

Ms. Foundation For Women, Inc.

Financial Statements

June 30, 2021 and 2020

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, 2021 and 2020, 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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, 2021 and 2020, 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.

PKF O'Connor Davies, LLP

January 12, 2022

Ms. Foundation For Women, Inc.

Statements of Financial Position

	June 30	
	2021	2020
ASSETS		
Cash and cash equivalents	\$ 16,744,639	\$ 4,462,292
Pledges, grants and contributions receivable, net	5,339,996	3,708,915
Accrued interest receivable	1	47,310
Prepaid expense and other receivables	129,749	144,073
Investments	46,533,930	39,666,479
Furniture, equipment and leasehold improvements, net	177,736	214,653
Artwork	77,000	77,000
Rent security deposits, restricted cash equivalent	140,429	140,429
	<u>\$ 69,143,480</u>	<u>\$ 48,461,151</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 330,823	\$ 169,024
Grants payable	2,233,769	2,764,500
Deferred rent	70,345	117,241
	<u>2,634,937</u>	<u>3,050,765</u>
Net Assets		
Without Donor Restrictions		
General operations	11,449,607	1,450,051
Board designated	1,724,143	1,340,063
Total Net Assets Without Donor Restrictions	<u>13,173,750</u>	<u>2,790,114</u>
With Donor Restrictions		
Time or purpose restricted	28,342,276	17,915,427
Perpetually restricted	24,992,517	24,704,845
Total Net Assets With Donor Restrictions	<u>53,334,793</u>	<u>42,620,272</u>
Total Net Assets	<u>66,508,543</u>	<u>45,410,386</u>
	<u>\$ 69,143,480</u>	<u>\$ 48,461,151</u>

See notes to financial statements

Ms. Foundation For Women, Inc.

Statement of Activities Year Ended June 30, 2021

	Net Assets Without Donor Restrictions		Net Assets With Donor Restrictions		Total
	General Operations	Board Designated	Time or Purpose Restricted	Perpetually Restricted	
PUBLIC SUPPORT AND REVENUE					
Contributions and grants	\$ 14,747,070	288,311	\$ 7,707,470	\$ -	\$ 22,742,851
Special events, net of direct donor benefit of \$33,804	497,432	-	-	-	497,432
Investment income (loss), net	50,781	29,797	872,151	(11,158)	941,571
Net realized gain on investment transactions	-	40,624	1,214,016	-	1,254,640
Other income	<u>64,642</u>	-	-	-	<u>64,642</u>
Subtotal	15,359,925	358,732	9,793,637	(11,158)	25,501,136
Net assets for program services released from restrictions	<u>5,709,007</u>	<u>(200,320)</u>	<u>(5,508,687)</u>	-	-
Total Public Support and Revenue	<u>21,068,932</u>	<u>158,412</u>	<u>4,284,950</u>	<u>(11,158)</u>	<u>25,501,136</u>
EXPENSES					
Program Services					
Grants and capacity building	7,022,679	-	-	-	7,022,679
Advocacy and policy	4,461	-	-	-	4,461
Public education	<u>1,051,250</u>	-	-	-	<u>1,051,250</u>
Total Program Services	<u>8,078,390</u>	-	-	-	<u>8,078,390</u>
Supporting Services					
General and administration	1,481,319	-	-	-	1,481,319
Fundraising	<u>1,509,667</u>	-	-	-	<u>1,509,667</u>
Total Supporting Services	<u>2,990,986</u>	-	-	-	<u>2,990,986</u>
Total Expenses	<u>11,069,376</u>	-	-	-	<u>11,069,376</u>
Change in Net Assets before Change in Unrealized Gain on Investments	9,999,556	158,412	4,284,950	(11,158)	14,431,760
Change in unrealized gain on investments	-	<u>225,668</u>	<u>6,141,899</u>	<u>298,830</u>	<u>6,666,397</u>
Change in Net Assets	9,999,556	384,080	10,426,849	287,672	21,098,157
NET ASSETS					
Beginning of year	<u>1,450,051</u>	<u>1,340,063</u>	<u>17,915,427</u>	<u>24,704,845</u>	<u>45,410,386</u>
End of year	<u>\$ 11,449,607</u>	<u>\$ 1,724,143</u>	<u>\$ 28,342,276</u>	<u>\$ 24,992,517</u>	<u>\$ 66,508,543</u>

See notes to financial statements

Ms. Foundation For Women, Inc.

