



2019 Annual Report

Dear Philanthropy New York Members,

As we sit here in the spring of 2020, our world has been changed in momentous ways. The devastating toll the pandemic is having on our society is unfolding each day. Philanthropy New York members are adapting their grantmaking approach and practices to respond to this extraordinary moment. We may not know how philanthropy will transform as a result of this crisis but we do know that Philanthropy New York will continue to serve as the hub for our dynamic sector, even as we innovate and adapt how we work. This report harkens back to 2019 – a time that feels more remote than the calendar would suggest. Yet, taking just a moment to reflect on last year may help us discern those core pillars that we will continue to hold firm as we move into these new times.

Over the last 40 years Philanthropy New York has evolved and grown with our members, supporting you as together we pursue a more equitable, sustainable, and democratic society. As a community that encourages learning and collaboration through diverse voices and partnerships, we are eager to maintain and expand our role as an educator and convener for our members. In 2019 we celebrated Philanthropy New York's 40th anniversary and asked the question: what can we do to ensure that the *next* 40 years represent philanthropy at its best? Philanthropy New York's expansion of programmatic and cohort-based offerings, our commitment to engaging the sector's power and privilege to dismantle systems of inequity, and bolstering our relationships with our members—this is all just the beginning.

At the start of 2019, Philanthropy New York made a momentous move to our new home at 320 East 43rd Street in the Ford Foundation Center for Social Justice. Our new, collaborative conference spaces have increased our capacity to host member meetings and programmatic events. The move also advanced Philanthropy New York's long-term fiscal stability, one of the core pillars of our strategic plan, by securing precious midtown convening space for a 20-year period at a reasonable price. Over the last year we've experienced the excitement of our members as they've come to see what the move offers them, with more than 60 member organizations using our space for more than 140 meetings already.

Our largest member convening took place last May at our 40th Annual Meeting, where the concept of 'Reframing Philanthropy' through our work commenced. The half-day gathering included inspirational stories, practical learning, and peer networking through discussions of both current criticism and future opportunities in the field—but we quickly realized that the conversation could not and should not end there. The buzz and excitement that were generated from these interactions drove our programming over the following months and prompted us to lead a three-part *Reframing Philanthropy* program series:

- September 19, 2019 – Phil Buchanan and Rob Reich debated on the structures of philanthropy and how it operates in the world. The debate continued conversations from the annual meeting about how philanthropy can operate moving forward in this rapidly changing world.
- October 8, 2019 – Edgar Villanueva shared his analysis of the dysfunctional racial and colonial dynamics at play in philanthropy and finance. Edgar offered a prescription for restoring balance and healing our divides using the guidance of indigenous wisdom.

- November 6, 2019 – Judy Belk, in conversation with Don Chen, spoke about foundation leadership and the work she’s led at The California Wellness Foundation to put their values of diversity, equity and inclusion into action and fulfill the vision of functioning as a social justice public health funder.

These programs allowed members to engage in open dialogue about challenges in philanthropy and the roads we can take to improve and learn.

We have continued our efforts to build a community for members who want to strengthen their knowledge of more equitable practices. Over the last year we created new partnerships with Race Forward and the Interaction Institute for Social Change to host on-site day-long racial equity training for organizations. We partnered with members to provide workshops on grantmaking in a diverse world, the inclusion of disabilities in grantmaking, and understanding implicit bias, privilege, and power within philanthropic practices. We also launched our second iteration of *Leading With Race Equity: Building Stronger Culture and Practice*. This four-month peer cohort learning experience was designed to help foundation leaders gain the tools and resources to work towards racial equity in both internal and external organizational activities.

In 2019 we expanded our cohort-based work and launched new, immersive experiences for members. These cohorts support members with leadership development and growth in many different aspects of the philanthropic sector. We launched the Measuring What Matters cohort—a three-part engagement around better understanding how our values, strategy development, and learning are linked. Throughout, participants explored how equity, transparency, grantee engagement and other essential values can manifest in the evaluation processes they design. In addition, we announced a new leadership development program for experienced program officers—Program Officers as Champions—and continued our commitment to orienting new funders to the art and science of grantmaking through Essential Skills and Strategies for New Program Officers.

All of this work took place alongside the core educational and network-building programs for which Philanthropy New York is the go-to source for funders located in New York City. Each year, we convene hundreds of programs that enhance professional development and philanthropic practice, and address timely, critical issues in our field.

Over the last 40 years we have listened to our members and have worked diligently to provide you with the learning experiences and guidance you seek. We look forward to the next 40 years and our continued collective commitment to making the philanthropic sector as strong and successful as we can.

Sincerely,

Kyung Yoon
Board Chair, Philanthropy New York
President, Korean American Community
Foundation

Ronna D. Brown
President, Philanthropy New York

Philanthropy New York Members

The following organizations were members as of December 31, 2019.

