

Ms. Foundation For Women, Inc.

Financial Statements

June 30, 2015 and 2014

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, 2015 and 2014, 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, 2015 and 2014, 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
November 17, 2015

Ms. Foundation For Women, Inc.

Statements of Financial Position

	June 30,	
	2015	2014
ASSETS		
Cash and cash equivalents	\$ 3,207,094	\$ 1,856,865
Pledges, grants and contributions receivable, net	4,380,215	2,746,216
Accrued interest receivable	22,107	12,438
Prepaid expense and other receivables	75,007	72,931
Investments	37,584,102	37,836,597
Furniture, equipment and leasehold improvements, net of accumulated depreciation and amortization	459,826	530,502
Artwork	77,000	77,000
Rent security deposits, restricted cash equivalent	140,429	140,429
	<u>\$ 45,945,780</u>	<u>\$ 43,272,978</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 572,907	\$ 344,474
Grants payable	1,153,500	685,000
Deferred rent	198,528	201,655
	<u>1,924,935</u>	<u>1,231,129</u>
Total Liabilities		
Net Assets		
Unrestricted		
General operations	1,531,835	1,491,643
Board designated	862,474	1,219,564
	<u>2,394,309</u>	<u>2,711,207</u>
Temporarily restricted	16,851,031	14,490,097
Permanently restricted	24,775,505	24,840,545
	<u>44,020,845</u>	<u>42,041,849</u>
Total Net Assets		
	<u>\$ 45,945,780</u>	<u>\$ 43,272,978</u>

See notes to financial statements

Ms. Foundation For Women, Inc.

Statement of Activities Year Ended June 30, 2015

	Unrestricted		Temporarily Restricted	Permanently Restricted	Total
	General Operations	Board Designated			
PUBLIC SUPPORT AND REVENUE					
Contributions and grants	\$ 2,235,870	\$ -	\$ 4,821,716	\$ 5,000	\$ 7,062,586
Special events, net of direct donor benefit of \$320,770	429,173	-	4,767	-	433,940
Investment income, net	5,170	12,401	412,696	-	430,267
Net realized (loss) gain on investment transactions	(39)	67,652	2,210,766	-	2,278,379
Other income	4,823	-	389	-	5,212
Subtotal	2,674,997	80,053	7,450,334	5,000	10,210,384
Net assets for program services released from restrictions	4,360,430	(400,000)	(3,960,430)	-	-
Total Public Support and Revenue	7,035,427	(319,947)	3,489,904	5,000	10,210,384
EXPENSES					
Program Services					
Grants and capacity building	3,518,099	-	-	-	3,518,099
Advocacy and policy	379,869	-	-	-	379,869
Public education	1,009,881	-	-	-	1,009,881
Total Program Services	4,907,849	-	-	-	4,907,849
Supporting Services					
General and administration	1,192,693	-	-	-	1,192,693
Fundraising	894,706	-	-	-	894,706
Total Supporting Services	2,087,399	-	-	-	2,087,399
Total Expenses	6,995,248	-	-	-	6,995,248
Change in Net Assets Before Change in Unrealized Gain (Loss) on Investments	40,179	(319,947)	3,489,904	5,000	3,215,136
Change in unrealized gain (loss) on investments	13	(37,143)	(1,128,970)	(70,040)	(1,236,140)
Change in Net Assets	40,192	(357,090)	2,360,934	(65,040)	1,978,996
NET ASSETS					
Beginning of year	1,491,643	1,219,564	14,490,097	24,840,545	42,041,849
End of year	\$ 1,531,835	\$ 862,474	\$ 16,851,031	\$ 24,775,505	\$ 44,020,845

