

**Ms. Foundation For Women, Inc.**

Financial Statements

June 30, 2011 and 2010



O'Connor Davies Munns & Dobbins, llp  
ACCOUNTANTS AND CONSULTANTS

## Independent Auditors' Report

### Board of Directors

### Ms. Foundation For Women, Inc.

We have audited the accompanying statement of financial position of the Ms. Foundation For Women, Inc. as of June 30, 2011 and 2010, and the related statements of activities, functional expense and cash flows for the year then ended. These financial statements are the responsibility of the Ms. Foundation for Women, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ms. Foundation For Women, Inc.'s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Ms. Foundation For Women, Inc. as of June 30, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*O'Connor Davies Munns & Dobbins, LLP*

Harrison, New York

October 12, 2011

**Ms. Foundation For Women, Inc.**

Statement of Financial Position

June 30,

	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 5,911,063	\$ 7,674,437
Pledges, grants and contributions receivable	2,601,614	3,088,847
Accrued interest receivable	1,454	7,316
Prepaid expense and other receivables	94,275	104,137
Investments	32,919,275	27,510,567
Furniture, equipment and leasehold improvements, net of accumulated depreciation and amortization	864,028	1,012,567
Art work	77,000	77,000
Rent security deposits	234,239	234,108
	<u>\$ 42,702,948</u>	<u>\$ 39,708,979</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 377,884	\$ 463,914
Grants payable	1,105,000	2,234,500
Deferred rent	101,609	60,966
Total Liabilities	1,584,493	2,759,380
<b>NET ASSETS</b>		
<b>Unrestricted</b>		
General Operations	2,721,043	2,676,182
Board Designated	1,257,720	1,030,549
	<u>3,978,763</u>	<u>3,706,731</u>
Temporarily restricted	12,677,176	8,948,327
Permanently restricted	24,462,516	24,294,541
Total Net Assets	<u>41,118,455</u>	<u>36,949,599</u>
	<u>\$ 42,702,948</u>	<u>\$ 39,708,979</u>

See notes to financial statements

**Ms. Foundation For Women, Inc.**

Statement of Activities

Year Ended June 30, 2011

	Unrestricted		Temporarily restricted	Permanently restricted	Total
	General	Board Designated			
<b>PUBLIC SUPPORT AND REVENUE</b>					
Contributions and grants	\$ 1,445,005	\$ 200,598	6,128,181	\$ 10,092	\$ 7,783,876
Special events, net of direct expense of \$201,360	499,300	-	-	-	499,300
Investment income, net	17,155	16,566	842,886	-	876,607
Net realized gain on investment transactions	981	24,939	1,160,869	-	1,186,789
Other income	5,014	-	-	-	5,014
<b>Total Public Support and Revenue</b>	<b>1,967,455</b>	<b>242,103</b>	<b>8,131,936</b>	<b>10,092</b>	<b>10,351,586</b>
Net assets for program services released from restrictions	6,163,775	(71,490)	(6,092,285)	-	-
<b>Total Support, Revenue and Other</b>	<b>8,131,230</b>	<b>170,613</b>	<b>2,039,651</b>	<b>10,092</b>	<b>10,351,586</b>
<b>EXPENSES</b>					
Program Services					
Grantmaking	4,293,264	-	-	-	4,293,264
Capacity Building, Convenings and Evaluation	517,807	-	-	-	517,807
Public Education	801,549	-	-	-	801,549
<b>Total Program Services</b>	<b>5,612,620</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,612,620</b>
Supporting Services					
General and administration	1,925,550	-	-	-	1,925,550
Fundraising	1,138,630	-	-	-	1,138,630
<b>Total Supporting Services</b>	<b>3,064,180</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,064,180</b>
<b>Total Expenses</b>	<b>8,676,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,676,800</b>
Change in Net Assets Before Change in Unrealized Gain on Investments	(545,570)	170,613	2,039,651	10,092	1,674,786
Change in Unrealized Gain on Investments	590,431	56,558	1,689,198	157,883	2,494,070
<b>Change in Net Assets</b>	<b>44,861</b>	<b>227,171</b>	<b>3,728,849</b>	<b>167,975</b>	<b>4,168,856</b>
<b>NET ASSETS</b>					
Beginning of year	2,676,182	1,030,549	8,948,327	24,294,541	36,949,599
End of year	\$ 2,721,043	\$ 1,257,720	\$ 12,677,176	\$ 24,462,516	\$ 41,118,455

