

Ms. Foundation For Women, Inc.

Financial Statements

June 30, 2014 and 2013

Independent Auditors' Report

**Board of Directors
Ms. Foundation For Women, Inc.**

We have audited the accompanying financial statements of the Ms. Foundation For Women, Inc., which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Ms. Foundation For Women, Inc. as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

O'Connor Davies, LLP

October 17, 2014

Ms. Foundation For Women, Inc.

Statements of Financial Position

	June 30,	
	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and cash equivalents	\$ 1,856,865	\$ 1,889,055
Pledges, grants and contributions receivable, net	2,746,216	4,068,147
Accrued interest receivable	12,438	6,244
Prepaid expense and other receivables	72,931	268,730
Investments	37,836,597	34,622,586
Furniture, equipment and leasehold improvements, net of accumulated depreciation and amortization	530,502	623,763
Art work	77,000	77,000
Rent security deposits, restricted cash equivalent	<u>140,429</u>	<u>140,548</u>
	<u>\$ 43,272,978</u>	<u>\$ 41,696,073</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 344,474	\$ 587,832
Grants payable	685,000	484,000
Deferred rent	<u>201,655</u>	<u>182,896</u>
Total Liabilities	1,231,129	1,254,728
 NET ASSETS		
Unrestricted		
General Operations	1,491,643	1,955,150
Board Designated	<u>1,219,564</u>	<u>1,416,292</u>
	2,711,207	3,371,442
Temporarily restricted	14,490,097	12,362,285
Permanently restricted	<u>24,840,545</u>	<u>24,707,618</u>
Total Net Assets	<u>42,041,849</u>	<u>40,441,345</u>
	<u>\$ 43,272,978</u>	<u>\$ 41,696,073</u>

See notes to financial statements

Ms. Foundation For Women, Inc.

Statement of Activities
Year Ended June 30, 2014

	Unrestricted		Temporarily Restricted	Permanently Restricted	Total
	General	Board Designated			
PUBLIC SUPPORT AND REVENUE					
Contributions and grants	\$ 701,907	\$ 141,664	\$ 2,630,559	\$ 42,977	\$ 3,517,107
Special events, net of direct donor benefit of \$328,410	894,819	-	5,502	-	900,321
Investment income, net	5,770	23,675	544,239	-	573,684
Net realized (loss) gain on investment transactions	(46)	124,742	2,928,342	-	3,053,038
Other income	2,686	-	250	-	2,936
 Total Public Support and Revenue	 1,605,136	 290,081	 6,108,892	 42,977	 8,047,086
Net assets for program services released from restrictions	5,934,101	(550,000)	(5,384,101)	-	-
 Total Support, Revenue and Other	 7,539,237	 (259,919)	 724,791	 42,977	 8,047,086
EXPENSES					
Program Services					
Grants and Capacity Building	3,789,979	-	-	-	3,789,979
Advocacy and Policy	565,503	-	-	-	565,503
Public Education	936,846	-	-	-	936,846
Total Program Services	5,292,328	-	-	-	5,292,328
Supporting Services					
General and administration	1,572,083	-	-	-	1,572,083
Fundraising	1,138,474	-	-	-	1,138,474
Total Supporting Services	2,710,557	-	-	-	2,710,557
Total Expenses	8,002,885	-	-	-	8,002,885
Change in Net Assets Before Change in Unrealized Gain on Investments	(463,648)	(259,919)	724,791	42,977	44,201
Change in Unrealized Gain on Investments	141	63,191	1,403,021	89,950	1,556,303
Change in Net Assets	(463,507)	(196,728)	2,127,812	132,927	1,600,504
NET ASSETS					
Beginning of year	1,955,150	1,416,292	12,362,285	24,707,618	40,441,345
End of year	\$ 1,491,643	\$ 1,219,564	\$ 14,490,097	\$ 24,840,545	\$ 42,041,849

Ms. Foundation For Women, Inc.

