

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

FINANCIAL STATEMENTS

Years Ended December 31, 2019 and 2018

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	8-18



5150 Belfort Road, Bldg. 300, Jacksonville, FL 32256
Phone: (904) 725-5832 Fax: (904) 727-6835
Email: office@fordefirm.com

Linda R. Forde, C.P.A.*
Gayle A. Curry, C.P.A., M.B.A.
Megan McAtee, C.P.A., M.Acc.*
Jana Vaughn, M.A.F.S.
David R. Forde, Ph.D.
Jaclyn Robertori, B.A.
Ashley Dunsmore, MSA

* 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, 2019 and 2018 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.

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, 2019 and 2018, 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.

A handwritten signature in blue ink that reads "The Forde Firm LLC". The signature is written in a cursive, flowing style.

The Forde Firm, LLC
Jacksonville, Florida
July 10, 2020

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

December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 91,403	\$ 77,230
Investments (at market) (Note 8)	26,829,202	22,234,567
Accrued interest and dividends receivable	23,946	23,788
Pledges receivable - less than one year (Note 10)	104,000	210,300
Prepaid expenses and other assets	<u>99,216</u>	<u>18,023</u>
TOTAL CURRENT ASSETS	<u>27,147,767</u>	<u>22,563,908</u>
Pledges receivable, net of discount of \$3,090 and \$7,786 for 2019 and 2018 and net of allowance for uncollectible of \$27,025 and \$22,000 for 2019 and 2018, respectively (Note 11)	156,410	250,714
Fixed assets, at cost less accumulated depreciation of \$79,495 and \$37,975 for 2019 and 2018, respectively (Note 2)	<u>196,421</u>	<u>235,317</u>
TOTAL ASSETS	<u>\$ 27,500,598</u>	<u>\$ 23,049,939</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>LIABILITIES:</u>		
Accounts payable and accrued expenses	<u>\$ 248,382</u>	<u>\$ 123,313</u>
TOTAL CURRENT LIABILITIES	<u>248,382</u>	<u>123,313</u>
TOTAL LIABILITIES	<u>248,382</u>	<u>123,313</u>
<u>NET ASSETS:</u>		
Net Assets Without Donor Restrictions:		
Undesignated	5,306,826	4,645,321
Board designated - Jacksonville (Note 10)	6,194,069	4,080,876
Board designated - New York (Note 10)	7,040,947	5,509,080
Net Assets With Donor Restrictions:		
Purpose Restricted	15,000	15,000
Perpetual in Nature (Note 9)	<u>8,695,374</u>	<u>8,676,349</u>
TOTAL NET ASSETS	<u>27,252,216</u>	<u>22,926,626</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 27,500,598</u>	<u>\$ 23,049,939</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, 2019 and 2018

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public Support:						
Contributions (Note 5)	\$ 1,292,265	\$ 19,025	\$ 1,311,290	\$ 1,328,430	\$ 76,515	\$ 1,404,945
Contributions, in-kind (Note 4)	128,768	-	128,768	271,048	-	271,048
Special events, net of expenses of \$605,337 in 2019 and \$581,614 in 2018	1,463,331	-	1,463,331	1,812,967	15,000	1,827,967
Total Grants and Public Support	2,884,364	19,025	2,903,389	3,412,445	91,515	3,503,960
Revenue:						
Investment income (Note 8)	4,216,488	-	4,216,488	(1,425,947)	-	(1,425,947)
Interest income (Note 8)	2	-	2	473,758	-	473,758
Total Revenue	4,216,490	-	4,216,490	(952,189)	-	(952,189)
Total Public Support and Revenue	7,100,854	19,025	7,119,879	2,460,256	91,515	2,551,771
Net Assets Released from Restrictions:						
Satisfaction of donor restrictions	-	-	-	47,000	(47,000)	-
Total support, revenue and other	7,100,854	19,025	7,119,879	2,507,256	44,515	2,551,771
Expenses:						
Program services	2,167,474	-	2,167,474	1,940,650	-	1,940,650
Supporting service expenses:						
Management and general	158,743	-	158,743	132,256	-	132,256
Fund raising	468,072	-	468,072	400,278	-	400,278
Total Expenses	2,794,289	-	2,794,289	2,473,184	-	2,473,184
CHANGE IN NET ASSETS	4,306,565	19,025	4,325,590	34,072	44,515	78,587
Net Assets, Beginning of Year	14,235,277	8,691,349	22,926,626	14,201,205	8,646,834	22,848,039
Net Assets, End of Year	\$ 18,541,842	\$ 8,710,374	\$ 27,252,216	\$ 14,235,277	\$ 8,691,349	\$ 22,926,626