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 Operations	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
	<u>1,605,136</u>	<u>290,081</u>	<u>6,108,892</u>	<u>42,977</u>	<u>8,047,086</u>
Subtotal					
Net assets for program services released from restrictions	5,934,101	(550,000)	(5,384,101)	-	-
Total Public Support and Revenue	<u>7,539,237</u>	<u>(259,919)</u>	<u>724,791</u>	<u>42,977</u>	<u>8,047,086</u>
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	<u>5,292,328</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,292,328</u>
Supporting Services					
General and administration	1,572,083	-	-	-	1,572,083
Fundraising	1,138,474	-	-	-	1,138,474
Total Supporting Services	<u>2,710,557</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,710,557</u>
Total Expenses	<u>8,002,885</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,002,885</u>
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	<u>\$ 1,491,643</u>	<u>\$ 1,219,564</u>	<u>\$ 14,490,097</u>	<u>\$ 24,840,545</u>	<u>\$ 42,041,849</u>

See notes to financial statements

Ms. Foundation For Women, Inc.

Statement of Functional Expenses For the Year Ended June 30, 2015

	Program Services									Supporting Services					
	Grants and Capacity Building									Total Program Services	General and Administration		Fundraising	Total	Total Expenses
	Women's Health	Economic Justice	Ending Violence	Donor Advised Grantmaking	Leadership/ Capacity Building	Grantee Communication	Total Grants and Capacity Building	Advocacy and Policy	Public Education		Total Program Services	General and Administration			
Grant awards	\$ 697,500	\$ 499,877	\$ 237,500	\$ 333,200	\$ 18,500	\$ 25,000	\$ 1,811,577	\$ 1,000	\$ -	\$ 1,812,577	\$ -	\$ -	\$ -	\$ 1,812,577	
Convenings	-	110,421	27,297	-	48,403	-	186,121	-	918	187,039	-	-	-	187,039	
Personnel costs	254,598	258,855	147,383	-	216,455	1,798	879,089	243,746	446,592	1,569,427	581,622	479,079	1,060,701	2,630,128	
Consultants and outside services	16,685	103,365	65,832	150	86,420	602	273,054	3,000	350,862	626,916	85,201	99,388	184,589	811,505	
Legal and auditing services	-	-	-	-	-	-	-	-	-	-	85,758	934	86,692	86,692	
Rent and office	88,957	88,933	66,340	1,054	71,263	1,066	317,613	115,914	132,982	566,509	224,454	215,105	439,559	1,006,068	
Travel	9,521	5,572	3,290	1,313	3,539	-	23,235	13,451	65,677	102,363	27,407	21,450	48,857	151,220	
Space rental and catering	229	227	166	1,000	174	4	1,800	296	2,589	4,685	-	-	-	4,685	
Mailhouse and acquisition	-	-	-	-	-	-	-	-	-	-	4,111	-	4,111	4,111	
Memberships and subscriptions	11,783	2,530	786	1,233	3,005	7	19,344	831	2,773	22,948	20,570	24,561	45,131	68,079	
Printing and graphic design	757	747	550	137	577	16	2,784	979	5,040	8,803	2,244	12,166	14,410	23,213	
Conferences and staff development	1,675	177	495	103	542	-	2,992	52	1,275	4,319	21,080	1,984	23,064	27,383	
Insurance	-	-	-	-	-	-	-	-	-	-	50,720	-	50,720	50,720	
Outside events and other charitable expenses	250	-	-	-	-	-	250	600	500	1,350	10,950	150	11,100	12,450	
Bad debts	-	-	-	-	-	-	-	-	-	-	-	21,060	21,060	21,060	
Advertising	-	-	-	-	-	-	-	-	-	-	6,811	-	6,811	6,811	
Miscellaneous expenses	-	240	-	-	-	-	240	-	673	913	3,317	14,718	18,035	18,948	
Total Expenses Before Depreciation and Amortization	1,081,955	1,070,944	549,639	338,190	448,878	28,493	3,518,099	379,869	1,009,881	4,907,849	1,120,134	894,706	2,014,840	6,922,689	
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	72,559	-	72,559	72,559	
Total Expenses	\$ 1,081,955	\$ 1,070,944	\$ 549,639	\$ 338,190	\$ 448,878	\$ 28,493	\$ 3,518,099	\$ 379,869	\$ 1,009,881	\$ 4,907,849	\$ 1,192,693	\$ 894,706	\$ 2,087,399	\$ 6,995,248	

See notes to financial statements

Ms. Foundation For Women, Inc.

