



# **Women's Foundation of Mississippi**

## **FINANCIAL STATEMENTS**

**December 31, 2020  
with summarized information for  
December 31, 2019**



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# REPORT





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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Women's Foundation of Mississippi  
Jackson, Mississippi

### **Opinion**

We have audited the accompanying financial statements of Women's Foundation of Mississippi (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year 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 Women's Foundation of Mississippi as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit 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 Women's Foundation of Mississippi and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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.

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 Women's Foundation of Mississippi'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.

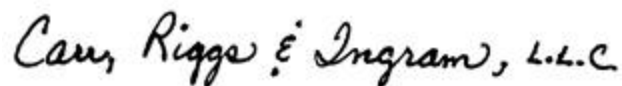
In performing an audit in accordance with generally accepted auditing standards, we:

- 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 Women's Foundation of Mississippi'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 Women's Foundation of Mississippi'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.

## **Report on Summarized Comparative Information**

We have previously audited Women's Foundation of Mississippi's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 10, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.



CARR, RIGGS & INGRAM, LLC

Ridgeland, Mississippi  
September 29, 2021



# FINANCIAL STATEMENTS



**Women's Foundation of Mississippi**  
**Statements of Financial Position**

December 31,	<b>2020</b>	2019
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 925,806	\$ 1,052,069
Certificate of deposit	103,055	101,348
Contributions and grants receivable, current portion	296,870	120,830
Interest receivable	43	906
Prepaid expenses and other current assets	13,259	14,191
Beneficial interest in assets held by others	-	202,914
Total current assets	1,339,033	1,492,258
Furniture and equipment		
Furniture and equipment	76,885	74,768
Less accumulated depreciation	(71,018)	(62,628)
Total furniture and equipment	5,867	12,140
Other assets		
Contributions and grants receivable, net of current portion	288,417	988
Investments	508,479	434,815
Beneficial interest in assets held by others	734,204	731,687
Total other assets	1,531,100	1,167,490
<b>Total assets</b>	<b>\$ 2,876,000</b>	<b>\$ 2,671,888</b>

(Continued)

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

**Women's Foundation of Mississippi**  
**Statements of Financial Position (Continued)**

December 31,	2020	2019
<b>Liabilities and Net Assets</b>		
Current liabilities		
Accounts and grants payable	\$ 268,367	\$ 120,915
Accrued liabilities	10,760	16,360
<b>Total current liabilities</b>	<b>279,127</b>	<b>137,275</b>
Net assets		
Without donor restrictions	690,580	1,084,919
With donor restrictions	1,906,293	1,449,694
<b>Total net assets</b>	<b>2,596,873</b>	<b>2,534,613</b>
<b>Total liabilities and net assets</b>	<b>\$ 2,876,000</b>	<b>\$ 2,671,888</b>

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



**Women's Foundation of Mississippi**  
**Statement of Activities and Changes in Net Assets**

*Year ended December 31, 2020 with summarized financial information for the year ended December 31, 2019*

	2020			2019 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>Operating Activities:</b>				
<b>Support and Revenues</b>				
Contributions	\$ 69,024	\$ 53,241	\$ 122,265	\$ 132,446
Grants	3,002	1,263,825	1,266,827	1,714,837
Fundraising	2,500	-	2,500	13,878
In-kind contributions	16,212	2,255	18,467	19,370
Endowment contributions	-	12,620	12,620	-
Other	738	-	738	2,610
Net assets released from restrictions	997,613	(997,613)	-	-
<b>Total support and revenues</b>	<b>1,089,089</b>	<b>334,328</b>	<b>1,423,417</b>	<b>1,883,141</b>
<b>Expenses</b>				
Program services	1,331,675	-	1,331,675	1,218,488
General and administrative	125,925	-	125,925	157,704
Fundraising	115,941	-	115,941	134,896
<b>Total expenses</b>	<b>1,573,541</b>	<b>-</b>	<b>1,573,541</b>	<b>1,511,088</b>
<b>Change in net assets from operations</b>	<b>(484,452)</b>	<b>334,328</b>	<b>(150,124)</b>	<b>372,053</b>
<b>Non-operating Activities:</b>				
Interest and dividends	1,313	50,180	51,493	100,585
Gain on investments	-	72,091	72,091	146,268
Other income	88,800	-	88,800	9,640
<b>Change in net assets</b>	<b>(394,339)</b>	<b>456,599</b>	<b>62,260</b>	<b>628,546</b>
Net assets, beginning of year	1,084,919	1,449,694	2,534,613	1,906,067
<b>Net assets, end of year</b>	<b>\$ 690,580</b>	<b>\$ 1,906,293</b>	<b>\$ 2,596,873</b>	<b>\$ 2,534,613</b>