1661 Foundation	Robert Sterling Clark Foundation
AIG	The Clark Foundation
Alpern Family Foundation	Co-Impact
Altman Foundation	The Commonwealth Fund
Amalgamated Foundation	Con Edison
American Express	Conrad N. Hilton Foundation
Andrus Family Fund	Berthe M. Cote Foundation
Arabella Advisors	The Covenant Foundation
Arbor Brothers	The Cravens Foundation
Arcus Foundation	Credit Suisse Americas Foundation
Catherine & Joseph Aresty Foundation	The Cricket Island Foundation
Ascena Retail Group	The Nathan Cummings Foundation
Asian Cultural Council	The Frances L. & Edwin L. Cummings Memorial Fund
ASPCA	Dalio Philanthropies
The Atlantic Philanthropies	The Dammann Fund
Lily Auchincloss Foundation	Daphne Foundation
AXA Equitable Life	Dara Major Philanthropy Consulting
The Barker Welfare Foundation	Deutsche Bank Americas Foundation
The David Berg Foundation	Cleveland H. Dodge Foundation
Bessemer Trust	Geraldine R. Dodge Foundation
The Morton K. and Jane Blaustein Foundation	Jean & Louis Dreyfus Foundation
Bloomberg LP	Doris Duke Charitable Foundation
Bloomberg Philanthropies	The Dyson Foundation
Blue Meridian Partners, Inc.	The Educational Foundation of America
BNY Mellon Foundation	The ELMA Philanthropies Services (U.S.)
Booth Ferris Foundation	The Elmezzi Foundation
Borealis Philanthropy	EMPower - The Emerging Markets Foundation
Adam R. Bronfman Family Foundation	The Endeavor Foundation
Brooklyn Community Foundation	Episcopal Charities
Build Up Advisory Group	The Estée Lauder Companies
The William C. Bullitt Foundation	Eugene M. Lang Foundation
Florence V. Burden Foundation	FJC
The Burke Foundation	Ford Foundation
The Louis Calder Foundation	Fordham Street Foundation
Capital One Foundation	Foundation for a Just Society
Carnegie Corporation of New York	The Freeman-Harrison Family Foundation
Casey Family Programs	The Claire Friedlander Family Foundation
The Century Foundation	Fund for the City of New York
The Y.C. Ho/Helen and Michael Chiang Foundation	Gap Foundation
Foundation for Child Development	The Robert David Lion Gardiner Foundation
Citi	The Gerstner Family Foundation
Citi Foundation	Howard Gilman Foundation
Liz Claiborne and Art Ortenberg Foundation	Bernard F. and Alva B. Gimbel Foundation
The Clara Lionel Foundation	The Joyce and Irving Goldman Family Foundation

Herman Goldman Foundation
Goldman Sachs
Edwin Gould Foundation
GRACE Communications Foundation
Grace Farms Foundation
William T. Grant Foundation
Grassy Creek Foundation
William Caspar Graustein Memorial Fund
The Greenwall Foundation
Groundswell Fund
The Guardian Life Insurance Company of America
Harry Frank Guggenheim Foundation
Stella and Charles Guttman Foundation
The John A. Hartford Foundation
The Merrill G. & Erita E. Hastings Foundation
Dorothea Haus Ross Foundation
The Havens Relief Fund Society
Edward W. Hazen Foundation
William Randolph Hearst Foundation
The Heckscher Foundation for Children
The Leona M. and Harry B. Helmsley Charitable Trust
F.B. Heron Foundation
Hoffman Brothers Foundation
Hope for New York
HSBC Bank USA
The Charles Evans Hughes Memorial Foundation
Mary J. Hutchins Foundation
The Hyde and Watson Foundation
Inherent Group, LLC
Ittleson Foundation
Jay and Linda Grunin Foundation
Jerome Foundation
Jewish Foundation for Education of Women
Jewish Women's Foundation of New York
Johnson & Johnson
Johnson Family Foundation
The JPB Foundation
JPMorgan Chase & Co.
J.P. Morgan Private Bank Private Foundation Services
The J.M. Kaplan Fund
Kavelman Group Philanthropic Advisors
The Klarman Family Foundation
Klingenstein Philanthropies
Korean American Community Foundation
Samuel H. Kress Foundation
The Albert Kunstadter Family Foundation
The Jacob and Valeria Langeloth Foundation
Laureus Sport for Good Foundation USA

Lavelle Fund for the Blind
Lazard Foundation
The LCU Fund for Women's Education
The Frances Lear Foundation
Levitt Foundation
Leon Levy Foundation
The Libra Fund
The Lucius N. Littauer Foundation
Long Island Community Foundation
The Caroline M. Lowndes Foundation
The Henry Luce Foundation
MAC AIDS Fund, MAC Cosmetics
Macquarie Group Foundation
Josiah Macy Jr. Foundation
A. L. Mailman Family Foundation
Manitou Fund
Markle Foundation
Marsh & McLennan Companies
Mastercard Center for Inclusive Growth
The Mayday Fund
John P. & Anne Welsh McNulty Foundation
The Andrew W. Mellon Foundation
Mertz Gilmore Foundation
MetLife Foundation
Milbank Memorial Fund
Joan Mitchell Foundation
Mitsubishi Corporation Foundation for the Americas
Mitsubishi UFJ Financial Group
Mizuho USA Foundation
Moore Philanthropy
Morgan Stanley
Morris and Alma Schapiro Fund
Mother Cabrini Health Foundation
Ms. Foundation for Women
Muse Family Foundation
Musicians Foundation
National Grid
Neuberger Berman
Newman's Own
The New York Community Trust
New York Foundation
New York Life Foundation
New York State Health Foundation
The New York Stem Cell Foundation
The New York Women's Foundation
Stavros Niarchos Foundation
Eric and Jane Nord Family Fund
Norman Foundation

