

THE TOM COUGHLIN JAY FUND
FOUNDATION, INC.

FINANCIAL STATEMENTS

Years Ended December 31, 2021 and 2020

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



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.*
Megan McAtee, C.P.A., M.Acc.*
David R. Forde, Ph.D.
Alex Lawlor, M.B.A.
Mohamed Camara, M.B.A.
Mcarthur Banks, Jr., B.F.A.
Patrick Smith
Jessica Marshall
Linsey Gloeckner

* MEMBER OF
AMERICAN AND FLORIDA
INSTITUTES OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the accompanying financial statements of The Tom Coughlin Jay Fund Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Tom Coughlin Jay Fund Foundation, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

THE FORDE FIRM, LLC

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Tom Coughlin Jay Fund Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Tom Coughlin Jay Fund Foundation, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Tom Coughlin Jay Fund Foundation, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



The Forde Firm, LLC
Jacksonville, Florida
June 1, 2022

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

December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents - operating	\$ 1,136,319	\$ 698,529
Cash and cash equivalents - endowment	157,052	144,254
Investments - operating (at market) (Note 8)	6,205,080	5,692,320
Investments - endowment (at market) (Note 8)	28,217,434	24,491,652
Accounts Receivable	205,750	-
Accrued interest and dividends receivable	9,935	17,227
Pledges receivable - less than one year (Note 12)	-	17,000
Prepaid expenses and other assets	12,495	89,692
	<u>35,944,065</u>	<u>31,150,674</u>
TOTAL CURRENT ASSETS		
Pledges receivable, net of discount of \$0 and \$1,434 for 2021 and 2020 and net of allowance for uncollectible of \$0 and \$0 for 2021 and 2020, respectively (Note 12)	-	62,284
Fixed assets, at cost less accumulated depreciation of \$127,742 and \$117,124 for 2021 and 2020, respectively (Note 2)	127,742	164,062
	<u>127,742</u>	<u>164,062</u>
TOTAL ASSETS	<u>\$ 36,071,807</u>	<u>\$ 31,377,020</u>
 <u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES:		
Accounts payable and accrued expenses	\$ 965,134	\$ 195,293
PPP Loan Payable	-	120,376
	<u>965,134</u>	<u>315,669</u>
TOTAL CURRENT LIABILITIES		
TOTAL LIABILITIES	<u>965,134</u>	<u>315,669</u>
 NET ASSETS:		
Net Assets Without Donor Restrictions:		
Undesignated	12,782,612	8,644,002
Board designated - Jacksonville (Note 10)	6,542,355	6,618,438
Board designated - New York (Note 10)	7,086,332	7,103,537
Net Assets With Donor Restrictions:		
Perpetual in Nature (Note 9)	8,695,374	8,695,374
	<u>8,695,374</u>	<u>8,695,374</u>
TOTAL NET ASSETS	<u>35,106,673</u>	<u>31,061,351</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 36,071,807</u>	<u>\$ 31,377,020</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, 2021 and 2020

