

THE TOM COUGHLIN JAY FUND
FOUNDATION, INC.

FINANCIAL STATEMENTS

Years Ended December 31, 2020 and 2019

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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, 2020 and 2019 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

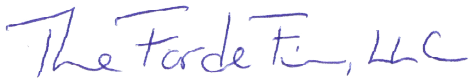
THE FORDE FIRM, LLC

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, 2020 and 2019, 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.



The Forde Firm, LLC
Jacksonville, Florida
June 3, 2021

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

December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
-		
Cash and cash equivalents	\$ 57,197	\$ 91,403
Investments (at market) (Note 8)	30,969,558	26,829,202
Accrued interest and dividends receivable	17,227	23,946
Pledges receivable - less than one year (Note 12)	17,000	104,000
Prepaid expenses and other assets	<u>89,692</u>	<u>99,216</u>
 TOTAL CURRENT ASSETS	 <u>31,150,674</u>	 <u>27,147,767</u>
 Pledges receivable, net of discount of \$1,434 and \$3,090 for 2020 and 2019 and net of allowance for uncollectible of \$0 and \$27,025 for 2020 and 2019, respectively (Note 12)	 62,284	 156,410
Fixed assets, at cost less accumulated depreciation of \$117,124 and \$79,495 for 2020 and 2019, respectively (Note 2)	<u>164,062</u>	<u>196,421</u>
 TOTAL ASSETS	 <u><u>\$ 31,377,020</u></u>	 <u><u>\$ 27,500,598</u></u>
 <u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES:		
Accounts payable and accrued expenses	\$ 195,293	\$ 248,382
PPP Loan Payable	<u>120,376</u>	<u>-</u>
 TOTAL CURRENT LIABILITIES	 <u>315,669</u>	 <u>248,382</u>
 TOTAL LIABILITIES	 <u>315,669</u>	 <u>248,382</u>
NET ASSETS:		
Net Assets Without Donor Restrictions:		
Undesignated	8,644,002	5,306,826
Board designated - Jacksonville (Note 10)	6,618,438	6,194,069
Board designated - New York (Note 10)	7,103,537	7,040,947
Net Assets With Donor Restrictions:		
Purpose Restricted	-	15,000
Perpetual in Nature (Note 9)	<u>8,695,374</u>	<u>8,695,374</u>
 TOTAL NET ASSETS	 <u>31,061,351</u>	 <u>27,252,216</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 31,377,020</u></u>	 <u><u>\$ 27,500,598</u></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, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public Support:						
Contributions (Note 5)	\$ 1,526,120	\$ (550)	\$ 1,525,570	\$ 1,292,265	\$ 19,025	\$ 1,311,290
Contributions, in-kind (Note 4)	91,678	-	91,678	128,768	-	128,768
Special events, net of expenses of \$254,364 in 2020 and \$605,337 in 2019	1,588,371	-	1,588,371	1,463,331	-	1,463,331
Total Grants and Public Support	3,206,169	(550)	3,205,619	2,884,364	19,025	2,903,389
Revenue:						
Investment income (Note 8)	3,349,330	-	3,349,330	4,216,488	-	4,216,488
Interest income (expense) (Note 8)	(6,711)	-	(6,711)	2	-	2
Total Revenue	3,342,619	-	3,342,619	4,216,490	-	4,216,490
Total Public Support and Revenue	6,548,788	(550)	6,548,238	7,100,854	19,025	7,119,879
Net Assets Released from Restrictions:						
Satisfaction of donor restrictions	14,450	(14,450)	-	-	-	-
Total support, revenue and other	6,563,238	(15,000)	6,548,238	7,100,854	19,025	7,119,879
Expenses:						
Program services	2,085,700	-	2,085,700	2,167,474	-	2,167,474
Supporting service expenses:						
Management and general	162,872	-	162,872	158,743	-	158,743
Fund raising	490,531	-	490,531	468,072	-	468,072
Total Expenses	2,739,103	-	2,739,103	2,794,289	-	2,794,289
CHANGE IN NET ASSETS	3,824,135	(15,000)	3,809,135	4,306,565	19,025	4,325,590
Net Assets, Beginning of Year	18,541,842	8,710,374	27,252,216	14,235,277	8,691,349	22,926,626
Net Assets, End of Year	\$ 22,365,977	\$ 8,695,374	\$ 31,061,351	\$ 18,541,842	\$ 8,710,374	\$ 27,252,216