NorthLight Foundation	Sills Family Foundation
North Star Fund	SC Group
NoVo Foundation	Simons Center for Data Analysis
Jessie Smith Noyes Foundation	The Simons Foundation
The O'Grady Foundation	The Sirus Fund
Ralph E. Ogden Foundation	Alfred P. Sloan Foundation
Open Society Foundations	Sony USA Foundation
Eric Oppenheimer Family Foundation	The Soros Economic Development Fund
The Overbrook Foundation	Paul and Daisy Soros Fellowships For New Americans
The Patrino Foundation	The Spingold Foundation
The PCLB Foundation	The Bernard and Anne Spitzer Charitable Trust
Peter G. Peterson Foundation	Seth Sprague Educational & Charitable Foundation
Pfizer	The Spunk Fund
Philanthropy Advisors	The Staten Island Foundation
The Pinkerton Foundation	Stonewall Community Foundation
Poses Family Foundation	Solon E. Summerfield Foundation
Posner-Wallace Foundation	Summer Fund II
Propel Capital	Surdna Foundation
Proteus Fund	Susan Thompson Buffett Foundation
The Prudential Foundation	The Taft Foundation
The Rauch Foundation	TCC Group
Reader's Digest Partners for Sight Foundation	The Teagle Foundation
Redlich Horwitz Foundation	Tides
Research to Prevent Blindness	The Tiffany & Co. Foundation
Charles H. Revson Foundation	Tiger Foundation
Fannie E. Rippel Foundation	Tinker Foundation Inc.
Rita Allen Foundation	Laurie M. Tisch Illumination Fund
Robertson Foundation	The Tow Foundation
Rockefeller Archive Center	Trinity Church Wall Street
Rockefeller Brothers Fund	Isaac H. Tuttle Fund
Rockefeller Family Fund	U.S. Trust
The Rockefeller Foundation	UJA-Federation of New York
The David Rockefeller Fund	Unbound Philanthropy
Rockefeller Philanthropy Advisors	Unitarian Universalist Veatch Program at Shelter Rock
The Alfred & Jane Ross Foundation	United Hospital Fund
The Rudin Foundation	United Way of New York City
May and Samuel Rudin Family Foundation	Upshot Advisors
Russell Sage Foundation	van Ameringen Foundation
Salesforce.org	Viacom
The Fan Fox and Leslie R. Samuels Foundation	Viking Global Foundation
The Sandy River Charitable Foundation	The Vilcek Foundation
The Scherman Foundation	The Laura B. Vogler Foundation
The Schott Foundation for Public Education	The Wallace Foundation
SeaChange Capital Partners	John A. & Mary Clare Ward Family Foundation
Sephardic Home for the Aged Foundation	The Andy Warhol Foundation for the Visual Arts
Siegel Family Endowment	The Joseph LeRoy and Ann C. Warner Fund
SIFMA Foundation	The Harry and Jeanette Weinberg Foundation
Silicon Valley Community Foundation	Wellspring Philanthropic Fund



The Wenner-Gren Foundation
The Westchester Community Foundation
The Whiting Foundation
The B. Robert Williamson Jr. Foundation

Ralph C. Wilson, Jr. Foundation
World Education Services / WES Mariam Assefa Fund
Zegar Family Foundation

The following new members have joined since January 1, 2020:

18220 Fund
The Hadassah Foundation
The Robert H. N. Ho Family Foundation Limited
Issroff Family Foundation
The Marion E. Kenworthy-Sarah H. Swift Foundation
Kolibri Foundation
Jonathan Logan Family Foundation
Lostand Foundation
The Harold C. Smith Foundation
Turrell Fund

Board of Directors

Officers

Kyung Yoon, Chair

President, *Korean American Community Foundation*

Jeanne Haws, Treasurer

Chief Operating Officer, *Wellspring Philanthropic Fund*

Pamela Foster, Vice Chair

Chief Operating Officer, *Co-Impact*

Charles Buice, Secretary

President, *Tiger Foundation*

Patricia Swann, Vice Chair

Senior Program Officer, Community Development & Environment, *The New York Community Trust*

Members

Rosanna Aybar

Vice President, Finance and Administration, *William T. Grant Foundation*

Jason McGill

Co-Executive Director, *Arcus Foundation* (in 2019)

