

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
FINANCIAL STATEMENTS
JUNE 30, 2021
(WITH SUMMARIZED FINANCIAL INFORMATION
FOR JUNE 30, 2020)

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Fund for the School District of Philadelphia
Philadelphia, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of The Fund for the School District of Philadelphia (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021 and the related statements of activities, functional expenses, and cash flows for the year 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 auditor's 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 Fund for the School District of Philadelphia as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors
The Fund for the School District of Philadelphia
(Continued)

Report on Summarized Comparative Information

We have previously audited The Fund for the School District of Philadelphia's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 14, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Myrion Cogen LLP

December 20, 2021

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021
(WITH FINANCIAL INFORMATION
FOR JUNE 30, 2020)

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash (includes amounts restricted for specific purposes of \$7,790,998 at June 30, 2021)	\$ 8,311,486	\$ 6,805,309
Grants and contributions receivable	375,758	271,874
Interest receivable	-	1,194
Prepaid expense	111,554	13,824
	8,798,798	7,092,201
NON-CURRENT ASSETS		
Marketable securities	671,456	554,727
TOTAL ASSETS	\$ 9,470,254	\$ 7,646,928
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 157,908	\$ 115,481
NON-CURRENT LIABILITIES		
Note payable - bank	-	83,471
TOTAL LIABILITIES	157,908	198,952
NET ASSETS		
NET ASSETS WITHOUT DONOR RESTRICTIONS	632,044	731,052
NET ASSETS WITH DONOR RESTRICTIONS	8,680,302	6,716,924
TOTAL NET ASSETS	9,312,346	7,447,976
TOTAL LIABILITIES AND NET ASSETS	\$ 9,470,254	\$ 7,646,928

The accompanying notes are an integral part of these financial statements.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021
(WITH SUMMARIZED FINANCIAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2020)

	2021			2020 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
SUPPORT AND REVENUE				
Contributions and grants				
Corporations	\$ 77,947	\$ 777,255	\$ 855,202	\$ 2,788,538
Contracts	200,000	-	200,000	222,325
Foundations	388,023	4,361,150	4,749,173	2,907,675
Government grants	-	-	-	403,162
Individuals	217,444	228,105	445,549	5,480,763
Special event revenue	7,638	43,867	51,505	365,546
Less: costs of direct benefits to donors	-	(34,083)	(34,083)	(277,960)
Forgiveness of debt	83,471	-	83,471	-
Net realized and unrealized gain on marketable securities	-	116,729	116,729	6,287
Interest and dividends	5,607	5,673	11,280	60,705
	<u>980,130</u>	<u>5,498,696</u>	<u>6,478,826</u>	<u>11,957,041</u>
NET ASSETS RELEASED FROM RESTRICTIONS				
Satisfaction of program restrictions	<u>3,535,318</u>	<u>(3,535,318)</u>	<u>-</u>	<u>-</u>
TOTAL SUPPORT AND REVENUE	<u>4,515,448</u>	<u>1,963,378</u>	<u>6,478,826</u>	<u>11,957,041</u>
EXPENSES				
Program services	3,529,884	-	3,529,884	9,901,223
Supporting services				
General and administrative	380,869	-	380,869	389,997
Fundraising	703,703	-	703,703	339,256
TOTAL EXPENSES	<u>4,614,456</u>	<u>-</u>	<u>4,614,456</u>	<u>10,630,476</u>
CHANGE IN NET ASSETS	(99,008)	1,963,378	1,864,370	1,326,565
NET ASSETS - BEGINNING OF YEAR	<u>731,052</u>	<u>6,716,924</u>	<u>7,447,976</u>	<u>6,121,411</u>
NET ASSETS - END OF YEAR	<u>\$ 632,044</u>	<u>\$ 8,680,302</u>	<u>\$ 9,312,346</u>	<u>\$ 7,447,976</u>

The accompanying notes are an integral part of these financial statements.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021
(WITH SUMMARIZED FINANCIAL INFORMATION FOR
THE YEAR ENDED JUNE 30, 2020)

	2021			2020 Total	
	Program Services	Supporting Services			
		General and Administrative	Fundraising	Total	
Personnel					
Salaries	\$ 65,655	\$ 111,109	\$ 293,958	\$ 470,722	\$ 411,213
Workers compensation	452	765	2,025	3,242	3,105
Benefits	13,598	23,012	60,882	97,492	88,966
Payroll taxes	4,859	8,222	21,753	34,834	30,121
	<u>84,564</u>	<u>143,108</u>	<u>378,618</u>	<u>606,290</u>	<u>533,405</u>
Grants made	3,445,320	-	-	3,445,320	9,824,959
Bad debt expense	-	-	-	-	25,000
Board expense	-	315	-	315	1,006
Consultants - marketing	-	73,617	300,000	373,617	54,443
Dues and subscriptions	-	14,088	11,258	25,346	19,904
Insurance	-	9,357	-	9,357	9,004
Marketing	-	539	13,827	14,366	19,543
Office expense	-	18,517	-	18,517	16,924
Professional fees	-	83,833	-	83,833	81,730
Rent and occupancy	-	37,200	-	37,200	38,074
Travel/mileage/conference	-	295	-	295	6,484
TOTAL EXPENSES	<u><u>\$ 3,529,884</u></u>	<u><u>\$ 380,869</u></u>	<u><u>\$ 703,703</u></u>	<u><u>\$ 4,614,456</u></u>	<u><u>\$ 10,630,476</u></u>