See notes to financial statements

**Ms. Foundation For Women, Inc.**

Statement of Activities  
Year Ended June 30, 2010

	Unrestricted		Temporarily restricted	Permanently restricted	Total
	General	Board Designated			
<b>PUBLIC SUPPORT AND REVENUE</b>					
Contributions and grants	\$ 1,410,991	\$ 636,273	\$ 3,054,121	\$ 24,650	\$ 5,126,035
Special events, net of direct expense of \$172,739	494,850	-	-	-	494,850
Investment income	399,782	(87)	137,993	-	537,688
Net realized gain (loss) on investment transactions	102,471	2,362	(1,569)	-	103,264
Other income	1,331	-	-	-	1,331
<b>Total Public Support and Revenue</b>	<b>2,409,425</b>	<b>638,548</b>	<b>3,190,545</b>	<b>24,650</b>	<b>6,263,168</b>
Net assets for program services released from restrictions and designations	6,286,696	-	(6,286,696)	-	-
<b>Total Support, Revenue and Other</b>	<b>8,696,121</b>	<b>638,548</b>	<b>(3,096,151)</b>	<b>24,650</b>	<b>6,263,168</b>
<b>EXPENSES</b>					
Program Services					
Grantmaking	4,334,065	-	-	-	4,334,065
Capacity Building, Convenings and Evaluation	148,801	-	-	-	148,801
Public Education	923,841	-	-	-	923,841
<b>Total Program Services</b>	<b>5,406,707</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,406,707</b>
Supporting Services					
General and administration	1,907,760	-	-	-	1,907,760
Fundraising	1,102,508	-	-	-	1,102,508
<b>Total Supporting Services</b>	<b>3,010,268</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,010,268</b>
<b>Total Expenses</b>	<b>8,416,975</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,416,975</b>
Change in Net Assets before Change in Unrealized Gain (Loss) on Investments	279,146	638,548	(3,096,151)	24,650	(2,153,807)
Change in Unrealized Gain (Loss) on Investments	2,355,625	36,060	(39,421)	168,122	2,520,386
<b>Change in Net Assets</b>	<b>2,634,771</b>	<b>674,608</b>	<b>(3,135,572)</b>	<b>192,772</b>	<b>366,579</b>
<b>NET ASSETS</b>					
Beginning of year	41,411	355,941	12,083,899	24,101,769	36,583,020
End of year	\$ 2,676,182	\$ 1,030,549	\$ 8,948,327	\$ 24,294,541	\$ 36,949,599

