RONALD MCDONALD HOUSE
OF NEW YORK, INC.

Ronald McDonald House New York

Keeping Families Close.

Financial Statements
(Together with Independent Auditors' Report)

Years Ended December 31, 2020 and 2019

MARKS PANETH

ACCOUNTANTS & ADVISORS

RONALD MCDONALD HOUSE OF NEW YORK, INC.

FINANCIAL STATEMENTS
(Together with Independent Auditors' Report)

YEARS ENDED DECEMBER 31, 2020 AND 2019

CONTENTS

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MARKS PANETH
ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Ronald McDonald House of New York, Inc.

We have audited the accompanying financial statements of Ronald McDonald House of New York, Inc. (the "Organization") which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses and cash flows 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 Organization 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.

Marks Paneth LLP

New York, NY
July 20, 2021

Morison KSi
Independent member

RONALD MCDONALD HOUSE OF NEW YORK, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
Cash and cash equivalents (Notes 2B and 12)	$ 3,886,039	$ 4,476,140
Contributions and pledges receivable, net (Notes 2F and 4)	1,870,129	1,664,823
Investments (Notes 2G, 2H, 5, 9 and 14)	99,608,646	90,828,916
Prepaid expenses and other receivables (Note 2F)	753,171	623,079
Investments held for pension and deferred compensation plans (Notes 5 and 14)	704,220	666,000
Property and equipment, net (Notes 2E, 6 and 8)	32,965,458	34,682,657
TOTAL ASSETS	$ 139,787,663	$ 132,941,615
LIABILITIES		
Accounts payable and accrued expenses (Note 9)	$ 2,131,150	$ 2,012,803
Refundable advances (Notes 2F, and 2N)	1,315,093	791,417
Paycheck Protection Program advance (Note 7)	1,104,810	-
Bonds payable (Note 8)	8,779,448	9,108,715
TOTAL LIABILITIES	13,330,501	11,912,935
COMMITMENTS AND CONTINGENCIES (Note 13)		
NET ASSETS (Note 2C)		
Without donor restrictions:		
Operations	97,965,781	91,108,346
Net investment in property and equipment	24,186,010	25,573,942
Board designated endowment (Note 10)	1,642,865	1,641,674
Total net assets without donor restrictions	123,794,656	118,323,962
With donor restrictions (Notes 5 and 10)		
Restricted for purpose and time	1,558,591	1,600,803
Perpetual in nature	1,103,915	1,103,915
Total net assets with donor restrictions	2,662,506	2,704,718
TOTAL NET ASSETS	126,457,162	121,028,680
TOTAL LIABILITIES AND NET ASSETS	$ 139,787,663	$ 132,941,615

RONALD MCDONALD HOUSE OF NEW YORK, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	Year Ended December 31, 2020			Year Ended December 31, 2019		
	Without Donor Restrictions	With Donor Restrictions	Total 2020	Without Donor Restrictions	With Donor Restrictions	Total 2019
PUBLIC SUPPORT AND REVENUE:						
Public Support:						
Special events revenue (Note 2J)	$ 5,600,368	$ -	$ 5,600,368	$ 8,149,675	$ -	$ 8,149,675
Less: cost of direct benefit to donors	(348,193)	-	(348,193)	(1,109,855)	-	(1,109,855)
Special events, net	5,252,175	-	5,252,175	7,039,820	-	7,039,820
Bequests (Note 2F)	763,792	-	763,792	686,138	-	686,138
Direct mail contributions	2,287,286	-	2,287,286	2,335,559	-	2,335,559
Contributions (Notes 2F and 2L)	5,364,239	310,000	5,674,239	4,480,299	1,210,440	5,690,739
Total public support	13,667,492	310,000	13,977,492	14,541,816	1,210,440	15,752,256
Revenue:						
Room donation revenue (Note 2F)	134,871	-	134,871	608,489	-	608,489
Investment income (Notes 5 and 10)	8,268,489	80,971	8,349,460	10,829,313	73,078	10,902,391
Other	3,986	-	3,986	46,083	-	46,083
Total revenue	8,407,346	80,971	8,488,317	11,483,885	73,078	11,556,963
Net assets released from restrictions (Note 10)	433,183	(433,183)	-	1,531,839	(1,531,839)	-
TOTAL PUBLIC SUPPORT AND REVENUE	22,508,021	(42,212)	22,465,809	27,557,540	(248,321)	27,309,219
EXPENSES:						
Program Services						
Room occupancy	8,523,308	-	8,523,308	8,700,225	-	8,700,225
Volunteer activities	827,373	-	827,373	616,357	-	616,357
Education and support	1,449,523	-	1,449,523	1,791,720	-	1,791,720
Outreach programs	385,546	-	385,546	429,028	-	429,028
Total program services	11,185,750	-	11,185,750	11,537,330	-	11,537,330
Supporting Services:						
Management and general	1,848,438	-	1,848,438	1,658,392	-	1,658,392
Fundraising	4,003,139	-	4,003,139	4,456,666	-	4,456,666
Total supporting services	5,851,577	-	5,851,577	6,115,058	-	6,115,058
TOTAL EXPENSES	17,037,327	-	17,037,327	17,652,388	-	17,652,388
CHANGE IN NET ASSETS	5,470,694	(42,212)	5,428,482	9,905,152	(248,321)	9,656,831
Net assets - beginning of year	118,323,962	2,704,718	121,028,680	108,418,810	2,953,039	111,371,849
NET ASSETS - END OF YEAR	$ 123,794,656	$ 2,662,506	$ 126,457,162	$ 118,323,962	$ 2,704,718	$ 121,028,680

