

EISNERAMPER

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

FINANCIAL STATEMENTS

DECEMBER 31, 2021 and 2020



THE NEW YORK WOMEN'S FOUNDATION, INC.

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INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the financial statements of The New York Women's Foundation, Inc. (the "Foundation"), which comprise the statements of financial position as of December 31, 2021 and 2020, 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.

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, 2021 and 2020, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

EisnerAmper LLP

EISNERAMPER LLP
New York, New York
May 5, 2022



THE NEW YORK WOMEN'S FOUNDATION, INC.

Statements of Financial Position

	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and cash equivalents and restricted cash (Note A[4])	\$ 14,329,046	\$ 10,511,924
Employee Tax Retention Credit receivable	464,882	-
Pledges receivable, net	3,346,436	7,487,309
Investments	12,515,964	10,877,884
Prepaid expenses and other assets	146,216	163,256
Beneficial interest in charitable lead annuity trust	927,209	953,694
Property and equipment, net	<u>14,877</u>	<u>61,675</u>
	<u>\$ 31,744,630</u>	<u>\$ 30,055,742</u>
LIABILITIES		
Accounts payable and accrued expenses	\$ 565,675	\$ 448,276
Grants payable	4,590,420	3,463,920
Paycheck Protection Program loan payable	-	556,252
Deferred rent obligation	<u>22,229</u>	<u>66,502</u>
Total liabilities	<u>5,178,324</u>	<u>4,534,950</u>
Commitments and other uncertainty (Note I)		
NET ASSETS		
Without donor restrictions:		
Undesignated	6,634,831	9,720,026
Board-designated endowment	<u>8,172,299</u>	<u>7,392,046</u>
Total net assets without donor restrictions	<u>14,807,130</u>	<u>17,112,072</u>
With donor restrictions:		
Purpose restrictions	4,708,586	4,771,082
Time-restricted for future periods	5,250,995	1,838,043
Perpetual in nature	<u>1,799,595</u>	<u>1,799,595</u>
Total net assets with donor restrictions	<u>11,759,176</u>	<u>8,408,720</u>
Total net assets	<u>26,566,306</u>	<u>25,520,792</u>
	<u>\$ 31,744,630</u>	<u>\$ 30,055,742</u>

See notes to financial statements.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Statements of Activities

	Year Ended December 31,					
	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenues:						
Public support:						
Contributions	\$ 2,557,135	\$ 650,000	\$ 3,207,135	\$ 6,000,778	\$ 1,305,792	\$ 7,306,570
Government and foundation grants	295,650	9,816,150	10,111,800	1,657,168	1,975,000	3,632,168
Revenue from special events:						
"Celebrating Women"	1,241,986	-	1,241,986	430,519	-	430,519
Fall Gala/A Starlight Dinner	-	-	-	41,250	-	41,250
Neighborhood Dinner	-	-	-	30,025	-	30,025
Donated services	16,270	-	16,270	25,800	-	25,800
Change in value of beneficial interest in charitable annuity lead annuity trust	-	48,218	48,218	-	48,802	48,802
Total public support	4,111,041	10,514,368	14,625,409	8,185,540	3,329,594	11,515,134
Revenues:						
Other income	15,713	-	15,713	5,775	-	5,775
Pass-through loss from LLCs	(186,902)	-	(186,902)	(9,587)	-	(9,587)
Interest and dividend income, net	88,845	36,863	125,708	159,034	13,979	173,013
Gain on forgiveness of Paycheck Protection Program loans	1,053,644	-	1,053,644	-	-	-
Net realized and unrealized gains on investments	1,024,598	426,015	1,450,613	842,134	366,281	1,208,415
Total revenues	1,995,898	462,878	2,458,776	997,356	380,260	1,377,616
Total public support and revenues before net assets released from restrictions	6,106,939	10,977,246	17,084,185	9,182,896	3,709,854	12,892,750
Net assets released from restrictions	7,626,790	(7,626,790)	-	5,200,525	(5,200,525)	-
Total public support and revenues	13,733,729	3,350,456	17,084,185	14,383,421	(1,490,671)	12,892,750
Expenses:						
Program services:						
Grants, awards and other related services	12,284,345	-	12,284,345	11,546,593	-	11,546,593
Supporting services:						
General and administrative	1,882,576	-	1,882,576	1,284,637	-	1,284,637
Fund-raising	1,871,750	-	1,871,750	1,817,716	-	1,817,716
Total supporting services	3,754,326	-	3,754,326	3,102,353	-	3,102,353
Total expenses	16,038,671	-	16,038,671	14,648,946	-	14,648,946
Change in net assets	(2,304,942)	3,350,456	1,045,514	(265,525)	(1,490,671)	(1,756,196)
Net assets, beginning of year	17,112,072	8,408,720	25,520,792	17,377,597	9,899,391	27,276,988
Net assets, end of year	\$ 14,807,130	\$ 11,759,176	\$ 26,566,306	\$ 17,112,072	\$ 8,408,720	\$ 25,520,792