Kenneth Austin

General Counsel & Corporate Secretary, *The Wallace Foundation*

Maria Mottola

Executive Director, *New York Foundation*

Diahann Billings-Burford

Trustee, *Robert Sterling Clark Foundation*

Ana Oliveira

President & Chief Executive Officer, *The New York Women's Foundation*

Neill Coleman

Chief Philanthropy Officer, *Trinity Church Wall Street*

Laura Packer

Executive Director, *Howard Gilman Foundation*

Eric Eckholdt

Executive Director, *Credit Suisse Americas Foundation*

Leticia Peguero

Vice President of Programs, *Nathan Cummings Foundation*

Amy Freitag

Executive Director, *The J.M. Kaplan Fund*

Mike Pratt

President & Chief Executive Officer, *The Scherman Foundation*

Yancy Garrido

Senior Program Officer, *The Clark Foundation*

David Sandman

President & Chief Executive Officer, *New York State Health Foundation*

Jacqueline Jones

President and Chief Executive Officer, *Foundation for Child Development*

Teresa Younger

President and Chief Executive Officer, *Ms. Foundation for Women*

Philanthropy New York Staff

Executive

Ronna Brown
President

Kathryn O'Neal-Dunham
Chief Operating Officer

Adriana de Lucio
Executive Coordinator

Administration & Finance

Hajrina Shehu
Senior Director, Administration and Finance

Ramona Gadsden
Administrative Associate

Angela Romualdez
Office and Conference Manager

Learning Services

Yi-Ching Lin
Senior Director, Learning Services

Jordan Joseph
Assistant Director, Learning Services

Carolyn Peters
Learning Services Associate

Member Services & Communications

Kristen M. Ruff
Senior Vice President

Allyson Goldhagen
Director, Member Services

Anthony Salgado
Coordinator, Member Services

Nora Cusanelli
Communications Associate

Public Policy

Shamira Lukomwa
Public Policy Fellow

Kimberly Roberts
Public Policy Fellow

PHILANTHROPY NEW YORK, INC.

**Financial Statements
for years ended
December 31, 2019
and
December 31, 2018**

Independent Auditor's Report

To the Board of Directors of
Philanthropy New York, Inc.

We have audited the accompanying financial statements of Philanthropy New York, Inc. (the "Organization") which comprise the statement of financial position as of December 31, 2019 and December 31, 2018 and the related statements of activities, cash flows and functional expenses for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 audits 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 Philanthropy New York, Inc. as of December 31, 2019 and December 31, 2018 and the results of its activities and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Condon O'Meara McGinty & Donnelly LLP

March 19, 2020

PHILANTHROPY NEW YORK, INC.

Statement of Financial Position

Assets

	December 31	
	2019	2018
Cash and cash equivalents		
Operating	\$ 1,530,062	\$ 1,151,150
Restricted	179,277	179,277
Fiscal sponsorships	136,965	894,592
Fund for 2025	216,858	241,369
Board designated for operations and future rent	<u>693,000</u>	<u>515,000</u>
Total cash and cash equivalents	2,756,162	2,981,388
Investments, at fair value	2,911,887	2,464,478
Investments, at fair value – Fund for 2025	2,225,892	2,375,520
Membership dues, grants and other receivables	7,652	6,500
Prepaid expenses	107,469	99,955
Property and equipment, net	<u>1,250,685</u>	<u>1,522,027</u>
Total assets	<u>\$ 9,259,747</u>	<u>\$ 9,449,868</u>

Liabilities and Net Assets

Liabilities

Accounts payable and accrued expenses	\$ 148,668	\$ 129,223
Unearned dues	98,925	70,800
Unearned management fees	39,990	103,428
Deferred lease	<u>1,028,207</u>	<u>1,169,096</u>
Total liabilities	<u>1,315,790</u>	<u>1,472,547</u>

Net assets

Without donor restrictions		
Operating	1,656,236	1,192,311
Board-designated reserve	1,476,052	1,382,052
Board-designated for operations	50,000	50,000
Board-designated for future rent	<u>643,000</u>	<u>465,000</u>
Total without donor restrictions	3,825,288	3,089,363
With donor restrictions	<u>4,118,669</u>	<u>4,887,958</u>
Total net assets	<u>7,943,957</u>	<u>7,977,321</u>
Total liabilities and net assets	<u>\$ 9,259,747</u>	<u>\$ 9,449,868</u>

See notes to financial statements.

PHILANTHROPY NEW YORK, INC.