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

	Program Services								Supporting Services					
	Grants and Capacity Building								Total Program Services	General and Administration		Fundraising	Total	Total Expenses
	Women's Health	Economic Justice	Ending Violence	Donor Advised Grantmaking	Leadership/ Capacity Building	Grantee Communication	Total Grants and Capacity Building	Advocacy and Policy		Public Education	Fundraising			
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	111,318	2,635	-	113,953	-	-	-	113,953
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	36,850	37,303	25,890	63,193	100,043
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	-	-	-	3,682	375	-	4,057	16,008	4,729	20,737	24,794
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	49	53	326	2,894	23,157	26,051	26,377
Total Expenses Before Depreciation and Amortization	907,525	597,517	1,223,559	341,376	576,363	143,639	3,789,979	565,503	936,846	5,292,328	1,459,461	1,138,474	2,597,935	7,890,263
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	112,622	-	112,622	112,622
Total Expenses	\$ 907,525	\$ 597,517	\$ 1,223,559	\$ 341,376	\$ 576,363	\$ 143,639	\$ 3,789,979	\$ 565,503	\$ 936,846	\$ 5,292,328	\$ 1,572,083	\$ 1,138,474	\$ 2,710,557	\$ 8,002,885

See notes to financial statements

Ms. Foundation For Women, Inc.

Statement of Cash Flows

	Year Ended June 30,	
	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,978,996	\$ 1,600,504
Adjustments to reconcile change in net assets to net cash from operating activities		
Bad debts	21,060	212,535
Depreciation and amortization	72,559	112,622
Realized gain on sales of investments	(2,278,379)	(3,053,038)
Unrealized loss (gain) on investments	1,236,140	(1,556,303)
Deferred rent	(3,127)	18,759
Change in operating assets and liabilities		
Pledges, grants and contributions receivable	(1,655,059)	1,109,396
Accrued interest receivable	(9,669)	(6,194)
Prepaid expenses and other receivables	(2,076)	195,799
Accounts payable and accrued expenses	228,433	(243,358)
Grants payable	<u>468,500</u>	<u>201,000</u>
Net Cash from Operating Activities	<u>57,378</u>	<u>(1,408,278)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of furniture, equipment and leasehold improvements	(1,883)	(19,361)
Proceeds from sale of investments	14,274,649	17,965,571
Purchases of investments	<u>(12,979,915)</u>	<u>(16,570,122)</u>
Net Cash from Investing Activities	<u>1,292,851</u>	<u>1,376,088</u>
Net Change in Cash and Cash Equivalents	1,350,229	(32,190)
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>1,856,865</u>	<u>1,889,055</u>
End of year	<u>\$ 3,207,094</u>	<u>\$ 1,856,865</u>

See notes to financial statements

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2015 and 2014

1. Organization

The Ms. Foundation for Women, Inc. (“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. Foundation 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: The Ms. Foundation previously focused its safety portfolio on child sexual abuse. In an effort to raise awareness of and learn more about the issues that threaten the safe living of women across America, the Ms. Foundation is conducting listening circles with women in their communities and will be working with grantee partners to gather information in order to transition our work in this area.

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.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2015 and 2014

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. Unrestricted amounts are not subject to donor-imposed stipulation and are currently available at the discretion of the Board of Directors for use in the Ms. Foundation's operations. Temporarily restricted amounts are those which are stipulated by donors for specific purposes or restricted by time. As the stipulations are satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the accompanying statement of activities as net assets released from restrictions. Permanently restricted amounts are donor restricted to provide a permanent endowment for operations.

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 these 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 pledges, grants and contributions receivable and are recorded at their net realizable value. Unconditional promises to give that are due in subsequent years 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.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2015 and 2014

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

Public Support and Revenue (continued)

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.

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, 2015 and 2014, 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, 2015 and 2014

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 Leasehold Improvements

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 which range from 3 to 15 years. 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 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 2012.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2015 and 2014

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 November 17, 2015.