Statement of Activities Year Ended June 30, 2020

	Net Assets Without Donor Restrictions		Net Assets With Donor Restrictions		Total
	General Operations	Board Designated	Time or Purpose Restricted	Perpetually Restricted	
PUBLIC SUPPORT AND REVENUE					
Contributions and grants	\$ 1,018,757	\$ 223,750	\$ 1,092,192	\$ -	\$ 2,334,699
Special events, net of direct donor benefit of \$75,481	560,033	-	-	-	560,033
Investment income (loss), net	45,479	9,783	401,319	(13,180)	443,401
Net realized gain on investment transactions	-	9,518	396,939	-	406,457
Other income	132,209	-	-	-	132,209
Subtotal	1,756,478	243,051	1,890,450	(13,180)	3,876,799
Net assets for program services released from restrictions	6,845,684	-	(6,845,684)	-	-
Total Public Support and Revenue	8,602,162	243,051	(4,955,234)	(13,180)	3,876,799
EXPENSES					
Program Services					
Grants and capacity building	5,151,320	-	-	-	5,151,320
Advocacy and policy	62,540	-	-	-	62,540
Public education	808,739	-	-	-	808,739
Total Program Services	6,022,599	-	-	-	6,022,599
Supporting Services					
General and administration	1,322,937	-	-	-	1,322,937
Fundraising	1,197,268	-	-	-	1,197,268
Total Supporting Services	2,520,205	-	-	-	2,520,205
Total Expenses	8,542,804	-	-	-	8,542,804
Change in Net Assets Before Change in Unrealized Gain on Investments	59,358	243,051	(4,955,234)	(13,180)	(4,666,005)
Change in unrealized gain on investments	-	76,017	2,921,534	134,067	3,131,618
Change in Net Assets	59,358	319,068	(2,033,700)	120,887	(1,534,387)
NET ASSETS					
Beginning of year	1,390,693	1,020,995	19,949,127	24,583,958	46,944,773
End of year	\$ 1,450,051	\$ 1,340,063	\$ 17,915,427	\$ 24,704,845	\$ 45,410,386

See notes to financial statements

Ms. Foundation For Women, Inc.

Statement of Functional Expenses Year Ended June 30, 2021

	Program Services							Supporting Services					
	Grants and Capacity Building					Advocacy and Policy	Public Education	Total Program Services	General and Administration		Fundraising	Total	Total Expenses
	SHE	Girls Fund Initiative	Donor Advised Grantmaking	Leadership/ Capacity Building	Total Grants and Capacity Building				Total Program Services	General and Administration			
Grant awards	\$ 2,610,000	\$ 605,000	\$ 325,500	\$ 1,296,000	\$ 4,836,500	\$ -	\$ -	\$ 4,836,500	\$ -	\$ -	\$ -	\$ 4,836,500	
Convenings	-	-	-	38,001	38,001	-	-	38,001	-	-	-	38,001	
Personnel costs	274,953	159,430	-	786,426	1,220,809	3,047	615,496	1,839,352	696,904	587,974	1,284,878	3,124,230	
Consultants and outside services	12,514	67,751	2,800	393,755	476,820	12	225,141	701,973	194,155	611,835	805,990	1,507,963	
Legal and auditing services	-	-	-	-	-	-	-	-	47,431	-	47,431	47,431	
Rent and office	77,833	135,728	330	197,252	411,143	1,376	160,850	573,369	307,830	237,068	544,898	1,118,267	
Travel	6	14	-	16	36	-	20	56	1,100	606	1,706	1,762	
Mailhouse and acquisition	-	-	-	-	-	-	-	-	9	24,757	24,766	24,766	
Memberships and subscriptions	1,123	1,775	1,502	2,504	6,904	19	28,684	35,607	31,163	20,526	51,689	87,296	
Printing and graphic design	-	27	568	19	614	-	19,570	20,184	55	31,056	31,111	51,295	
Conferences and staff development	780	2,555	-	1,690	5,025	3	1,210	6,238	11,548	3,629	15,177	21,415	
Insurance	-	-	-	-	-	-	-	-	78,869	-	78,869	78,869	
Outside events and other charitable expenses	8,000	3,062	3,000	12,450	26,512	-	-	26,512	16,000	10,150	26,150	52,662	
Uncollectable contributions	-	-	-	-	-	-	-	-	20,500	-	20,500	20,500	
Miscellaneous expenses	(75)	204	-	186	315	4	279	598	2,701	15,870	18,571	19,169	
Total Expenses Before Depreciation and Amortization	2,985,134	975,546	333,700	2,728,299	7,022,679	4,461	1,051,250	8,078,390	1,408,265	1,543,471	2,951,736	11,030,126	
Depreciation and amortization	-	-	-	-	-	-	-	-	73,054	-	73,054	73,054	
Total Functional Expenses	2,985,134	975,546	333,700	2,728,299	7,022,679	4,461	1,051,250	8,078,390	1,481,319	1,543,471	3,024,790	11,103,180	
Less: cost of direct benefit to donors	-	-	-	-	-	-	-	-	-	(33,804)	(33,804)	(33,804)	
Total Expenses	<u>\$ 2,985,134</u>	<u>\$ 975,546</u>	<u>\$ 333,700</u>	<u>\$ 2,728,299</u>	<u>\$ 7,022,679</u>	<u>\$ 4,461</u>	<u>\$ 1,051,250</u>	<u>\$ 8,078,390</u>	<u>\$ 1,481,319</u>	<u>\$ 1,509,667</u>	<u>\$ 2,990,986</u>	<u>\$ 11,069,376</u>	