	2021			2020		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public Support:						
Contributions (Note 5)	\$ 1,653,708	\$ -	\$ 1,653,708	\$ 1,526,120	\$ (550)	\$ 1,525,570
Contributions, in-kind (Note 4)	80,248	-	80,248	91,678	-	91,678
Third party events, net of expenses of \$6,911 in 2021 and \$2,804 in 2020	254,399	-	254,399	138,002	-	138,002
Special events, net of expenses of \$647,259 in 2021 and \$261,136 in 2020	1,901,036	-	1,901,036	1,450,369	-	1,450,369
Total Grants and Public Support	<u>3,889,391</u>	<u>-</u>	<u>3,889,391</u>	<u>3,206,169</u>	<u>(550)</u>	<u>3,205,619</u>
Revenue:						
Investment income (Note 8)	3,774,129	-	3,774,129	3,349,330	-	3,349,330
Interest income (expense) (Note 8)	17,239	-	17,239	(6,711)	-	(6,711)
Total Revenue	<u>3,791,368</u>	<u>-</u>	<u>3,791,368</u>	<u>3,342,619</u>	<u>-</u>	<u>3,342,619</u>
Total Public Support and Revenue	<u>7,680,759</u>	<u>-</u>	<u>7,680,759</u>	<u>6,548,788</u>	<u>(550)</u>	<u>6,548,238</u>
Net Assets Released from Restrictions:						
Satisfaction of donor restrictions	-	-	-	14,450	(14,450)	-
Total support, revenue and other	<u>7,680,759</u>	<u>-</u>	<u>7,680,759</u>	<u>6,563,238</u>	<u>(15,000)</u>	<u>6,548,238</u>
Expenses:						
Program services	2,886,505	-	2,886,505	1,969,669	-	1,969,669
Supporting service expenses:						
Management and general	220,746	-	220,746	225,993	-	225,993
Fund raising	528,186	-	528,186	543,441	-	543,441
Total Expenses	<u>3,635,437</u>	<u>-</u>	<u>3,635,437</u>	<u>2,739,103</u>	<u>-</u>	<u>2,739,103</u>
CHANGE IN NET ASSETS	4,045,322	-	4,045,322	3,824,135	(15,000)	3,809,135
Net Assets, Beginning of Year	22,365,977	8,695,374	31,061,351	18,541,842	8,710,374	27,252,216
Net Assets, End of Year	<u>\$ 26,411,299</u>	<u>\$ 8,695,374</u>	<u>\$ 35,106,673</u>	<u>\$ 22,365,977</u>	<u>\$ 8,695,374</u>	<u>\$ 31,061,351</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, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 4,045,322	\$ 3,809,135
Adjustments to reconcile change in net assets to net cash provided in operating activities:		
Depreciation	42,234	40,683
(Increase) decrease in assets		
Accrued interest receivable	7,292	6,719
Pledges receivable	79,284	181,126
Prepaid expenses and other assets	77,197	9,524
Change in unrealized gain on investments	(3,588,659)	(3,133,951)
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	<u>769,841</u>	<u>(53,089)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,432,511</u>	<u>860,147</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of furniture & equipment	(5,914)	(8,324)
Payroll Protection Program Grant Funds	(120,376)	120,376
Investment purchases	(5,817,026)	(4,341,336)
Investment sales	<u>4,961,393</u>	<u>3,332,967</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>(981,923)</u>	<u>(896,317)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	450,588	(36,170)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>842,783</u>	<u>878,953</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,293,371</u>	<u>\$ 842,783</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS		
Operating	\$ 1,136,319	\$ 698,529
Endowment	<u>157,052</u>	<u>144,254</u>
	<u>\$ 1,293,371</u>	<u>\$ 842,783</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, 2021