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

RONALD MCDONALD HOUSE OF NEW YORK, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	For the Year Ended December 31, 2020								
	Program Services					Supporting Services			
	Room Occupancy	Volunteer Activities	Education & Support	Outreach Programs	Total Program	Management and General	Fundraising	Total 2020	Total 2019
Salaries	$ 2,372,860	$ 288,862	$ 554,657	$ 152,396	$ 3,368,775	$ 1,047,179	$ 1,066,712	$ 5,482,666	$ 5,726,582
Payroll taxes and employee benefits (Note 9)	705,638	64,835	167,725	64,884	1,003,082	311,831	317,708	1,632,621	1,811,829
Total Salaries and Related Costs	3,078,498	353,697	722,382	217,280	4,371,857	1,359,010	1,384,420	7,115,287	7,538,411
Occupancy	248,467	-	-	-	248,467	1,249	-	249,716	304,046
Repairs and maintenance (Note 2L)	378,781	-	-	-	378,781	1,903	-	380,684	489,407
Supplies (Note 2L)	174,118	1,916	1,915	1,915	179,864	17,480	5,743	203,087	315,306
Family activity expenses:									
Program entertainment and enrichment (Note 2L)	55,860	445,435	167,751	42,807	711,853	-	-	711,853	873,185
Trips, outings and parties	-	10,577	145	9,532	20,254	-	-	20,254	270,781
Education and counseling	62,991	-	6,618	14,076	83,685	-	-	83,685	107,963
Transportation and other	103,459	-	-	-	103,459	-	-	103,459	5,900
Family Room Construction Costs	-	-	-	70,791	70,791	-	-	70,791	26,200
Volunteer and staff recognition (Note 2L)	-	11,873	-	-	11,873	-	-	11,873	143,009
Staff development	3,654	2,901	3,654	3,654	13,863	3,408	3,472	20,743	43,750
Fundraising support activities (Note 2L)	-	-	-	-	-	-	261,150	261,150	355,388
Event facilities, meal and entertainment	-	-	-	-	-	-	851,318	851,318	1,878,698
Printing and publications	15,387	-	-	136	15,523	2,947	36,219	54,689	69,346
Professional fees (Note 2L)	992,331	-	254,575	17,600	1,264,506	300,602	398,435	1,963,543	967,073
Telephone	97,370	412	534	1,355	99,671	17,663	41,194	158,528	181,104
Insurance	251,026	-	-	-	251,026	1,261	-	252,287	216,860
Postage, messenger and other	6,230	-	-	-	6,230	1,937	1,973	10,140	20,989
Printing, postage and direct mail campaign expenses (Note 11)	-	-	291,936	-	291,936	-	1,208,804	1,500,740	1,544,146
Travel	3,394	562	13	1,600	5,569	2,636	920	9,125	20,320
Security	190,809	-	-	-	190,809	959	-	191,768	159,095
Miscellaneous	405,710	-	-	-	405,710	34,370	157,244	597,324	316,282
Bad debt	-	-	-	-	-	90,000	-	90,000	26,500
Depreciation	2,191,607	-	-	4,800	2,196,407	7,621	440	2,204,468	2,473,712
Interest expense and related fees (Note 8)	263,616	-	-	-	263,616	5,392	-	269,008	414,772
Subtotal	8,523,308	827,373	1,449,523	385,546	11,185,750	1,848,438	4,351,332	17,385,520	18,762,243
Less: cost of direct benefit to donor	-	-	-	-	-	-	(348,193)	(348,193)	(1,109,855)
TOTAL EXPENSES	$ 8,523,308	$ 827,373	$ 1,449,523	$ 385,546	$ 11,185,750	$ 1,848,438	$ 4,003,139	$ 17,037,327	$ 17,652,388
TOTAL EXPENSES 2019	$ 8,698,131	$ 616,357	$ 1,791,720	$ 429,028	$ 11,535,236	$ 1,660,486	$ 4,456,666	$ 17,652,388	

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

RONALD MCDONALD HOUSE OF NEW YORK, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

	For the Year Ended December 31, 2019							
	Program Services					Supporting Services		
	Room Occupancy	Volunteer Activities	Education & Support	Outreach Programs	Total Program	Management and General	Fundraising	Total 2019
Salaries	$ 2,737,772	$ 219,028	$ 506,380	$ 120,498	$ 3,583,678	$ 1,030,844	$ 1,112,060	$ 5,726,582
Payroll taxes and employee benefits (Note 9)	868,735	62,146	164,899	38,057	1,133,837	326,148	351,844	1,811,829
Total Salaries and Related Costs	3,606,507	281,174	671,279	158,555	4,717,515	1,356,992	1,463,904	7,538,411
Occupancy	302,526	-	-	-	302,526	1,520	-	304,046
Repairs and maintenance (Note 2L)	486,960	-	-	-	486,960	2,447	-	489,407
Supplies (Note 2L)	271,341	211	250	-	271,802	36,662	6,842	315,306
Family activity expenses:								
Program entertainment and enrichment (Note 2L)	58,493	184,819	523,522	106,351	873,185	-	-	873,185
Trips, outings and parties	93,367	-	64,769	112,645	270,781	-	-	270,781
Education and counseling	93,553	-	14,410	-	107,963	-	-	107,963
Transportation and other	-	-	-	5,900	5,900	-	-	5,900
Family Room Construction Costs	-	-	-	26,200	26,200	-	-	26,200
Volunteer and staff recognition (Note 2L)	-	141,877	-	-	141,877	545	587	143,009
Staff development	24,722	4,245	-	-	28,967	7,111	7,672	43,750
Fundraising support activities (Note 2L)	-	-	-	-	-	-	355,388	355,388
Event facilities, meal and entertainment	-	-	-	-	-	-	1,878,698	1,878,698
Printing and publications	25,071	-	-	263	25,334	5,143	38,869	69,346
Professional fees (Note 2L)	246,714	-	200,135	12,290	459,139	166,133	341,801	967,073
Telephone	110,398	1,256	1,553	1,696	114,903	19,584	46,617	181,104
Insurance	215,776	-	-	-	215,776	1,084	-	216,860
Postage, messenger and other	12,387	627	-	-	13,014	3,743	4,232	20,989
Printing, postage and direct mail campaign expenses (Note 11)	-	-	314,892	-	314,892	-	1,229,254	1,544,146
Travel	9,286	949	910	328	11,473	5,160	3,687	20,320
Security	158,300	-	-	-	158,300	795	-	159,095
Miscellaneous	127,292	1,199	-	-	128,491	3,552	184,239	316,282
Bad debt	-	-	-	-	-	26,500	-	26,500
Depreciation	2,464,181	-	-	4,800	2,468,981	-	4,731	2,473,712
Interest expense and related fees (Note 8)	391,257	-	-	-	391,257	23,515	-	414,772
Subtotal	8,698,131	616,357	1,791,720	429,028	11,535,236	1,660,486	5,566,521	18,762,243
Less: cost of direct benefit to donor	-	-	-	-	-	-	(1,109,855)	(1,109,855)
TOTAL EXPENSES	$ 8,698,131	$ 616,357	$ 1,791,720	$ 429,028	$ 11,535,236	$ 1,660,486	$ 4,456,666	$ 17,652,388