See notes to financial statements

Ms. Foundation For Women, Inc.

**Statement of Functional Expenses
Year Ended June 30, 2020**

	Program Services							Supporting Services				Total Expenses
	Grants and Capacity Building							Total Program Services	General and Administration	Fundraising	Total	
	SHE	Girls Fund Initiative	Donor Advised Grantmaking	Leadership/ Capacity Building	Total Grants and Capacity Building	Advocacy and Policy	Public Education					
Grant awards	\$ 330,000	\$ 470,000	\$ 302,000	\$ 1,915,500	\$ 3,017,500	\$ -	\$ -	\$ 3,017,500	\$ -	\$ 5,000	\$ 5,000	\$ 3,022,500
Convenings	10,332	1,799	-	38	12,169	-	-	12,169	-	-	-	12,169
Personnel costs	162,427	191,151	-	744,078	1,097,656	4,442	457,324	1,559,422	602,017	526,509	1,128,526	2,687,948
Consultants and outside services	270,407	106,254	-	86,751	463,412	56,015	209,082	728,509	122,665	219,886	342,551	1,071,060
Legal and auditing services	68	193	-	865	1,126	5	325	1,456	56,216	852	57,068	58,524
Rent and office	51,192	68,250	1,883	314,721	436,046	1,922	93,110	531,078	258,607	303,904	562,511	1,093,589
Travel	15,193	3,640	85	19,378	38,296	14	7,941	46,251	98,584	60,717	159,301	205,552
Space rental and catering	27	17	2,658	87	2,789	1	40	2,830	86	84	170	3,000
Mailhouse and acquisition	-	-	-	-	-	-	2,647	2,647	-	14,445	14,445	17,092
Memberships and subscriptions	677	1,865	375	17,175	20,092	89	20,018	40,199	39,713	23,412	63,125	103,324
Printing and graphic design	7	702	-	105	814	1	14,114	14,929	236	22,579	22,815	37,744
Conferences and staff development	9,360	2,932	-	31,695	43,987	47	3,827	47,861	13,423	8,822	22,245	70,106
Insurance	-	-	-	-	-	-	-	-	61,557	-	61,557	61,557
Outside events and other charitable expenses	10,251	4	2,300	3,514	16,069	-	7	16,076	1,411	12	1,423	17,499
Special event expenses	-	-	-	-	-	-	-	-	-	75,481	75,481	75,481
Miscellaneous expenses	63	179	-	1,122	1,364	4	304	1,672	2,545	11,046	13,591	15,263
Total Expenses Before Depreciation and Amortization	860,004	846,986	309,301	3,135,029	5,151,320	62,540	808,739	6,022,599	1,257,060	1,272,749	2,529,809	8,552,408
Depreciation and amortization	-	-	-	-	-	-	-	-	65,877	-	65,877	65,877
Total Functional Expenses	860,004	846,986	309,301	3,135,029	5,151,320	62,540	808,739	6,022,599	1,322,937	1,272,749	2,595,686	8,618,285
Less: cost of direct benefit to donors	-	-	-	-	-	-	-	-	-	(75,481)	(75,481)	(75,481)
Total Expenses	\$ 860,004	\$ 846,986	\$ 309,301	\$ 3,135,029	\$ 5,151,320	\$ 62,540	\$ 808,739	\$ 6,022,599	\$ 1,322,937	\$ 1,197,268	\$ 2,520,205	\$ 8,542,804

See notes to financial statements

Ms. Foundation For Women, Inc.

