that reflect quoted market prices in active markets for identical assets, at the reporting date.

Level 2: Valuations are based on: (i) quoted prices for similar assets in active markets; or (ii) quoted prices for those assets, or similar assets, in markets that are not active; or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date.

Level 3: Valuations are based on pricing inputs that are unobservable and include situations where there is little, if any, market activity for the assets, or the assets cannot be independently valued.

The availability of market data is monitored to assess the appropriate classification of financial instruments within the fair-value hierarchy. Changes in economic conditions or valuation techniques may require the transfer of financial instruments from one level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The following tables summarize the fair values of the Foundation's investments and charitable lead annuity trust at each year-end, in accordance with the FASB's ASC Topic 820 valuation levels:

	December 31, 2020			
	Level 1	Level 2	Level 3	Total
United States Treasury Bills	\$ 967,277	\$ -	\$ -	\$ 967,277
Common and preferred stock	7,215,882	-	-	7,215,882
Corporate bonds	-	1,944,649	-	1,944,649
Limited liability companies	-	-	750,076	750,076
Total investments	8,183,159	1,944,649	750,076	10,877,884
Beneficial interest in a charitable lead annuity trust	-	-	953,694	953,694
Total	\$ 8,183,159	\$ 1,944,649	\$ 1,703,770	\$ 11,831,578

	December 31, 2019			
	Level 1	Level 2	Level 3	Total
United States Treasury Bills	\$ 1,059,563	\$ -	\$ -	\$ 1,059,563
Common and preferred stock	6,638,569	-	-	6,638,569
Corporate bonds	-	1,791,905	-	1,791,905
Limited liability companies	-	-	817,742	817,742
Total investments	7,698,132	1,791,905	817,742	10,307,779
Beneficial interest in a charitable lead annuity trust	-	-	967,145	967,145
Total	\$ 7,698,132	\$ 1,791,905	\$ 1,784,887	\$ 11,274,924

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE C - INVESTMENTS AND BENEFICIAL INTEREST IN A CHARITABLE LEAD ANNUITY TRUST (CONTINUED)

Activity related to Level 3 investments in each year was as follows: (i) during 2020, the Foundation received a \$72,000 distribution from an LLC investment and a \$62,253 distribution from the charitable lead annuity trust; (ii) during 2019, the Foundation invested \$500,000 in an LLC and received a \$51,877 distribution from the charitable lead annuity trust.

The following table lists investment redemption terms as of December 31, 2020:

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Limited liability companies	\$ 750,076	None	Only upon liquidation of investments	N/A

The following provides information on the valuation techniques and nature of significant unobservable inputs used to determine the value of Level 3 assets are as follows:

<u>Type</u>	<u>Fair Value</u>	<u>Valuation Technique</u>	<u>Significant Unobservable Inputs</u>	<u>Range</u>
Limited liability companies	\$ 750,076	Market approach	Expected recovery	N/A
Charitable lead annuity trust	\$ 953,694	Income approach through discounted future cash flows	Growth rate/ discount rate	5%

NOTE D - PROPERTY AND EQUIPMENT

At each year-end, property and equipment consisted of the following:

	<u>December 31,</u>	
	<u>2020</u>	<u>2019</u>
Equipment	\$ 145,175	\$ 145,175
Furniture and fixtures	65,769	65,769
Leasehold improvements	<u>180,889</u>	<u>180,889</u>
	391,833	391,833
Less: accumulated depreciation and amortization	<u>(330,158)</u>	<u>(295,939)</u>
	<u>\$ 61,675</u>	<u>\$ 95,894</u>

NOTE E - DONATED AND VOLUNTEER SERVICES

A substantial number of trained volunteers have donated significant amounts of their time to the Foundation to attend meetings, participate in training and make site visits in connection with the Foundation's grant-making activities. These contributed services have been valued at the standard market rates that would have been incurred by the Foundation to obtain the specialized skills. During 2020 and 2019, the Foundation received donated services for fundraising and grant-making programs valued at \$25,800 and \$21,600, respectively.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE E - DONATED AND VOLUNTEER SERVICES (CONTINUED)

The Foundation uses volunteers to assist with other support services related to the Foundation's program activities. These volunteer services do not satisfy the criteria under U.S. GAAP for valuation and recognition in the accompanying financial statements.