**Ms. Foundation For Women, Inc.**

Statement of Functional Expenses

For the Year Ended June 30, 2011

	Program Services						Supporting Services							
	Grantmaking				Donor Advised Grantmaking	Total Grantmaking	Capacity Building Convenings and Evaluation	Public Education	Total Program Services	General and Administration		Fundraising	Total	Total Expenses
	Women's Health	Economic Justice	Ending Violence	Building Democracy						Administration	Fundraising			
Grant awards	\$ 1,095,586	\$ 559,000	\$ 1,064,500	\$ 408,000	\$ 344,500	\$ 3,471,586	\$ -	\$ 15,000	\$ 3,486,586	\$ -	\$ -	\$ -	\$ -	\$ 3,486,586
Convenings	-	-	-	-	-	-	122,367	-	122,367	-	-	-	-	122,367
Personnel costs	149,722	229,535	146,303	87,519	11,711	624,790	150,239	384,622	1,159,651	983,896	663,864	1,647,760	2,807,411	
Consultants and outside services	-	-	-	-	-	-	188,663	237,361	426,024	283,995	166,711	450,706	876,730	
Legal and auditing services	-	-	-	-	-	-	-	-	-	128,704	-	128,704	128,704	
Rent and office	54,450	51,924	37,058	8,618	3,945	155,995	56,038	139,752	351,785	248,584	185,596	434,180	785,965	
Travel	12,121	5,171	8,653	1,875	1	27,821	-	2,611	30,432	24,927	29,098	54,025	84,457	
Space rental and catering	263	583	327	556	-	1,729	-	-	1,729	11,516	16,088	27,604	29,333	
Memberships and subscriptions	868	-	279	35	-	1,182	-	1,768	2,950	16,095	10,829	26,924	29,874	
Printing and graphic design	145	315	333	7	1,598	2,398	-	3,128	5,526	4,002	40,418	44,420	49,946	
Conferences and staff development	2,639	-	2,724	2,074	-	7,437	-	450	7,887	4,559	1,093	5,652	13,539	
Insurance	-	-	-	-	-	-	-	-	-	42,220	-	42,220	42,220	
Outside events and other charitable expenses	-	200	-	-	-	200	500	-	700	2,950	700	3,650	4,350	
Miscellaneous advertising	-	-	-	-	-	-	-	16,830	16,830	5,230	250	5,480	22,310	
Miscellaneous expenses	59	20	20	27	-	126	-	27	153	7,966	23,983	31,949	32,102	
Total Expenses Before Depreciation and Amortization	1,315,853	846,748	1,260,197	508,711	361,755	4,293,264	517,807	801,549	5,612,620	1,764,644	1,138,630	2,903,274	8,515,894	
Depreciation and amortization	-	-	-	-	-	-	-	-	-	160,906	-	160,906	160,906	
Total Expenses	\$ 1,315,853	\$ 846,748	\$ 1,260,197	\$ 508,711	\$ 361,755	\$ 4,293,264	\$ 517,807	\$ 801,549	\$ 5,612,620	\$ 1,925,550	\$ 1,138,630	\$ 3,064,180	\$ 8,676,800	

Ms. Foundation For Women, Inc.

Statement of Functional Expenses

For the Year Ended June 30, 2010

	Program Services						Supporting Services						
	Grantmaking					Capacity Building Convenings and Evaluation	Public Education	Total Program Services	General and Administration		Fundraising	Total	Total Expenses
	Women's Health	Economic Justice	Ending Violence	Building Democracy	Donor Advised Grantmaking				Total Grantmaking				
Grant awards	\$ 1,479,000	\$ 450,000	\$ 423,000	\$ 628,500	\$ 201,000	\$ 3,181,500	\$ -	\$ 95,000	\$ 3,276,500	\$ -	\$ 7,500	\$ 7,500	\$ 3,284,000
Convenings	-	-	-	28,349	-	28,349	41,742	-	70,091	-	-	-	70,091
Personnel costs	276,897	273,453	141,431	67,970	11,830	771,581	-	367,219	1,138,800	865,485	710,443	1,575,928	2,714,728
Consultants and outside services	-	16,323	67,030	10,811	-	94,164	86,867	285,961	466,992	232,984	119,398	352,382	819,374
Legal and auditing services	-	-	-	-	-	-	-	2,979	2,979	202,255	-	202,255	205,234
Rent and office	70,317	67,076	37,388	17,666	2,948	195,395	674	133,091	329,160	306,951	193,453	500,404	829,564
Travel	21,294	14,183	6,273	838	-	42,588	13,843	5,362	61,793	31,266	12,264	43,530	105,323
Space rental and catering	454	469	940	419	-	2,282	3,169	-	5,451	5,052	-	5,052	10,503
Memberships and subscriptions	4,875	1,428	144	513	-	6,960	-	10,151	17,111	30,020	13,813	43,833	60,944
Printing and graphic design	-	-	2,776	-	-	2,776	1,226	309	4,311	2,618	35,036	37,654	41,965
Conferences and staff development	2,646	2,831	1,408	1,323	-	8,208	175	910	9,293	3,510	405	3,915	13,208
Insurance	-	-	-	-	-	-	-	-	-	37,973	-	37,973	37,973
Outside events and other charitable expenses	150	-	-	-	-	150	900	300	1,350	12,300	150	12,450	13,800
Miscellaneous advertising	-	-	-	-	-	-	-	16,830	16,830	4,200	-	4,200	21,030
Miscellaneous expenses	24	40	44	4	-	112	205	5,729	6,046	11,258	10,046	21,304	27,350
Total Expenses Before Depreciation and Amortization	1,855,657	825,803	680,434	756,393	215,778	4,334,065	148,801	923,841	5,406,707	1,745,872	1,102,508	2,848,380	8,255,087
Depreciation and amortization	-	-	-	-	-	-	-	-	-	161,888	-	161,888	161,888
Total Expenses	\$ 1,855,657	\$ 825,803	\$ 680,434	\$ 756,393	\$ 215,778	\$ 4,334,065	\$ 148,801	\$ 923,841	\$ 5,406,707	\$ 1,907,760	\$ 1,102,508	\$ 3,010,268	\$ 8,416,975

