

**THE TOM COUGHLIN JAY FUND
FOUNDATION, INC.**

FINANCIAL STATEMENTS

Years Ended December 31, 2017 and 2016

TABLE OF CONTENTS

	<u>Pages</u>
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	5
Statements of Functional Expenses	6-7
Notes to Financial Statements	8-16

JAMES KNUTZEN & ASSOCIATES, C.P.A.'s, P.A.

5150 Belfort Road, Bldg. 300
JACKSONVILLE, FLORIDA 32256
(904) 725-5832 FAX (904) 727-6835
Email: office@knutzencpa.com

M. Todd Middlemas, C.P.A., M.B.A.
Margaret R. Dodson, C.P.A.
Barbara L. Towle, C.P.A.
Christina E. Gibson, C.P.A.
Megan McAtee, C.P.A., M.Acc.
Gregory A. Korn, C.P.A.

MEMBER OF
AMERICAN AND FLORIDA
INSTITUTES OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Tom Coughlin Jay Fund Foundation
Ponte Vedra Beach, Florida

We have audited the accompanying financial statements of The Tom Coughlin Jay Fund Foundation, Inc. (a non-profit organization), which comprise the statements of financial position as of December 31, 2017 and 2016 and the related statements of activities, cash flows and functional expenses 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 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.

JAMES KNUTZEN & ASSOCIATES
C.P.A.'s, P.A.

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 Tom Coughlin Jay Fund Foundation, Inc. as of December 31, 2017 and 2016, 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.

James Knutzen & Associates

James Knutzen & Associates, C.P.A.'s, P.A.
Jacksonville, Florida
June 6, 2018

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION

December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 135,181	\$ 79,083
Investments (at market) (Note 8)	22,039,366	18,466,501
Accrued interest and dividends receivable	8,830	11,687
Pledges receivable - less than one year (Note 10)	248,025	247,241
Prepaid expenses and other assets	<u>68,735</u>	<u>245,907</u>
TOTAL CURRENT ASSETS	<u>22,500,137</u>	<u>19,050,419</u>
Pledges receivable, net of discount of \$16,855 and \$22,108 for 2017 and 2016 and net of allowance for uncollectible of \$22,000 and \$16,500 for 2017 and 2016, respectively (Note 10)	426,545	577,909
Fixed assets, at cost less accumulated depreciation of \$17,867 and \$36,035 for 2017 and 2016, respectively (Note 2)	<u>45,727</u>	<u>6,652</u>
TOTAL ASSETS	<u>\$ 22,972,409</u>	<u>\$ 19,634,980</u>
<u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES:		
Accounts payable and accrued expenses	\$ 124,370	\$ 40,776
Deferred revenue	<u>47,000</u>	<u>33,500</u>
TOTAL CURRENT LIABILITIES	<u>171,370</u>	<u>74,276</u>
TOTAL LIABILITIES	<u>171,370</u>	<u>74,276</u>
NET ASSETS:		
Unrestricted	3,685,754	3,060,384
Unrestricted - Board designated - Jacksonville (Note 9)	4,615,016	3,349,252
Unrestricted - Board designated - New York (Note 9)	5,900,435	5,080,342
Permanently restricted (Notes 2, 6 and 9)	<u>8,599,834</u>	<u>8,070,726</u>
TOTAL NET ASSETS	<u>22,801,039</u>	<u>19,560,704</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 22,972,409</u>	<u>\$ 19,634,980</u>