**Statement of Activities
Year Ended December 31, 2019**

	<u>Without Donor Restrictions</u>			<u>With Donor Restrictions</u>	<u>Total</u>
	<u>Operating</u>	<u>Board- Designated</u>	<u>Total</u>		
Support and revenue					
Membership dues and grants					
Received in current year	\$ 1,387,940	\$ 272,000	\$ 1,659,940	\$ 1,031,865	\$ 2,691,805
Released from restrictions	<u>746,265</u>	<u>-</u>	<u>746,265</u>	<u>(746,265)</u>	<u>-</u>
Total membership dues and grants	2,134,205	272,000	2,406,205	285,600	2,691,805
Grants and contributions	19,009	-	19,009	1,059,098	1,078,107
Program fees	25,738	-	25,738	-	25,738
Interest	68,053	-	68,053	-	68,053
Investment return, net	89,843	-	89,843	-	89,843
Management fees	143,418	-	143,418	-	143,418
Annual meeting sponsorship	25,150	-	25,150	-	25,150
Other	10,625	-	10,625	-	10,625
Net assets released from restrictions	<u>2,113,987</u>	<u>-</u>	<u>2,113,987</u>	<u>(2,113,987)</u>	<u>-</u>
Total support and revenue	<u>4,630,028</u>	<u>272,000</u>	<u>4,902,028</u>	<u>(769,289)</u>	<u>4,132,739</u>
Expenses					
Program services					
Member services	890,172	-	890,172	-	890,172
Communications and public policy	582,206	-	582,206	-	582,206
Collaborative programs	693,086	-	693,086	-	693,086
Fiscal sponsorship	<u>1,641,362</u>	<u>-</u>	<u>1,641,362</u>	<u>-</u>	<u>1,641,362</u>
Total program services	<u>3,806,826</u>	<u>-</u>	<u>3,806,826</u>	<u>-</u>	<u>3,806,826</u>
Supporting services					
Management and general	671,590	-	671,590	-	671,590
Fund-raising	<u>139,771</u>	<u>-</u>	<u>139,771</u>	<u>-</u>	<u>139,771</u>
Total supporting services	<u>811,361</u>	<u>-</u>	<u>811,361</u>	<u>-</u>	<u>811,361</u>
Total expenses	<u>4,618,187</u>	<u>-</u>	<u>4,618,187</u>	<u>-</u>	<u>4,618,187</u>
Increase (decrease) in net assets from operating activities	11,841	272,000	283,841	(769,289)	(485,448)
Non-operating activities					
Unrealized gain on investments	<u>452,084</u>	<u>-</u>	<u>452,084</u>	<u>-</u>	<u>452,084</u>
Change in net assets	463,925	272,000	735,925	(769,289)	(33,364)
Net assets, beginning of year	<u>1,192,311</u>	<u>1,897,052</u>	<u>3,089,363</u>	<u>4,887,958</u>	<u>7,977,321</u>
Net assets, end of year	<u>\$ 1,656,236</u>	<u>\$ 2,169,052</u>	<u>\$ 3,825,288</u>	<u>\$ 4,118,669</u>	<u>\$ 7,943,957</u>

See notes to financial statements.

PHILANTHROPY NEW YORK, INC.

**Statement of Activities
Year Ended December 31, 2018**

	<u>Without Donor Restrictions</u>			<u>With Donor Restrictions</u>	<u>Total</u>
	<u>Operating</u>	<u>Board- Designated</u>	<u>Total</u>		
Support and revenue					
Membership dues and grants					
Received in current year	\$ 1,473,145	\$ -	\$ 1,473,145	\$ 746,265	\$ 2,219,410
Released from restrictions	<u>818,685</u>	<u>-</u>	<u>818,685</u>	<u>(818,685)</u>	<u>-</u>
Total membership dues and grants	2,291,830	-	2,291,830	(72,420)	2,219,410
Grants and contributions	23,823	-	23,823	2,644,944	2,668,767
Program fees	21,300	-	21,300	-	21,300
Interest	71,831	-	71,831	-	71,831
Investment return, net	88,637	-	88,637	-	88,637
Management fees	211,241	-	211,241	-	211,241
Annual meeting sponsorship	20,000	-	20,000	-	20,000
Other	8,901	-	8,901	-	8,901
Net assets released from restrictions	<u>2,424,758</u>	<u>-</u>	<u>2,424,758</u>	<u>(2,424,758)</u>	<u>-</u>
Total support and revenue	<u>5,162,321</u>	<u>-</u>	<u>5,162,321</u>	<u>147,766</u>	<u>5,310,087</u>
Expenses					
Program services					
Member services	862,178	-	862,178	-	862,178
Communications and public policy	663,585	-	663,585	-	663,585
Collaborative programs	697,586	-	697,586	-	697,586
Fiscal sponsorship	<u>2,018,892</u>	<u>-</u>	<u>2,018,892</u>	<u>-</u>	<u>2,018,892</u>
Total program services	<u>4,242,241</u>	<u>-</u>	<u>4,242,241</u>	<u>-</u>	<u>4,242,241</u>
Supporting services					
Management and general	664,111	-	664,111	-	664,111
Fund-raising	<u>136,678</u>	<u>-</u>	<u>136,678</u>	<u>-</u>	<u>136,678</u>
Total supporting services	<u>800,789</u>	<u>-</u>	<u>800,789</u>	<u>-</u>	<u>800,789</u>
Total expenses	<u>5,043,030</u>	<u>-</u>	<u>5,043,030</u>	<u>-</u>	<u>5,043,030</u>
Increase in net assets from operating activities	119,291	-	119,291	147,766	267,057
Non-operating activities					
Unrealized (loss) on investments	<u>(239,877)</u>	<u>-</u>	<u>(239,877)</u>	<u>-</u>	<u>(239,877)</u>
Change in net assets	<u>(120,586)</u>	<u>-</u>	<u>(120,586)</u>	<u>147,766</u>	<u>27,180</u>
Net assets, beginning of year	<u>1,312,897</u>	<u>1,897,052</u>	<u>3,209,949</u>	<u>4,740,192</u>	<u>7,950,141</u>
Net assets, end of year	<u>\$ 1,192,311</u>	<u>\$ 1,897,052</u>	<u>\$ 3,089,363</u>	<u>\$ 4,887,958</u>	<u>\$ 7,977,321</u>

See notes to financial statements.