**Ms. Foundation For Women, Inc.**

Statement of Cash Flows

Year Ended June 30,

	<u>2011</u>	<u>2010</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 4,168,856	\$ 366,579
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	160,906	161,888
Realized gain on sales of investments	(1,186,789)	(103,264)
Unrealized gain of investments	(2,494,070)	(2,520,386)
Deferred rent	40,643	40,644
Change in operating assets and liabilities		
Pledges, grants and contributions receivable	487,233	3,447,305
Accrued interest receivable	5,862	15,533
Prepaid expenses and other receivables	9,731	88,671
Accounts payable and accrued expenses	(86,030)	293,965
Grants payable	<u>(1,129,500)</u>	<u>717,900</u>
Net Cash from Operating Activities	<u>(23,158)</u>	<u>2,508,835</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of furniture, equipment and leasehold improvements	(12,367)	(18,470)
Proceeds from sale of investments	11,173,085	15,295,064
Purchases of investments	<u>(12,900,934)</u>	<u>(15,359,595)</u>
Net Cash from Investing Activities	<u>(1,740,216)</u>	<u>(83,001)</u>
Net Change in Cash and cash equivalents	(1,763,374)	2,425,834
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	<u>7,674,437</u>	<u>5,248,603</u>
End of year	<u>\$ 5,911,063</u>	<u>\$ 7,674,437</u>



## Ms. Foundation For Women, Inc.

### Notes to Financial Statements

#### 1. Organization

Ms. Foundation for Women, Inc. (“Ms.”) is a public foundation working toward progressive policy and culture change to benefit women and communities in the United States. Ms. delivers strategic grants, capacity-building and leadership development support to over 150 grassroots and national advocacy organizations. Ms. support enables groups to create connections across issues, constituencies and policymaking levels to strengthen movements and ignite change. Since 1973, Ms. has granted more than \$60 million to organizations in rural and urban areas nationwide.

Ms. provides more than money to its grantees with supports that include executive director coaching, and campaign, strategic communications and planning support. Through in-person convenings and conference calls, Ms. offers networking opportunities designed to encourage new alliances, collaborations and a chance to share effective work and practices between grantees working in communities across the country.

Ms. currently works for change in four, often inter-related areas that are central to the lives of women and families. Much of Ms. grantmaking features a holistic approach that works across issues to broaden the base of the progressive movement for more inclusive policy change:

***Women’s Health:*** Grantmaking and technical support focuses on advocacy and policy change related to reproductive rights and justice, comprehensive sexuality education and women living with HIV and AIDS.

***Economic Justice:*** Grants in the economic justice recognize a range of strategies to assist low-income women in their efforts to support themselves and their families, including workers’ rights, job training and childcare.

***Ending Violence:*** Ms. seeks to prevent violence and protect the rights of women, children, gay, lesbian, bi-sexual and transgendered individuals to live in violence-free homes and communities.