The accompanying notes are an integral part of these financial statements.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021
(WITH FINANCIAL INFORMATION FOR
THE YEAR ENDED JUNE 30, 2020)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,864,370	\$ 1,326,565
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Net realized and unrealized gain on marketable securities	(116,729)	(6,287)
Forgiveness of debt	(83,471)	-
(Increase) decrease in assets		
Grants and contributions receivable	(103,884)	(144,974)
Interest receivable	1,194	3,937
Prepaid expense	(97,730)	3,346
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	42,427	(60,090)
Unearned revenue	-	(22,325)
	1,506,177	1,100,172
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of note payable - bank	-	83,471
	1,506,177	1,183,643
NET INCREASE IN CASH	1,506,177	1,183,643
CASH - BEGINNING OF YEAR	6,805,309	5,621,666
CASH - END OF YEAR	\$ 8,311,486	\$ 6,805,309

The accompanying notes are an integral part of these financial statements.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Fund for the School District of Philadelphia (“the organization”), a Pennsylvania nonprofit organization under the provisions of Section 501(c)(3) of the Internal Revenue Code, was organized to review and, upon approval, monitor grants generated by the School District of Philadelphia and to generate grants and contributions for the benefit of the School District of Philadelphia and its schools. The organization works closely and collaboratively with the School District of Philadelphia. The Superintendent of the School District of Philadelphia appoints up to five members of the organization’s board of directors and the organization’s President and CEO serves on the Superintendent’s executive cabinet.

The organization’s support is primarily from contributions. The organization relies on the receipt of grants, contracts and administrative fees earned for program activities to provide funding for its operations. The organization’s administrative fee is 10% of the contributions received. For significant contributions a lower fee may be negotiated. All grants managed by the organization for schools or donations made through PhillyFUNDamentals are assessed at a 5% administrative fee. PhillyFUNDamentals is a website developed by the organization for the School District of Philadelphia that allows donors to support a specific school.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Financial statement presentation follows Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. Under FASB ASC 958, the organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When a 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 statement of activities as net assets released from restrictions. Contributions received requiring perpetual investment for use by the organization are classified as net assets with donor restrictions. In the absence of donor restrictions to the contrary, restrictions on contributions of property or equipment or on assets restricted to acquiring property or equipment expire when the property or equipment is placed in service.

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

All amounts included as contributions receivable are expected to be fully collectible.

Estimates

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

Concentration of Credit Risk Involving Cash

The organization maintains its cash at one financial institution. The account at this institution is insured by the Federal Deposit Insurance Corporation up to \$250,000. At times, the balance may exceed federally insured limits. Management believes the credit risk related to this balance is minimal.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Grants and Contributions Receivable

Grants and contributions receivable represent payments due in future periods for awards recorded as support and revenue. The organization considers grants and contributions receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established. If accounts become uncollectible, they will be charged to operations when that determination is made.

Marketable Securities

The organization carries investments in marketable securities at fair value. Under FASB ASC 820-10, *Fair Value Measurement*, fair value is defined as the price that the organization would receive to sell an investment to an independent buyer in the principal market, or in the absence of a principal market, the most advantageous market. FASB ASC 820-10 establishes a three-tier hierarchy based on quoted prices in active markets (Level 1), other observable inputs (Level 2), or unobservable inputs (Level 3).

Realized and unrealized gains and losses on investments (determined based on original cost) and investment income are included in the statement of activities.

Investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Unearned Revenue

Unearned revenue represents revenue received but not earned as of June 30, 2021. This is composed of contract revenue to cover salaries and other operating expenses to perform direct project oversight of certain initiatives of the School District of Philadelphia. On June 30, 2020, the contract was extended for an additional three years through June 30, 2023. As of June 30, 2021, \$-0- was recorded as unearned revenue. In October 2021, the organization received \$200,000 for fiscal year ended June 30, 2022.

Paycheck Protection Program

The organization entered into a note payable pursuant to the Paycheck Protection Program (the Program) under the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act). The proceeds from the note payable were recorded as debt in accordance with FASB ASC 470 (see Note 3). The interest charged per the note payable is treated in accordance with FASB ASC 835-30. The organization applied for and received forgiveness of the note during the year ended June 30, 2021 (see Note 3).