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

RONALD MCDONALD HOUSE OF NEW YORK, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 5,428,482	$ 9,656,831
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	2,204,468	2,473,712
Bad debt	40,000	26,500
Increase in allowance for uncollectible accounts	50,000	-
Amortization of deferred financing costs	4,067	21,549
Unrealized gain on investments	(7,633,371)	(9,949,584)
Realized gain on investment sales	(369,166)	(245,803)
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Prepaid expenses and other receivables	(130,092)	(37,129)
Contributions and pledges receivable	(295,306)	361,687
(Decrease) increase in liabilities:		
Accounts payable and accrued expenses	118,347	106,954
Refundable advances	523,676	445,623
Net Cash (Used in) Provided by Operating Activities	(58,895)	2,860,340
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(487,269)	(605,071)
Proceeds from investment sales	10,218,330	5,112,493
Purchases of investments	(11,033,743)	(6,714,920)
Net Cash Used in Investing Activities	(1,302,682)	(2,207,498)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayments of bonds payable	(333,334)	(5,069,443)
Paycheck protection program advance	1,104,810	-
Net Cash Used in Financing Activities	771,476	(5,069,443)
NET DECREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED FUNDS	(590,101)	(4,416,601)
Cash and cash equivalents and restricted funds - beginning of year	4,476,140	8,892,741
CASH AND CASH EQUIVALENTS AND RESTRICTED FUNDS - END OF YEAR	$ 3,886,039	$ 4,476,140
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	$ 264,941	$ 393,223

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

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

Since 1978, Ronald McDonald House of New York, Inc. (the "Organization") has provided families with a supportive and caring environment consisting of comprehensive programs. The largest of the Organization's programs currently is to provide a temporary home (the "House") for families during their stay in New York while the child undergoes pediatric outpatient care at the hospital in NYC. The House has 95 guest rooms, including six post-transplant suites. The House has laundry facilities on each guest floor, five large kitchens, a communal dining room, the Macy's Living Room, a multi-faceted Playroom, and two outside terraces. Round trip transportation to and from hospital appointments and daily meals are also provided.

The Organization has developed a myriad of programs to meet the needs of its diverse guests. Prior to the pandemic, the programs included, but were not limited to education, arts and crafts activities, and wellness for the caregiver. The Organization's education programs allowed patients and siblings to receive one-on-one tutoring, while its English as a Second Language (ESL) program helps their international guests build their English skills. The AOL Media Room and dedicated libraries hosted the perfect settings for these programs. Ongoing programs in the Playroom such as Weird Science, Hole in the Wall Gang Camp, Cooking Chronicles, Therapy Dog visits, and Teen Night allowed all children/young adults in residence the opportunity to have a sense of normalcy and fun. The Blavatnik Family Foundation Wellness Center has been a vital resource for the Organization's caregivers. Services provided in the Center focused on mind, body and soul and help to assuage the daily pressures of hospital visits and heavy toll of caring for an ill child.

The Organization's Great Days Programs provided entire families incredible opportunities to spend time together and make lasting memories. As part of the Great Days Program, families would take trips to private retreats, beach clubs, movie premieres, museum tours and so much more. These very special events allowed patients, siblings, and caregivers to forget about illness and focus instead on having fun as a family.

Also prior to the pandemic, the Organization's comprehensive Hospital Outreach Program served children and families at four of its partnering hospitals throughout the year who are not residents of the House yet need support while undergoing treatment. The programs include Musical Magic, Breathe In Breathe Out, and special programing at New York City Health + Hospitals / Kings County. The Happy Wheels Coffee Cart provided healthy snacks and refreshments for caregivers, siblings and patients in the inpatient pediatric unit and pediatric rehabilitation unit. Lastly, the Ronald McDonald Family Room located at New York City Health and Hospitals/Kings County Hospital provided a place of respite for caregivers/parents with children in the NICU, PICU, and Pediatric Units.