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

## Women's Foundation of Mississippi Statement of Functional Expenses

Year ended December 31, 2020 with summarized financial  
information for the year ended December 31, 2019

	2020								2019
	Program Services					Supporting Services			Summarized Total
	Community and			Fiscal		General &		Total	
	Leadership	Education	Grant	Sponsorship	Subtotal	Administrative	Fundraising		
Development	Engagement	Making	Project						
Salaries	\$ 41,132	\$ 55,528	\$ 109,000	\$ 19,860	\$ 225,520	\$ 69,111	\$ 69,111	\$ 363,742	\$ 361,677
Employee benefits	3,784	5,109	10,029	1,826	20,748	6,359	6,359	33,466	27,421
Payroll taxes	3,065	4,137	8,122	1,480	16,804	5,150	5,150	27,104	27,116
	47,981	64,774	127,151	23,166	263,072	80,620	80,620	424,312	416,214
Accounting fees	-	-	-	-	-	17,044	-	17,044	18,620
Bad debt	-	-	-	-	-	-	(800)	(800)	207
Bank and payroll administration fees	2,834	3,825	8,881	-	15,540	4,762	4,762	25,064	24,202
Consulting, education and research	11,196	15,113	35,078	172,134	233,521	-	-	233,521	414,684
Depreciation	1,734	1,734	1,734	-	5,202	1,594	1,594	8,390	19,904
Dues and subscriptions	2,223	2,223	2,225	308	6,979	-	-	6,979	6,553
Events and meetings	4,180	4,180	-	2,205	10,565	660	1,981	13,206	109,007
Fundraising campaigns	-	-	-	-	-	-	2,165	2,165	7,463
Grants to others and sponsorships	-	-	519,273	135,910	655,183	-	-	655,183	275,340
Internships	16,000	-	-	-	16,000	-	-	16,000	16,000
Insurance	964	964	965	964	3,857	3,859	3,857	11,573	7,400
Legal fees	-	-	-	3,749	3,749	3,750	3,749	11,248	12,226
Marketing	4,003	4,003	4,003	-	12,009	-	4,003	16,012	17,584
Marketing consulting fees	-	47,061	-	-	47,061	-	-	47,061	50,424
Miscellaneous	-	-	-	-	-	-	-	-	231
Office equipment expense	-	-	-	-	-	-	-	-	4,264
Office expense	569	569	570	1,249	2,957	986	986	4,929	15,463
Postage and printing	849	849	851	10,537	13,086	4,362	4,362	21,810	3,489
Rent and utilities	4,000	4,000	4,000	6,000	18,000	6,000	6,000	30,000	36,000
Staff development	349	-	-	-	349	107	107	563	2,338
Technology and website	3,988	3,988	3,989	5,487	17,452	2,181	2,182	21,815	18,892
Travel and conferences	2,635	-	-	4,458	7,093	-	373	7,466	34,583
	55,524	88,509	581,569	343,001	1,068,603	45,305	35,321	1,149,229	1,094,874
Total expenses	\$ 103,505	\$ 153,283	\$ 708,720	\$ 366,167	\$ 1,331,675	\$ 125,925	\$ 115,941	\$ 1,573,541	\$ 1,511,088

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

**Women's Foundation of Mississippi**  
**Statements of Cash Flows**

<i>Years ended December 31,</i>	<b>2020</b>	<b>2019</b>
<b>Operating activities</b>		
Change in net assets	\$ 62,260	\$ 628,546
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	8,390	19,904
Bad debt expense	(800)	207
Realized and unrealized gains on investments	(72,091)	(146,268)
Changes in operating assets and liabilities		
Contributions and grants receivables	(462,669)	46,347
Interest receivable	863	(587)
Prepaid expenses and other current assets	932	(4,885)
Accounts and grants payable	147,452	106,695
Accrued liabilities	(5,600)	(34,443)
<b>Net cash provided (used) by operating activities</b>	<b>(321,263)</b>	<b>615,516</b>
<b>Investing activities</b>		
Purchase of property and equipment	(2,117)	(2,367)
Purchase of certificate of deposit	(1,707)	(1,402)
Sales of investments	506,721	135,726
Purchase of investments	(307,897)	(218,263)
<b>Net cash provided (used) by investing activities</b>	<b>195,000</b>	<b>(86,306)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(126,263)</b>	<b>529,210</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>1,052,069</b>	<b>522,859</b>
<b>Cash and cash equivalents - end of year</b>	<b>\$ 925,806</b>	<b>\$ 1,052,069</b>