***Building Democracy:*** Through civic engagement initiatives and constituency building, Ms. and its grantees are working to build a just and participatory democracy.

Other programmatic work and grantmaking by the Ms. Foundation consists of:

***Public Education:*** Ms. works to shift cultural beliefs that perpetuate inequality and exclusion by amplifying the voices of low-income women and women of color who are advocating for just and inclusive policy and culture change.

***Donor Advised Funds:*** Ms. also administers several donor advised funds which are consistent with the focus of the Ms. Foundation for Women.

## **Ms. Foundation For Women, Inc.**

### Notes to Financial Statements

## **2. Summary of Significant Accounting Policies**

### ***Basis of Presentation***

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Ms. and changes therein are classified and reported as unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

### ***Unrestricted Net Asset Designations***

Board Designated - By action of Ms.'s Board of Directors and past management practice, certain funds have been designated for specific uses. These designations are reflected as a separate component of unrestricted net assets in the accompanying financial statements. The use of the net assets is not restricted; rather, the use of these assets requires a specific action of the Board of Directors or senior management.

### ***Use of Estimates***

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

### ***Public Support and Revenue***

Unconditional promises to give are recorded as received. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are discounted to the present value of their net realizable value, using discount rates applicable to the years in which the promises are received. The discount is amortized to contribution income over the discount period.

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at the fair value in the period received.

## **Ms. Foundation For Women, Inc.**

### Notes to Financial Statements

#### **2. Summary of Significant Accounting Policies (*continued*)**

##### ***Endowment Funds***

On September 17, 2010, New York State adopted its version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). New York State's version of UPMIFA is known as NYPMIFA. NYPMIFA includes provisions that differ from previous law, including the elimination of the historic dollar value rule with respect to endowment spending, establishment of new standards governing the expenditure and modification of restrictions on endowment funds, and revision of the prudence standard for the management and investment of endowment funds. In accordance with the adoption of NYPMIFA, Ms. reviewed all of its endowment funds and determined that a net asset reclassification was not necessary.

##### ***Grant Expenses***

Contributions made and unconditional promises to give are recognized as expenses in the period made at their fair value.

##### ***Allocation of Expenses***

Ms. allocates its expenses on a functional basis among its various program and supporting services. Expenses which can be identified with a specific program or supporting activity are allocated directly to that activity. Other expenses that are common to several functions are allocated among the program and supporting services benefited.

##### ***Cash Equivalents***

Ms. considers all unrestricted highly liquid debt instruments with maturities of three months or less, at the time of purchase, to be cash equivalents, except those deemed held for investment purposes.

##### ***Allowance for Uncollectible Receivables***

An allowance for uncollectible receivables is estimated based on a combination of write-off history, aging analysis and any specific know troubled accounts. At June 30, 2011 and 2010, management has concluded that an allowance is not required.

## **Ms. Foundation For Women, Inc.**

### Notes to Financial Statements

#### **2. Summary of Significant Accounting Policies *(continued)***

##### ***Fair Value Measurements***

Ms. follows FASB guidance on “Fair Value Measurements” which establishes a fair value hierarchy organized into three levels based upon the “input” assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

The fair values by input level of Ms’ investments are included in Note 5 to the financial statements.

##### ***Investments and Investment Income***

Investments in debt and equity securities are carried at Fair Value.

Certificates of Deposit are valued at cost plus accrued interest which approximates fair value.

Income from investments, including both realized and unrealized gains and losses, are treated as an increase in unrestricted net assets unless otherwise specified by donors.

Ms. pools certain unrestricted, temporarily restricted, and permanently restricted investments. Investment income and appreciation are allocated quarterly based on the percentage of each fund’s net asset balance to the total, adjusted for additions to and withdrawals from the investment pool.

##### ***Furniture, Equipment and Leaseholds***

Ms. capitalizes all significant expenditures for furniture and equipment and leasehold improvements. These assets are recorded at cost. Depreciation of furniture and equipment are provided for on a straight-line basis over the estimated useful lives of the assets. Leasehold improvements are amortized over the lesser of the term of the related lease or the estimated useful lives of the assets.