In March of 2020 with the onset of the COVID-19 pandemic, the Organization pivoted from most of these services, and activities and introduced new digital, delivered, and hybrid program models for its House residents and those at partnering hospitals. This shift allowed them to further expand their reach across New York City's five boroughs. The Programs Team has been able to maintain, enhance, and innovate new family programming even amid the coronavirus outbreak. New services include their Programs to Go: Enrichment Series, Hospitality to Go, Go Snack Packs, Wellness to Go, and Wellness Caring Crates. These programs are curated to each population's needs. The Organization's programs are age-appropriate, enriching, and informative. They are aimed at keeping families close and engaged, particularly while in isolation and at patients' bedside. The Organization promotes active learning through hands-on experiences available and tailored to each family and individual. Ronald McDonald House New York assembles and delivers special physical and hybrid packages to patients (children) and caregivers. A virtual live stream/asynchronous viewing component allows them to meet the needs of those children and caregivers not able to leave their hospital bed, supporting an inclusive environment. The House intends to resume its pre-pandemic activities, along with incorporating these virtual experiences, once it is deemed safe for their guests and staff.

The Organization also provides services through their Family Support Department for all families staying at the House. This may include inpatient support for families when their children are admitted to a partner hospital or navigation services to help first-time families become acclimated to their environment in New York City as well as following up and connecting them to needed resources when they are ready to return home.

The Organization is a Section 501 (c) (3) organization under the applicable provisions of the Internal Revenue Code (the "Code") and, accordingly, is not subject to federal income taxes. The Organization is also exempt from New York State and City income and sales taxes. The Organization has been classified as a publicly-supported charitable organization under Section 509 (a) (1) of the Code and qualifies for the maximum charitable contribution deduction for donors.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Organization's financial statements have been prepared on the accrual basis of accounting. The Organization adheres to accounting principles generally accepted in the United States of America.

B. The Organization considers highly liquid instruments with a maturity of three months or less when acquired, to be operating cash equivalents. Additionally, the Organization considers all cash other than that held in the Organization's investment portfolio to be cash.

C. The Organization maintains its net assets under the following classes:

- Without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

  During 2016, the Organization initiated a campaign to solicit commitments from the Board for the long-term viability and to further the mission of the Organization and for the Building Expansion Project to increase the facility from 84 rooms to 95 rooms. In 2020 and 2019, the Board appropriated approximately $0 and $73,000, respectively, for expenditure to complete the building Expansion Project which began in 2016.

- With donor restrictions – Net assets subject to donor-imposed stipulations, including stipulations that will be met either by actions of the Organization or the passage of time, stipulations that they be maintained in perpetuity by the Organization, and unappropriated endowment earnings.

D. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures at the date of the financial statements. Actual results could differ from those estimates.

E. Property and equipment is stated at cost less accumulated depreciation. These amounts do not purport to represent replacement or realizable values. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. The Organization capitalizes property and equipment with a cost of $5,000 or higher and a useful life of at least one year.

In accordance with ASC 360-10, *Property, Plant and Equipment, Impairment or Disposal of Long-Lived Assets,* the Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. As of December 31, 2020 and 2019 there were no impairments.

F. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discount factor used is computed based on risk adjusted interest rates for the expected term of the promises to give applicable in the years in which the promises are made by the donor if material. Amortization of the discounts is included in contribution income.

As of December 31, 2020 and 2019, the Organization determined that an allowance for uncollectible contributions and pledges of $150,000 and $100,000 is necessary. This determination is based on a combination of factors, such as management's estimate of the creditworthiness of the contributors, a review of individual accounts outstanding, and the aged basis of the receivable and historical experience. For the year ended December 31, 2020, the Organization determined that $40,000 for contribution and pledges receivable were uncollectable and were written off to bad debt expense.

Room donation revenue and receivable (included with prepaid expenses and other receivables on the accompanying statements of financial position) are recorded when the families check in to stay at the Organization.

Bequests are recognized as receivables at the time unassailable rights to the gifts have been established and the proceeds are measurable.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In accordance with Accounting Standards Update 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made (Topic 958),* conditional promises to give are not included as support until the conditions are substantially met. As of December 31, 2020 and 2019, conditional contributions have been received and included in refundable advances. See Note 2N.

G. Investments are carried at fair value. Investment income, including realized and unrealized gains and losses are recorded in the without donor restriction fund, unless there are restrictions that have been imposed by donors or other outside parties. Investment income on donor restricted endowments are recorded with donor restrictions until appropriated for spending by the Board.

H. Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described in Note 14.

I. The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Occupancy, depreciation and amortization are allocated on a square footage basis, Salaries and wages, benefits and payroll taxes are allocated on the basis of time and effort spent on various functions. All other expenses are directly charged by actual departmental use.

J. The direct costs of special events include expenses for the benefit of the donor. For example, meals, facilities and rental are considered direct costs of special events.

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

L. In-kind contributions are recorded as revenue in the period in which they are received, and which would typically be purchased had they not been provided by donation. For the years ended December 31, 2020 and 2019, the Organization recorded contributed goods and services amounting to $2,002,309 and $984,990, respectively, which are included in revenue, expenses and fixed assets for capitalized property and equipment in the accompanying financial statements. During the years ended December 31, 2020 and 2019, a member of the Organization's Board of Directors was the CEO of a public relations firm that donated approximately $85,000 and $260,000, respectively of services to the Organization, which is shown below as contributed program entertainment and enrichment and professional fees. During 2020 and 2019, in-kind contributions and gifts in-kind included the following:

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In-kind contribution and gifts in-kind included the following for the years ended December 31:

	2020	2019
Contributed professional fees	$ 1,243,869	$ 260,451
Contributed food	379,269	-
Contributed program entertainment and enrichment	198,323	522,395
Contributed supplies	82,965	84,963
Contributed health care bill	61,740	-
Contributed repairs and maintenance	36,143	96,969
Contributed property and equipment	-	20,212
Total in-kind contributions	$ 2,002,309	$ 984,990

Many volunteers, including members of the Board, have made significant contributions of time in furtherance of the Organization’s policies and programs. The value of this contributed time does not meet the criteria for recognition and therefore is not reflected in the financial statements. The value of such contributed time amounted to $229,696 and $1,299,264, respectively, for the years ended December 31, 2020 and 2019. The significant decrease from the prior year was due to restricting volunteerism at the Organization due to COVID-19.