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

## Women's Foundation of Mississippi Notes to Financial Statements

### **Note 1: DESCRIPTION OF THE ORGANIZATION**

The mission of the Women's Foundation of Mississippi (the "Foundation") is economic security for women. The Foundation is committed to helping Mississippi's women and girls transcend our state's social and economic barriers. The Foundation works to support women and girls throughout the state, particularly those who are most vulnerable. We aggregate financial and other resources to offer grants to non-profits throughout the state, to conduct research relevant to women in our state, and to provide public education and awareness. By cultivating social change, we create long-term opportunity for personal stability and stronger families. The Foundation is funded primarily through contributions and grants from private foundations, government agencies, individuals and corporations.

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### ***Basis of Accounting and Presentation***

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

#### ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure 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 these estimates.

#### ***Comparative Financial Information***

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

#### ***Cash and Cash Equivalents***

For the purposes of the financial statements, the Foundation considers all liquid investments having initial maturities of three months or less to be cash equivalents except for those amounts that are held in the investment portfolio which are invested for long-term purposes.

#### ***Contributions and Grants Receivable***

Receivables are stated at unpaid balances, less an allowance for doubtful accounts. The Foundation provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of donors to meet their obligations. It is the Foundation's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

## **Women's Foundation of Mississippi Notes to Financial Statements**

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### ***Contributions and Grants Receivable (Continued)***

Conditional contributions and grants are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Unconditional contributions and grants that are expected to be collected within one year are recorded at net realizable value. Unconditional contributions and grants that are expected to be collected in more than one year are recorded at fair value, which is measured as present value of cash flows. In the absence of donor stipulations to the contrary, promises with payment dates due in future periods are restricted to use after the due date. Promises that remain uncollected more than a year after their due date are written off unless the donors indicate that payment is merely postponed.

#### ***Investments***

The Foundation reports investments at fair value in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions when the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

#### ***Beneficial Interest in Assets Held by Others***

Beneficial interest in assets held by others consists of amounts held and invested by the Community Foundation of Mississippi (Community Foundation). The beneficial interest is reported at the fair market value as determined by the Community Foundation. Investment income of the fund, net of expenses, and any net realized and unrealized gains and losses, are included in the statement of activities and changes in net assets.

#### ***Furniture and Equipment***

Furniture and equipment are recorded at cost net of accumulated depreciation. Depreciation of furniture and equipment is computed using the straight-line method over the useful lives of the assets, from three to seven years according to asset category. It is the policy of the Foundation to capitalize all fixed assets purchases with a minimum useful life of one year and minimum cost of \$500 and to expense repairs and maintenance as incurred. Depreciation expense totaled \$8,390 and \$19,904 for the years ended December 31, 2020 and 2019, respectively.

#### ***Long-lived Assets***

Long-lived assets held and used by the Foundation are evaluated for impairment based upon market factors and operational considerations, including recoverability based upon expectations of non-discounted cash flows and operating income, whenever events or changes in circumstances indicate the carrying value of such assets may not be recoverable.

#### ***Net Assets***

The Foundation reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

## Women's Foundation of Mississippi Notes to Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### ***Net Assets (Continued)***

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

#### ***Revenues***

Unconditional contributions and grants are recognized when cash, other assets, a promise to give, or notification of a beneficial interest is received. Conditional grants and promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions and grants received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

Program and event revenues are accounted for under ASC Topic 606, *Revenue from Contracts with Customers* (ASC 606), recognizing revenue when performance obligations under the terms of the contracts with customers are satisfied. Prior to the adoption of ASC 606, the Company recognized revenue when persuasive evidence of an arrangement existed, delivery of products had occurred, the revenue was fixed or determinable and collectability was reasonably assured. The adoption of this accounting standard did not have an a impact on the Foundation's financial position or changes in net assets.