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, 2019 and 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 4,325,590	\$ 78,587
Adjustments to reconcile change in net assets to net cash provided in operating activities:		
Depreciation	41,520	20,108
(Increase) decrease in assets		
Accrued interest receivable	(158)	(14,958)
Pledges receivable	200,604	213,556
Prepaid expenses and other assets	(81,193)	50,712
Change in unrealized gain on investments	(3,315,217)	1,236,454
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	125,069	(1,057)
Deferred revenue	-	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,296,215</u>	<u>1,583,402</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of furniture & equipment	(2,622)	(57,469)
Investment purchases	(3,051,376)	(3,444,764)
Investment sales	<u>1,771,956</u>	<u>1,860,880</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>(1,282,042)</u>	<u>(1,641,353)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	14,173	(57,951)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>77,230</u>	<u>135,181</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 91,403</u>	<u>\$ 77,230</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, 2018

	Program <u>Recipients</u>	<u>Support Services</u>		<u>Total</u>
		<u>Management & General</u>	<u>Fund Raising</u>	
Salaries and contracted employees	\$ 313,121	\$ 95,298	\$ 272,278	\$ 680,697
Employee benefits	3,808	1,159	3,311	8,278
Payroll taxes	23,974	7,297	20,847	52,118
	<u>340,903</u>	<u>103,754</u>	<u>296,436</u>	<u>741,093</u>
Family support	1,494,016	-	-	1,494,016
Rent and occupancy	11,905	4,167	13,690	29,762
Supplies	4,217	1,476	4,850	10,543
Dues and licenses	795	1,802	1,275	3,872
Insurance	3,724	1,303	4,282	9,309
Public education	37,474	-	-	37,474
Postage	-	3,091	5,753	8,844
Professional fees	4,750	1,662	5,462	11,874
Conferences and meetings	5,370	1,879	6,175	13,424
Merchant fees	-	-	16,325	16,325
Travel	2,639	923	3,035	6,597
Printing, marketing and social media	26,814	9,384	33,745	69,943
	<u>1,932,607</u>	<u>129,441</u>	<u>391,028</u>	<u>2,453,076</u>
Total before depreciation				
Depreciation	8,043	2,815	9,250	20,108
	<u>8,043</u>	<u>2,815</u>	<u>9,250</u>	<u>20,108</u>
Total	<u>\$ 1,940,650</u>	<u>\$ 132,256</u>	<u>\$ 400,278</u>	<u>\$ 2,473,184</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, 2019

	Program Recipients	Support Services		Total
		Management & General	Fund Raising	
Salaries and contracted employees	\$ 350,922	\$ 106,802	\$ 305,149	\$ 762,873
Employee benefits	4,497	1,369	3,911	9,777
Payroll taxes	27,278	8,302	23,720	59,300
	<u>382,697</u>	<u>116,473</u>	<u>332,780</u>	<u>831,950</u>
Family support - household expenses	1,619,904	-	-	1,619,904
Rent and occupancy	5,202	1,583	4,523	11,308
Supplies	19,278	5,867	16,764	41,909
Dues and licenses	3,820	1,163	3,321	8,304
Insurance	6,643	2,022	5,777	14,442
Public education	25,987	-	-	25,987
Postage	6,604	2,010	5,743	14,357
Professional fees	11,805	3,593	10,266	25,664
Conferences and meetings	2,892	880	2,515	6,287
Merchant fees/bank fees	-	-	14,520	14,520
Travel	(127)	(39)	(110)	(276)
Printing, marketing and social media	63,670	19,378	55,365	138,413
Total before depreciation	<u>2,148,375</u>	<u>152,930</u>	<u>451,464</u>	<u>2,752,769</u>
Depreciation	<u>19,099</u>	<u>5,813</u>	<u>16,608</u>	<u>41,520</u>
Total	<u>\$ 2,167,474</u>	<u>\$ 158,743</u>	<u>\$ 468,072</u>	<u>\$ 2,794,289</u>

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, 2019 and 2018

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:

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowments for both the Jacksonville area and the New York/New Jersey area.