NOTE F - RETIREMENT PLAN

The Foundation has a Section 403(b) tax-deferred annuity retirement plan. The plan covers all employees who have been employed by the Foundation for a minimum of one year. During the year, the Foundation increased its discretionary contribution from 5% to 10% (with a threshold of \$10,000 for the year). Employee contributions are voluntary and are determined on an individual basis, limited to the maximum amount allowable under federal tax regulations.

The Foundation contributes a discretionary percentage of an employee's gross salary for each eligible participant. Contributions for 2020 and 2019 were \$184,488 and \$177,632, respectively.

NOTE G - NET ASSETS WITH DONOR RESTRICTIONS

At each year-end, net assets with donor restrictions consisted of the following:

	<u>December 31,</u>	
	<u>2020</u>	<u>2019</u>
Purpose restricted:		
Grant-making	\$ 157,815	\$ 168,023
Girls and Young Women of Color (GYWC)	2,359,722	4,051,389
Me Too movement	-	1,232,667
Brooklyn Economic Justice Project	675,000	-
Art for justice fund	15,000	400,000
CR2PI sponsorship project	270,483	297,251
Other programs	19,136	19,136
	<u>3,497,156</u>	6,168,466
Subject to appropriation:		
Accumulated earnings on endowment funds	<u>1,273,926</u>	1,029,836
Total purpose restrictions	<u>4,771,082</u>	<u>7,198,302</u>
Restricted for future periods	<u>1,838,043</u>	901,494
Perpetual in nature:		
Operating needs	<u>1,799,595</u>	1,799,595
	<u>\$ 8,408,720</u>	<u>\$ 9,899,391</u>

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE G - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

[1] The NYC Fund for Girls and Young Women of Color:

Established in 2015, expands philanthropic investment for girls and young women of color in NYC. The first of its kind in the United States, this fund envisions a city that offers an opportunity for all girls and young women of color, inclusive of spirited, transgender and gender non-binary youth, to succeed economically and socially. It pools money to invest in efforts that promote the well-being and leadership of young women of color as change agents, and partners with communities and other allies to advance equity. As of December 31, 2020 and 2019, the Foundation's cash balances included \$924,725 and \$2,276,435, respectively, of funds maintained on behalf of the initiative, which in accordance with the agreement are held in a segregated fund.

[2] The Fund for the Me Too Movement and Allies:

Established in 2018, to support organizations and activists of color working to disrupt and prevent sexual violence and harassment and promote healing in the individual and community level. This fund is focused on investing in organizations led by and for survivors of sexual violence in partnership with women's community foundations to expand its national reach.

[3] The Justice Fund:

Established in 2018, invests in community-based and cross-sector solutions that significantly decrease the involvement of women and families in all aspects of the justice system. The Justice Fund is a first- of- its-kind- philanthropic-partnership engaging in local criminal justice reform leading with a gender and racial equity lens. Key among the priorities is closing Rikers Island and investing in alternatives that promote justice, safety and overall well-being for communities.

During each year, net assets released from restrictions resulted from satisfying the following donor restrictions:

	December 31,	
	2020	2019
Program:		
Grant-making	\$ 100,000	\$ 248,186
Girls and Young Women of Color (GYWC)	1,726,667	1,892,819
Me Too movement	1,257,667	973,833
Brooklyn Economic Justice Project	400,000	-
Art for justice fund	805,000	704,112
Other programs	337,938	409,409
	4,627,272	4,228,359
Time restrictions satisfied	573,253	237,377
	\$ 5,200,525	\$ 4,465,736

THE NEW YORK WOMEN'S FOUNDATION, INC.

**Notes to Financial Statements
December 31, 2020 and 2019**

NOTE H - ENDOWMENT

[1] The endowment:

The endowment consists of five individual funds established for a variety of purposes, consisting of both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowment.

[2] Interpretation of relevant law:

As discussed in Note A[13], NYPMIFA is applicable to the Foundation's institutional funds, including its donor-restricted endowment funds. The Board of Directors adheres to NYPMIFA's requirements.