##### ***Artwork***

Artwork, which consists of several paintings, was donated in 1994 and is carried at the fair value. These items are not held as part of a collection and if disposed of, the proceeds can be used for general operations.

## **Ms. Foundation For Women, Inc.**

### Notes to Financial Statements

#### **2. Summary of Significant Accounting Policies *(continued)***

##### ***Income Taxes***

Ms. Foundation for Women, Inc. is a charitable organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and has been classified as other than a private foundation.

##### ***Accounting for Uncertainty in Income Taxes***

Ms.'s recognizes the effect of tax positions only when they are more likely than not to be sustained. Management is not aware of any violation of its tax status as an organization exempt from income taxes, nor of any exposure to unrelated business income tax. The Ms. is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to 2008.

##### ***Reclassifications***

Certain amounts in the 2010 financial statements have been reclassified to conform with presentation in the June 30, 2011 financial statements.

##### ***Subsequent Events Evaluation by Management***

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is September 29, 2011.

#### **3. Concentration of Credit Risk**

Financial instruments that potentially subject Ms. to concentrations of credit risk consist principally of cash, temporary cash investments, Pledge, grants and contributions receivable and investment securities. At times, cash balances held at financial institutions were in excess of federally insured limits. Ms. believes that no significant concentration of credit risk exists with respect to pledge, grants and contributions receivable. Concentration of credit risk with respect to investments is reduced by diversification, professional management, and limited exposure to any single investment.

## Ms. Foundation For Women, Inc.

### Notes to Financial Statements

#### 4. Pledges, Grants and Contributions Receivable

Ms. had pledges, grants and contributions receivable representing the following at June 30:

	2011	2010
Restricted for future operations	\$ 1,681,974	\$ 1,655,044
Temporarily restricted for purpose	676,561	1,202,535
Permanently restricted	336,836	426,169
Total Pledges Receivable	\$ 2,695,371	\$ 3,283,748
Receivable in less than one year	\$ 1,688,369	\$ 786,913
Receivable in one to five years	1,007,002	2,396,835
Receivable in more than five years	-	100,000
Less discounts to present value	(93,757)	(194,901)
Net Pledges Receivable	\$ 2,601,614	\$ 3,088,847

The discount rates used for pledges, grants and contributions receivable outstanding through June 30, 2011 and 2010 range from 4.25% to 5.00%.

#### 5. Investments and Investment Return

Investments at June 30 are as follows:

	2011
Equity securities	
Energy	\$ 2,170,520
Materials	582,393
Industrials	2,774,912
Consumer discretionary	1,434,357
Consumer staples	1,983,128
Healthcare	2,769,628
Financials	2,334,037
Information technology	3,931,306
Total equity securities	17,980,281
US Government obligations	3,176,330
Money market	295,364
Mutual funds	
Intermediate term bond	11,366,302
Total Investments at Fair Value, valued using Level 1 inputs	32,818,277
Certificate of deposit	100,998
Total Investments	\$ 32,919,275

**Ms. Foundation For Women, Inc.**

Notes to Financial Statements

**5. Investments and Investment Return (continued)**

	2010
Equity securities	\$ 13,278,797
US Government obligations	3,230,160
Money market	157,466
Mutual funds	<u>10,744,144</u>
Total Investments at Fair Value, valued using Level 1 inputs	\$ 27,410,567
Certificate of deposit	<u>100,000</u>
Total Investments	<u>\$ 27,510,567</u>

During the year ended June 30, 2011 there were no transfers in or out of Levels 1, 2 or 3 of the fair value hierarchy.