M. The Organization has a licensing agreement with Ronald McDonald Charities (“Charities”) whereby the Organization has the right to use certain trademarks. The Organization also has the obligation to meet certain compliance requirements stipulated by the Charities.

N. The Organization receives cash in advance of special events that are to be held after the statements of financial position date. It is the Organization’s policy to refund all cash received in advance of special events for both the contribution and exchange portion if the event is subsequently cancelled. Included in refundable advances as of December 31, 2020 and 2019, are conditional contributions of approximately $527,000 and $667,000.

O. Recent Accounting Pronouncements FASB ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606) was adopted by the Organization as of January 1, 2020. The core guidance in ASU 2014-09 is to recognize revenue to depict the transfer of services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services. The effects of applying ASU 2014-09 had no impact on the way the Organization was recognizing revenue and therefore, no adjustment was made to the financial statements as previously reported.

P. Certain items in the December 31, 2019 financial statements have been reclassified to conform to the December 31, 2020 presentation. These changes had no impact on the change in net assets for the year ended December 31, 2019.

NOTE 3 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following as of December 31:

	2020	2019
Cash and cash equivalents	$ 3,886,039	$ 4,476,140
Current portion of contributions and pledges receivable	1,547,953	983,892
Investments	99,608,646	90,828,916
Total financial assets	105,042,638	96,288,948
Less donor and other imposed restrictions:		
Subject to specified purpose or passage of time	(1,558,591)	(1,600,803)
Endowments perpetual in nature	(1,103,915)	(1,103,915)
Financial assets net of donor and other imposed restrictions	102,380,132	93,584,230
Internal designation:		
Board designated expansion fund	(1,642,865)	(1,641,674)
Financial assets available to meet cash needs for general expenditures within one year	$ 100,737,267	$ 91,942,556

NOTE 3 – LIQUIDITY AND AVAILABILITY (Continued)

As part of the Organization's liquidity management plan, the Organization invests excess cash beyond expected operating needs in short-term investments, CDs, and money market funds. Occasionally, the Board designates a portion of any operating surplus to its Board operating reserve.

NOTE 4 – CONTRIBUTIONS AND PLEDGES RECEIVABLE

Contributions and pledges receivable consist of the following as of December 31:

	2020	2019
Amounts due in less than one year	$ 1,547,953	$ 983,892
Amounts due in one to five years	472,176	780,931
	2,020,129	1,764,823
Allowance for uncollectible accounts	(150,000)	(100,000)
	$ 1,870,129	$ 1,664,823

NOTE 5 – INVESTMENTS

Investments consist of the following as of December 31:

		2020	2019	
Cash		$ 618,375	$ 416,284	
Money market funds		16,760,998	1,666,469	
Fixed income securities:				
Mutual funds		6,957,671	15,283,133	
Mutual funds:				
U.S. large cap		13,098,059	12,394,316	
U.S. mid/small cap		1,222,555	2,235,720	
Non U.S. equities		8,601,817	7,905,924	
	Subtotal	47,259,475	39,901,846	
Alternative investments:				
Hedge funds		4,414,789	3,651,743	A
Limited partnerships		44,125,942	44,115,512	B
Other investments		4,426,815	3,159,815	C
	Subtotal	52,967,546	50,927,070	
Total Investments		99,608,646	90,828,916	
Investments held for pension and deferred compensation plans:				
Mutual Funds		704,220	666,000	

A. Hedge funds are investments in cash, limited partnerships and pooled investment funds that invest primarily in domestic and international equity and mortgage securities. The hedge funds may also trade various financial instruments with off-balance sheet risk. These financial instruments may include securities sold short and long, option contracts, differential and foreign currency forward contracts.

Such transactions subject the hedge and real assets funds and their investors to market risk associated with changes in the value of the underlying securities, financial instruments, and foreign currencies, as well as the risk of loss if counterparty fails to perform. The respective hedge fund managers endeavor to limit the risk associated with such transactions. There are no unfunded commitments.

NOTE 5 – INVESTMENTS (Continued)

B. Limited partnerships are funds whose purpose is to achieve capital appreciation through investments primarily in hedge funds, domestic and foreign equity funds and private equity funds. There are no unfunded commitments.

C. Other investments include return enhancement notes and buffered return enhancement notes that combine a debt security with an underlying asset, such as an equity, a basket of equities, a domestic or international index, a commodity or some type of hybrid security and investments in hard assets such as gold. Gains on structured investments may be capped and there may be no principal protection in the event of a market decline. There are no unfunded commitments.

The Board has adopted a total return spending plan strategy. Under this plan, a percentage distribution is based on a formulaic valuation of portfolio assets, recommended by the Committee and approved by the Board. The Portfolio investments are managed to produce a total return that, over a reasonable period of time, will exceed the sum of the percentage distribution plus inflation, management fees, and other expenses. The Committee considers both long term and short-term needs of the Organization in its investments.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position and statements of activities.

Included in investments for as of December 31, 2020 and 2019, respectively were $704,220 and $666,000, held for pension and deferred compensation plans and $1,103,915 permanently held for endowment as of both December 31, 2020 and 2019.

Interest receivable of $5,029 and $30,993 as of December 31, 2020 and 2019 is for interest earned on investments, but not received, and is included in prepaid expenses and other receivables on the statements of financial position.