See notes to financial statements.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Statement of Functional Expenses

Year Ended December 31, 2021

(with summarized financial information for 2020)

	Program Expenses	Supporting Services			Total	
	Grants, Awards and Related Services	General and Administrative	Fund-Raising	Total Supporting Services	2021	2020
Grants and awards	\$ 9,155,365	\$ -	\$ -	\$ -	\$ 9,155,365	\$ 8,202,470
Salaries and wages	1,287,204	1,089,225	865,663	1,954,888	3,242,092	3,199,076
Payroll taxes and employee benefits	363,744	244,890	194,701	439,591	803,335	772,002
Professional and consulting fees (including in-kind contributions of \$16,270 and \$25,800 in 2021 and 2020, respectively)	1,194,133	309,559	312,836	622,395	1,816,528	1,731,718
Office supplies and expenses	67,908	54,736	30,002	84,738	152,646	91,208
Printing, publications, and postage	8,992	682	14,611	15,293	24,285	17,379
Travel, meetings, and conferences	-	2,005	-	2,005	2,005	20,514
Promotion and advertising	4,072	-	-	-	4,072	7,050
Website and technology	18,619	13,505	40,681	54,186	72,805	51,709
Occupancy and utilities	118,130	110,852	79,443	190,295	308,425	312,196
Event production costs	-	-	34,066	34,066	34,066	46,411
Telephone	10,224	8,651	6,876	15,527	25,751	24,007
Miscellaneous	352	5,725	18,020	23,745	24,097	21,083
Professional development and training	27,661	19,102	13,612	32,714	60,375	11,317
Insurance	<u>9,361</u>	<u>7,921</u>	<u>6,295</u>	<u>14,216</u>	<u>23,577</u>	<u>28,851</u>
Total expenses before depreciation, amortization and bad debts expense	12,265,765	1,866,853	1,616,806	3,483,659	15,749,424	14,536,991
Depreciation and amortization	18,580	15,723	12,495	28,218	46,798	37,369
Bad debts expense	<u>-</u>	<u>-</u>	<u>242,449</u>	<u>242,449</u>	<u>242,449</u>	<u>74,586</u>
Total expenses per statements of activities	<u>\$ 12,284,345</u>	<u>\$ 1,882,576</u>	<u>\$ 1,871,750</u>	<u>\$ 3,754,326</u>	<u>\$ 16,038,671</u>	<u>\$ 14,648,946</u>

See notes to financial statements.

THE NEW YORK WOMEN'S FOUNDATION, INC.