Investment return for the year ended June 30 is as follows:

	2011	2010
Dividends and interest on securities	\$ 1,056,685	\$ 688,570
Net realized gain on sale of investments	1,186,789	103,264
Unrealized gain on investments	2,494,070	2,520,386
Investment advisory fees	<u>(180,078)</u>	<u>(150,882)</u>
	<u>\$ 4,557,466</u>	<u>\$ 3,161,338</u>

**6. Furniture, Equipment and Leasehold improvements**

Furniture, equipment and leasehold improvements consist of the following at June 30:

	2011	2010
Furniture and equipment	\$ 516,942	\$ 504,574
Leasehold improvements	<u>1,329,989</u>	<u>1,329,989</u>
	1,846,931	1,834,563
Accumulated depreciation and amortization	<u>(982,903)</u>	<u>(821,996)</u>
	<u>\$ 864,028</u>	<u>\$ 1,012,567</u>

**Ms. Foundation For Women, Inc.**

Notes to Financial Statements

**7. Temporarily Restricted Net Assets**

Temporarily restricted net assets at June 30 are available for the following purposes:

	<u>2011</u>	<u>2010</u>
Economic Justice	\$ 296,077	\$ 509,755
Leading the Way Fund	886,884	-
Women's Health	756,056	911,306
Capacity Building, convenings and evaluation	31,003	6,927
Ending Violence	1,617,343	2,489,486
Building Democracy	25,000	183,834
Endowment	2,322,976	-
Donor Advised Grantmaking		
The Rabbit Fund	2,213,338	2,248,054
Gloria Fund	167,806	123,474
E.P. Fund	964,329	979,455
Ware Fund	21,992	20,827
Sophia Fund	102,219	26,638
OMA Fund	1,753,858	-
AWCG	3,440	-
General Support restricted for future period	<u>1,514,909</u>	<u>1,448,571</u>
	<u>\$ 12,677,230</u>	<u>\$ 8,948,327</u>

The amounts released from restrictions during the year ended June 30 are as follows:

	<u>2011</u>	<u>2010</u>
Economic Justice	\$ 313,678	\$ 859,316
Women's Health	1,708,201	2,021,099
Capacity Building, convenings and evaluation	1,424	28,442
Ending Violence	1,610,909	702,095
Building Democracy	349,084	1,528,071
Endowment	1,200,000	-
Donor Advised Grantmaking		
The Rabbit Fund	33,752	34,211
Fairy Godmother Fund	-	31,562
Gloria Fund	46,500	55,000
E.P. Fund	14,706	14,906
Sophia Fund	161,318	148,248
Ware Fund	335	302
OMA Fund	116,451	-
AWCG	79,927	-
General Support designated for June 30	<u>456,000</u>	<u>863,444</u>
	<u>\$ 6,092,285</u>	<u>\$ 6,286,696</u>



## Ms. Foundation For Women, Inc.

### Notes to Financial Statements

#### 8. Pension Plan

Ms. Sponsors a tax deferred annuity plan that covers employees who have completed one year of service. Contributions to the plan were based on three (3) percent of employees' salaries. For the fiscal year ended June 30, 2011 and 2010, the amount of the pension expense is \$47,083 and \$56,381.

#### 9. Lease Commitments

Ms. leases its office facility under an operating lease that expires on December 31, 2022. The lease agreement provides for, among other matters, a security deposit of \$324,048 in the form of a letter of credit to the landlord. The security deposit was reduced to \$234,048 as of the rent commencement date and will be reduced to \$140,429 on December 1, 2011, the third anniversary of the rent commencement date.

Ms. maintains a separate bank account as collateral for the letter of credit. As of June 30, 2011 and 2010, the account had a balance of \$234,239 and \$234,108, respectively.

The office facility lease has annual rent that increases over the period of the lease. For financial statement purposes, rent payments are being accounted for on a straight-line basis. Accordingly, the accompanying balance sheet reflects a liability for deferred rent for the difference of the expense charged over the amounts payable pursuant to the lease terms.