Investment return consisted of the following for the years ended December 31:

	2020	2019
Interest and dividends	$ 523,879	$ 1,099,758
Realized gain	369,166	245,803
Unrealized gain	7,633,371	9,949,584
Investment expenses	(176,956)	(392,754)
Total Investment Income	$ 8,349,460	$ 10,902,391

The Organization incurred investment expenses of $176,956 and $392,754 during the years ended December 31, 2020 and 2019, respectively, which have been netted against investment return.

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of December 31:

	2020	2019	Estimated Useful Lives
Land	$ 6,038,784	$ 6,038,784	
Building	48,183,575	48,183,575	30 years
Vehicle	167,218	167,218	3 years
Furniture, fixtures and equipment	17,522,406	17,035,137	3-10 years
Total cost	71,911,983	71,424,714	
Less: Accumulated depreciation	(38,946,525)	(36,742,057)	
Net book value	$ 32,965,458	$ 34,682,657	

Depreciation expense amounted to $2,204,468 and $2,473,712 for the years ended December 31, 2020 and 2019, respectively.

NOTE 6 – PROPERTY AND EQUIPMENT (Continued)

The Organization received donated furniture in the amount of $20,212 for the year ended December 31, 2019. There was no donated property and equipment received for the year ended December 31, 2020 (see Note 2L).

NOTE 7 – PAYCHECK PROTECTION PROGRAM ADVANCE

The Organization obtained a $1,104,810 loan under the Paycheck Protection Program ("PPP") administered by a Small Business Administration (SBA) approved lender. The loan is uncollateralized and is fully guaranteed by the federal government. The Organization is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The Organization has initially recorded the loan as a refundable advance and will record the forgiveness in accordance with guidance for conditional contributions when there is no longer a measurable performance or other barrier and a right to return of the PPP loan or when such conditions are explicitly waived. No contribution revenue has been recorded for the year ended December 31, 2020. As of July 20, 2021, forgiveness has not been received.

The Organization will be required to repay any remaining balance, plus interest accrued at 1% per annum in monthly payments on any portion of the PPP loan not forgiven. No payments are required prior to the loan forgiveness application being submitted which is due within ten months of the completion of the covered period. Principal and interest will be required through the maturity date, April 15, 2022.

NOTE 8 – BOND PAYABLE

In 2016, the Organization determined it would finance a portion of its Expansion Project. On May 30, 2017, the Organization closed on Bond issuances (the "Bonds") from JP Morgan Chase Bank, N.A. for $15,000,000 comprised of a $5,000,000 variable rate portion based on the London Inter-bank Offer Rate ("LIBOR") plus 0.694% and a $10,000,000 2.9% fixed rate portion. At December 31, 2018, the variable interest rate portion was 2.979%. During the year ended December 31, 2019, the variable interest rate portion of the 2016 issuance was repaid and the remaining deferred financing costs of $15,084 were written off. The remaining Bond has a 10-year maturity, with interest and principal to be paid on a monthly basis, however, the Organization has the option to repay the Bond at any time. The current monthly principal payment is $27,778 with the unpaid balance due at maturity on May 30, 2027.

As financial covenants to the Bonds issued, the Organization must maintain both a Debt Service Coverage ratio of at least 1:00 to 1:00 and Liquidity ratio of 2:00 to 1:00 over four consecutive quarterly periods. As of December 31, 2020 and 2019, such financial covenants were met.

The Bonds are collateralized by a pledge of the Organization's property and equipment and other assets, both now and for the life of the Bond, to secure the prompt payment and performance of the secured obligation.

Bonds payable are comprised of the following as of December 31:

	2020	2019
Bond financing	$ 8,805,556	$ 9,138,890
Less: Deferred Financing Costs	(26,108)	(30,175)
Bonds Payable	$ 8,779,448	$ 9,108,715

In connection with the Bonds payable, the Organization incurred financing costs in the amount of $64,654, which are amortized over the life of the Bonds. Interest expense, related fees and amortization expense amounted to $269,008 and $399,688 for the years ended December 31, 2020 and 2019, respectively. Deferred financing costs consist of the following as of December 31:

	2020	2019
Deferred financing costs	$ 30,175	$ 51,724
Less: Accumulated amortization	(4,067)	(21,549)
Deferred financing costs	$ 26,108	$ 30,175

NOTE 8 – BONDS PAYABLE (Continued)

The principal payments subsequent to December 31, 2020, on long-term debt for each of the next five years and thereafter are as follows:

2021	$ 501,000
2022	501,000
2023	501,000
2024	501,000
2025	501,000
Thereafter	6,300,556
	$ 8,805,556

Included in the amounts due after 2025 is a balloon payment of $10,000,000 that is due at maturity of the Bonds May 30, 2027. Interest expense for the years ended December 31, 2020 and 2019 amounted to $264,941 and $393,223, respectively.

NOTE 9 – PENSION AND RETIREMENT PLANS

The Organization maintains a Safe-Harbor 401(k) Profit Sharing Plan and a 401(k) Profit-Sharing Plan with Mutual of America (the "401(k) Plans"). The Organization makes contributions, at the discretion of the Executive Committee of the Board of Directors, to the 401(k) Plans on a bi-weekly basis. The contribution for the years ended December 31, 2020 and 2019 for the 401(k) Plans was $385,058 and $406,834, respectively. Additionally, eligible employees were allowed to make tax-deferred contributions to the 401(k) Plans up to certain limits as identified in the Internal Revenue Code. In 2020, the Board approved of the merger of the 401(k) plan assets in the Self-Managed account held at Janney Montgomery Securities to those pension plan assets at Mutual of America, the current manager of the Ronald McDonald House of New York pension plan assets. The plan at Janney Montgomery will be effectively closed once all assets have been liquidated or transferred.