Statements of Cash Flows

	Year Ended June 30	
	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 21,098,157	\$ (1,534,387)
Adjustments to reconcile change in net assets to net cash from operating activities		
Uncollectable contributions	20,500	-
Depreciation and amortization	73,054	65,877
Realized gain on sales of investments	(1,254,640)	(406,457)
Unrealized (gain) on investments	(6,666,397)	(3,131,618)
Deferred rent	(46,896)	(46,897)
Change in operating assets and liabilities		
Pledges, grants and contributions receivable	(1,651,581)	3,646,654
Accrued interest receivable	47,309	(5,589)
Prepaid expenses and other receivables	14,324	(78,603)
Accounts payable and accrued expenses	161,799	(148,442)
Grants payable	(530,731)	271,500
Net Cash from Operating Activities	<u>11,264,898</u>	<u>(1,367,962)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of furniture, equipment and leasehold improvements	(36,137)	(12,947)
Proceeds from sale of investments	12,357,225	10,401,412
Purchases of investments	<u>(11,303,639)</u>	<u>(9,264,418)</u>
Net Cash from Investing Activities	<u>1,017,449</u>	<u>1,124,047</u>
Net Change in Cash and Cash Equivalents	12,282,347	(243,915)
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>4,602,721</u>	<u>4,846,636</u>
End of year	<u>\$ 16,885,068</u>	<u>\$ 4,602,721</u>
CASH AND CASH EQUIVALENTS COMPONENTS		
Cash and cash equivalents	\$ 16,744,639	\$ 4,462,292
Rent security deposits, restricted cash equivalent	<u>140,429</u>	<u>140,429</u>
Total Cash and Cash Equivalents	<u>\$ 16,885,068</u>	<u>\$ 4,602,721</u>

See notes to financial statements

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

1. Organization

The Ms. Foundation For Women, Inc.'s ("Ms. Foundation") mission is to build women's collective power in the U.S. to advance equity and justice for all. Ms. Foundation achieves the mission by investing in and strengthening the capacity of women-led movements, to advance meaningful social, cultural and economic change in the lives of all women and girls.

Since 1973, Ms. Foundation has invested more than \$70 million into building the power of women in social justice fields, serving as a conduit to the philanthropic sector as an intermediary funder investing in women and girls. The vision is to create a just and safe world where power and possibility are not limited by gender, race, class, sexual orientation, gender identity, disability or age. Ms. Foundation believes that equity and inclusion are the cornerstones of a true democracy in which the worth and dignity of every person are valued.

Ms. Foundation also administers several donor-advised funds that are consistent with its mission, vision, and values.

Through the core strategies – grantmaking and capacity building, philanthropic advocacy, policy and advocacy, strategic communications, and building connections – Ms. Foundation achieves maximum social impact.

Strategic Grantmaking and Capacity Building

The grantmaking and capacity building program seeks to leverage the voice, power and expertise of women and girls of color, including transgender women and girls of color, and indigenous women and girls, to transform systemic conditions so that they can live full, secure and healthy lives, and to ensure safety, health and economic opportunity for all. There is an emphasis on supporting organizations led by women and girls of color organizations, and a priority focus on the U.S. South.

The key focus areas are women's safety, health and economic justice ("SHE"), which are central to the theory of change, and address the multiplicity of challenges faced by women and girls of color in particular. In addition, Ms. Foundation is has developed a new initiative to support movement building and advocacy led by and/or centering girls of color in the U.S. and territories. Ms. Foundation is undertaking a planning assessment to identify opportunities to support reproductive justice and rights advocacy and organizing in indigenous communities.