Net Assets With Donor Restrictions - Net assets that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. When a restriction expires, 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 restrictions.

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2019 and 2018
-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 net assets with donor restrictions (temporarily or permanently restricted), depending on the nature of the restriction. 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.

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, 2019 and 2018
-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>2019</u>	<u>2018</u>
Vehicles	\$ 38,150	\$ 38,150
Leasehold improvements	89,690	89,690
Office furniture & equipment	30,133	27,509
Software	<u>117,943</u>	<u>117,943</u>
	275,916	273,292
Less: Accumulated depreciation	<u>(79,495)</u>	<u>(37,975)</u>
Fixed assets, net	<u>\$ 196,421</u>	<u>\$235,317</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, 2019 and 2018.

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, 2019 and 2018
-continued-

4. CONTRIBUTIONS – IN-KIND:

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

	<u>2019</u>	<u>2018</u>
Donated space	\$ -0-	\$ 8,000
Donated gifts for children and families	128,768	110,818
Donated fixed assets	-0-	152,230
Donated services	<u>-0-</u>	<u>-0-</u>
	<u>\$128,768</u>	<u>\$271,048</u>

5. CONTRIBUTIONS:

Total cash contributions of \$808,811 and \$909,828 were received from numerous small contributors for 2019 and 2018, respectively. Special events generated gross contributions of \$2,068,667 in 2019 and \$2,394,581 in 2018.

6. DONOR 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 Donor Restricted Endowment Funds shall accumulate in the Net Assets Without Donor Restrictions - Board Designated Jacksonville and New York Funds to protect the value of the Net Assets With Donor Restrictions 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, 2019 or 2018. 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, 2019 and 2018
-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 statements 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, 2019 and 2018
 -continued-

8. FAIR VALUE MEASUREMENTS AND INVESTMENTS (continued):

	<u>Fair Value Measurements at December 31, 2019</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money Funds & CD's	\$ 5,058,584	\$ -	\$ -	\$ 5,058,584
Bonds/Fixed Income	7,033,037	-	-	7,033,037
Equities	1,259,341	-	-	1,259,341
Mutual Funds	13,478,240	-	-	13,478,240
Total	<u>\$ 26,829,202</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,829,202</u>

	<u>Fair Value Measurements at December 31, 2018</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money Funds & CD's	\$ 4,691,339	\$ -	\$ -	\$ 4,691,339
Bonds/Fixed Income	5,808,408	-	-	5,808,408
Equities	899,074	-	-	899,074
Mutual Funds	10,835,746	-	-	10,835,746
Total	<u>\$ 22,234,567</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,234,567</u>

Investments at cost and market consist of the following at December 31, 2019:

	<u>Cost</u>	<u>Fair Value</u>
Money funds & CD's	\$ 4,979,050	\$ 5,046,084
Bonds/Fixed Income	6,869,971	7,033,037
Equities	1,144,720	1,259,341
Mutual funds	<u>7,767,426</u>	<u>13,478,240</u>
	<u>\$20,761,168</u>	<u>\$26,816,702</u>

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2019 and 2018

-continued-

8. FAIR VALUE MEASUREMENTS AND INVESTMENTS (continued):

Investments at cost and market consist of the following at December 31, 2018:

	<u>Cost</u>	<u>Fair Value</u>
Money funds & CD's	\$ 4,747,624	\$ 4,691,339
Bonds/Fixed Income	5,884,795	5,808,408
Equities	1,091,920	899,074
Mutual funds	<u>7,769,390</u>	<u>10,835,746</u>
	<u>\$19,493,729</u>	<u>\$22,234,567</u>

Investment income (loss) is summarized as follows:

	<u>2019</u>	<u>2018</u>
Interest income	\$ 686,090	\$ 473,758
Realized gains (losses)	215,183	(97,104)
Change in unrealized gain (loss)	<u>3,315,217</u>	<u>(1,328,843)</u>
Net investment income (loss)	<u>\$ 4,216,490</u>	<u>\$ (952,189)</u>

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2019 and 2018
 -continued-

9. NET ASSETS WITH DONOR RESTRICTIONS – PERPETUAL IN NATURE:

The focus for the investment of assets will be a 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 tables presented below have been updated in respect to 2018 balances to reflect corrections of the allocations between Net Assets With Donor Restrictions and Net Assets Without Donor Restrictions, Board Designated. The funds, in total, were reported correctly for 2018; however, the breakdown amongst the funds was misinterpreted.