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

	Program Expenses	Supporting Services			Total
	Grants, Awards and Related Services	General and Administrative	Fund Raising	Total Supporting Services	
Grants and awards	\$ 8,202,470	\$ -	\$ -	\$ -	\$ 8,202,470
Salaries and wages	1,470,655	769,298	959,123	1,728,421	3,199,076
Payroll taxes and employee benefits	354,613	186,120	231,269	417,389	772,002
Professional and consulting fees (including in-kind contributions of \$25,800)	1,300,457	123,034	308,227	431,261	1,731,718
Office supplies and expenses	5,219	85,201	788	85,989	91,208
Printing, publications, and postage	818	1,268	15,293	16,561	17,379
Travel, meetings, and conferences	3,858	15,670	986	16,656	20,514
Promotion and advertising	6,850	200	-	200	7,050
Website and technology	14,283	10,603	26,823	37,426	51,709
Occupancy and utilities	142,232	66,064	103,900	169,964	312,196
Event production costs	-	-	46,411	46,411	46,411
Telephone	11,043	5,762	7,202	12,964	24,007
Miscellaneous	83	2,630	18,370	21,000	21,083
Professional development and training	3,550	2,896	4,871	7,767	11,317
Insurance	<u>13,272</u>	<u>6,923</u>	<u>8,656</u>	<u>15,579</u>	<u>28,851</u>
 Total expenses before depreciation, amortization and bad debts expense	 11,529,403	 1,275,669	 1,731,919	 3,007,588	 14,536,991
Depreciation and amortization	17,190	8,968	11,211	20,179	37,369
Bad debts expense	<u>-</u>	<u>-</u>	<u>74,586</u>	<u>74,586</u>	<u>74,586</u>
 Total expenses per statements of activities	 <u>\$ 11,546,593</u>	 <u>\$ 1,284,637</u>	 <u>\$ 1,817,716</u>	 <u>\$ 3,102,353</u>	 <u>\$ 14,648,946</u>

See notes to financial statements.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Statements of Cash Flows

	Year Ended December 31,	
	2021	2020
Cash flows from operating activities:		
Change in net assets	\$ 1,045,514	\$ (1,756,196)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	46,798	37,369
Bad debts expense	242,449	74,586
Net realized and unrealized gains on investments	(1,450,613)	(1,208,415)
Donated securities	(291,283)	(81,029)
Proceeds from donated securities	291,283	81,029
Gain on forgiveness of Paycheck Protection Program loans	(1,053,644)	-
Changes in:		
Government program receivable	(464,882)	-
Pledges receivable, net	3,898,424	2,400,534
Prepaid expenses and other assets	17,040	41,936
Beneficial interest in charitable annuity lead trust	26,485	13,451
Accounts payable and accrued expenses	117,399	(85,566)
Grants payable	1,126,500	585,920
Deferred rent obligation	<u>(44,273)</u>	<u>(35,463)</u>
Net cash provided by operating activities	<u>3,507,197</u>	<u>68,156</u>
Cash flows from investing activities:		
Purchases of investments	(2,471,113)	(2,489,950)
Proceeds from sales of investments	<u>2,283,646</u>	<u>3,128,260</u>
Net cash (used in) provided by investing activities	<u>(187,467)</u>	<u>638,310</u>
Cash flows from financing activities:		
Proceeds from Paycheck Protection Program loans	<u>497,392</u>	<u>556,252</u>
Net increase in cash, cash equivalents, and restricted cash	3,817,122	1,262,718
Cash, cash equivalents, and restricted cash, beginning of year	<u>10,511,924</u>	<u>9,249,206</u>
Cash, cash equivalents, and restricted cash, end of year	\$ <u>14,329,046</u>	\$ <u>10,511,924</u>
Supplemental disclosures of cash flow information:		
In-kind services	<u>\$ 16,270</u>	<u>\$ 25,800</u>

See notes to financial statements.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2021 and 2020

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, 2021 and 2020, respectively, the Foundation's cash included balances of \$2,346,275 and \$1,177,636 that were restricted for the NYC Fund for Girls and Young Women of Color program and fiscal sponsorship (see Note A[14] and Note G).

[5] Investments:

The Foundation's investments in equity and fixed income securities and a mutual fund 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, 2021 and 2020

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

[5] Investments: (continued)

Because of the complex management structures, nature of the underlying 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 through donor stipulation. Realized gains and losses on investments are determined by comparison of the cost of acquisition to proceeds at the time of disposition. Distributions from the LLCs that represent return of contributed capital reduce the cumulative cost basis of the respective investment. Distributions received from the LLCs in excess of the Foundation's cumulative basis are recognized as realized gains. Unrealized gains and losses on investments are determined by comparing the investment's cost bases 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 on the dates of donation. The Foundation's policy is to sell the donated securities as soon as practicable, 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 2021 and 2020, the Foundation recognized as revenue within net assets with donor restrictions, the change in present value in the Trust of \$48,218 and \$48,802, respectively. Actual annuity payments of \$74,703 and \$62,253 were received during 2021 and 2020, respectively. The estimated fair value of the Trust as of December 31, 2021 and 2020 was \$927,209 and \$953,694, respectively.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2021 and 2020

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

[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.