	Program Recipients	Support Services		Total
		Management & General	Fund Raising	
Salaries and contracted employees	\$ 367,400	\$ 169,422	\$ 405,379	\$ 942,201
Employee benefits	14,224	6,559	15,694	36,477
Payroll taxes	28,367	13,081	31,299	72,747
	<u>409,991</u>	<u>189,062</u>	<u>452,372</u>	<u>1,051,425</u>
Family support - household expenses	2,360,852	-	-	2,360,852
Rent and occupancy	19,696	9,082	21,731	50,509
Supplies	1,925	887	2,123	4,935
Dues and licenses	5,804	2,676	6,404	14,884
Insurance	5,997	2,765	6,617	15,379
Public education	46,948	-	-	46,948
Postage	2,120	977	2,338	5,435
Professional fees	(2,168)	(1,000)	(2,392)	(5,560)
Conferences and meetings	2,055	948	2,268	5,271
Merchant fees/bank fees	11,595	5,347	12,794	29,736
Travel	1,116	515	1,231	2,862
Miscellaneous	4,105	1,893	4,529	10,527
Total before depreciation	<u>2,870,036</u>	<u>213,152</u>	<u>510,015</u>	<u>3,593,203</u>
Depreciation	<u>16,469</u>	<u>7,594</u>	<u>18,171</u>	<u>42,234</u>
Total	<u>\$ 2,886,505</u>	<u>\$ 220,746</u>	<u>\$ 528,186</u>	<u>\$ 3,635,437</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 Recipients	Support Services		Total
		Management & General	Fund Raising	
Salaries and contracted employees	\$ 295,499	\$ 158,169	\$ 383,154	\$ 836,822
Employee benefits	11,603	6,211	15,045	32,859
Payroll taxes	23,093	12,361	29,943	65,397
	<u>330,195</u>	<u>176,741</u>	<u>428,142</u>	<u>935,078</u>
Family support - household expenses	1,522,693	-	-	1,522,693
Rent and occupancy	15,156	8,113	19,652	42,921
Supplies	1,199	642	1,555	3,396
Dues and licenses	5,453	2,919	7,070	15,442
Insurance	2,999	1,605	3,888	8,492
Public education	27,860	-	-	27,860
Postage	5,087	2,723	6,596	14,406
Professional fees	2,860	1,531	3,709	8,100
Conferences and meetings	2,434	1,303	3,156	6,893
Merchant fees/bank fees	8,893	4,760	11,532	25,185
Travel	(631)	(338)	(819)	(1,788)
Printing, marketing and social media	31,105	18,305	40,333	89,743
Total before depreciation	<u>1,955,303</u>	<u>218,304</u>	<u>524,814</u>	<u>2,698,421</u>
Depreciation	<u>14,366</u>	<u>7,689</u>	<u>18,628</u>	<u>40,683</u>
Total	<u>\$ 1,969,669</u>	<u>\$ 225,993</u>	<u>\$ 543,442</u>	<u>\$ 2,739,104</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, 2021 and 2020

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.

Investments:

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

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2021 and 2020

-continued-

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

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, 2021 and 2020
-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>2021</u>	<u>2020</u>
Vehicles	\$ 38,150	\$ 38,150
Leasehold improvements	94,960	94,960
Office furniture & equipment	36,047	30,133
Software	<u>117,943</u>	<u>117,943</u>
	287,100	281,186
Less: Accumulated depreciation	<u>(159,358)</u>	<u>(117,124)</u>
Fixed assets, net	<u>\$ 127,742</u>	<u>\$164,062</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, 2021 and 2020.

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, 2021 and 2020

-continued-

4. CONTRIBUTIONS – IN-KIND:

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

	<u>2021</u>	<u>2020</u>
Donated gifts for children and families	\$ 80,248	\$ 85,178
Donated fixed assets	-0-	6,500
Donated services	<u>-0-</u>	<u>-0-</u>
	<u>\$ 80,248</u>	<u>\$ 91,678</u>

5. CONTRIBUTIONS:

Total cash contributions of \$972,960 and \$813,690 were received from numerous small contributors for 2021 and 2020, respectively. Special events generated gross contributions of \$2,548,295 in 2021 and \$1,849,507 in 2020.

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. As of December 31, 2021 and December 31, 2020 deposits exceeded the SIPC limit by \$959,474 and \$535,577, respectively. Previously these funds were categorized as investments, in the accompanying financial statements; however, management reviewed this approach and determined that showing the cash separately was more indicative of the financial position of the organization. One investment amounts to 33% of the total investment portfolio.

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2021 and 2020

-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.