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, 2020 and 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 3,809,135	\$ 4,325,590
Adjustments to reconcile change in net assets to net cash provided in operating activities:		
Depreciation	40,683	41,520
(Increase) decrease in assets		
Accrued interest receivable	6,719	(158)
Pledges receivable	181,126	200,604
Prepaid expenses and other assets	9,524	(81,193)
Change in unrealized gain on investments	(3,133,951)	(3,315,217)
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	<u>(53,089)</u>	<u>125,069</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>860,147</u>	<u>1,296,215</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of furniture & equipment	(8,324)	(2,622)
Payroll Protection Program Grant Funds	120,376	-
Investment purchases	(4,339,372)	(3,051,376)
Investment sales	<u>3,332,967</u>	<u>1,771,956</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>(894,353)</u>	<u>(1,282,042)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(34,206)	14,173
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>91,403</u>	<u>77,230</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 57,197</u>	<u>\$ 91,403</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

		Support Services		
	Program Recipients	Management & General	Fund Raising	Total
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	<u>63,670</u>	<u>19,378</u>	<u>55,365</u>	<u>138,413</u>
Total before depreciation	2,148,375	152,930	451,464	2,752,769
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.
STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2020

	Program <u>Recipients</u>	<u>Support Services</u>		<u>Total</u>
		<u>Management & General</u>	<u>Fund Raising</u>	
Salaries and contracted employees	\$ 390,153	\$ 118,742	\$ 339,262	\$ 848,157
Employee benefits	15,115	4,600	13,144	32,859
Payroll taxes	30,082	9,156	26,159	65,397
	<u>435,350</u>	<u>132,498</u>	<u>378,565</u>	<u>946,413</u>
Family support - household expenses	1,522,693	-	-	1,522,693
Rent and occupancy	4,420	1,345	3,844	9,609
Supplies	16,886	5,139	14,684	36,709
Dues and licenses	7,103	2,162	6,177	15,442
Insurance	3,906	1,189	3,397	8,492
Public education	27,860	-	-	27,860
Postage	6,627	2,017	5,762	14,406
Professional fees	3,726	1,134	3,240	8,100
Conferences and meetings	3,171	965	2,757	6,893
Merchant fees/bank fees	-	-	25,185	25,185
Travel	(823)	(250)	(715)	(1,788)
Printing, marketing and social media	36,067	10,977	31,362	78,406
Total before depreciation	<u>2,066,986</u>	<u>157,176</u>	<u>474,258</u>	<u>2,698,420</u>
Depreciation	<u>18,714</u>	<u>5,696</u>	<u>16,273</u>	<u>40,683</u>
Total	<u>\$ 2,085,700</u>	<u>\$ 162,872</u>	<u>\$ 490,531</u>	<u>\$ 2,739,103</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, 2020 and 2019

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 those 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, 2020 and 2019
-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 net assets without donor restrictions 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, 2020 and 2019
-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>2020</u>	<u>2019</u>
Vehicles	\$ 38,150	\$ 38,150
Leasehold improvements	94,960	89,690
Office furniture & equipment	30,133	30,133
Software	<u>117,943</u>	<u>117,943</u>
	281,186	275,916
Less: Accumulated depreciation	<u>(117,124)</u>	<u>(79,495)</u>
Fixed assets, net	<u>\$ 164,062</u>	<u>\$196,421</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, 2020 and 2019.

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, 2020 and 2019
-continued-

4. CONTRIBUTIONS – IN-KIND:

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

	<u>2020</u>	<u>2019</u>
Donated space	\$ -0-	\$ -0-
Donated gifts for children and families	85,178	128,768
Donated fixed assets	6,500	-0-
Donated services	<u>-0-</u>	<u>-0-</u>
	<u>\$ 91,678</u>	<u>\$128,768</u>

5. CONTRIBUTIONS:

Total cash contributions of \$813,690 and \$808,811 were received from numerous small contributors for 2020 and 2019, respectively. Special events generated gross contributions of \$1,842,735 in 2020 and \$2,068,667 in 2019.

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. CONCENTRATIONS:

The organization maintains accounts at one FDIC insured bank and one SIPC bank. Deposits did not exceed depository insurance limits as of December 31, 2020 or 2019. 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. One investment within the brokerage accounts amounts to 17% of the total investment portfolio.