[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 repairs 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. Equipment is depreciated over five to seven years and furniture and fixtures are depreciated over five 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 occurring to property and equipment requiring management to test for, or adjust for, impairment losses during 2021 or 2020. 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] 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, 2021 and 2020, this accrued vacation obligation was approximately \$158,000 and \$156,000, respectively, and was reported as a part of accounts payable and accrued expenses in the statements of financial position.

[10] 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, 2021 and 2020, the deferred rent obligation was approximately \$22,000 and \$67,000, respectively.

[11] Paycheck Protection Program loan payable and Employee Retention Credit:

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Security ("CARES") Act. The Paycheck Protection Program ("PPP") and Employee Retention Credit ("ERC") 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.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2021 and 2020

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

[11] Paycheck Protection Program loan payable and Employee Retention Credit: (continued)

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*. During 2021, the Foundation applied for and received full forgiveness for its first draw PPP loan in the amount of \$556,252. In addition, during 2021, the Foundation applied for and received a second draw PPP loan for \$497,392 which was fully forgiven prior to December 31, 2021. Accordingly, these amounts have been recognized as Gain on forgiveness of Paycheck Protection Program loans in the accompanying statements of activities.

During the year ended December 31, 2021, the Foundation applied for the Employee Retention Tax Credit ("ERTC") funding that totaled \$450,150. This amount is accounted for in accordance with the FASB's ASC 958-605 model under which the ERTC is treated as a nonexchange transaction that is considered a conditional contribution. Contributions from this agreement are therefore recognized as revenue when qualifying costs are incurred and conditions have been substantially met, as required by the agreement. For the year ended December 31, 2021, the amount was used for qualified expenditures, including payroll and benefits, and thus was recognized as governmental grant revenue on the statements of activities. Management believes that these costs meet the conditions of the grant and will ultimately be approved, and the potential for material disallowances is remote and, therefore, is not a barrier that would prevent the recognition of revenue. The full amount has been recorded as a government program receivable in the statements of financial position as of December 31, 2021 and is expected to be fully collected in the subsequent year.

[12] 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."

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2021 and 2020

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

[13] Revenue recognition:

(i) *Contributions, government and foundation grants:*

Contributions, government and foundation grants are recognized as revenue upon receipt of cash, other assets, or of unconditional pledges. Contributions, government 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 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.

(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, considered exchange revenue. Special-event revenue is reported net of the direct benefits to donors. The exchange portion of the cash received is recognized as revenue when the special event takes place. The exchange portion of special event proceeds for a future year's event is deferred and recognized when the event takes place. The contribution portion is considered restricted by donors for time until the event takes place. As all events were virtual during 2021 and 2020, there were no direct benefits to donors in either year.

(iii) *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).

[14] 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% to 8% of the contributions received for the fiscal-sponsorship projects. Contribution revenue received in conjunction with these programs amounted to \$150,000 and \$175,000 and amounts expended for these program activities and reimbursable fees were \$165,351 and \$256,768 during 2021 and 2020, respectively. These amounts have been included in the statements of activities.

As of December 31, 2021 and 2020, the Foundation's restricted cash balance included \$256,975 and \$252,911, respectively, of funds maintained on behalf of these programs.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2021 and 2020

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

[15] 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 natural classification and function. 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. Costs that have been allocated include salaries and wages, office supplies and expenses, computer expenses, occupancy and utilities, telephone, insurance, and depreciation and amortization expenses.

[16] Grants and awards:

Unconditional grants and awards made to others are recognized in the financial statements at the time of approval by the Foundation's Board of Directors. Unconditional grants and awards approved, but unpaid as of the year-end, are reported as grants payable in the statements of financial position. As of December 31, 2021 and 2020, grants payable amounted \$4,590,420 and \$3,463,920, respectively, and were all payable within twelve months. Conditional grants and awards are recognized as the conditions on which they depend are satisfied by the intended recipient.

