

**ACKERMAN INSTITUTE
FOR THE FAMILY**

**Financial Statements
for the year ended
June 30, 2021
(with summarized
comparative information for 2020)**

Independent Auditor's Report

To the Board of Directors of
Ackerman Institute for the Family

We have audited the accompanying financial statements of the Ackerman Institute for the Family which comprise the statement of financial position as of June 30, 2021 and the related statements of activities, functional expenses and cash flows for the year 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 audit. We conducted our audit 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 in the first paragraph on the previous page present fairly, in all material respects, the financial position of Ackerman Institute for the Family as of June 30, 2021 and the results of its activities and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Ackerman Institute for the Family's 2020 financial statements, and our report dated December 15, 2020, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented as of and for the year ended June 30, 2020 is consistent, in all material respects, with the financial statements from which it has been derived.

Condon O'Meara, McElinty & Donnelly LLP

ACKERMAN INSTITUTE FOR THE FAMILY

Statement of Financial Position
June 30, 2021 and June 30, 2020

Assets

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Current assets						
Cash and cash equivalents	\$ 1,053,292	\$ 592,560	\$ 1,645,852	\$ 1,595,074	\$ 328,143	\$ 1,923,217
Investments, at fair value	7,227,464	5,276,856	12,504,320	6,188,424	4,006,287	10,194,711
Accounts receivable	564,918	-	564,918	467,871	-	467,871
Contributions receivable	91,799	-	91,799	85,000	30,000	115,000
Prepaid expenses and other assets	56,160	-	56,160	67,466	-	67,466
Total current assets	8,993,633	5,869,416	14,863,049	8,403,835	4,364,430	12,768,265
Property and equipment, at cost, net of accumulated depreciation	9,175,164	-	9,175,164	9,491,873	-	9,491,873
Total assets	\$ 18,168,797	\$ 5,869,416	\$ 24,038,213	\$ 17,895,708	\$ 4,364,430	\$ 22,260,138

Liabilities and Net Assets

Current liabilities						
PPP loans	\$ 551,760	\$ -	\$ 551,760	\$ 569,500	\$ -	\$ 569,500
Accounts payable and accrued expenses	128,414	-	128,414	135,589	-	135,589
Accrued salaries and payroll taxes	71,807	-	71,807	79,001	-	79,001
Deferred tuition and fees revenue	156,089	-	156,089	32,458	-	32,458
Total current liabilities	908,070	-	908,070	816,548	-	816,548
Net assets						
Without donor restrictions						
Operating	110,681	-	110,681	846,285	-	846,285
Board-designated fund	7,974,882	-	7,974,882	6,741,002	-	6,741,002
Sub-total	8,085,563	-	8,085,563	7,587,287	-	7,587,287
Net investment in property and equipment	9,175,164	-	9,175,164	9,491,873	-	9,491,873
Total without donor restrictions	17,260,727	-	17,260,727	17,079,160	-	17,079,160
With donor restrictions	-	5,869,416	5,869,416	-	4,364,430	4,364,430
Total net assets	17,260,727	5,869,416	23,130,143	17,079,160	4,364,430	21,443,590
Total liabilities and net assets	\$ 18,168,797	\$ 5,869,416	\$ 24,038,213	\$ 17,895,708	\$ 4,364,430	\$ 22,260,138

See notes to financial statements.