#### ***Donated Assets***

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

#### ***Donated Services***

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased if not provided by donation. Volunteers also provided services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

#### ***Functional Allocation of Expenses***

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Directly identifiable expenses are charged to program and supporting services. Expenses related to more than one function are allocated based on estimates provided by management.

## Women's Foundation of Mississippi Notes to Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Functional Allocation of Expenses (Continued)*

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of allocation</u>
Salaries, benefits, and payroll taxes	Time and Effort
Depreciation	Time and Effort
Rent, utilities, and parking	Time and Effort
Travel	Time and Effort

#### *Income Taxes*

The Foundation is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and therefore, has made no provision for federal income taxes in the accompanying financial statements. In addition, the Foundation has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code.

The Foundation utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of December 31, 2020 and 2019, the Foundation has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements. The Foundation believes it is no longer subject to income tax examinations for years prior to 2016.

#### *Advertising Cost*

Advertising costs are expensed as incurred. For the years ended December 31, 2020 and 2019, advertising expense total \$3,633 and \$5,636, respectively.

#### *Reclassifications*

Certain reclassifications were made to prior year balances to conform with current year presentation.

#### *Subsequent Events*

Management has evaluated subsequent events through the date that the financial statements were available to be issued, September 29, 2021 and determined there were no required disclosures. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

## Women's Foundation of Mississippi Notes to Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### ***Recent Accounting Pronouncements***

In June 2020, the FASB issued ASU 2020-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this ASU assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. This new guidance is effective for transactions in which the Foundation serves as a resource recipient for fiscal years beginning after December 15, 2018. Thus, on January 1, 2019, the Foundation applied the provisions of this ASU on a modified prospective basis. For transactions in which the Foundation serves as a resource provider, the guidance is effective for fiscal years beginning after December 15, 2019. The Foundation applied ASU 2020-08 on a modified prospective basis to resource provider agreements not completed by January 1, 2020 for the year ended December 31, 2020.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled *Leases*. Under the guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. For nonpublic entities, the standard is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Company is currently evaluating the impact of the guidance on its financial statements.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The guidance specifies requirements for the recognition and initial measurement of contributions and disclosure requirements for contributed services. The guidance is effective for the annual periods beginning after June 15, 2021. Early adoption is permitted. The Company is currently evaluating the impact of the guidance on its financial statements.

### Note 3: AVAILABILITY AND LIQUIDITY OF FINANCIAL ASSETS

The Foundation monitors liquidity required to meet its operating needs while also striving to maximize the investment of its available funds. The following represents the Foundation's financial assets as of the statement of financial position date, reduced by amounts not available for general use within in one year of the statement of financial position date because of contractual or donor-imposed restrictions.



**Women's Foundation of Mississippi**  
**Notes to Financial Statements**

**Note 3: AVAILABILITY AND LIQUIDITY OF FINANCIAL ASSETS (Continued)**

<i>December 31,</i>	<b>2020</b>	<b>2019</b>
Total assets at year end	\$ 2,876,000	\$ 2,671,888
Less non-financial assets		
Prepaid expenses and other current assets	(13,259)	(14,191)
Furniture and equipment	(5,867)	(12,140)
Total financial assets	<b>2,856,874</b>	2,645,557
Less amounts not available for general expenditures within one year due to contractual or donor-imposed restrictions		
Restricted by donor with time or purpose restrictions	<b>1,906,293</b>	1,449,694
Financial assets available to meet general expenditures over the next twelve months	<b>\$ 950,581</b>	\$ 1,195,863

In addition to the financial assets available to meet operating expenditures over the next twelve months, the Foundation anticipates collecting sufficient support to cover general expenditures not covered by donor-restricted resources.

**Note 4: CONTRIBUTION AND GRANTS RECEIVABLE**

Contributions and grants receivable to give consist of the following:

<i>December 31,</i>	<b>2020</b>	<b>2019</b>
Grant receivables	\$ 564,834	\$ 50,000
Government grant receivables	14,235	57,022
Pledges receivable	6,218	15,826
	<b>585,287</b>	122,848
Less unamortized discount (rate of 0% and 2.5%)	-	(30)
	<b>585,287</b>	122,818
Less: allowance for doubtful accounts	-	(1,000)
Contribution receivable, net	<b>\$ 585,287</b>	\$ 121,818

Maturities of contributions and grants receivable are as follows:

<i>December 31,</i>	<b>2020</b>	<b>2019</b>
Receivable with one year	\$ 296,870	\$ 121,830
Receivable in one to five years	288,417	1,018
	<b>\$ 585,287</b>	\$ 122,848

**Women's Foundation of Mississippi**  
**Notes to Financial Statements**

**Note 5: INVESTMENTS**

Investments in marketable securities consist of the following:

<i>December 31,</i>	<b>2020</b>	<b>2019</b>
Money market accounts	\$ 25,047	\$ 31,498
Equity mutual funds	285,047	254,220
Treasury bond mutual funds	19,940	26,796
Bond mutual funds	178,445	122,301
<b>Total</b>	<b>\$ 508,479</b>	<b>\$ 434,815</b>

**Note 6: BENEFICIAL INTERESTS IN ASSETS HELD BY OTHERS**

The Foundation has transferred assets to the Community Foundation of Mississippi (the "Community Foundation") which holds the assets as an endowment component fund ("Fund") for the benefit of the Foundation. Variance power has been granted to the Community Foundation which allows the Community Foundation's board of trustees the power to use the Fund for other purposes in certain circumstances. At December 31, 2020 and 2019, the balance of the Fund totaled \$734,204 and \$934,601, respectively, and is reflected as beneficial interests in assets held by others in the accompanying statement of financial position. Of the Fund balance as of December 31, 2019, \$202,914 of the assets held by Community Foundation were accumulated from prior release of restrictions and were available for withdrawal and operational use by the Foundation. All available amounts were released in 2020.

**Note 7: NET ASSETS**

A summary of net assets without donor restrictions follows:

<i>December 31,</i>	<b>2020</b>	<b>2019</b>
<b>Net assets without donor restrictions</b>		
Undesignated	\$ 690,580	\$ 1,084,919

**Women's Foundation of Mississippi**  
**Notes to Financial Statements**

**Note 7: NET ASSETS**

A summary of net assets with donor restrictions follows:

<i>December 31,</i>	<b>2020</b>	2019
<b>Net assets with donor restrictions</b>		
Time restricted:		
Endowments	\$ 1,242,285	\$ 1,166,502
Other contributions	6,219	1,017
Purpose restricted:		
Community college initiative	607,236	-
Women's Policy Institute	31,802	37,358
Converge	2,000	244,817
Matrix mapping process	10,000	-
Rapid response	6,751	-
<b>Total with donor restrictions</b>	<b>\$ 1,906,293</b>	<b>\$ 1,449,694</b>

A summary of the release of donor restrictions follows:

<i>For the years ended December 31,</i>	<b>2020</b>	2019
Time restricted	\$ 60,124	\$ 65,566
Purpose restricted:		
Community college initiative	194,014	116,647
Women's Policy Institute	101,811	106,642
Converge	362,356	328,409
Matrix mapping process	5,000	-
Internships	8,000	25,838
Fact Not Fiction	111,036	204,539
Better Futures	20,000	25,000
Rapid response	135,272	-
Other programs	-	20,000
<b>Total donor restrictions released</b>	<b>\$ 997,613</b>	<b>\$ 892,641</b>

## Women's Foundation of Mississippi Notes to Financial Statements

### Note 8: REVENUES

Revenues from contracts with customers are recognized at a point in time. A summary of disaggregated revenue information follows:

<i>Years ended December 31,</i>	<b>2020</b>	2019
Contracts with customers recognized at a point in time	\$ 2,500	\$ 13,878
Grants and contributions	1,189,602	1,517,920
Cost reimbursement grants	230,577	348,733
Other revenue	738	2,610
<b>Total</b>	<b>\$ 1,423,417</b>	<b>\$ 1,883,141</b>

The Foundation's customers consist primarily of businesses and the general public within Mississippi. There were no contract assets or liabilities at the beginning and the end of 2020.

### Note 9: IN-KIND CONTRIBUTIONS

The Women's Foundation of Mississippi received in-kind contributions including event spacing, advertising, and other services donated by various individuals and businesses. The in-kind contributions were as follows:

<i>Years ended December 31,</i>	<b>2020</b>	2019
Women of Vision event	\$ -	\$ 2,775
Thrive at work event	16,012	15,795
Consulting services	2,255	-
Board meetings	200	800
<b>Total</b>	<b>\$ 18,467</b>	<b>\$ 19,370</b>

### Note 10: OTHER INCOME

In 2020, in response to the global pandemic, the Foundation applied for and received an \$88,800 loan through the Paycheck Protection Program under the CARES act. The Foundation applied for and received forgiveness of the loan amount and recorded the income as other income in 2020.