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>2015</u>	<u>2014</u>
Restricted for future operations	\$ 3,594,928	\$ 1,991,186
Temporarily restricted for purpose	1,145,824	1,094,339
Permanently restricted	<u>-</u>	<u>3,500</u>
Total Pledges, Grants and Contributions Receivable	<u>\$ 4,740,752</u>	<u>\$ 3,089,025</u>
Receivable in less than one year	\$ 2,236,252	\$ 1,724,525
Receivable in one to five years	1,842,500	657,500
Receivable in five years and thereafter	662,000	707,000
Less discounts to present value	<u>(360,537)</u>	<u>(342,809)</u>
Net Pledges, Grants and Contributions Receivable	<u>\$ 4,380,215</u>	<u>\$ 2,746,216</u>

The discount rate used for pledges, grants and contributions receivable outstanding at June 30, 2015 and 2014 was 4.25%.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2015 and 2014

5. Investments and Investment Return

Investments at June 30 are as follows:

	<u>2015</u>	<u>2014</u>
Equity Securities		
Energy	\$ 1,526,074	\$ 1,817,657
Telecommunications services	316,757	351,342
Industrials	3,984,271	3,626,133
Consumer discretionary	3,537,644	3,278,306
Consumer staples	1,339,313	2,846,793
Healthcare	2,098,019	2,440,011
Financials	3,566,721	3,822,208
Materials	657,909	884,433
Utilities	799,625	-
Information technology	<u>4,245,751</u>	<u>3,543,045</u>
Total Equity Securities	22,072,084	22,609,928
U.S. Government obligations	2,476,238	2,649,649
Money market	995,551	434,544
Mutual Funds		
Intermediate term bond	<u>11,940,229</u>	<u>12,042,476</u>
Total Investments at Fair Value, valued using Level 1 inputs	37,484,102	37,736,597
Certificate of deposit	<u>100,000</u>	<u>100,000</u>
Total Investments	<u>\$ 37,584,102</u>	<u>\$ 37,836,597</u>

During the years ended June 30, 2015 and 2014 there were no transfers in or out of Levels 1, 2 or 3 of the fair value hierarchy.

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

	<u>2015</u>	<u>2014</u>
Dividends and interest of securities	\$ 641,827	\$ 792,676
Net realized gain on sale of investments	2,278,379	3,053,038
Unrealized (loss) gain on investments	(1,236,140)	1,556,303
Investment advisory fees	<u>(211,560)</u>	<u>(218,992)</u>
	<u>\$ 1,472,506</u>	<u>\$ 5,183,025</u>

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2015 and 2014

6. Furniture, Equipment and Leasehold Improvements

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

	<u>2015</u>	<u>2014</u>
Furniture and equipment	\$ 596,419	\$ 594,536
Leasehold improvements	<u>1,334,792</u>	<u>1,334,792</u>
	1,931,211	1,929,328
Accumulated depreciation and amortization	<u>(1,471,385)</u>	<u>(1,398,826)</u>
	<u>\$ 459,826</u>	<u>\$ 530,502</u>

7. Temporarily Restricted Net Assets

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

	<u>2015</u>	<u>2014</u>
Economic Justice	\$ 607,089	\$ 645,213
Women's Health	618,124	362,940
Leadership/Capacity Building	94,960	244,751
Ending Violence	256,250	381,130
Endowment earnings	6,948,388	6,865,904
Advocacy and Policy	12,500	24,490
Donor Advised Grantmaking		
The Rabbit Fund	1,702,247	1,836,885
Gloria Fund	56,391	98,994
E.P. Fund	571,674	640,856
Ware Fund	24,054	24,421
Sophia Fund	2,193	-
OMA Fund	1,912,404	1,956,439
R. Luxemburg Fund	31,084	39,968
AWGC	10,662	4,844
General support restricted for future period	<u>4,003,011</u>	<u>1,363,262</u>
	<u>\$ 16,851,031</u>	<u>\$ 14,490,097</u>