[3] Endowment net assets at each year-end:

	December 31, 2020			Total
	Without Donor Restrictions	With Donor Restrictions		
		Amounts Subject to Appropriation	Amounts Held in Perpetuity	
Donor-restricted endowment funds	\$ -	\$ 1,273,926	\$ 1,799,595	\$ 3,073,521
Board-designated endowment funds	<u>7,392,046</u>	<u>-</u>	<u>-</u>	<u>7,392,046</u>
Total funds	<u>\$ 7,392,046</u>	<u>\$ 1,273,926</u>	<u>\$ 1,799,595</u>	<u>\$ 10,465,567</u>

	December 31, 2019			Total
	Without Donor Restrictions	With Donor Restrictions		
		Amounts Subject to Appropriation	Amounts Held in Perpetuity	
Donor-restricted endowment funds	\$ -	\$ 1,029,836	\$1,799,595	\$2,829,431
Board-designated endowment funds	<u>6,804,985</u>	<u>-</u>	<u>-</u>	<u>6,804,985</u>
Total funds	<u>\$ 6,804,985</u>	<u>\$ 1,029,836</u>	<u>\$ 1,799,595</u>	<u>\$9,634,416</u>

Amounts subject to appropriation represent that portion of allocated investment income, derived from endowment assets held in perpetuity that has not been appropriated by the Board of Directors for expenditure.

THE NEW YORK WOMEN'S FOUNDATION, INC.

**Notes to Financial Statements
December 31, 2020 and 2019**

NOTE H - ENDOWMENT (CONTINUED)

[4] Changes in endowment net assets at each year-end:

	December 31, 2020			Total
	Without Donor Restrictions	With Donor Restrictions		
		Amounts Subject to Appropriation	Amounts Held in Perpetuity	
Endowment net assets, beginning of year	<u>\$6,804,985</u>	<u>\$ 1,029,836</u>	<u>\$ 1,799,595</u>	<u>\$ 9,634,416</u>
Investment returns:				
Investment income, net	33,631	13,979	-	47,610
Net realized and unrealized appreciation	<u>880,934</u>	<u>366,281</u>	<u>-</u>	<u>1,247,215</u>
Total investment returns	<u>914,565</u>	<u>380,260</u>	<u>-</u>	<u>1,294,825</u>
Appropriations of endowment assets for expenditures	<u>(327,504)</u>	<u>(136,170)</u>	<u>-</u>	<u>(463,674)</u>
Endowment net assets, end of year	<u>\$7,392,046</u>	<u>\$ 1,273,926</u>	<u>\$ 1,799,595</u>	<u>\$10,465,567</u>

	December 31, 2019			Total
	Without Donor Restrictions	With Donor Restrictions		
		Amounts Subject to Appropriation	Amounts Held in Perpetuity	
Endowment net assets, beginning of year	<u>\$5,928,682</u>	<u>\$ 665,483</u>	<u>\$ 1,799,595</u>	<u>\$ 8,393,760</u>
Investment returns:				
Investment income, net	116,984	48,635	-	165,619
Net realized and unrealized depreciation	<u>1,082,914</u>	<u>450,262</u>	<u>-</u>	<u>1,533,176</u>
Total investment returns	<u>1,199,898</u>	<u>498,897</u>	<u>-</u>	<u>1,698,795</u>
Appropriations of endowment assets for expenditures	<u>(323,595)</u>	<u>(134,544)</u>	<u>-</u>	<u>(458,139)</u>
Endowment net assets, end of year	<u>\$ 6,804,985</u>	<u>\$ 1,029,836</u>	<u>\$ 1,799,595</u>	<u>\$ 9,634,416</u>

[5] Return objectives and risk parameters:

The Foundation's Board has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce investment earnings for operating activities.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE H - ENDOWMENT (CONTINUED)

[6] Strategies employed for achieving objectives:

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total-return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

[7] Spending policy and investment objectives:

The Foundation's Board has established a spending policy of appropriating, for distribution each year and did appropriate 5% of its endowment fund's average fair value (as calculated over the prior 12 quarters through the calendar year-end proceeding the year in which the distribution is planned). This is consistent with the Board's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment returns. The Foundation's Board suspends the spend rate, other than the spending from investment earnings, for any fund that would otherwise be driven underwater by such spending; however, there were no underwater funds in either year.