Philanthropic Advocacy

Through philanthropic advocacy, Ms. Foundation builds on the collective power of women and deploys a multi-pronged strategy designed to educate and move the philanthropic field towards increasing funding and resources for organizations led by women of color or at the intersection of gender and racial equity.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

1. Organization (*continued*)

Advocacy and Policy

Ms. Foundation's advocacy and policy work provides thought leadership on structural barriers to equity and justice, and amplifies grassroots voices on social, culture, and legislative policies and practices to improve the lives of women, girls and their communities.

Strategic Communications

Ms. Foundation aims to create a narrative shift that centers inclusive gender and racial equity in the public discourse. Ms. Foundation develops powerful messaging strategies through public education, digital media, messaging, activism, and thought leadership.

Building Connections

As the oldest women's fund in the country, and with a network of thousands of current and former grantees, donors and allies, Ms. Foundation plays a critical role in incubating innovation across diverse social movements and sectors in support of gender and racial equity.

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").

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.

Net Asset 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. Foundation and changes therein are classified and reported as net assets with and without donor restrictions. Amounts without restrictions are not subject to donor-imposed stipulations and are currently available at the discretion of management and the Board of Directors for use in Ms. Foundation's operations. Amounts with donor restrictions are those which are stipulated by donors for specific purposes or restricted by time. Perpetually restricted amounts are donor restricted to provide a permanent endowment for operations.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

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

Net Assets without Donor Restrictions 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 net assets without donor restrictions 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 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 net assets with donor restrictions 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, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements 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.

Grant Expenses

Contributions made and unconditional promises to give are recognized as expenses in the period made.

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. The expenses that are common to several functions include personnel costs which are allocated among the program and supporting services benefited based on estimates of time and effort.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

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

Cash Equivalents

Ms. Foundation considers all 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, 2021 and 2020, 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 follows U.S. GAAP guidance which removed the requirements to categorize within the fair value hierarchy alternative investments where fair value is measured using the Net Asset Value (“NAV”) per share as a practical expedient.

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.

The fair value of alternative investments has been estimated using NAV as reported by the management of the respective alternative investment fund. U.S. GAAP guidance provides for the use of NAV as a “Practical Expedient” for estimating fair value of alternative investments. NAV reported by each alternative investment fund is used as a practical expedient to estimate the fair value of Ms. Foundation’s interest.

Income from investments, including both realized and unrealized gains and losses, are treated as an increase or decrease in net assets without donor restrictions unless otherwise specified by donors.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

2. Summary of Significant Accounting Policies (continued)

Investments and Investment Income (continued)

Ms. Foundation pools certain investments with and without donor restrictions. Investment income and appreciation (depreciation) 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, inclusive of all renewal periods, which are reasonably assured, 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 and is not depreciated. 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. Ms. Foundation is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to 2018.

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 January 12, 2022.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

3. Concentration of Credit Risk

Financial instruments that potentially subject Ms. Foundation to concentrations of credit risk consist principally of cash, temporary cash investments, pledges, grants and contributions receivable and investments. 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 pledges, 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>2021</u>	<u>2020</u>
Restricted for future operations	\$ 1,235,697	\$ 2,022,697
Restricted for purpose	<u>4,320,252</u>	<u>1,882,552</u>
Total Pledges, Grants and Contributions Receivable	<u>\$ 5,555,949</u>	<u>\$ 3,905,249</u>
Receivable in less than one year	\$ 608,825	\$ 2,534,627
Receivable in one to five years	4,541,254	919,754
Receivable in five years and thereafter	<u>405,870</u>	<u>450,868</u>
	5,555,949	3,905,249
Discounts to present value	<u>(215,953)</u>	<u>(196,334)</u>
Net Pledges, Grants and Contributions Receivable	<u>\$ 5,339,996</u>	<u>\$ 3,708,915</u>

The discount rate used for pledges, grants and contributions receivable outstanding at June 30, 2021 and 2020 was 4.25%.

Ms. Foundation For Women, Inc.