During the year ended December 31, 2019, the Foundation received a settlement of \$9,640 related to its claim in the Deepwater Horizon Economic Settlement agreement. The revenue is reflected in other income in the non-operating activities on the accompanying statements of activities.

**Note 11: ENDOWMENTS**

The Foundation's endowments consists of two funds established to support the activities of the Foundation consistent with the mission of the Women's Foundation of Mississippi as set forth in its governing documents. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. Distributions from the funds are made to or for the benefit of the Foundation consistent with charitable purposes and functions of the Foundation.

For endowments held in perpetuity, the Foundation follows the Uniform Prudent Management of Institutional Funds Act (UPMIFA), which became effective July 1, 2012, as requiring the preservation of the original gift amount of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation retains in perpetuity and classifies as net assets with donor restrictions (1) the original value of gifts donated to the perpetual endowment, (2) the original value of subsequent gifts to the perpetual endowment, and (3) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

Endowment assets are invested in a well-diversified asset mix, which includes money markets funds, equity mutual funds, and debt mutual funds. The Foundation has adopted an investment policy for endowment assets that attempts to preserve and enhance the long-term growth-adjusted market value and purchasing power of its assets while providing sustainable annual support to the Foundation. The investment goal of the endowment assets held by the Foundation is to achieve a total return (income and appreciation) of 5% after inflation, over a full market cycle of 3 to 5 years. Actual returns in any given year may vary from this amount. Endowment assets held by the Community Foundation of Mississippi are subject to the investment policy of that organization.

The total amount spent from endowment funds held by the Foundation each year are based on spending allocations approved by the Board of the Foundation. Decisions relative to the expenditure from endowment funds are based on the durations and preservation of the endowment fund, purpose of the Foundation and endowment, general economic conditions, possible effect of inflation or deflation, expected return from the investments, other resources and alternatives to spending form the endowment fund and applicable investment policies. In the event an endowment is underwater, it is the policy of the Foundation to prohibit distributions from the endowment.

For endowment assets held by the Community Foundation (\$734,204 and \$731,867 as of December 31, 2020 and 2019, respectively), withdrawals up to 5% of the three-year market value (determined on the last business day of the preceding year) average of the endowment fund is authorized for the Foundation's operating purpose.

**Women's Foundation of Mississippi**  
**Notes to Financial Statements**

**Note 11: ENDOWMENTS (Continued)**

From time to time, the fair value of assets associated with certain donor-restricted endowments may fall below the level that the donor or law requires the Foundation to retain as a fund of perpetual duration (underwater endowments). There were no underwater endowments held as of December 31, 2020 or 2019.

Changes in endowment fund net assets for the year ended December 31, 2020 and 2019 are as follows:

<i>Years ended December 31,</i>	<b>2020</b>	2019
Endowment net assets, beginning of year	\$ <b>1,166,502</b>	\$ 979,878
Investment return, net of related fees	<b>106,647</b>	228,805
Contributions	<b>12,620</b>	-
Amounts appropriated for expenditure	<b>(43,086)</b>	(42,181)
Endowment net assets, end of year	<b>\$ 1,242,683</b>	\$ 1,166,502

**Note 12: FAIR VALUE MEASUREMENTS**

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) at the most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

*Level 1:* Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

*Level 2:* Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
  - observable; or
  - can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3:* Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

## Women's Foundation of Mississippi Notes to Financial Statements

### Note 12: FAIR VALUE MEASUREMENTS (Continued)

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020 and 2019.

*Cash and money market funds:* Valued at the investment portfolio balance on measurement date.

*Mutual funds:* Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded.