[8] Funds with deficiencies:

From time to time, the fair values of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or NYPMIFA may require the Foundation to retain as a fund of perpetual duration. Under the terms of NYPMIFA, the Foundation has no responsibility to restore such decreases in value. There are no such deficiencies as of December 31, 2020 or 2019.

NOTE I - COMMITMENTS

[1] Lease obligations:

The Foundation entered into an operating lease agreement for office space that began on January 1, 2012 and expires in May 2022. The lease agreement provides for scheduled rent increases and escalations over the lease term, as well as five months of rent abatement.

The Foundation is also obligated under other various non-cancelable operating leases for office equipment.

Minimum future obligations under these lease agreements are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2021	\$ 304,419
2022	<u>129,823</u>
	<u>\$ 434,242</u>

Rent expense related to the office space for 2020 and 2019 was \$258,342 and \$258,272, respectively.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE I - COMMITMENTS (CONTINUED)

[2] Other contracts:

In the normal course of its business, the Foundation enters into various contracts for professional and other services, which are typically renewable on a year-to-year basis.

NOTE J - CONCENTRATION OF CREDIT RISK

The Foundation maintains its cash in high-credit-quality financial institutions in amounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts, and management believes that the Foundation is not exposed to any significant risk of loss due to the failure of the financial institutions.

NOTE K - PAYCHECK PROTECTION PROGRAM LOAN PAYABLE

On April 7, 2020, the Foundation received \$556,252 in funds from the PPP and is reported as a PPP loan payable on the statements of financial position as of December 31, 2020. Neither principal nor interest is due for a deferral period, which ends when the SBA remits the loan forgiveness amount to the bank. This loan may be forgiven subject to bank approval in accordance with SBA guidelines. Any outstanding principal of the loan that is not forgiven under the PPP loan program at the end of the deferral period will convert to a term loan with an interest rate of 1% payable in equal installments of principal and interest over the remaining period until the loan maturity date. The loan matures in August 2022. Subsequent to year-end the Foundation received full forgiveness of the loan.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2020 and 2019

NOTE L - LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

The following reflects the Foundation's financial assets as of the financial position date, reduced by amounts not available for general expenditure (including scheduled grant payments) within one year due to donor imposed restrictions and internal designations:

	<u>December 31,</u>	
	<u>2020</u>	<u>2019</u>
Cash and cash equivalents and restricted cash	\$ 10,511,924	\$ 9,249,206
Pledges receivable, net	7,487,309	9,962,429
Investments (excluding those with liquidity restrictions)	10,127,808	9,490,037
	<hr/>	<hr/>
Total financial assets available within one year	28,127,041	28,701,672
	<hr/>	<hr/>
Less:		
Amounts unavailable for general expenditures within one year due to:		
Restrictions by donors for purpose	(4,771,082)	(7,198,302)
Restrictions by donors for time	(1,838,043)	(901,494)
Restricted by donors in perpetuity	(1,799,595)	(1,799,595)
	<hr/>	<hr/>
	(8,408,720)	(9,899,391)
	<hr/>	<hr/>
Amounts unavailable to management without Board approval:		
Board-designated endowment	(7,392,046)	(6,804,985)
	<hr/>	<hr/>
Total amounts available for general expenditure within one year	\$ 12,326,275	\$ 11,997,296
	<hr/>	<hr/>

Liquidity policy:

The Foundation's policy is to structure its financial assets to be available for its general expenditures, liabilities and other obligations as they come due. Additionally, the Foundation has Board designated net assets without donor restrictions that, although the Foundation doesn't intend to spend for purposes other than those identified, could be used to help manage unanticipated liquidity needs, if needed.

NOTE M - OTHER UNCERTAINTY – COVID-19

The extent of the impact of the coronavirus ("COVID-19") outbreak on the operational and financial performance of the Foundation will depend on the continued future developments, including the duration and spread of the outbreak and related travel advisories and restrictions and the impact of COVID-19 on overall availability of contributions towards the Foundation's programs, all of which are highly uncertain and cannot be predicted. If contributions towards the Foundation's programs are impacted for an extended period, results of operations may be materially adversely affected.

NOTE N - SUBSEQUENT EVENT

Subsequent to December 31, 2020, in February 2021 the Foundation applied for and received a Paycheck Protection Program Loan Second Draw of approximately \$497,000.