Notes to Financial Statements June 30, 2021 and 2020

5. Investments and Investment Return

Investments at June 30 categorized by the fair value hierarchy, for those investments subject to categorization within such hierarchy, are as follows:

	2021	2020
Level 1 Investments		
Equity Securities		
Energy	\$ 393,706	\$ 208,751
Telecommunications services	1,413,928	1,185,790
Industrials	2,041,819	1,347,236
Consumer discretionary	2,524,358	1,548,674
Consumer staples	1,041,162	677,184
Healthcare	2,288,955	1,856,789
Financials	2,296,728	1,398,098
Materials	720,136	573,822
Utilities	387,158	258,760
Real estate	461,873	442,766
Information technology	4,491,945	3,219,876
Other	3,323,945	430,911
Total Equity Securities	21,385,713	13,148,657
U.S. government obligations	955,790	2,995,674
Money market	52,864	5,360,887
Mutual Funds		
World stock	9,111,658	7,489,815
Core bond	6,580,500	5,600,322
High yield bond	1,073,879	961,676
Total Mutual Funds	16,766,037	14,051,813
Total Level 1 investments	39,160,404	35,557,031
Level 2 Investments		
Corporate bonds	1,579,877	1,442,184
Municipal bonds	1,093,179	957,636
Social bonds	2,304,654	1,111,538
Total Level 2 investments	4,977,710	3,511,358
Alternative investment fund *	2,295,816	498,090
Total Investments at Fair Value	46,433,930	39,566,479
Certificate of deposit, at cost	100,000	100,000
Total Investments	\$ 46,533,930	\$ 39,666,479

During the years ended June 30, 2021 and 2020 there were no transfers in or out of Levels 1, 2 or 3 of the fair value hierarchy.

* As discussed in Note 2, investments valued at NAV are not included in the fair value hierarchy.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

5. Investments and Investment Return (continued)

Alternative investments consist of non-traditional, not readily marketable investments, some of which may be structured as offshore limited partnerships, venture capital funds, hedge funds, private equity funds and common trust funds. The underlying investments of such funds, whether invested in stock or other securities, are generally not currently traded in a public market and typically are subject to restrictions on resale. Values determined by investment managers and general partners of underlying securities that are thinly traded or not traded in an active market may be based on historical cost, appraisals, a review of the investees' financial results, financial condition and prospects, together with comparisons to similar companies for which quoted market prices are available or other estimates that require varying degrees of judgment.

Because of the inherent uncertainty of valuations, the estimated fair values may differ significantly from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material.

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

	<u>2021</u>	<u>2020</u>
Dividends and interest of securities	\$ 1,190,255	\$ 734,378
Net realized gain on sale of investments	1,254,640	406,457
Unrealized gain on investments	6,666,397	3,131,618
Investment fees	<u>(248,684)</u>	<u>(290,977)</u>
	<u>\$ 8,862,608</u>	<u>\$ 3,981,476</u>

Information regarding investments valued at NAV at June 30, 2021 is as follows:

<u>Investment Funds</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>	<u>Commitment Period</u>
Venture Capital Investments (a)					
Impact America Fund II	\$ 96,755	\$ 136,600	Illiquid	N/A	10 years + possible 2 year extension
RH Capital Fund II	51,994	187,500	Illiquid	N/A	10 years with 2 optional 1 year extensions
Urban Innovation Fund II	390,358	107,500	Illiquid	N/A	10 years with 2 optional 1 year extensions
Real Estate Investments (b)					
Kimptact Evergreen Real Estate Fund	268,482	-	Quarterly	90 days in advance	Indefinite
Rose Affordable Housing Preservation Fund V	46,869	178,750	Illiquid	N/A	10 years + possible 2 year extension
Turner Multifamily Impact Fund II (via Align SPV)	96,680	149,259	Illiquid	N/A	9 years with 2 optional 1 year extensions
JLL (Jones Lang LasSalle Incorporated)	541,038	-	Illiquid	N/A	1 year
U.S. Real Estate Investment Fund, LLC (Interncontinental)	803,640	-	Quarterly	90 days in advance	Indefinite
Totals	<u>\$ 2,295,816</u>	<u>\$ 759,609</u>			

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

5. Investments and Investment Return (*continued*)

- a. This category includes three venture capital funds that invest primarily in U.S. domestic technology-driven private businesses. All three funds have a commitment period of 10 years with the option of additional 2 year extensions. Redemption is not applicable as these are illiquid, private investments.
- b. This category includes five real estate funds that invest in multi-family affordable housing properties in the United States. Two funds are evergreen funds with quarterly liquidations, one fund has a commitment period of 10 years with a 2 year extension option, one fund has a commitment period of 9 years with the 2 optional 1 year extensions, and the last fund has a one year holding period for investments.