The Organization previously maintained the Ronald McDonald House of New York, Inc. Pension Plan (the "Pension Plan"), an eligible defined contribution pension plan under Section 457(b) of the Code. The Pension Plan was discontinued during 1997. Investments and accrued pension liabilities of $25,963 and $122,803 at December 31, 2020 and 2019, respectively, are included in investments held for pension and deferred compensation plans and accrued expenses in the statements of financial position.

In November 2011, the Organization instituted a Deferred Compensation Plan (the "Plan") under Section 457(b) of the Code covering key employees. The deferred compensation liabilities amounted to $678,257 and $543,197 as of December 31, 2020 and 2019, respectively, and are included in investments held for pension and deferred compensation plans and accrued expenses in accompanying statements of financial position. The Organization makes contributions to the Plan, at the discretion of the Executive Committee on an annual basis.

In 2014, the Organization instituted a 403(b) Retirement Savings Plan for employee salary deferrals and a Deferred Compensation Plan under Section 457(f) of the Code covering key employees. As of December 31, 2020 and 2019, there were no employer contributions to the 403(b) Plan, only employee salary deferrals are contributed on a bi-weekly basis.

NOTE 10 – NET ASSETS

Net assets with donor restrictions are available for the following as of December 31:

	2020	2019
Purpose restricted	$ 1,132,905	$ 1,054,784
Time restricted	425,686	546,019
Perpetual in nature	1,103,915	1,103,915
Total Net Assets with donor restrictions:	$ 2,662,506	$ 2,704,718

For the years ended December 31, 2020 and 2019, net assets with donor restrictions in the amount of $433,183 and $1,531,839, including appropriated investment returns of $80,971 and $73,078, respectively, were released by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors.

NOTE 10 – NET ASSETS (Continued)

The Organization has net assets of $1,103,915 originating in 1994 as two gifts of donated securities with donor stipulation that the value of the gifts be maintained intact in perpetuity. All income from these securities are restricted until appropriated for spending by the Board. Income is restricted for the purchase of supplies and gifts for children served by the Organization.

The Board of Directors recognizes that NYS adopted as law the New York Prudent Management of Institutional Funds Act ("NYPMIFA") on September 17, 2010. NYPMIFA replaces prior law, which was the Uniform Management of Institutional Funds Act ("UMIFA").

In addition, the Board recognizes that NYPMIFA created a rebuttable presumption of imprudence if an organization appropriates more than 7% of a donor-restricted endowment fund's fair value (averaged over a period of not less than the preceding five years) in any year.

The Organization's investment strategy is to provide sufficient earnings in the form of a total return from both income and capital appreciations. The investments are managed so that over a reasonable period of time, the total return will exceed the sum of the percentage of distributions plus inflation and other investment expenses.

The Board explicitly appropriated all earnings as of and prior to September 17, 2010, whether deemed spent or not as without donor restrictions. Following September 17, 2010, the Board (or a designated committee of the Board) will determine (quarterly, using a rolling 5-year average) how much of the earnings of such funds restricted in perpetuity shall be appropriated for expenditure up to 7%, as deemed prudent at the time. Any unappropriated earnings that would otherwise be considered without donor restrictions will be reflected as with donor restrictions until appropriated.

Changes in endowment net assets for the year ended December 31, 2020 are as follows:

	Without Donor Restrictions (Board Designated)	With Donor Restrictions	Total Endowments
Investment activity:			
Interest and dividends	$ 1,125	$ 25,848	$ 26,973
Unrealized gain on investments	66	55,123	55,189
Total investment activity	1,191	80,971	82,162
Amount appropriated for expenditure	-	(80,971)	(80,971)
Endowment net assets, beginning of year	1,641,674	1,103,915	2,745,589
Endowment net assets, end of year	$ 1,642,865	$ 1,103,915	$ 2,746,780

Changes in endowment net assets for the year ended December 31, 2019 are as follows:

	Without Donor Restrictions (Board Designated)	With Donor Restrictions	Total Endowments
Investment activity:			
Interest and dividends	$ 2,418	$ 27,903	$ 30,321
Unrealized gain on investments	-	45,175	45,175
Total investment activity	2,418	73,078	75,496
Amount appropriated for expenditure	-	(73,078)	(73,078)
Endowment net assets, beginning of year	1,639,256	1,103,915	2,743,171
Endowment net assets, end of year	$ 1,641,674	$ 1,103,915	$ 2,745,589

For the years ended December 31, 2020 and 2019, endowment net assets of $2,746,780 and $2,745,589, respectively, are included with investments in the accompanying statements of financial position.

NOTE 11 – ALLOCATION OF JOINT COSTS

The Organization conducted direct mail campaigns that included requests for contributions as well as program components. During the years ended December 31, 2020 and 2019, the Organization incurred joint costs of $1,080,487 and $1,111,384, respectively, for informational materials and activities that were included in fundraising appeals. During the year ended December 31, 2020, $291,936 was allocated to program expenses and $788,551 was allocated to fundraising. During the year ended December 31, 2019, $314,892 was allocated to program expenses and $796,492 was allocated to fundraising.

NOTE 12 – CONCENTRATIONS

Cash and cash equivalents that potentially subject the Organization to a concentration of credit risk include cash accounts with banks that exceed the Federal Deposit Insurance Corporation (“FDIC”) insurance limits. As of both December 31, 2020 and 2019, there was approximately $3,300,000, respectively, of cash and cash equivalents held by banks that exceeded FDIC limits. Such excess includes outstanding checks. Securities Investor Protection Corporation (“SIPC”) insurance limits are up to $500,000. As of December 31, 2020 and 2019, there was approximately $120,000 and $300,000 respectively, of cash and cash equivalents held by banks that exceeded the amount covered by the SIPC limits.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

A. Lease Commitments

In December 2011, the Organization entered into a 36-month operating lease agreement with Verizon Select Service Inc. for new telephone equipment. The lease payments did not begin until July 2012. At the end of the lease term, the equipment continues to be leased on a month-to-month basis with a portion of the payment reducing the buy-out price of the equipment.