In-kind Donations

Contributed 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 their fair values in the period received. There were no contributed services for the year ended June 30, 2021.

Spending Policy

The organization follows a spending rate for the permanently restricted endowment funds that is mandated by the donor. The policy provides for a distribution of funds determined at the end of the organization's fiscal year that are in excess of a set threshold.

Functional Expenses

The costs of providing the program and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between program and supporting services based on direct identification when possible, and allocation if a single expenditure benefits more than one program or function. Expenditures that require allocation are primarily payroll and benefits, which are allocated based on estimates of time and effort.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tax Status

The organization is incorporated in the Commonwealth of Pennsylvania and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

Recently Issued Accounting Pronouncements

In May 2014 the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as modified by ASU No. 2016-10, *Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing* and other subsequently issued related ASUs. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The organization adopted the new standard on July 1, 2020 and it did not have an impact on the organization's financial statements.

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958), Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The amendments in this Update require not-for-profit entities to present contributed nonfinancial assets as a separate line item in the statement of activities and to disaggregate the amount of contributed nonfinancial assets received by category in the footnotes and also provide certain enhanced disclosures. The amendments in this Update should be applied on a retrospective basis and are effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. Early adoption is permitted. The organization is currently assessing the impact this Update will have on its financial statements when adopted.

Subsequent Events

FASB ASC 855-10 establishes general standards of accounting and disclosure of events that occur after the statement of financial position date but before the date the financial statements are available to be issued. Subsequent events have been evaluated through December 20, 2021, the date that the financial statements were available to be issued.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – FAIR VALUE MEASUREMENTS – MARKETABLE SECURITIES

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the organization has the ability to access.

Level 2 Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2021.

Bond fund, stock index fund, & real estate fund: Mutual funds valued at the daily closing price as reported by the organization.

The following table sets forth by level, within the fair value hierarchy, the organization’s assets at fair value as of June 30, 2021:

	Assets at Fair Value as of June 30, 2021			
	Level 1	Level 2	Level 3	Total
Bond fund	\$ 294,577	\$ -	\$ -	\$ 294,577
Stock index fund	365,360	-	-	365,360
Real estate fund	11,519	-	-	11,519
Total assets at fair value	\$ 671,456	\$ -	\$ -	\$ 671,456

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 – NOTE PAYABLE – BANK

On May 7, 2020, the organization entered into a term note (the Note) with Wells Fargo Bank, N.A. (the Bank) that provided for a loan in the amount of \$83,471 pursuant to the Program under the CARES Act. Certain terms of the Note were modified by the Bank as of June 5, 2020 due to the Paycheck Protection Program Flexibility Act of 2020 (the PPPF Act).

The Note bears interest at a rate of 1.0% per annum and was set to mature on May 7, 2022. Under the terms of the Program, certain amounts of the Note and accrued interest thereon may be forgiven if they are used for qualifying expenses within certain time parameters as described in the CARES Act and the PPPF Act. Interest and principal payments under the Note would be deferred until the date of any forgiven amount of the Note has been remitted to the Bank by the Small Business Administration (the SBA) or the date that a final determination is made that no portion of the Note will be forgiven (the Deferral Expiration Date). Following the Deferral Expiration Date, any unforgiven portion of the Note would convert to an amortizing term loan under the terms noted above.

The organization applied for forgiveness of the Note to the extent applicable in accordance with the terms of the CARES Act along with SBA and Bank guidance. On April 15, 2021, the organization received notification from the Bank that the full amount of the loan was forgiven. The organization accounted for this as forgiveness of debt income for the year ended June 30, 2021.

NOTE 4 – NET ASSETS WITH DONOR RESTRICTIONS

The organization has net assets subject to donor-imposed stipulations that may or will be met either by actions of the organization and/or the passage of time.

The organization also has net assets subject to donor-imposed stipulations that must be maintained permanently by the organization, which consist of the GSK Endowment, from which the income is to be used for the purchase of science laboratory equipment for use by the Science Leadership Academy Schools.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets with donor restrictions at June 30, 2021 are as follows:

Net assets with temporary donor restrictions	
Adopt A School	\$ 43,532
Aspen Challenge	32,586
Athletics	49,581
Bimbo Bakeries - Summer Culinary Program	71,250
Comcast Cares Day	37,750
COVID-19 Technology Funding	548,060
Crisis Emergency Fund	13,091
Early Literacy Programs	353,588
Education Pod and Resource Center	55,390
G.W. Carver High School	47,484
Give A Band	27,229
Grammy Music Education Coalition	70,710
Green Futures	150,445
GSK- Increasing Equity in Philadelphia STEM Instruction	492,030
GSK- STEM Lending Library & STEM Mini Grants	44,571
Jerome Zaslow Memorial Scholarship	26,000
Leveling the Playing Field	172,269
Live & Learn Summer Learning	8,806
Meet Me at the Museum	2,356
Mellon All City Music	36,423
Mock Trial Project	19,124
Ninth Grade Success Academy	33,059
Non-Profit Leadership Development	8,210
Other	155,804
Our Class Our Future	11,706
Philly FUNDamentals	774,938
Principal Awards	304,094
Read to Succeed	220,299
School Music Program & Instrument Repair	48,276
School Supply Fund	134,040
Share Food Program - Meaningful Meals	97,071
Specific School Program	140,898
Student Achievers & College Signing Day	52,815
Teach & Reach	11,904
Teacher Development	17,683
Technology Development	15,000
The Giant Company Fund	373,384
Think AED	21,631
Tobias Harris Fund	167,324
War on Drugs	43,998
Wells Fargo - Day of Caring Program	6,551
William Penn - Early Lit Mini-Grant	400,027
William Penn - Model Schools Grant	2,858
William Penn - Playful Learning Grant	1,913,780
William Penn - Stormwater Grant	751,221
	<u>8,008,846</u>
Net assets with permanent donor restrictions	<u>671,456</u>
	<u><u>\$ 8,680,302</u></u>

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 – RELATED PARTY

The organization leases space which includes office equipment, furniture and use of common area from an affiliate of certain of the organization’s board members. Amount paid to this affiliate for the year ended June 30, 2021 was \$37,200.

NOTE 6 – GRANTS MADE

For the year ended June 30, 2021, grants made represents expenses paid to support various programs such as the Playful Learning, Early Literacy Initiatives and School-based Projects. The expenses include, but are not limited to, books, supplies, equipment and fees paid to consultants and contractors to support the various programs.

NOTE 7 – EMPLOYEE RETIREMENT PLAN

The organization has a 401(k) plan for its employees. All eligible employees are covered by the plan. The organization made annual contributions of \$21,269 for the year ended June 30, 2021.

NOTE 8 – SPECIAL EVENTS

Functional expenses for the year ended June 30, 2021 are detailed on page five. To the extent that expenses are reported on the statement of activities by other than their natural classification (the cost of special events reported as a direct benefit to donors), they are included in the summary below with all expenses incurred.

	Program Services	Supporting Services		Subtotal	Special Events (Direct Benefit to Donors)	Total
		General and Administrative	Fundraising			
Personnel	\$ 84,564	\$ 143,108	\$ 378,618	\$ 606,290	\$ -	\$ 606,290
Grants made	3,445,320	-	-	3,445,320	-	3,445,320
Other	-	237,761	325,085	562,846	34,083	596,929
Total expenses	\$ 3,529,884	\$ 380,869	\$ 703,703	\$ 4,614,456	\$ 34,083	\$ 4,648,539

The organization hosted a Dress Down Day event. The event is a City-wide t-shirt initiative designed to build pride in public education and raise funds for Philadelphia’s public schools. Proceeds from the sale of t-shirts are designated to a school of the donor’s choice. The special event costs of \$34,083 consisted of supplies and other expenses related to the direct cost of the event.

THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The organization’s financial assets available within one year of the statement of financial position date for general expenditure are as follows:

Cash	\$ 8,311,486
Grants and contributions receivable	375,758
Interest receivable	-
	8,687,244
Less financial assets unavailable for general expenditures within one year due to:	
Restrictions by donor for time or purpose	(8,008,846)
	\$ 678,398

As shown above the organization has approximately \$678,000 of assets available within one year of the statement of financial position date to meet cash needs for general expenditures. The organization has a goal to maintain financial assets to be liquid with minimal market risk. The organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The organization structures its endowment assets to ensure it has sufficient liquidity to meet its annual spending policy. See Note 1 for the organization’s endowment spending policy.

NOTE 10 – FUNDRAISING EXPENSE

During the fiscal year ended June 30, 2021, the organization retained a fundraising consulting company to analyze the organization’s fundraising activities and to provide a guided path to strategic and sustainable growth. The assessment provided a roadmap outlining the appropriate systems and strategies to enable the organization to accomplish revenue growth. The amount paid to this consulting company was \$300,000 for the fiscal year ended June 30, 2021.

NOTE 11 – COVID-19

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) a pandemic, which spread throughout the United States. On March 19, 2020 the Governor of Pennsylvania declared a health emergency and issued an order to close all nonessential businesses until further notice. The organization transitioned to remote operations for a period of time. The organization has maintained its philosophy and operational targets while adapting to the COVID-19 environment through special grant focuses. During fiscal year ended June 30, 2021, the organization supported the School District of Philadelphia equity and school reposing plans.