PHILANTHROPY NEW YORK, INC.

Statement of Cash Flows

	Year Ended	
	December 31	
	2019	2018
Cash flows from operating activities		
Change in net assets	\$ (33,364)	\$ 27,180
Adjustment to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	320,115	342,356
Change in deferred lease incentives	(140,889)	(165,632)
Change in unrealized (appreciation) loss of investments	(452,084)	239,877
Change in operating assets and liabilities		
(Increase) decrease in membership dues, grants and other receivables	(1,152)	47,200
(Increase) decrease in prepaid expenses	(7,514)	6,018
Increase in accounts payable and accrued expenses	19,445	6,986
Increase (decrease) in unearned dues and management fees	(35,313)	27,365
Net cash provided by (used in) operating activities	<u>(330,756)</u>	<u>531,350</u>
Cash flows from investing activities		
Purchases of property and equipment	(48,773)	-
Purchases of investments	(158,594)	(313,336)
Proceeds from sales of investments	312,897	474,836
Net cash provided by investing activities	<u>105,530</u>	<u>161,500</u>
Change in cash and cash equivalents	(225,226)	692,850
Cash and cash equivalents, beginning of year	<u>2,981,388</u>	<u>2,288,538</u>
Cash and cash equivalents, end of year	<u>\$2,756,162</u>	<u>\$2,981,388</u>
Consists of:		
Operating	\$1,530,062	\$1,151,150
Restricted	179,277	179,277
Fiscal sponsorships	136,965	894,592
Fund for 2025	216,858	241,369
Board designated for operations and future rent	693,000	515,000
Total cash and cash equivalents	<u>\$2,756,162</u>	<u>\$2,981,388</u>

See notes to financial statements.

**Statement of Functional Expenses
Year Ended December 31, 2019**

See notes to financial statements.

Statement of Functional Expenses Year Ended December 31, 2018

See notes to financial statements.

PHILANTHROPY NEW YORK, INC.**Notes to Financial Statements
December 31, 2019****Note 1 – Organization and significant accounting policies**

Philanthropy New York, Inc. (the “Organization”) is a not-for-profit organization incorporated under the laws of the State of New York. The Internal Revenue Service has determined that the Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (the “Code”) and furthermore has been ruled not to be a private foundation under Section 509(a)(1) of the Code.

From 1979 to May of 2009, the Organization’s name was New York Regional Association of Grantmakers, Inc. (“NYRAG”). The Organization is a membership organization of foundations, corporate giving programs and other philanthropies in the metropolitan region and beyond. The Organization supports the practice of effective philanthropy for the public good through educational activities, publications and communications. The Organization actively facilitates collaboration and information sharing and is a key provider of philanthropic knowledge in the region.

During 2019, the Organization continued in its role of fiscal sponsor for seven collaborative programs in which some of its members are involved. The programs during 2019 were Asset Funders, the New York Blacks in Philanthropy Network, the Community Progress Makers Project, The Board Lead Partnership Project, Trust-Based Philanthropy Project, the Chronicle of Philanthropy and Capacity-Building Project. During 2019, these programs added \$809,098 to restricted and unrestricted grant revenue and \$1,566,725 in expenses on the Organization’s Statement of Activities. These programs are temporary in nature and require the support of an organization with a 501(c)(3) designation to carry out their fiscal functions. Because these programs are temporary in nature, they could create significant variances in the Organization’s financial statements going forward.

The Organization’s net assets without donor restrictions are segregated into the Operating Fund and Board Designated Fund. The Funds are under the control of the Organization and are expendable in accordance with specific purposes as approved by the Finance and Executive Committees.

The Organization reports gifts of cash and other assets as restricted support and as an addition to net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Cash equivalents consist of highly liquid investments with original maturities of 90 days or less.

Investments are stated at fair value, which are based on publicly quoted market values with the resulting change in unrealized appreciation or depreciation included as a non-operating activity on the statement of activities. Realized gains and losses, interest and dividends and investment management fees are reported as investment return, net on the statement of activities.

PHILANTHROPY NEW YORK, INC.**Notes to Financial Statements (continued)
December 31, 2019****Note 1 – Organization and significant accounting policies (continued)**

The Organization deems all receivables to be collectible and accordingly, does not have an allowance for doubtful accounts. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions.

Fair value measurements establish a hierarchy that prioritizes the inputs used to measure fair value into three broad levels. All of the Organization's investments are measured using Level 1 inputs, which are defined as quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Property and equipment are recorded at cost. The Organization capitalizes additions to property and equipment for items that have a useful life greater than one year and are in excess of a nominal amount.