The activity for the Net Assets with Donor Restrictions funds are as follows:

	<u>2019</u>	<u>2018</u>
Beginning balance – Now & Forever Fund	\$ 6,257,373	\$ 6,247,373
Donations and pledges	<u>1,525</u>	<u>10,000</u>
Ending balance – Now & Forever Fund	<u>\$ 6,258,898</u>	<u>\$ 6,257,373</u>
Beginning balance – Be There Fund	\$2,418,976	\$ 2,352,461
Donations and pledges	<u>17,500</u>	<u>66,515</u>
Ending balance – Be There Fund	<u>\$2,436,476</u>	<u>\$ 2,418,976</u>

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2019 and 2018

-continued-

10. NET ASSETS – BOARD DESIGNATED

The tables presented below have been updated in respect to 2018 balances to reflect corrections of the allocations between Net Assets With Donor Restrictions and Net Assets Without Donor Restrictions, Board Designated. The funds, in total, were reported correctly for 2018; however, the breakdown amongst the funds was misinterpreted.

The activity for the Board Designated funds are as follows:

Beginning balance – Jacksonville	\$ 4,080,876	\$ 4,615,016
Interest & dividends	255,330	227,011
Realized/unrealized gains (losses)	<u>1,857,863</u>	<u>(761,151)</u>
Ending balance – Jacksonville	<u>\$ 6,194,069</u>	<u>\$ 4,080,876</u>
Beginning balance – New York	\$ 5,509,080	\$ 5,900,435
Interest & dividends	180,102	153,041
Realized/unrealized gains	<u>1,351,765</u>	<u>(544,396)</u>
Ending balance – New York	<u>\$ 7,040,947</u>	<u>\$ 5,509,080</u>

As of December 31, 2019, 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, 2019 and 2018
 -continued-

11. 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, 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>
Total pledged	\$ 6,320,551	\$ 6,320,551
Less: Collected to date	<u>(6,030,026)</u>	<u>(5,829,751)</u>
Pledges Receivable	<u>\$ 290,525</u>	<u>\$ 490,800</u>
Receivable in less than one year	\$ 104,000	\$ 210,300
Receivable in one to five years	<u>186,525</u>	<u>280,500</u>
	290,525	490,800
Less: Discount to net present value	(3,090)	(7,786)
Less: Allowance for uncollectible	<u>(27,025)</u>	<u>(22,000)</u>
Net Pledges Receivable	<u>\$ 260,410</u>	<u>\$ 461,014</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%.

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2019 and 2018
-continued-

12. LIQUIDITY AND AVAILABILITY:

Financial assets available for general expenditure, that is, without donor or grantor restrictions limiting their use, within one year of the statement of activities date, comprise the following:

Cash and cash equivalents	\$ 91,403
Cash and cash equivalents included in investments	775,050
Accrued interest and dividends	23,946
Pledges receivable	<u>104,000</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 994,399</u>

Our endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowments fund are not available for general expenditure.

As part of the organization's liquidity plan, cash in excess of daily requirements is invested in short-term investments, CD's and money market funds.

13. OPERATING LEASE:

In June 2018 the organization signed a 48 month operating lease for a copier with a minimum monthly payment of \$126.17. Total lease expense for the year ended December 31, 2019 was \$1,514. The future scheduled minimum lease payments are as follows:

2020	\$ 1,514
2021	1,514
2022	<u>757</u>
Total	<u>\$ 3,785</u>

14. SUBSEQUENT EVENTS:

In preparing these financial statements, the Organization evaluated events and transactions for potential recognition or disclosure through July 10, 2020, the date the financial statements were available to be issued. No material subsequent events have occurred since December 31, 2019 that would require recognition or disclosure in the financial statements.