Statement of Activities
Year Ended June 30, 2013

	Unrestricted		Temporarily Restricted	Permanently Restricted	Total
	General	Board Designated			
PUBLIC SUPPORT AND REVENUE					
Contributions and grants	\$ 1,359,179	\$ 1,000	\$ 5,489,735	\$ 360,941	\$ 7,210,855
Special events, net of direct donor benefit of \$328,633	593,142	-	254,471	-	847,613
Investment income, net	8,541	22,249	572,747	-	603,537
Net realized (loss) gain on investment transactions	(2,582)	30,392	736,428	-	764,238
Other income	2,080	-	2,015	-	4,095
Total Public Support and Revenue	1,960,360	53,641	7,055,396	360,941	9,430,338
Net assets for program services released from restrictions and donor redesignation	5,934,013	-	(5,934,013)	-	-
Total Support, Revenue and Other	7,894,373	53,641	1,121,383	360,941	9,430,338
EXPENSES					
Program Services					
Grants and Capacity Building	3,815,740	-	-	-	3,815,740
Advocacy and Policy	566,608	-	-	-	566,608
Public Education	1,052,941	-	-	-	1,052,941
Total Program Services	5,435,289	-	-	-	5,435,289
Supporting Services					
General and administration	1,481,119	-	-	-	1,481,119
Fundraising	1,492,816	-	-	-	1,492,816
Total Supporting Services	2,973,935	-	-	-	2,973,935
Total Expenses	8,409,224	-	-	-	8,409,224
Change in Net Assets before Change in Unrealized Gain on Investments	(514,851)	53,641	1,121,383	360,941	1,021,114
Change in Unrealized Gain on Investments	1,839	101,491	2,450,185	159,839	2,713,354
Change in Net Assets	(513,012)	155,132	3,571,568	520,780	3,734,468
NET ASSETS					
Beginning of year	2,468,162	1,261,160	8,790,717	24,186,838	36,706,877
End of year	\$ 1,955,150	\$ 1,416,292	\$ 12,362,285	\$ 24,707,618	\$ 40,441,345

Ms. Foundation For Women, Inc.

Statement of Functional Expenses
For the Year Ended June 30, 2014

	Program Services							Supporting Services					Total Expenses	
	Grants and Capacity Building							Advocacy and Policy	Public Education	Total Program Services	General and Administration	Fundraising		Total
Women's Health	Economic Justice	Ending Violence	Donor Advised Grantmaking	Leadership/ Capacity Building	Grantee Communication	Total Grants and Capacity Building								
Grant awards	\$ 590,500	\$ 300,000	\$ 857,000	\$ 333,000	\$ -	\$ 25,000	\$ 2,105,500	\$ -	\$ -	\$ 2,105,500	\$ -	\$ -	\$ -	\$ 2,105,500
Convenings	46,354	10,024	17,376	-	34,946	2,618	111,319	2,635	-	113,954	-	-	-	113,954
Personnel costs	197,441	195,735	250,824	-	288,413	25,407	957,820	445,764	305,504	1,709,088	707,716	697,792	1,405,508	3,114,596
Consultants and outside services	1,821	30,000	10,380	-	164,314	82,740	289,255	12,000	306,000	607,255	172,234	35,118	207,352	814,607
Legal and auditing services	-	-	-	-	-	-	-	-	-	-	230,197	3,970	234,167	234,167
Rent and office	53,571	52,164	76,821	918	56,309	6,672	246,455	96,711	88,769	431,935	207,885	247,067	454,952	886,887
Travel	11,377	6,614	8,598	3,712	184	-	30,485	5,652	713	36,851	37,303	25,890	63,193	100,044
Space rental and catering	505	337	484	1,140	347	1,044	3,857	608	366	4,831	5,359	1,548	6,907	11,738
Mailhouse and acquisition	-	-	-	-	-	-	-	-	-	-	-	24,834	24,834	24,834
Memberships and subscriptions	3,243	1,150	541	102	328	49	5,413	712	44,060	50,185	15,982	18,280	34,262	84,447
Printing and graphic design	438	420	768	2,504	496	104	4,730	997	15,281	21,008	2,641	24,454	27,095	48,103
Conferences and staff development	2,138	813	731	-	-	-	3,681	375	-	4,056	16,008	4,729	20,737	24,793
Insurance	-	-	-	-	-	-	-	-	-	-	54,020	-	54,020	54,020
Outside events and other charitable expenses	-	240	-	-	-	-	240	-	-	240	400	2,600	3,000	3,240
Bad debts	-	-	-	-	31,000	-	31,000	-	175,000	206,000	-	6,535	6,535	212,535
Advertising	-	-	-	-	-	-	-	-	1,100	1,100	6,822	22,500	29,322	30,422
Miscellaneous expenses	137	20	36	-	26	5	224	48	53	325	2,894	23,156	26,050	26,375
Total Expenses Before Depreciation and Amortization	907,525	597,517	1,223,560	341,376	576,363	143,639	3,789,979	565,503	936,846	5,292,328	1,459,461	1,138,474	2,597,934	7,890,262
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	112,622	-	112,622	112,622
Total Expenses	\$ 907,525	\$ 597,517	\$ 1,223,560	\$ 341,376	\$ 576,363	\$ 143,639	\$ 3,789,979	\$ 565,503	\$ 936,846	\$ 5,292,328	\$ 1,572,083	\$ 1,138,474	\$ 2,710,556	\$ 8,002,884