6. Furniture, Equipment and Leasehold Improvements

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

	<u>2021</u>	<u>2020</u>
Furniture and equipment	\$ 694,902	\$ 658,765
Leasehold improvements	<u>1,334,792</u>	<u>1,334,792</u>
	2,029,694	1,993,557
Accumulated depreciation and amortization	<u>(1,851,958)</u>	<u>(1,778,904)</u>
	<u>\$ 177,736</u>	<u>\$ 214,653</u>

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

7. Net Assets with Donor Restrictions

Net assets with donor restrictions at June 30 are available for the following purposes:

	<u>2021</u>	<u>2020</u>
Economic Justice	\$ 105	\$ 105
Women's Health	405,010	327,946
Endowment Earnings	14,870,073	9,263,102
General Program	354,800	13,000
Girls Fund Initiative	1,512,705	2,048,857
Robert Wood Johnson	3,643,114	-
SHE	18,258	-
Donor Advised Grantmaking		
The Rabbit Fund	1,807,684	1,584,085
Gloria Fund	202,613	138,844
E.P. Fund	414,507	394,134
Ware Fund	26,536	26,940
Sophia Fund	3,111	3,111
OMA Fund	1,934,867	1,751,296
AWGC	3,220	2,880
General support restricted for future periods	<u>3,145,673</u>	<u>2,361,127</u>
	<u>\$ 28,342,276</u>	<u>\$17,915,427</u>

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

	<u>2021</u>	<u>2020</u>
Economic Justice	\$ -	\$ 461,492
Women's Health	225,000	324,255
Ending Violence	-	75,000
Endowment Earnings	1,530,000	1,530,000
General Program	293,200	837,000
Advocacy and Policy	-	10,000
Girls Fund Initiative	916,152	953,269
Robert Wood Johnson	783,250	-
SHE	57,242	-
Donor Advised Grantmaking		
The Rabbit Fund	129,920	129,920
Gloria Fund	57,500	94,500
E.P. Fund	67,500	67,500
Ware Fund	404	410
Sophia Fund	-	175,000
OMA Fund	192,270	156,237
AWGC	111,249	83,143
General support designated for the year	<u>1,145,000</u>	<u>1,947,958</u>
	<u>\$ 5,508,687</u>	<u>\$ 6,845,684</u>

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

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 3% of employees' salaries. For the fiscal years ended June 30, 2021 and 2020, the amount of the pension expense is \$51,733 and \$48,302.

9. In-Kind Contributions

Ms. Foundation received no in-kind special event direct expenses during the years ended June 30, 2021 and 2020.

10. 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.

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 statements of financial position reflect 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 payable as follows for the years ending June 30:

2022	\$ 649,255
2023	<u>324,627</u>
	<u>\$ 973,882</u>

Rent expense for 2021 and 2020 amounted to \$745,562 and \$740,185.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

11. Liquidity and Availability

The following represents Ms. Foundation's financial assets at June 30, 2021 and 2020, reduced by amounts not available for general uses within one year of that date because of contractual or donor-imposed restrictions:

	<u>2021</u>	<u>2020</u>
Financial Assets:		
Cash and cash equivalents	\$ 16,744,639	\$ 4,462,292
Pledges, grants and contributions receivable, net	5,339,996	3,708,915
Accrued interest receivable	1	47,310
Investments	<u>46,533,930</u>	<u>39,666,479</u>
Total Financial Assets	68,618,566	47,884,996
Less: donor restrictions related to time or purpose	(28,342,276)	(17,915,427)
Less: donor restrictions perpetually restricted	(24,992,517)	(24,704,845)
Less: board designated	(1,724,143)	(1,340,063)
Add: amount appropriated for next fiscal year	<u>2,165,000</u>	<u>2,105,000</u>
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	<u>\$ 15,724,630</u>	<u>\$ 6,029,661</u>

Ms. Foundation maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due. As part of Ms. Foundation's liquidity management strategy, Ms. Foundation seeks to maintain adequate liquidity to meet its obligations, including planned expenditures as approved by the Board. Ms. Foundation structures its financial assets to be available as its grant payments and other general liabilities come due.