Depreciation of furniture and equipment is being provided for by the straight-line method over the estimated useful lives of the related assets. Leasehold improvements are amortized over the lesser of the life of the lease or estimated useful life.

The Organization's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash, cash equivalents and investments. The Organization places its cash and cash equivalents with what it believes to be quality financial institutions. At times, balances may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization invests in mutual funds, certificates of deposit, bonds and a money market fund. The Organization's investments are exposed to various risks such as market volatility, liquidity, interest rate and credit. Due to the level of uncertainty related to changes in these risks, it is reasonably possible that these risks could materially affect the fair value of the investments reported on the statement of financial position as of December 31, 2019. The Organization believes no significant concentration of credit risk exists with respect to its cash, cash equivalents and investments.

Membership support is recognized when an organization commits to join or continue the Organization membership, generally indicated by its dues payment. Membership dues are recognized as revenue over the applicable membership period. Membership dues receivable are reported at their outstanding unpaid balances. The Organization estimates that, based upon historical bad debts, no allowance for doubtful amounts is needed.

The cost of providing the various programs and other activities has been summarized on a functional basis. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. Natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques primarily consisting of salary and wages, and time and effort reporting.

PHILANTHROPY NEW YORK, INC.

Notes to Financial Statements (continued)
December 31, 2019

Note 1 – Organization and significant accounting policies (continued)

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates by management. Actual results could differ from these estimates.

The Organization has evaluated events and transactions for potential recognition or disclosure through March 19, 2020, which is the date the financial statements were available to be issued.

On March 13, 2020, President Trump declared a national emergency under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, due to extraordinary circumstances resulting from coronavirus. Effective March 16, 2020, the Organization has begun to work remotely until such time as the building reopens. The Organization has a strong liquid reserve, and to date has not experienced any significant operational economic impact related to the crisis, other than the extreme market conditions relating to the investment portfolio which has resulted in a 22% decline compared to the value as of December 31, 2019.

Note 2 – Liquidity and availability of financial assets

The following is a summary of the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of internal and external restrictions.

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 2,756,162	\$ 2,981,388
Investments, at fair value	5,137,779	4,839,998
Membership dues, grants and other receivables	<u>7,652</u>	<u>6,500</u>
Total financial assets	7,901,593	7,827,886
Less: restricted financial assets*	<u>6,287,721</u>	<u>6,785,010</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,613,872</u>	<u>\$ 1,042,876</u>

*Includes both board designations and donor restrictions.

Note 3 – Membership

As of December 31, 2019, the Organization has 287 members and as of December 31, 2018, the Organization had 280 members.

PHILANTHROPY NEW YORK, INC.

Notes to Financial Statements (continued)
December 31, 2019

Note 4 – Investments, at fair value

The Organization's investments, which are valued based on public market quotations, consist of the following as of December 31, 2019 and 2018:

	Fair Value	
	2019	2018
Equity and income mutual funds	\$2,062,268	\$1,664,822
Bond portfolio	641,027	593,202
Money market fund	152,993	151,160
Certificate of deposit – 60 months	55,599	55,294
Sub-total	2,911,887	2,464,478
Bond portfolio – Fund for 2025	2,225,892	2,375,520
Total	<u>\$5,137,779</u>	<u>\$4,839,998</u>

Note 5 – Property and equipment, net

Property and equipment, net, at cost, consist of the following as of December 31, 2019 and 2018:

	2019	2018	Depreciation/ Amortization Period
Furniture and fixtures	\$ 886,525	\$ 849,044	3-10 years
Office equipment and computers	-	52,590	10 years
Leasehold improvements	<u>1,770,199</u>	<u>1,761,451</u>	5-10 years
	2,656,724	2,663,085	
Less accumulated depreciation and amortization	<u>(1,406,039)</u>	<u>(1,141,058)</u>	
	<u>\$1,250,685</u>	<u>\$1,522,027</u>	

During 2019 and 2018, the Organization wrote off fully depreciated assets totaling \$55,134 and \$233,394, respectively.

Note 6 – Board-designated

Board-designated reserve

In April 2009, the Board of Directors adopted a policy directing the Organization to maintain a reserve of net assets without donor restrictions that will provide cash flow security in the event of a temporary shortfall; accommodate unusual or unforeseen emergency cash requirements or temporarily seed projects in anticipation of grant or special supporting funds. This amount is equivalent to 6 months of operating expenses. During 2019, the Board approved to increase the reserve by \$94,000.

PHILANTHROPY NEW YORK, INC.

Notes to Financial Statements (continued)
December 31, 2019

Note 6 – Board-designated (continued)

Board-designated reserve (continued)

In the event that the Organization needs to use reserve funds, management will alert the Finance and Executive Committees prior to withdrawing funds from the reserve; inform these Committees of the basis of the need and proposed timeframe to replenish the reserve and request the approval of the Executive Committee for the amount and use of the reserve funds.