Ms. Foundation For Women, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2013

	Program Services										Supporting Services			Total Expenses	
	Grants and Capacity Building										Total Program Services	General and Administration			
	Women's Health	Economic Justice	Ending Violence	Building Democracy	Donor Advised Grantmaking	Leadership/ Capacity Building	Grantee Communication	Total Grants and Capacity Building	Advocacy and Policy	Public Education		Fundraising	Total		
Grant awards	\$ 581,000	\$ 108,000	\$ 745,000	\$ 9,000	\$ 224,500	\$ 20,000	\$ 85,000	\$ 1,772,500	\$ -	\$ -	\$ 1,772,500	\$ -	\$ -	\$ -	\$ 1,772,500
Convenings	-	-	-	-	-	239,713	-	239,713	-	-	239,713	-	-	-	239,713
Personnel costs	211,932	414,350	272,981	-	-	121,039	156,013	1,176,315	443,568	493,747	2,113,630	809,776	812,636	1,622,412	3,736,042
Consultants and outside services	-	58,916	-	-	150	273,012	22,984	355,062	13,448	260,820	629,330	94,344	147,630	241,974	871,304
Legal and auditing services	-	6,001	-	-	-	-	-	6,001	-	617	6,618	87,194	-	87,194	93,812
Rent and office	44,323	72,262	53,362	-	319	25,200	25,113	220,579	82,017	131,554	434,150	201,888	232,649	434,537	868,687
Travel	5,507	6,950	6,493	-	2,835	617	6,928	29,330	12,833	11,840	54,003	25,648	33,461	59,109	113,112
Space rental and catering	736	1,953	967	-	125	337	376	4,494	5,669	1,442	11,605	3,634	7,098	10,732	22,337
Mailhouse and acquisition	-	-	-	-	-	-	-	-	-	-	-	-	41,956	41,956	41,956
Memberships and subscriptions	1,124	291	146	-	709	266	84	2,620	727	38,888	42,235	24,544	110,670	135,214	177,449
Printing and graphic design	126	203	191	-	410	73	49	1,052	6,112	92,031	99,195	1,242	87,703	88,945	188,140
Conferences and staff development	1,262	1,271	1,421	-	-	824	2,075	6,853	1,584	2,168	10,605	25,677	2,390	28,067	38,672
Insurance	-	-	-	-	-	-	-	-	-	-	-	46,645	-	46,645	46,645
Outside events and other charitable expenses	-	-	-	-	-	-	-	-	500	1,982	2,482	2,750	525	3,275	5,757
Bad debts	-	-	-	-	789	-	-	789	-	-	789	-	4,789	4,789	5,578
Advertising	-	-	-	-	-	-	-	-	-	17,172	17,172	3,916	467	4,383	21,555
Miscellaneous expenses	84	117	130	-	30	40	31	432	150	680	1,262	3,657	10,842	14,499	15,761
Total Expenses Before Depreciation and Amortization	846,094	670,314	1,080,691	9,000	229,867	681,121	298,653	3,815,740	566,608	1,052,941	5,435,289	1,330,915	1,492,816	2,823,731	8,259,020
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-	150,204	-	150,204	150,204
Total Expenses	\$ 846,094	\$ 670,314	\$ 1,080,691	\$ 9,000	\$ 229,867	\$ 681,121	\$ 298,653	\$ 3,815,740	\$ 566,608	\$ 1,052,941	\$ 5,435,289	\$ 1,481,119	\$ 1,492,816	\$ 2,973,935	\$ 8,409,224

Ms. Foundation For Women, Inc.