[17] 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.

[18] Upcoming accounting pronouncements:

(i) Leases:

In February 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-02, *Leases (Topic 842)*, as amended, which supersedes the current leasing guidance and upon adoption, will require lessees to recognize right-of-use assets and lease liabilities on the statements of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statements of activities. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. The new standard is effective for the Foundation for the annual period beginning after December 15, 2021. ASU 2016-02 should be applied on a modified prospective basis. Upon the adoption of the guidance, operating leases are capitalized on the statements of financial position at the present value of lease payments. The statements of financial position amount recorded for existing leases at the date of adoption of ASU 2016-02 will be calculated using the applicable incremental borrowing or risk-free rate at the date of adoption. The impact on the Foundation's financial statements is currently being evaluated. Information about the Foundation's undiscounted future lease payments and the timing of those payments is provided in Note I.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2021 and 2020

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

[18] Upcoming accounting pronouncements: (continued)

(ii) Contributed nonfinancial assets:

In September 2020, the FASB issued ASU No. 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.

[19] Reclassification:

Certain amounts in the prior-year's financial statements have been reclassified to conform to the current-year's presentation.

[20] Subsequent events:

The Foundation evaluated subsequent events through May 5, 2022, 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,	
	2021	2020
Less than one year	\$ 2,198,762	\$ 6,655,080
One to five years	<u>1,436,666</u>	<u>1,000,000</u>
	3,635,428	7,655,080
Reduction of pledges due in excess of one year to present value, at a rate ranging from 1.25% - 1.50%	<u>(45,957)</u>	<u>(42,185)</u>
	3,589,471	7,612,895
Less: allowance for doubtful collections	<u>(243,035)</u>	<u>(125,586)</u>
	<u>\$ 3,346,436</u>	<u>\$ 7,487,309</u>

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2021 and 2020

NOTE B - PLEDGES RECEIVABLE (CONTINUED)

Amounts provided by three donors of approximately 67% and 73% of pledges receivable represent a concentration of receivables as of December 31, 2021 and 2020, respectively. In addition, the Foundation wrote-off uncollectible pledges receivable of approximately \$125,000 and \$15,000 against its allowance in 2021 and 2020, respectively.

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

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

	December 31,			
	2021		2020	
	Fair Value	Cost	Fair Value	Cost
United States Treasury Bills	\$ 1,009,703	\$ 990,799	\$ 967,277	\$ 907,983
Common and preferred stocks	8,771,443	4,912,132	7,215,882	4,754,688
Corporate bonds	1,865,585	1,842,776	1,944,649	1,836,962
Mutual fund – equity	346,059	358,980	-	-
Limited liability companies	<u>523,174</u>	<u>561,974</u>	<u>750,076</u>	<u>788,876</u>
	<u>\$ 12,515,964</u>	<u>\$ 8,666,661</u>	<u>\$ 10,877,884</u>	<u>\$ 8,288,509</u>

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

	Year Ended December 31,	
	2021	2020
Interest and dividends	\$ 186,052	\$ 220,591
Pass-through loss from LLCs	(186,902)	(9,587)
Investment advisory fees	<u>(60,344)</u>	<u>(47,578)</u>
	<u>(61,194)</u>	<u>163,426</u>
Realized gains	190,685	235,611
Unrealized gains	<u>1,259,928</u>	<u>972,804</u>
	<u>1,450,613</u>	<u>1,208,415</u>
	<u>\$ 1,389,419</u>	<u>\$ 1,371,841</u>

The FASB's 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. 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.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2021 and 2020

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

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: (i) there is little, if any, market activity for the assets, or (ii) 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, 2021			
	Level 1	Level 2	Level 3	Level 4
United States Treasury Bills	\$ 1,009,703	\$ -	\$ -	\$ 1,009,703
Common and preferred stock	8,771,443	-	-	8,771,443
Corporate bonds	-	1,865,585	-	1,865,585
Mutual fund – equity	346,059	-	-	346,059
Limited liability companies	-	-	523,174	523,174
Total investments	<u>10,127,205</u>	<u>1,865,585</u>	<u>523,174</u>	<u>12,515,964</u>
Beneficial interest in a charitable lead annuity trust	-	-	927,209	927,209
Total	<u>\$ 10,127,205</u>	<u>\$ 1,865,585</u>	<u>\$ 1,450,383</u>	<u>\$ 13,443,173</u>