As of December 31, 2019 and December 31, 2018 the reserve is \$1,476,052 and \$1,382,052, respectively.

As of December 31, 2015, the board designated \$145,000 to be reserved for future rent payment and during December 2016 the board reserved an additional \$250,000 and \$70,000 in December 2017. The Board approved to increase the reserve by \$70,000, which was funded through membership dues and grants. During December 2019, the Board approved to increase the reserve by \$178,000. As of December 31, 2019, the board designated for future rent balance is \$643,000.

Note 7 – Net assets with donor restrictions

The transactions in the net assets with donor restrictions during the year ended December 31, 2019 were as follows:

	Balance at December 31, <u>2018</u>	<u>Additions</u>	Net Assets Released from <u>Restrictions</u>	Balance at December 31, <u>2019</u>
Membership support	\$ 746,265	\$ 1,031,865	\$ (746,265)	\$ 1,031,865
General Operating Support	88,000	250,000	(136,942)	201,058
Board Chair Recognition Gift	20,000	-	(2,000)	18,000
Fund for 2025	<u>3,139,101</u>	<u>-</u>	<u>(408,320)</u>	<u>2,730,781</u>
Total	<u>3,993,366</u>	<u>1,281,865</u>	<u>(1,293,527)</u>	<u>3,981,704</u>
Fiscal Sponsor Projects				
Asset Funders Network	643,627	215,898	(859,525)	-
New York Blacks in Philanthropy Network	915	-	-	915
Chronicle of Philanthropy	200,000	91,000	(162,950)	128,050
Board Lead Partnership	18,200	8,000	(18,200)	8,000
Trust-Based Philanthropy	31,850	109,200	(141,050)	-
Community Progress Makers	-	364,000	(364,000)	-
Capacity-Building Projects	<u>-</u>	<u>21,000</u>	<u>(21,000)</u>	<u>-</u>
Total Fiscal Sponsor Projects	<u>894,592</u>	<u>809,098</u>	<u>(1,566,725)</u>	<u>136,965</u>
Total	<u>\$4,887,958</u>	<u>\$ 2,090,963</u>	<u>\$ (2,860,252)</u>	<u>\$4,118,669</u>

PHILANTHROPY NEW YORK, INC.

Notes to Financial Statements (continued)
December 31, 2019

Note 8 – Retirement plan

The Organization maintains a qualified defined contribution 403(b) retirement plan providing annuity retirement coverage for all eligible employees. Employer contributions total up to 13% of each participant's annual compensation for employees who have been with the Organization for more than one year. Employer contributions during the years ended December 31, 2019 and December 31, 2018 amounted to \$149,708 and \$160,996, respectively.

Note 9 – Commitments

During September 2014, the Organization entered into a 125 month lease agreement for office space at 1500 Broadway. The lease commencement date was June 22, 2015 and the Organization received rent abatement equal to 5 months of base rent. The Organization was required to provide a letter of credit for the security deposit equal to 6 months' rent or \$179,277, which is included in the Statement of Financial Position as restricted cash. The lease provides for additional payments for real estate taxes and operating expenses. In connection with the lease agreement, the landlord incurred build-out costs on behalf of the Organization totaling \$1,587,695 which is included in the deferred lease account and is being amortized over the life of the lease.

Minimum future obligations under the lease, exclusive of required payments of real estate taxes and operating expenses are included below:

Year Ending December 31	Rent
2020	\$ 396,961
2021	440,115
2022	451,117
2023	462,395
2024	473,955
2025	432,646

In addition to these minimum obligations, the lease includes a significant real estate tax burden. In 2019, real estate tax increased the Organization's premises cost by \$66,413.

PHILANTHROPY NEW YORK, INC.

Notes to Financial Statements (continued)
December 31, 2019

Note 9 – Commitments (continued)

As of June 4, 2019, the Organization entered into a sublease agreement for the premises at 1500 Broadway for the period of July 19, 2019 to October 31, 2025. This agreement was undertaken by the Organization to reduce or eliminate the Organization's liability under the 1500 Broadway lease and cap the real estate tax burden at its current level.

Future rent income from the sublease under the lease, excluding all required payments of real estate taxes and operating expenses are:

<u>Year Ending December 31</u>	<u>Rent Income</u>
2020	\$ 315,860
2021	336,270
2022	344,677
2023	353,294
2024	362,126
2025	308,478

During August 2018, the Organization entered into a ten-year lease agreement with The Ford Foundation (the "Foundation") for new office space at 320 East 43rd Street. The lease commencement date was January 11, 2019.

Total future obligations under both leases, including all required payments of real estate taxes and operating expenses are:

<u>Year Ending December 31</u>	<u>Rent</u>
2020	\$ 459,700
2021	466,595
2022	475,927
2023	485,446
2024	495,155
2025	505,058
2026	515,159
2027	525,462
2028	535,971
2029	14,479

The Foundation agreed to reduce or eliminate Philanthropy New York's current liability under the 1500 Broadway lease by adjusting the rent obligation to the 320 East 43rd Street lease.