Statement of Cash Flows

	June 30,	
	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,600,504	\$ 3,734,468
Adjustments to reconcile change in net assets to net cash from operating activities		
Bad debts	212,535	5,578
Depreciation and amortization	112,622	150,204
Realized gain on sales of investments	(3,053,038)	(764,238)
Unrealized gain on investments	(1,556,303)	(2,713,354)
Deferred rent	18,759	40,643
Change in operating assets and liabilities		
Pledges, grants and contributions receivable	1,109,396	(1,637,324)
Accrued interest receivable	(6,194)	12,537
Prepaid expenses and other receivables	195,799	119,954
Accounts payable and accrued expenses	(243,358)	(10,373)
Grants payable	201,000	(627,000)
	<u>(1,408,278)</u>	<u>(1,688,905)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of furniture, equipment and leasehold improvements	(19,361)	(8,668)
Proceeds from sale of investments	17,965,571	14,528,071
Purchases of investments	<u>(16,570,122)</u>	<u>(13,950,510)</u>
	<u>1,376,088</u>	<u>568,893</u>
Net Change in Cash and cash equivalents	(32,190)	(1,120,012)
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>1,889,055</u>	<u>3,009,067</u>
End of year	<u>\$ 1,856,865</u>	<u>\$ 1,889,055</u>

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2014 and 2013

1. Organization

The Ms. Foundation for Women (“Ms. Foundation”) fights to eliminate barriers to equality. Since 1973, we have worked to secure the same opportunities for all women in the U.S. through our support of trailblazing women’s organizations nationwide representing those most impacted by injustice - especially low-income women, women of color and immigrant women.

The Ms. Foundation has three primary focus areas: health, safety and economic justice and provides leadership on additional emerging issues for women. Through various activities, outlined below, we provide dynamic grassroots organizations with financial resources, strategic planning and leadership development to strengthen their organizational effectiveness. Additionally, Ms. Foundation connects groups to one another and helps to build alliances to expand networks of grassroots advocacy organizations for greater impact and build our movement.

As an activist foundation, the activities that support our work are:

Grantmaking and Capacity Building:

Economic Justice: Ms. Foundation is transforming the child care system by organizing parents and providers to promote policies that support affordable, high-quality and flexible care for children and advance working conditions for care providers. Ms. is also assessing the structural barriers that effect workers in low wage sectors.

Health: Ms. Foundation is expanding the base of reproductive health advocates to increase the participation of those most marginalized, yet also most impacted by lack of access.

Safety: Ms. Foundation is building a movement to prevent child sexual abuse, reforming policies and changing cultural attitudes.

Strategic Communications: Increases the impact of visibility of both our grantees’ work and our own.

Advocacy and Policy: Addresses structural barriers to equality, provides thought-leadership on issues and amplifies the grassroots voices.

The Ms. Foundation also administers several donor-advised funds that are consistent with its mission and focus.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). 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. Foundation and changes therein are classified and reported as unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2014 and 2013

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

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP 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. Accordingly actual results could differ from those estimates.

Unrestricted Net Asset Designations

Board Designated - By action of Ms. Foundation's Board of Directors, 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.

Public Support and Revenue

Unconditional promises to give are recorded as received. Unconditional promises to give due in the next year are reflected as promises to give and are recorded at their net realizable value. Unconditional promises to give that are 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
June 30, 2014 and 2013

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

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. Foundation 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. Foundation 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 known troubled accounts. At June 30, 2014 and 2013, management has concluded that an allowance is not required.

Fair Value Measurements

Ms. Foundation follows U.S. GAAP 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. Foundation's investments are included in Note 5 to the financial statements.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2014 and 2013

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

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. Foundation 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. Foundation capitalizes all significant expenditures in excess of \$1,000 for furniture and equipment and leasehold improvements 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, donated in 1994 is carried at fair value at the date of donation. These items are not held as part of a collection and if disposed of, the proceeds can be used for general operations.

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. Foundation 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. Foundation is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to 2011.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2014 and 2013

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

Advertising

Ms. Foundation recognizes all advertising and related costs as incurred.

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 October 17, 2014.

3. Concentration of Credit Risk

Financial instruments that potentially subjects Ms. Foundation 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. Foundation 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.

4. Pledges, Grants and Contributions Receivable

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

	<u>2014</u>	<u>2013</u>
Restricted for future operations	\$ 1,991,186	\$ 2,452,342
Temporarily restricted for purpose	1,094,339	2,035,079
Permanently restricted	<u>3,500</u>	<u>3,500</u>
 Total Pledges Receivable	 <u>\$ 3,089,025</u>	 <u>\$ 4,490,921</u>
 Receivable in less than one year	 \$ 1,724,525	 \$ 2,601,920
Receivable in one to five years	1,364,500	1,889,000
Less discounts to present value	<u>(342,809)</u>	<u>(422,773)</u>
 Net Pledges Receivable	 <u>\$ 2,746,216</u>	 <u>\$ 4,068,147</u>