	December 31, 2020			
	Level 1	Level 2	Level 3	Level 4
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	<u>8,183,159</u>	<u>1,944,649</u>	<u>750,076</u>	<u>10,877,884</u>
Beneficial interest in a charitable lead annuity trust	-	-	953,694	953,694
Total	<u>\$ 8,183,159</u>	<u>\$ 1,944,649</u>	<u>\$ 1,703,770</u>	<u>\$ 11,831,578</u>

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2021 and 2020

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 2021, the Foundation received a \$40,000 distribution from an LLC investment and a \$74,703 distribution from the charitable lead annuity trust; and (ii) during 2020, the Foundation received a \$72,000 distribution from an LLC investment and a \$62,253 distribution from the charitable lead annuity trust.

The following table lists investment redemption terms as of December 31, 2021:

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Limited liability companies	\$ 523,174	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	\$ 523,174	Market approach	Expected recovery	N/A
Charitable lead annuity trust	\$ 927,209	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>2021</u>	<u>2020</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>(376,956)</u>	<u>(330,158)</u>
	<u>\$ 14,877</u>	<u>\$ 61,675</u>

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2021 and 2020

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 2021 and 2020, the Foundation received donated services for fundraising and grant-making programs valued at \$16,270 and \$25,800, respectively.

In addition, 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. 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 contribution of 10% of an employee's gross salary (with a threshold of \$10,000 for the year) for each eligible participant. Contributions for 2021 and 2020 were \$186,196 and \$184,488, respectively.

NOTE G - NET ASSETS WITH DONOR RESTRICTIONS

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

	December 31,	
	2021	2020
Purpose restricted:		
Grant-making	\$ 498,500	\$ 157,815
Girls and Young Women of Color (GYWC)	1,108,693	2,359,722
Brooklyn Economic Justice Project	275,000	675,000
The Justice Fund	963,333	15,000
CR2PI sponsorship project	245,582	270,483
Other programs	<u>19,136</u>	<u>19,136</u>
	3,110,244	3,497,156
Subject to appropriation:		
Accumulated earnings on endowment funds	<u>1,598,342</u>	<u>1,273,926</u>
Total purpose restrictions	<u>4,708,586</u>	<u>4,771,082</u>
Restricted for future periods	<u>5,250,995</u>	<u>1,838,043</u>
Perpetual in nature:		
Operating needs	<u>1,799,595</u>	<u>1,799,595</u>
	<u>\$ 11,759,176</u>	<u>\$ 8,408,720</u>

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2021 and 2020

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, 2021 and 2020, the Foundation's cash balances included \$2,089,300 and \$924,725, 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,	
	2021	2020
Program:		
Grant-making	\$ 1,687,500	\$ 100,000
Girls and Young Women of Color (GYWC)	1,816,029	1,726,667
Me Too movement	-	1,257,667
Brooklyn Economic Justice Project	400,000	400,000
The Justice Fund	941,667	805,000
CR2PI sponsorship project	174,900	-
Other programs	<u>138,462</u>	<u>337,938</u>
	5,158,558	4,627,272
Time restrictions satisfied	<u>2,468,232</u>	<u>573,253</u>
	\$ 7,626,790	\$ 5,200,525

THE NEW YORK WOMEN'S FOUNDATION, INC.