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

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.
STATEMENTS OF ACTIVITIES

For The Years Ended December 31, 2017 and 2016

	<u>2017</u>			<u>2016</u>		
	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Public Support:						
Contributions (Note 5)	\$ 922,310	\$ 529,108	\$ 1,451,418	\$ 781,017	\$ 513,702	\$ 1,294,719
Contributions, in-kind (Note 4)	163,396	-	163,396	63,659	-	63,659
Special events, net of expenses of \$551,628 in 2017 and \$582,730 in 2016	<u>1,535,718</u>	<u>-</u>	<u>1,535,718</u>	<u>1,673,057</u>	<u>-</u>	<u>1,673,057</u>
Total Grants and Public Support	<u>2,621,424</u>	<u>529,108</u>	<u>3,150,532</u>	<u>2,517,733</u>	<u>513,702</u>	<u>3,031,435</u>
Revenue:						
Investment income (Note 8)	1,864,062	-	1,864,062	742,299	-	742,299
Interest income (Note 8)	<u>436,882</u>	<u>-</u>	<u>436,882</u>	<u>385,784</u>	<u>-</u>	<u>385,784</u>
Total Revenue	<u>2,300,944</u>	<u>-</u>	<u>2,300,944</u>	<u>1,128,083</u>	<u>-</u>	<u>1,128,083</u>
Total Public Support and Revenue	<u>4,922,368</u>	<u>529,108</u>	<u>5,451,476</u>	<u>3,645,816</u>	<u>513,702</u>	<u>4,159,518</u>
Net Assets Released from Restrictions:						
Satisfaction of donor restrictions	-	-	-	-	-	-
Total support, revenue and other	<u>4,922,368</u>	<u>529,108</u>	<u>5,451,476</u>	<u>3,645,816</u>	<u>513,702</u>	<u>4,159,518</u>
Expenses:						
Program services	1,789,764	-	1,789,764	1,495,408	-	1,495,408
Supporting service expenses:						
Management and general	99,284	-	99,284	96,499	-	96,499
Fund raising	<u>322,093</u>	<u>-</u>	<u>322,093</u>	<u>256,946</u>	<u>-</u>	<u>256,946</u>
Total Expenses	<u>2,211,141</u>	<u>-</u>	<u>2,211,141</u>	<u>1,848,853</u>	<u>-</u>	<u>1,848,853</u>
CHANGE IN NET ASSETS	<u>2,711,227</u>	<u>529,108</u>	<u>3,240,335</u>	<u>1,796,963</u>	<u>513,702</u>	<u>2,310,665</u>
Net Assets, Beginning of Year	<u>11,489,978</u>	<u>8,070,726</u>	<u>19,560,704</u>	<u>9,693,015</u>	<u>7,557,024</u>	<u>17,250,039</u>
Net Assets, End of Year	<u>\$ 14,201,205</u>	<u>\$ 8,599,834</u>	<u>\$ 22,801,039</u>	<u>\$ 11,489,978</u>	<u>\$ 8,070,726</u>	<u>\$ 19,560,704</u>

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

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.
STATEMENTS OF CASH FLOWS

For The Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 3,240,335	\$ 2,310,665
Adjustments to reconcile change in net assets to net cash provided in operating activities:		
Depreciation	5,497	1,383
(Increase) decrease in assets		
Accrued interest receivable	2,857	885
Pledges receivable	150,580	339,361
Prepaid expenses and other assets	177,172	(228,929)
Change in unrealized gain on investments	(1,308,310)	(684,596)
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	83,594	(4,742)
Deferred revenue	13,500	6,500
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>2,365,225</u>	<u>1,740,527</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of furniture & equipment	(6,421)	(2,090)
Investment purchases	(4,747,450)	(2,590,666)
Investment sales	2,444,744	899,539
NET CASH USED BY INVESTING ACTIVITIES	<u>(2,309,127)</u>	<u>(1,931,514)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	56,098	47,310
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>79,083</u>	<u>31,773</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 135,181</u>	<u>\$ 79,083</u>

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

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2017

	Program Recipients	Support Services		Total
		Management & General	Fund Raising	
Salaries and contracted employees	\$ 246,502	\$ 71,609	\$ 218,194	\$ 536,305
Employee benefits	3,020	872	2,526	6,418
Payroll taxes	19,177	5,610	17,225	42,012
	268,699	78,091	237,945	584,735
Family support - household expenses	1,426,183	-	-	1,426,183
Rent and occupancy	8,336	2,917	9,586	20,839
Supplies	1,473	515	1,694	3,682
Dues and licenses	924	324	1,063	2,311
Insurance	6,116	2,141	7,034	15,291
Public education	34,329	-	-	34,329
Postage	3,252	1,138	3,739	8,129
Professional fees	9,463	3,312	10,882	23,657
Conferences and meetings	4,322	1,513	4,970	10,805
Merchant fees	-	-	14,514	14,514
Travel	934	327	1,075	2,336
Printing, marketing and social media	23,534	8,237	27,062	58,833
	1,787,565	98,515	319,564	2,205,644
Total before depreciation				
Depreciation	2,199	769	2,529	5,497
	2,199	769	2,529	5,497
Total	\$ 1,789,764	\$ 99,284	\$ 322,093	\$ 2,211,141