The future minimum lease payments under the lease, exclusive of electricity and certain escalation costs are as follows:

<u>Year ending June 30:</u>	
2012	561,715
2013	561,715
2014	583,600
2015	605,485
2016	605,485
Thereafter	4,110,732
	<u>\$ 7,028,732</u>

#### 10. Permanently Restricted Net Assets and Endowments

As of June 30, 2011, permanently restricted net assets, inclusive of pledge receivables, which are restricted to investments in perpetuity, consisted of the following:

Permanently Restricted Net Assets	2011	2010
	<u>\$</u>	<u>\$</u>
General Endowment Fund	22,718,360	22,708,268
Gloria Endowment Fund	1,744,156	1,586,273
	<u>\$ 24,462,516</u>	<u>\$ 24,294,541</u>

## Ms. Foundation For Women, Inc.

### Notes to Financial Statements

#### 10. Permanently Restricted Net Assets and Endowments *(continued)*

The income from the general endowment is expendable for operations. The income from the Gloria endowment fund is available to support grantmaking activities of the Gloria fund.

Ms. utilizes a total return investment approach with its asset allocation diversified over multiple asset classes. Target allocation percentages are established for various asset classes and are modified over time. Performance is measured against a composite benchmark of investment indices reflecting the target asset allocation.

Ms. utilizes the following spending methodology to determine its annual draw down from the Endowment Funds:

– 5% of the fair market value of the Endowment Fund as measured on quarterly basis throughout the fiscal year. Draw downs are limited to income and proceeds from realized gains on investments.

The following is a reconciliation of the activity in the Endowment funds for the year ending June 30:

	2011			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance at June 30, 2010	\$ 48,337	\$ 159,862	\$ 23,909,548	\$ 24,117,747
Contributions	200,598	2,500	-	203,098
Cash transferred in	265,186	-	-	265,186
Payment of receivables	-	-	83,333	83,333
Interests and dividends	19,835	980,588	-	1,000,423
Realized gains	24,939	1,124,446	-	1,149,385
Investment expenses	(3,271)	(139,391)	-	(142,662)
Unrealized appreciation	503,325	1,808,251	157,883	2,469,459
Approved for expenditure	1,423,483	(1,423,483)	-	-
Drawdowns	(1,354,470)	-	-	(1,354,470)
Balance at June 30, 2011	\$ 1,127,962	\$ 2,512,773	\$ 24,150,764	\$ 27,791,499
Comprised of the following:				
Donor endowment	\$ 33,086	\$ 2,322,976	\$ 24,150,764	\$ 26,506,826
Donor restricted funds for purpose	35,927	189,797	-	225,724
Board designated funds	1,058,949	-	-	1,058,949
	\$ 1,127,962	\$ 2,512,773	\$ 24,150,764	\$ 27,791,499

**Ms. Foundation For Women, Inc.**

Notes to Financial Statements

**10. Permanently Restricted Net Assets and Endowments (continued)**

	2010			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance at June 30, 2009	\$ (2,368,920)	\$ 141,145	\$ 23,653,093	\$ 21,425,318
Contributions	373,362	-	5,000	378,362
Payment of receivables	-	-	83,333	83,333
Interests and dividends	517,783	84,309	-	602,092
Realized gains	100,937	51	-	100,988
Investment expenses	(60,643)	(80,244)	-	(140,887)
Unrealized appreciation	2,392,111	14,601	168,122	2,574,834
Approved for expenditure	<u>(906,293)</u>	<u>-</u>	<u>-</u>	<u>(906,293)</u>
Balance at June 30, 2010	<u>\$ 48,337</u>	<u>\$ 159,862</u>	<u>\$ 23,909,548</u>	<u>\$ 24,117,747</u>
Comprised of the following:				
Donor restricted funds	\$ (446,767)	\$ 159,862	\$ 23,909,548	\$ 23,622,643
Board designated funds	<u>495,104</u>	<u>-</u>	<u>-</u>	<u>495,104</u>
	<u>\$ 48,337</u>	<u>\$ 159,862</u>	<u>\$ 23,909,548</u>	<u>\$ 24,117,747</u>

The permanently restricted endowment funds have experienced losses due to market fluctuations. Generally accepted accounting principles require that such losses in excess of historic cost be absorbed by the unrestricted net assets of Ms. and that future gains be allocated to unrestricted net assets until such losses have been restored. Aggregate cumulative losses absorbed by the unrestricted net assets at June 30, 2010 amounted to \$590,403.