The discount rate used for pledges, grants and contributions receivable outstanding through June 30, 2014 and 2013 was 4.25%.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2014 and 2013

5. Investments and Investment Return

Investments at June 30 are as follows:

	<u>2014</u>	<u>2013</u>
Equity securities		
Energy	\$ 1,817,657	\$ 1,895,291
Materials	351,342	1,161,750
Industrials	3,626,133	3,133,121
Consumer discretionary	3,278,306	2,672,617
Consumer staples	2,846,793	1,982,608
Healthcare	2,440,011	1,941,403
Financials	3,822,208	3,146,240
Materials	884,433	-
Information technology	<u>3,543,045</u>	<u>3,711,636</u>
Total Equity Securities	22,609,928	19,644,666
U.S. Government obligations	2,649,649	2,949,738
Money market	434,544	134,687
Mutual funds		
Intermediate term bond	<u>12,042,476</u>	<u>11,793,495</u>
Total Investments at Fair Value, valued using Level 1 inputs	37,736,597	34,522,586
Certificate of deposit	<u>100,000</u>	<u>100,000</u>
Total Investments	<u>\$ 37,836,597</u>	<u>\$ 34,622,586</u>

During the year ended June 30, 2014 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:

	<u>2014</u>	<u>2013</u>
Dividends and interest of securities	\$ 792,676	\$ 791,051
Net realized gain on sale of investments	3,053,038	764,238
Unrealized gain on investments	1,556,303	2,713,354
Investment advisory fees	<u>(218,992)</u>	<u>(187,514)</u>
	<u>\$ 5,183,025</u>	<u>\$ 4,081,129</u>

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2014 and 2013

6. Furniture, Equipment and Leasehold improvements

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

	<u>2014</u>	<u>2013</u>
Furniture and equipment	\$ 594,536	\$ 579,978
Leasehold improvements	<u>1,334,792</u>	<u>1,329,989</u>
	1,929,328	1,909,967
Accumulated depreciation and amortization	<u>(1,398,826)</u>	<u>(1,286,204)</u>
	<u>\$ 530,502</u>	<u>\$ 623,763</u>

7. Temporarily Restricted Net Assets

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

	<u>2014</u>	<u>2013</u>
Economic Justice	\$ 645,213	\$ 190,471
Women's Health	362,940	676,056
Leadership/Capacity Building	244,751	15,250
Ending Violence	381,130	1,281,490
Endowment	6,865,904	3,584,996
Advocacy and Policy	24,490	41,710
Donor Advised Grantmaking		
The Rabbit Fund	1,836,885	1,971,473
Gloria Fund	98,994	168,972
E.P. Fund	640,856	710,038
Ware Fund	24,421	22,793
Sophia Fund	-	87,500
OMA Fund	1,956,439	1,781,351
R. Luxemburg Fund	39,968	40,000
AWGC	4,844	13,461
General Support restricted for future period	<u>1,363,262</u>	<u>1,776,724</u>
	<u>\$ 14,490,097</u>	<u>\$ 12,362,285</u>

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2014 and 2013

7. Temporarily Restricted Net Assets (continued)

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

	<u>2014</u>	<u>2013</u>
Economic Justice	\$ 271,234	\$ 453,721
Leading the Way Fund	-	43,541
Women's Health	723,237	881,204
Leadership/Capacity Building	70,499	323,677
Ending Violence	1,474,987	1,411,881
Endowment	1,150,000	1,100,000
Public education	230,000	365,000
Advocacy and Policy	18,468	81,688
Donor Advised Grantmaking		
The Rabbit Fund	129,920	200,250
Gloria Fund	160,000	58,500
E.P. Fund	67,500	67,500
Sophia Fund	265,008	198,928
Ware Fund	372	347
OMA Fund	117,213	111,488
R. Luxemburg Fund	5,600	-
AWGC	86,688	85,285
General Support designated for June 30	<u>613,375</u>	<u>551,003</u>
	<u>\$ 5,384,101</u>	<u>\$ 5,934,013</u>

8. Pension Plan

Ms. Foundation 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, 2014 and 2013, the amount of the pension expense is \$38,630 and \$60,109.

9. Lease Commitments

Ms. Foundation 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 \$140,429 in the form of a letter of credit to the landlord. Ms. Foundation maintains a separate bank account as collateral for the letter of credit. As of June 30, 2014 and 2013, the account had a balance of \$140,429 and \$140,548, respectively.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2014 and 2013

9. Lease Commitments (continued)

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 statement of financial position 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>	
2015	\$ 605,485
2016	605,485
2017	605,485
2018	605,485
2019	627,370
Thereafter	<u>2,272,392</u>
	<u>\$ 5,321,702</u>

Rent expense for 2014 and 2013 amounted to \$632,896 and \$623,338.