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2015 and 2014

7. Temporarily Restricted Net Assets *(continued)*

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

	<u>2015</u>	<u>2014</u>
Economic Justice	\$ 387,509	\$ 271,234
Women's Health	589,080	723,237
Leadership/Capacity Building	149,791	70,499
Ending Violence	381,448	1,474,987
Endowment earnings	1,230,000	1,150,000
Public Education	32,500	230,000
President Discretionary Grants	1,000	-
Advocacy and Policy	12,500	18,468
Donor Advised Grantmaking		
The Rabbit Fund	129,920	129,920
Gloria Fund	124,000	160,000
E.P. Fund	67,500	67,500
Ware Fund	366	372
Sophia Fund	175,738	265,008
OMA Fund	127,163	117,213
R. Luxemburg Fund	10,599	5,600
AWGC	106,316	86,688
General support designated for June 30	<u>435,000</u>	<u>613,375</u>
	<u>\$ 3,960,430</u>	<u>\$ 5,384,101</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 are based on three (3) percent of employees' salaries. For the fiscal years ended June 30, 2015 and 2014, the amount of the pension expense is \$36,272 and \$38,630.

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.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2015 and 2014

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>	
2016	\$ 605,485
2017	605,485
2018	605,485
2019	627,370
2020	649,255
Thereafter	<u>1,623,137</u>
	<u>\$ 4,716,217</u>

Rent expense for 2015 and 2014 amounted to \$690,059 and \$632,896.

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>2015</u>	<u>2014</u>
Permanently Restricted Net Assets		
General Endowment Fund	\$ 22,494,941	\$ 22,493,529
Gloria Endowment Fund	1,876,646	1,943,098
Reproductive Justice Endowment Fund	<u>403,918</u>	<u>403,918</u>
	<u>\$ 24,775,505</u>	<u>\$ 24,840,545</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, 2015 and 2014

10. Permanently Restricted Net Assets and Endowments (continued)

The income from the General Endowment Fund 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 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 years ending June 30:

	2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance at June 30, 2014	\$ 1,089,205	\$ 7,086,187	\$ 24,836,957	\$ 33,012,349
Contributions	-	-	5,000	5,000
Interest and dividends	19,038	593,155	-	612,193
Realized gains	67,652	2,087,863	-	2,155,515
Investment expenses	(6,637)	(204,998)	-	(211,635)
Unrealized depreciation	(37,143)	(1,053,317)	(66,452)	(1,156,912)
Approved for expenditure	1,364,965	(1,364,965)	-	-
Drawdowns	(1,324,188)	-	-	(1,324,188)
Balance at June 30, 2015	<u>\$ 1,172,892</u>	<u>\$ 7,143,925</u>	<u>\$ 24,775,505</u>	<u>\$ 33,092,322</u>
Comprised of the following:				
Unrestricted	\$ 110,420	\$ -	\$ -	\$ 110,420
Board designated funds	1,062,472	-	-	1,062,472
Unappropriated endowment earnings	-	6,948,388	-	6,948,388
Donor restricted funds for purpose	-	195,537	-	195,537
Donor endowment	-	-	24,775,505	24,775,505
	<u>\$ 1,172,892</u>	<u>\$ 7,143,925</u>	<u>\$ 24,775,505</u>	<u>\$ 33,092,322</u>

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2015 and 2014

10. Permanently Restricted Net Assets and Endowments (continued)

	2014			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
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
Interest 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:				
Unrestricted	\$ 69,644	\$ -	\$ -	\$ 69,644
Board designated funds	1,019,561	-	-	1,019,561
Unappropriated endowment earnings	-	6,858,598	-	6,858,598
Donor restricted funds for purpose	-	227,589	-	227,589
Donor endowment	<u>-</u>	<u>-</u>	<u>24,836,957</u>	<u>24,836,957</u>
	<u>\$ 1,089,205</u>	<u>\$ 7,086,187</u>	<u>\$ 24,836,957</u>	<u>\$ 33,012,349</u>

11. Claims and Contingencies

At times, Ms. Foundation is subject to legal proceedings, claims and litigation arising in the normal course of business. While the outcome of such matters is currently not determinable, management does not expect any material adverse effect on Ms. Foundation's financial position, net assets or cash flows.

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