*Beneficial interest in assets held by others:* Valued at the fair value of the Foundation's share of the investment pool at the measurement date using net asset value. As described in Note 6, certain amounts of the beneficial interest in assets held by others are not redeemable.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at December 31, 2020 and 2019 are as follows:

<i>December 31,</i>	<b>2020</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Cash and money market accounts	\$ 25,047	\$ -	\$ -	\$ 25,047
Mutual funds	483,432	-	-	483,432
Beneficial interests in assets held by others	-	-	734,204	734,204
<b>Total</b>	<b>\$ 508,479</b>	<b>\$ -</b>	<b>\$ 734,204</b>	<b>\$ 1,242,683</b>

<i>December 31,</i>	2019			
	Level 1	Level 2	Level 3	Total
Cash and money market accounts	\$ 31,498	\$ -	\$ -	\$ 31,498
Mutual funds	403,317	-	-	403,317
Beneficial interests in assets held by others	-	-	731,687	731,687
	434,815	-	731,687	1,166,502
Beneficial interests in assets held by others (redeemable)				202,914
<b>Total</b>	<b>\$ 434,815</b>	<b>\$ -</b>	<b>\$ 731,687</b>	<b>\$ 1,369,416</b>

**Women's Foundation of Mississippi**  
**Notes to Financial Statements**

**Note 12: FAIR VALUE MEASUREMENTS (Continued)**

***Changes in Fair Value Levels***

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. The following table represents a reconciliation of the activities for level 3 financial instruments:

<i>Years ended December 31,</i>	<b>2020</b>	2019
Balance at beginning of year	\$ <b>731,687</b>	\$ 612,171
Appreciation of fund	<b>45,603</b>	161,696
Reclassification to redeemable interest	<b>(43,086)</b>	(42,180)
<b>Balance at end of year</b>	<b>\$ 734,204</b>	\$ 731,687

Appreciation of Level 3 investments is included on the statements of activities as gain on investments.

***Fair Value of Investments that Calculate Net Asset Value***

The following table summarizes information related to redeemable beneficial interests in assets held by others measured at fair value based on NAV per share as of December 31, 2019.

<b>Year-End</b>	<b>Fair Value</b>	<b>Unfunded Commitments</b>	<b>Redemption Frequency</b>	<b>Redemption Notice Period</b>
December 31, 2019	\$ 202,914	\$ -	Monthly	None

**Note 13: CONCENTRATION OF CREDIT RISKS**

Financial instruments that potentially subject the Foundation to concentration of credit risk include cash and investments. The Foundation maintains its cash balances in various financial institutions. All interest and non-interest bearing accounts in each institution are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. From time to time, cash balances may exceed insured limits. At December 31, 2020 and 2019, deposit accounts held in excess of FDIC limits approximated \$326,000 and \$576,000, respectively. The Foundation has not experienced, nor does it anticipate, any losses with respect to such accounts.

At December 31, 2020, grants receivable of \$544,834 were due from two grantors. At December 31, 2019, grants receivable of \$107,022 were due from two grantors. During the year ended December 31, 2020, grant income of approximately \$1,032,000 was derived from three grantors. During the year ended December 31, 2019, grant income of approximately \$1,399,000 was derived from two grantors.



## Women's Foundation of Mississippi Notes to Financial Statements

### Note 14: LEASES COMMITMENTS

The Foundation leases office space under a month-to-month agreement with monthly lease payments of \$2,000. Certain office equipment under long-term operating leases expiring in 2022. The future minimum lease payment commitments under operating leases are as follows:

<i>Year ending December 31,</i>	
2021	\$ 1,283
2022	855
<b>Total future minimum lease payments</b>	<b>\$ 2,138</b>

Rent expense for each of the years ended December 31, 2020 and 2019 was \$25,283.

### Note 15: EMPLOYEE BENEFIT PLAN

During 2017, the Foundation adopted a 401(k) retirement plan covering all employees. Employees are eligible for participation when they have attained age 21 and completed one month of service. The Foundation at its sole discretion may make annual contributions to the plan. Employee deferrals are immediately vested, and employer contributions are vested over five-year period of service. No contributions were made to the plan by the Foundation for 2020 or 2019.

### Note 16: DESIGNATED FUND HELD BY OTHER ENTITIES

Funds of approximately \$543,000 held and owned by the Community Foundation for Mississippi (CFM) are designated to benefit the Foundation. Funds are transferred to the Foundation based on CFM approval to benefit the operation and programs of the Women's Foundation of Mississippi. CFM has the right to unilaterally change such designations and therefore, such amounts are not included on the accompanying financial statements.

### Note 17: UNCERTAINTIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, broad domestic and international stock market indices have declined and the Organization's fair value of investments has declined similarly. Such declines in the fair value of investments held by the Organization may materially and adversely impact the Organization's ability to achieve its investment objectives and therefore, its operational objectives. In addition, the extent to which these events will affect the amounts reported in future financial statements remains uncertain.