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

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2016

	Program Recipients	Support Services		Total
		Management & General	Fund Raising	
Salaries and contracted employees	\$ 186,324	\$ 66,242	\$ 180,971	\$ 433,537
Employee benefits	1,718	1,718	2,290	5,726
Payroll taxes	14,235	5,061	13,826	33,122
	202,277	73,021	197,087	472,385
Family support	1,207,512	-	-	1,207,512
Rent and occupancy	11,458	2,673	4,965	19,096
Supplies	723	289	433	1,445
Dues and licenses	1,114	446	668	2,228
Insurance	3,944	1,577	2,366	7,887
Public education	19,971	-	10,183	30,154
Postage	4,597	1,072	1,992	7,661
Professional fees	8,125	3,250	4,875	16,250
Conferences and meetings	4,165	2,083	4,165	10,413
Merchant fees	-	-	7,668	7,668
Travel	2,933	652	2,933	6,518
Printing, marketing and social media	27,897	11,159	19,197	58,253
	1,494,716	96,222	256,532	1,847,470
Total before depreciation				
Depreciation	692	277	414	1,383
	\$ 1,495,408	\$ 96,499	\$ 256,946	\$ 1,848,853
Total				

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

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2017 and 2016

1. NATURE OF ORGANIZATION:

The Tom Coughlin Jay Fund Foundation, Inc. is a not-for-profit organization founded in 1996 for the purpose of assisting children with leukemia, other cancers, and specific bone marrow failure syndromes by providing emotional and financial support to their families to help reduce the stress associated with the treatment of the disease. Assistance to the children and their families includes help with living expenses at home, such as rent or mortgage payments, utilities, counseling, food and clothing. Special events are held for the children and families. The organization also provides some funding for special medical procedures and hospital improvements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting:

The financial statements have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation:

In accordance with FASB ASC 958 the Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted Net Assets - Net assets representing resources generated from operations that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets - Net assets that are subject to donor-imposed stipulations that will be met by actions of the Organization and/or the passage of time.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that must be maintained permanently by the Organization.

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2017 and 2016

-continued-

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Investments:

Investments are carried at market value. Donated investments are recorded at fair value at the date of donation.

Fair Values of Financial Instruments

Generally accepted accounting principles require certain financial instruments to be recorded at fair value. Changes in methods of estimation could affect the fair value estimates; however, such changes are not expected to have a material impact on the organization's financial position, activities or cash flows. Cost approximates fair value for certain other investments, short term debt, and cash equivalents.

Expense Allocation:

The cost of providing the various programs and other activities has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Restricted and Unrestricted Revenue and Support:

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a 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 restrictions.

Use of Estimates:

Preparation of the Organization's financial statements in conformity with generally accepted accounting principles requires the use of management's estimates, primarily related to the collectability and discount rate of pledges receivable, market value of investments, and depreciable lives of fixed assets. The nature of those estimates however, is such that variances in actual results are generally immaterial.

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2017 and 2016
-continued-

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Fixed Assets and Depreciation:

Fixed assets are depreciated using the straight-line method over the estimated useful lives (ranging from 5 to 10 years) of the assets. Fixed asset additions of \$500 and greater are capitalized.

	<u>2017</u>	<u>2016</u>
Vehicles	\$ 38,150	\$ 23,665
Office furniture & equipment	22,500	16,438
Software	<u>2,944</u>	<u>2,584</u>
	63,594	42,687
Less: Accumulated depreciation	<u>(17,867)</u>	<u>(36,035)</u>
Fixed assets, net	<u>\$ 45,727</u>	<u>\$ 6,652</u>

Income Taxes:

The Organization is exempt from federal taxation under Internal Revenue Code Section 501(c)(3). The Organization is not a private foundation. Management evaluated the Organization's tax positions and concluded that the Organization had maintained its exempt status and had taken no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, are subject to examination by the IRS, generally for 3 years after they are filed.

3. STATEMENT OF CASH FLOWS - SUPPLEMENTAL INFORMATION:

Cash disbursed for interest was \$-0- during the years ended December 31, 2017 and 2016.

See Note 4 regarding non-cash contributions.