**Notes to Financial Statements
December 31, 2021 and 2020**

NOTE H - ENDOWMENT

[1] The endowment:

The endowment consists of 22 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[12], 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, 2021			
	Without Donor Restrictions	With Donor Restrictions		Total
		Amounts Subject to Appropriation	Amounts Held in Perpetuity	
Donor-restricted endowment funds	\$ -	\$ 1,598,342	\$ 1,799,595	\$ 3,397,937
Board-designated endowment funds	<u>8,172,299</u>	<u>-</u>	<u>-</u>	<u>8,172,299</u>
Total funds	<u>\$ 8,172,299</u>	<u>\$ 1,598,342</u>	<u>\$ 1,799,595</u>	<u>\$ 11,570,236</u>

	December 31, 2020			
	Without Donor Restrictions	With Donor Restrictions		Total
		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>

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, 2021 and 2020**

NOTE H – ENDOWMENT (CONTINUED)

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

	December 31, 2021			Total
	Without Donor Restrictions	With Donor Restrictions		
		Amounts Subject to Appropriation	Amounts Held in Perpetuity	
Endowment net assets, beginning of year	<u>\$ 7,392,046</u>	<u>\$ 1,273,926</u>	<u>\$ 1,799,595</u>	<u>\$ 10,465,567</u>
Investment returns:				
Investment income, net	88,671	36,863	-	125,534
Net realized and unrealized appreciation	<u>1,024,598</u>	<u>426,015</u>	<u>-</u>	<u>1,450,613</u>
Total investment returns	<u>1,113,269</u>	<u>462,878</u>	<u>-</u>	<u>1,576,147</u>
Appropriations of endowment assets for expenditures	<u>(333,016)</u>	<u>(138,462)</u>	<u>-</u>	<u>(471,478)</u>
Endowment net assets, end of year	<u>\$ 8,172,299</u>	<u>\$ 1,598,342</u>	<u>\$ 1,799,595</u>	<u>\$ 11,570,236</u>

	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>

[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, 2021 and 2020**

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 funds 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 policy 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 were no such deficiencies as of December 31, 2021 or 2020.

NOTE I - COMMITMENTS AND OTHER UNCERTAINTY

[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>
2022	<u>\$ 130,103</u>

Rent expense related to the office space for 2021 and 2020 was \$258,226 and \$258,342, respectively.

[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.

THE NEW YORK WOMEN'S FOUNDATION, INC.

Notes to Financial Statements December 31, 2021 and 2020

NOTE I - COMMITMENTS AND OTHER UNCERTAINTY (CONTINUED)

[3] COVID-19:

The extent of the impact of the COVID-19 outbreak on the Foundation's programming, operational and financial performance is uncertain and will depend on the continued future developments of the outbreak and external restrictions imposed. The potential economic impact on the overall contributions towards the Foundation's programs brought by, and the duration of, the COVID-19 pandemic is difficult to assess or predict and may have an adverse impact on the Foundation's operations.

NOTE J - CONCENTRATION OF CREDIT RISK

The Foundation deposits cash in financial institutions in amounts which, at times, may exceed federal insurance limits. The Foundation's cash is held at major financial institutions, and management believes that there is no significant risk of loss by reason of the institutions' failures.

NOTE K - LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Foundation's financial assets as of each year-end available for general expenditures (including scheduled grant payments) within one year of the statements of financial position dates:

	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
Cash and cash equivalents and restricted cash	\$ 14,329,046	\$ 10,511,924
Government program receivable	464,882	-
Pledges receivable, net	3,346,436	7,487,309
Investments (excluding those with liquidity restrictions)	<u>11,992,790</u>	<u>10,127,808</u>
Total financial assets available within one year	<u>30,133,154</u>	<u>28,127,041</u>
Less:		
Amounts unavailable for general expenditures within one year due to:		
Restrictions by donors for purpose	(4,708,586)	(4,771,082)
Restrictions by donors for time	(5,250,995)	(1,838,043)
Restricted by donors in perpetuity	<u>(1,799,595)</u>	<u>(1,799,595)</u>
	<u>(11,759,176)</u>	<u>(8,408,720)</u>
Amounts unavailable to management without Board approval:		
Board-designated endowment	<u>(8,172,299)</u>	<u>(7,392,046)</u>
Total amounts available for general expenditure within one year	<u>\$ 10,201,679</u>	<u>\$ 12,326,275</u>

THE NEW YORK WOMEN'S FOUNDATION, INC.

**Notes to Financial Statements
December 31, 2021 and 2020**

NOTE K - LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

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.