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2020 and 2019
-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, 2020 and 2019
-continued-

8. FAIR VALUE MEASUREMENTS AND INVESTMENTS (continued):

	<u>Fair Value Measurements at December 31, 2020</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money Funds & CD's	\$ 5,652,737	\$ -	\$ -	\$ 5,652,737
Bonds/Fixed Income	8,565,803	-	-	8,565,803
Equities	1,259,630	-	-	1,259,630
Mutual Funds	15,491,388	-	-	15,491,388
Total	<u>\$ 30,696,558</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$30,696,558</u>

	<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>

Investments at cost and market consist of the following at December 31, 2020:

	<u>Cost</u>	<u>Fair Value</u>
Money funds & CD's	\$ 5,521,351	\$ 5,652,737
Bonds/Fixed Income	8,037,300	8,565,803
Equities	1,156,390	1,259,630
Mutual funds	<u>7,814,903</u>	<u>15,491,388</u>
	<u>\$22,529,944</u>	<u>\$30,696,558</u>

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2020 and 2019
 -continued-

8. FAIR VALUE MEASUREMENTS AND INVESTMENTS (continued):

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>

Investment income (loss) is summarized as follows:

	<u>2020</u>	<u>2019</u>
Interest income	\$ 353,182	\$ 686,090
Realized gains (losses)	246,987	215,183
Change in unrealized gain (loss)	<u>8,439,614</u>	<u>3,315,217</u>
Net investment income (loss)	<u>\$ 9,039,783</u>	<u>\$4,216,490</u>

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2020 and 2019

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

	<u>2020</u>	<u>2019</u>
Beginning balance – Now & Forever Fund	\$ 6,258,898	\$ 6,257,373
Donations and pledges	<u>-0-</u>	<u>1,525</u>
Ending balance – Now & Forever Fund	<u>\$ 6,258,898</u>	<u>\$ 6,258,898</u>
Beginning balance – Be There Fund	\$2,436,476	\$ 2,418,976
Donations and pledges	<u>-0-</u>	<u>17,500</u>
Ending balance – Be There Fund	<u>\$2,436,476</u>	<u>\$ 2,436,476</u>

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2020 and 2019
-continued-

10. NET ASSETS – BOARD DESIGNATED

The activity for the Board Designated funds are as follows:

Beginning balance – Jacksonville	\$ 6,194,069	\$ 4,080,876
Interest & dividends	26,772	255,330
Realized/unrealized gains (losses)	<u>397,595</u>	<u>1,857,863</u>
Ending balance – Jacksonville	<u>\$ 6,618,436</u>	<u>\$ 6,194,069</u>
Beginning balance – New York	\$ 7,040,947	\$ 5,509,080
Interest & dividends	3,022	180,102
Realized/unrealized gains	<u>59,568</u>	<u>1,351,765</u>
Ending balance – New York	<u>\$ 7,103,537</u>	<u>\$ 7,040,947</u>

As of December 31, 2020, all endowment funds exceeded the amount of the original donations.

11. PAYROLL PROTECTION PROGRAM:

Established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), the PPP provides for loans to qualifying businesses in amounts up to 2.5 times the business’s average monthly payroll expenses. PPP loans and accrued interest are forgivable after a “covered period” (eight or 24 weeks) as long as the borrower maintains its payroll levels and uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities. The forgiveness amount will be reduced if the borrower terminates employees or reduces salaries during the covered period. Any unforgiven portion of a PPP loan is payable over two or five years at an interest rate of 1%, with a deferral of payments for 10 months after then end of the covered period. The organization used their PPP loan proceeds for purposes consistent with the PPP. The organization was granted a \$120,376 first round loan under the Paycheck Protection Program “PPP” administered by a Small Business Administration (SBA) approved partner. The first-round loan application for forgiveness has been approved and forgiven in full as of February 8, 2021.

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2020 and 2019
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12. 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, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Total pledged	\$ 6,320,551	\$ 6,320,551
Less: Collected to date	<u>(6,239,833)</u>	<u>(6,030,026)</u>
Pledges Receivable	<u>\$ 80,718</u>	<u>\$ 290,525</u>
Receivable in less than one year	\$ 17,000	\$ 104,000
Receivable in one to five years	<u>63,718</u>	<u>186,525</u>
	80,718	290,525
Less: Discount to net present value	(1,434)	(3,090)
Less: Allowance for uncollectible	<u>(-0-)</u>	<u>(27,025)</u>
Net Pledges Receivable	<u>\$ 79,284</u>	<u>\$ 260,410</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, 2020 and 2019
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13. 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	957,351
Accrued interest and dividends	17,227
Pledges receivable	<u>17,000</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$1,082,981</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.

14. 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, 2020 was \$1,514. The future scheduled minimum lease payments are as follows:

2021	\$ 1,514
2022	<u>757</u>
Total	<u>\$ 2,271</u>

15. SUBSEQUENT EVENTS:

In preparing these financial statements, the Organization evaluated events and transactions for potential recognition or disclosure through June 3, 2021, the date the financial statements were available to be issued. No material subsequent events have occurred since December 31, 2020 that would require recognition or disclosure in the financial statements.