No cash was disbursed for income taxes as the Organization is exempt under Internal Revenue Code Section 501(c)(3).

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2017 and 2016
-continued-

4. CONTRIBUTIONS – IN-KIND:

Donated property, gifts and space are recorded at the estimated fair market value.

	<u>2017</u>	<u>2016</u>
Donated space	\$ 12,000	\$ 12,000
Donated gifts for children and families	108,246	41,659
Donated vehicle	38,150	-0-
Donated services	<u>5,000</u>	<u>10,000</u>
	<u>\$163,396</u>	<u>\$ 63,659</u>

5. CONTRIBUTIONS:

Total cash contributions of \$697,374 and \$505,497 were received from numerous small contributors for 2017 and 2016, respectively. Special events generated gross contributions of \$2,087,346 in 2017 and \$2,255,787 in 2016.

6. PERMANENTLY RESTRICTED ENDOWMENT FUNDS:

In 2007 and 2016 respectively, the Board of Directors authorized the creation of the Now & Forever and the Be There Endowment Campaigns for the purpose of providing a stable source of funding to enhance the Jay Fund's ability to provide future program costs. The principal of both the funds are permanently restricted with no donor-imposed restrictions as to the income. The Board has directed that the income earned by the investment of the assets within the Permanently Restricted Endowment Funds shall accumulate in the Unrestricted Board Designated Jacksonville and New York Funds to protect the value of the Permanent Endowment and to provide for future program costs.

7. CASH CONCENTRATION:

The organization maintains accounts at one FDIC insured bank and one SIPC bank. Deposits did not exceed depository insurance limits as of December 31, 2017 or 2016. Most of these funds are categorized as investments, not cash and cash equivalents, in the accompanying financial statements as the accounts are interest bearing and linked to the brokerage accounts.

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2017 and 2016

-continued-

8. FAIR VALUE MEASUREMENTS AND INVESTMENTS:

Investments in debt and equity securities that have readily determinable fair values are stated at fair value in the statement of financial position and increases and decreases in fair values are included in the statement of activities. FASB ASC 820-10, Fair Value Measurements provides a single definition of fair value and established a three-tier hierarchy, which prioritizes the input used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under ASC 820-10 are described below:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices in active markets within Level 1 that are either directly or indirectly observable.

Level 3 - Significant unobservable inputs for the asset or liability in which little or no market data exists.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following is a description of the valuation methodologies used for instruments measured at fair value.

If available, quoted market prices are used to value investments. Equities are valued at the closing price reported on the major market on which the individual securities are traded. Mutual funds are valued at the net asset value of shares held. The net asset value is based on the value of the underlying assets owned by the mutual fund, minus its liabilities, and then divided by the number of shares outstanding.

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2017 and 2016

-continued-

8. FAIR VALUE MEASUREMENTS AND INVESTMENTS (continued):

	<u>Fair Value Measurements at December 31, 2017</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money Funds & CD's	\$ 2,577,455	\$ -	\$ -	\$ 2,577,455
Bonds/Fixed Income	6,389,945	-	-	6,389,945
Equities	1,038,605	-	-	1,038,605
Mutual Funds	12,033,361	-	-	12,033,361
Total	<u>\$ 22,039,366</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$22,039,366</u>

	<u>Fair Value Measurements at December 31, 2016</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money Funds & CD's	\$ 897,753	\$ -	\$ -	\$ 897,753
Bonds/Fixed Income	7,139,727	-	-	7,139,727
Equities	212,008	-	-	212,008
Mutual Funds	10,217,013	-	-	10,217,013
Total	<u>\$ 18,466,501</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,466,501</u>

Investments at cost and market consist of the following at December 31, 2017:

	<u>Cost</u>	<u>Fair Value</u>
Money funds & CD's	\$ 2,587,743	\$ 2,577,455
Bonds/Fixed Income	6,370,898	6,389,945
Equities	1,091,920	1,038,605
Mutual funds	<u>7,917,225</u>	<u>12,033,361</u>
	<u>\$17,967,786</u>	<u>\$22,039,366</u>

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2017 and 2016
 -continued-

8. FAIR VALUE MEASUREMENTS AND INVESTMENTS (continued):

Investments at cost and market consist of the following at December 31, 2016:

	<u>Cost</u>	<u>Fair Value</u>
Money funds & CD's	\$ 897,753	\$ 897,753
Bonds/Fixed Income	7,109,994	7,139,727
Equities	201,000	212,008
Mutual funds	<u>7,494,847</u>	<u>10,217,013</u>
	<u>\$15,703,594</u>	<u>\$18,466,501</u>

Investment income (loss) is summarized as follows:

	<u>2017</u>	<u>2016</u>
Interest income	\$ 436,882	\$ 385,784
Realized gains	555,752	57,703
Change in unrealized gain (loss)	<u>1,308,310</u>	<u>684,596</u>
Net investment income (loss)	<u>\$2,300,944</u>	<u>\$1,128,083</u>

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2017 and 2016

-continued-

9. PERMANENTLY RESTRICTED AND UNRESTRICTED – BOARD DESIGNATED FUNDS:

The focus for the investment of assets will be consistent total return. The basic investment policy of the Tom Coughlin Jay Fund Foundation is that it will tolerate reasonable levels of market, interest rate, and inflation risk to achieve acceptable investment returns. Standard industry indices are utilized to measure performance of each investment category. The endowments' investments are expected to ensure good stewardship and prudent investments, and to address fiduciary obligations and governance standards. The Organization seeks to maintain and preferably enhance, the grant making power of its assets in perpetuity.

The activity for the permanently restricted endowment funds are as follows:

	<u>2017</u>	<u>2016</u>
Beginning balance – Now & Forever Fund	\$ 6,234,873	\$ 6,229,646
Donations and pledges	<u>12,500</u>	<u>5,227</u>
Ending balance – Now & Forever Fund	<u>\$ 6,247,373</u>	<u>\$ 6,234,873</u>
Beginning balance – Be There Fund	\$ 1,835,853	\$ 1,327,378
Donations and pledges	<u>516,608</u>	<u>508,475</u>
Ending balance – Be There Fund	<u>\$ 2,352,461</u>	<u>\$ 1,835,853</u>

The activity for the unrestricted - Board designated funds are as follows:

Beginning balance – Jacksonville	\$ 3,349,252	\$ 2,739,095
Interest & dividends	225,692	216,387
Realized/unrealized gains	<u>1,040,072</u>	<u>393,770</u>
Ending balance – Jacksonville	<u>\$ 4,615,016</u>	<u>\$ 3,349,252</u>
Beginning balance – New York	\$ 5,080,342	\$ 3,792,089
Inter-fund transfers	-0-	1,000,000
Interest & dividends	141,294	95,898
Realized/unrealized gains	<u>678,799</u>	<u>192,355</u>
Ending balance – New York	<u>\$ 5,900,435</u>	<u>\$ 5,080,342</u>

As of December 31, 2017, all endowment funds exceeded the amount of the original donations.

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2017 and 2016
 -continued-

10. PLEDGES RECEIVABLE:

During 2007, 2015, and 2016, respectively, the organization launched endowment campaigns to provide continued support for its charitable activities. In 2013, certain donors extended their original pledges for another three years. This generated additional pledge income of approximately \$630,000. The Pledges Receivable at December 31, 2017 and 2016 are as follows:

	<u>2017</u>	<u>2016</u>
Total pledged	\$ 6,320,551	\$ 6,320,551
Less: Collected to date	<u>(5,607,126)</u>	<u>(5,456,793)</u>
Pledges Receivable	<u>\$ 713,425</u>	<u>\$ 863,758</u>
Receivable in less than one year	\$ 248,025	\$ 247,241
Receivable in one to five years	<u>465,400</u>	<u>616,517</u>
	713,425	863,758
Less: Discount to net present value	(16,855)	(22,108)
Less: Allowance for uncollectible	<u>(22,000)</u>	<u>(16,500)</u>
Net Pledges Receivable	<u>\$ 674,570</u>	<u>\$ 825,150</u>

Pledges are discounted using a rate that approximates the risk-free interest rate of return calculated as the published three month Treasury bill rate averaged over the preceding twelve months. The rate used currently is 1.0%.

11. SUBSEQUENT EVENTS:

In preparing these financial statements, the Organization evaluated events and transactions for potential recognition or disclosure through June 6, 2018, the date the financial statements were available to be issued. No material subsequent events have occurred since December 31, 2017 that would require recognition or disclosure in the financial statements.