10. Permanently Restricted Net Assets and Endowments

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

	<u>2014</u>	<u>2013</u>
Permanently Restricted Net Assets		
General Endowment Fund	\$ 22,493,529	\$ 22,493,529
Gloria Endowment Fund	1,943,098	1,853,148
Reproductive Justice Endowment Fund	<u>403,918</u>	<u>360,941</u>
	<u>\$ 24,840,545</u>	<u>\$ 24,707,618</u>

Interpretation of Relevant Law

The Board of Directors has interpreted New York Prudent Management of Institutional Funds Act ("NYPMIFA") as allowing Ms. Foundation to appropriate for expenditures or accumulate so much of the donor-restricted endowment fund as Ms. Foundation determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donors as expressed in their gift instruments. The assets in the endowment funds shall be donor-restricted assets until appropriated for expenditure by the Board of Directors. Unless authorized by the Board of Directors, the appropriations from the endowment fund should not deplete the historical dollar value of the endowment fund.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2014 and 2013

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. The income from the Reproductive Justice endowment fund is available to cover expenditures incurred in the area of reproductive health.

Ms. Foundation 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. Foundation utilizes the following spending methodology to determine its annual appropriation from the Endowment Funds:

5% of the fair market value of the Endowment Fund as determined by averaging the quarter-end market value of the Endowment Fund for the twenty quarters of the previous five years up to the quarter just ended. The appropriation may be less than or greater than 5%, but in no case greater than 7%. Appropriations 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:

	2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance at June 30, 2013	\$ 1,259,465	\$ 3,777,505	\$ 24,704,030	\$ 29,741,000
Contributions	142,664	2,000	42,977	187,641
Cash transfers in		40,000		40,000
Interests and dividends	31,676	707,951	-	739,627
Realized gains	124,742	2,762,037	-	2,886,779
Investment expenses	(8,001)	(190,702)	-	(198,703)
Unrealized appreciation	63,191	1,303,368	89,950	1,456,509
Approved for expenditure	1,315,972	(1,315,972)	-	-
Drawdowns	<u>(1,840,504)</u>	<u>-</u>	<u>-</u>	<u>(1,840,504)</u>
Balance at June 30, 2014	<u>\$ 1,089,205</u>	<u>\$ 7,086,187</u>	<u>\$ 24,836,957</u>	<u>\$ 33,012,349</u>
Comprised of the following:				
Donor endowment	\$ 24,272	\$ 6,858,598	\$ 24,836,957	\$ 31,719,827
Donor restricted funds for purpose	45,372	227,589	-	272,961
Board designated funds	<u>1,019,561</u>	<u>-</u>	<u>-</u>	<u>1,019,561</u>
	<u>\$ 1,089,205</u>	<u>\$ 7,086,187</u>	<u>\$ 24,836,957</u>	<u>\$ 33,012,349</u>

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2014 and 2013

10. Permanently Restricted Net Assets and Endowments (continued)

	2013			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Balance at June 30, 2012	\$ 1,184,913	\$ 1,402,828	\$ 24,183,250	\$ 26,770,991
Contributions	400,941	-	360,941	761,882
Interests and dividends	28,968	694,860	-	723,828
Realized gains	30,392	726,033	-	756,425
Investment expenses	(6,719)	(161,465)	-	(168,184)
Unrealized appreciation	101,491	2,273,749	159,839	2,535,079
Approved for expenditure	1,158,500	(1,158,500)	-	-
Drawdowns	<u>(1,639,021)</u>	<u>-</u>	<u>-</u>	<u>(1,639,021)</u>
Balance at June 30, 2013	<u>\$ 1,259,465</u>	<u>\$ 3,777,505</u>	<u>\$ 24,704,030</u>	<u>\$ 29,741,000</u>
Comprised of the following:				
Donor endowment	\$ 16,964	\$ 3,584,999	\$ 24,704,030	\$ 28,305,993
Donor restricted funds for purpose	27,211	192,506	-	219,717
Board designated funds	<u>1,215,290</u>	<u>-</u>	<u>-</u>	<u>1,215,290</u>
	<u>\$ 1,259,465</u>	<u>\$ 3,777,505</u>	<u>\$ 24,704,030</u>	<u>\$ 29,741,000</u>

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