	<u>Fair Value Measurements at December 31, 2021</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money Funds & CD's	\$ 2,740,777	\$ -	\$ -	\$ 2,740,777
Bonds	11,954,275	-	-	11,954,275
Equities	1,375,873	-	-	1,375,873
Mutual Funds	18,351,589	-	-	18,351,589
Total	<u>\$ 34,422,514</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$34,422,514</u>

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2021 and 2020

-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	\$ 4,867,151	\$ -	\$ -	\$ 4,867,151
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>\$ 30,183,972</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,183,972</u>

Investments at cost and market consist of the following at December 31, 2021:

	<u>Cost</u>	<u>Fair Value</u>
Money funds & CD's	\$ 2,689,000	\$ 2,740,777
Bonds/Fixed Income	11,795,815	11,954,275
Equities	1,419,014	1,375,873
Mutual funds	<u>7,569,018</u>	<u>18,351,589</u>
	<u>\$23,472,847</u>	<u>\$34,422,514</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	\$ 4,735,765	\$ 4,867,151
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>\$21,744,358</u>	<u>\$30,183,972</u>

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2021 and 2020

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

	<u>2021</u>	<u>2020</u>
Beginning balance – Now & Forever Fund	\$ 6,258,898	\$ 6,258,898
Donations and pledges	<u>-0-</u>	<u>-0-</u>
Ending balance – Now & Forever Fund	<u>\$ 6,258,898</u>	<u>\$ 6,258,898</u>
Beginning balance – Be There Fund	\$2,436,476	\$ 2,436,476
Donations and pledges	<u>-0-</u>	<u>-0-</u>
Ending balance – Be There Fund	<u>\$2,436,476</u>	<u>\$ 2,436,476</u>

As of December 31, 2021, all endowment funds exceeded the amount of the original donations.

10. NET ASSETS – BOARD DESIGNATED

The activity for the Board Designated funds are as follows:

	<u>2021</u>	<u>2020</u>
Beginning balance – Jacksonville	\$ 6,618,436	\$ 6,194,069
Interest & dividends	13,285	26,772
Realized/unrealized gains (losses)	<u>(89,366)</u>	<u>397,595</u>
Ending balance – Jacksonville	<u>\$ 6,542,355</u>	<u>\$ 6,618,436</u>
Beginning balance – New York	\$ 7,103,537	\$ 7,040,947
Interest & dividends	3,289	3,022
Realized/unrealized gains	<u>(20,494)</u>	<u>59,568</u>
Ending balance – New York	<u>\$ 7,086,332</u>	<u>\$ 7,103,537</u>

THE TOM COUGHLIN JAY FUND FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2021 and 2020

-continued-

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.

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 were paid in full in 2021. The Pledges Receivable at December 31, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Total pledged	\$ 6,320,551	\$ 6,320,551
Less: Collected to date	<u>(6,320,551)</u>	<u>(6,239,833)</u>
Pledges Receivable	<u>\$ -0-</u>	<u>\$ 80,718</u>
Receivable in less than one year	\$ -0-	\$ 17,000
Receivable in one to five years	<u>-0-</u>	<u>63,718</u>
	-0-	80,718
Less: Discount to net present value	(-0-)	(1,434)
Less: Allowance for uncollectible	<u>(-0-)</u>	<u>(-0-)</u>
Net Pledges Receivable	<u>\$ -0-</u>	<u>\$ 79,284</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, 2021 and 2020

-continued-

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:

	<u>2021</u>	<u>2020</u>
Operating cash and cash equivalents	\$ 1,136,319	\$ 698,529
Operating investments	6,205,080	5,692,320
Accounts receivable	205,750	-0-
Accrued interest and dividends	<u>9,935</u>	<u>17,227</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 7,557,084</u>	<u>\$ 6,408,076</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 endowment funds 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 October 2021 the organization signed a 36-month lease for office space. Total lease expense for the year ended December 31, 2021 was \$1,788. The future scheduled minimum lease payments are as follows:

2022	\$ 37,402
2023	38,524
2024	<u>29,537</u>
Total	<u>\$105,463</u>

15. SUBSEQUENT EVENTS:

In preparing these financial statements, the Organization evaluated events and transactions for potential recognition or disclosure through June 1, 2022, the date the financial statements were available to be issued. No material subsequent events have occurred since December 31, 2021 that would require recognition or disclosure in the financial statements.