At June 30, 2021 and 2020, Ms. Foundation has a Board designated fund of \$1,724,143 and \$1,340,063. Ms. Foundation's board designated fund was established by the Board of Directors, with the objective of setting funds aside to be drawn upon in the event of need by Ms. Foundation.

12. Perpetually Restricted Net Assets and Endowments

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

	<u>2021</u>	<u>2020</u>
General Endowment Fund	\$ 22,510,030	\$ 22,510,029
Gloria Endowment Fund	2,078,569	1,790,898
Reproductive Justice Endowment Fund	<u>403,918</u>	<u>403,918</u>
	<u>\$ 24,992,517</u>	<u>\$ 24,704,845</u>

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

12. Perpetually Restricted Net Assets and Endowments (*continued*)

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.

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:

5% of the fair value of the endowment as determined by averaging the quarter-end market value of the endowment 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%.

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

12. Perpetually Restricted Net Assets and Endowments (continued)

The following is a reconciliation of the activity in the endowment for the years ended June 30:

	2021			
	Net Assets Without Donor Restrictions	Time or Purpose Restricted	Perpetually Restricted	Total
Balance at June 30, 2020	\$ 1,554,393	\$ 9,586,989	\$ 24,704,845	\$ 35,846,227
Interest and dividends	39,350	1,013,947	-	1,053,297
Realized gains	40,624	1,097,775	-	1,138,399
Investment expenses	(8,239)	(206,252)	(11,158)	(225,649)
Unrealized appreciation	225,668	5,509,736	298,830	6,034,234
Approved for expenditure	1,530,000	(1,530,000)	-	-
Drawdowns	(1,965,000)	-	-	(1,965,000)
Balance at June 30, 2021	<u>\$ 1,416,796</u>	<u>\$ 15,472,195</u>	<u>\$ 24,992,517</u>	<u>\$ 41,881,508</u>
Comprised of the following:				
Unrestricted	\$ 298,895	\$ -	\$ -	\$ 298,895
Board designated funds	1,117,901	-	-	1,117,901
Unappropriated endowment earnings	-	14,820,527	-	14,820,527
Donor restricted funds for purpose	-	651,668	-	651,668
Donor endowment	-	-	24,992,517	24,992,517
	<u>\$ 1,416,796</u>	<u>\$ 15,472,195</u>	<u>\$ 24,992,517</u>	<u>\$ 41,881,508</u>
	2020			
	Net Assets Without Donor Restrictions	Time or Purpose Restricted	Perpetually Restricted	Total
Balance at June 30, 2019	\$ 1,360,977	\$ 7,973,594	\$ 24,583,958	\$ 33,918,529
Interest and dividends	17,235	610,599	-	627,834
Realized gains	6,707	267,882	-	274,589
Investment expenses	(7,453)	(247,477)	(13,180)	(268,110)
Unrealized appreciation	76,017	2,613,301	134,067	2,823,385
Approved for expenditure	1,630,910	(1,630,910)	-	-
Drawdowns	(1,530,000)	-	-	(1,530,000)
Balance at June 30, 2020	<u>\$ 1,554,393</u>	<u>\$ 9,586,989</u>	<u>\$ 24,704,845</u>	<u>\$ 35,846,227</u>
Comprised of the following:				
Unrestricted	\$ 733,895	\$ -	\$ -	\$ 733,895
Board designated funds	820,498	-	-	820,498
Unappropriated endowment earnings	-	9,152,871	-	9,152,871
Donor restricted funds for purpose	-	434,118	-	434,118
Donor endowment	-	-	24,704,845	24,704,845
	<u>\$ 1,554,393</u>	<u>\$ 9,586,989</u>	<u>\$ 24,704,845</u>	<u>\$ 35,846,227</u>

Ms. Foundation For Women, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

13. Risks and Uncertainties

In March 2020, the World Health Organization declared the ongoing outbreak of the coronavirus disease ("COVID-19") to be a pandemic. If the outbreak continues and conditions worsen, Ms. Foundation's operations may be impacted. While the effects of the outbreak cannot be reasonably estimated at this time, Ms. Foundation has taken steps to preserve and strengthen its financial position and maintain financial liquidity and flexibility.

The COVID-19 outbreak has resulted in substantial volatility in the global financial markets. The value of Ms. Foundation's investments will continue to fluctuate in response to the changing market conditions. The effect, if any, that may be recognized in subsequent periods cannot be reasonably estimated.

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