B. Investment Commitments

The Organization has a $500,000 commitment to OCA BREDSIV LLC and a $245,000 commitment to Golub Capital 12 which have not yet begun to call capital.

C. Uncertain Tax Positions

The Organization believes it had no uncertain tax positions as of December 31, 2020 and 2019 in accordance with Accounting Standards Codification (“ASC”) Topic 740 *Income Taxes*, which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

D. The Impact of COVID-19

The COVID-19 pandemic remains a rapidly evolving situation. The extent of the impact of COVID-19 on the Organization’s business and financial results will depend on future developments, including the duration and spread of the outbreak. Due to the rapidly changing business environment, unprecedented market volatility, and other circumstances resulting from the COVID-19 pandemic, Management is currently unable to fully determine the extent of COVID-19’s impact on the Organization’s business in future periods. The Organization’s performance in future periods will be heavily influenced by the timing, length, and intensity of the economic recoveries in the United States. Management continues to monitor evolving economic and general business conditions and the actual and potential impacts the Organization’s financial position and results.

NOTE 14 – FAIR VALUE MEASUREMENTS

The fair value hierarchy defines three levels as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs. Level 1 valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets.

Level 2: Valuations based on observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives lowest priority to Level 3 inputs.

In determining fair value, the Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value.

The Organization's policy is to recognize transfers in and transfers out between fair value levels as of the beginning of the period in which the transfer takes place. For the years ended December 31, 2020 and 2019, no such transfers between fair value levels occurred.

Certain of the Organization's investments are classified as alternative investments and are recorded at fair value, based on the applicable percentage ownership of the net assets as of the measurement date, as reported by the investment managers, in an amount equal to the NAV of shares held by the Organization at year-end.

The NAV as provided by the investment managers are used as the practical expedient to estimate the fair value of the underlying investments. As of December 31, 2020 and 2019, the Organization had no unfunded commitments to invest in these alternative investment funds. Redemptions at NAV, of shares in these investments range from immediate to quarterly, generally with forty-five to ninety days' notice. The alternative investment's strategies are described in Note 5.

Financial assets and liabilities carried at fair value at December 31, 2020, are classified in the table as follows:

	Level 1	Level 2	Total 2020
INVESTMENTS AT FAIR VALUE:			
Level 1 and 2 Investments:			
Money market funds	$ 16,760,998	$ -	$ 16,760,998
Fixed income securities:			
Mutual funds	6,957,671	-	6,957,671
Mutual funds:			
U.S. large cap	13,098,059	-	13,098,059
U.S. mid cap/small cap	1,222,555	-	1,222,555
Non U.S. equities	8,601,817	-	8,601,817
Alternative investments:			
Hedge Funds	-	2,230,582	2,230,582
	46,641,100	2,230,582	48,871,682
Alternative investments using NAV as a practical expedient:			
Limited Partnerships	-	-	44,125,942
Hedge Funds	-	-	2,184,207
Other Investments	-	-	3,808,440
TOTAL INVESTMENTS AT FAIR VALUE	$ 46,641,100	$ 2,230,582	$ 98,990,271

NOTE 14 – FAIR VALUE MEASUREMENTS (Continued)

Financial assets and liabilities carried at fair value at December 31, 2019, are classified in the table as follows:

	Level 1	Level 2	Total 2019
INVESTMENTS AT FAIR VALUE:			
Level 1 and 2 Investments:			
Money market funds	$ 1,666,469	$ -	$ 1,666,469
Fixed income securities:			
Mutual funds	15,283,133	-	15,283,133
Mutual funds:			
U.S. large cap	12,394,316	-	12,394,316
U.S. mid cap/small cap	2,235,720	-	2,235,720
Non U.S. equities	7,905,924	-	7,905,924
Alternative investments:			
Hedge Funds	-	1,247,992	1,247,992
	39,485,562	1,247,992	40,733,554
Alternative investments using NAV as a practical expedient:			
Limited Partnerships	-	-	44,115,512
Hedge Funds	-	-	2,403,751
Other Investments	-	-	3,159,815
TOTAL INVESTMENTS AT FAIR VALUE	$ 39,485,562	$ 1,247,992	$ 90,412,632

Excluded from the fair value measurements above is cash totaling $618,375 and $416,284 as of December 31, 2020 and 2019, respectively, which is included in investments on the accompanying statements of financial position. (See Note 5).

In addition, restricted cash and mutual funds which are classified as Level 1, amounting to $704,220 and $666,000 as of December 31, 2020 and 2019, respectively, are included in restricted funds on the accompanying statements of financial position. (See Note 5).

Investments in money market funds, fixed income securities and mutual funds are valued using market prices in active markets (Level 1). Level 1 instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets. The net asset values of mutual funds are based on the quoted market-level prices of the underlying securities. Hedge funds and other alternative investments are designated using net asset value as a practical expedient as indicative of the investment manager’s classification of the Organization’s investment in the alternative investments. It is not meant to be indicative of the classification of the investments in the underlying portfolio of the alternative investments into the fair value hierarchy.

NOTE 15 – SUBSEQUENT EVENTS

Management has evaluated events subsequent to the date of the statement of financial position through July 20, 2021, the date the financial statements were available to be issued.