ACKERMAN INSTITUTE FOR THE FAMILY

Statement of Activities
For the Years Ended June 30, 2021 and June 30, 2020

	<u>2021</u>			<u>2020</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and support						
Grants and contributions	\$ 1,176,234	\$ 233,974	\$ 1,410,208	\$ 1,184,119	\$ 222,524	\$ 1,406,643
Government grant – PPP	569,500	-	569,500	-	-	-
Special events, net of direct expenses of \$5,446 in 2021 and \$300,568 in 2020	3,697	-	3,697	305,007	-	305,007
Patient services	690,282	-	690,282	618,580	-	618,580
Tuition and fees	959,125	-	959,125	854,180	-	854,180
Rental	-	-	-	62,236	-	62,236
Investment return, net	679,594	546,557	1,226,151	462,812	264,229	727,041
Miscellaneous	5,079	-	5,079	4,928	-	4,928
Net assets released from restrictions	<u>377,541</u>	<u>(377,541)</u>	<u>-</u>	<u>1,086,510</u>	<u>(1,086,510)</u>	<u>-</u>
Total revenue and support	<u>4,461,052</u>	<u>402,990</u>	<u>4,864,042</u>	<u>4,578,372</u>	<u>(599,757)</u>	<u>3,978,615</u>
Expenses						
Program services						
Clinical services	1,257,466	-	1,257,466	1,072,781	-	1,072,781
Education and workshops	<u>2,870,302</u>	<u>-</u>	<u>2,870,302</u>	<u>3,508,802</u>	<u>-</u>	<u>3,508,802</u>
Total program services	<u>4,127,768</u>	<u>-</u>	<u>4,127,768</u>	<u>4,581,583</u>	<u>-</u>	<u>4,581,583</u>
Supporting activities						
Management and general	485,428	-	485,428	561,679	-	561,679
Fundraising	<u>457,457</u>	<u>-</u>	<u>457,457</u>	<u>438,768</u>	<u>-</u>	<u>438,768</u>
Total supporting activities	<u>942,885</u>	<u>-</u>	<u>942,885</u>	<u>1,000,447</u>	<u>-</u>	<u>1,000,447</u>
Total expenses	<u>5,070,653</u>	<u>-</u>	<u>5,070,653</u>	<u>5,582,030</u>	<u>-</u>	<u>5,582,030</u>
Increase (decrease) from operating activities before unrealized gain (loss) on investments	(609,601)	402,990	(206,611)	(1,003,658)	(599,757)	(1,603,415)
Unrealized gain (loss) on investments	<u>791,168</u>	<u>1,101,996</u>	<u>1,893,164</u>	<u>(42,130)</u>	<u>(811,433)</u>	<u>(853,563)</u>
Increase (decrease) in net assets	<u>181,567</u>	<u>1,504,986</u>	<u>1,686,553</u>	<u>(1,045,788)</u>	<u>(1,411,190)</u>	<u>(2,456,978)</u>
Net assets, beginning of year	<u>17,079,160</u>	<u>4,364,430</u>	<u>21,443,590</u>	<u>18,124,948</u>	<u>5,775,620</u>	<u>23,900,568</u>
Net assets, end of year	<u>\$17,260,727</u>	<u>\$ 5,869,416</u>	<u>\$ 23,130,143</u>	<u>\$ 17,079,160</u>	<u>\$ 4,364,430</u>	<u>\$ 21,443,590</u>

See notes to financial statements.

ACKERMAN INSTITUTE FOR THE FAMILY

Statement of Functional Expenses
For the Year Ended June 30, 2021

(With Summarized Comparative Information for the Year Ended June 30, 2020)

Expenses	2021							2020	
	Program Services			Supporting Activities				Total	
	Clinical Services	Education and Workshops	Total Program Services	Management and General	Direct Cost of Special Event	Fundraising	Total Supporting Activities		
Salaries	\$ 821,137	\$ 1,659,298	\$ 2,480,435	\$ 151,768	\$ -	\$ 163,949	\$ 315,717	\$ 2,796,152	\$ 3,182,548
Payroll taxes and fringe benefits	166,847	321,202	488,049	34,733	-	33,498	68,231	556,280	626,701
Independent contractors	45,726	214,970	260,696	56	-	19	75	260,771	278,371
Building maintenance and utilities	40,374	131,701	172,075	55,395	-	19,089	74,484	246,559	238,005
Professional fees and payroll services	70,925	213,658	284,583	96,954	-	173,316	270,270	554,853	443,209
Catering, facility rental, printing and other	-	-	-	-	5,446	-	5,446	5,446	300,568
Materials and office supplies	9,442	25,545	34,987	4,066	-	6,274	10,340	45,327	44,322
Computer system	19,983	35,176	55,159	14,237	-	14,950	29,187	84,346	87,877
Insurance	11,983	39,091	51,074	16,442	-	5,666	22,108	73,182	55,735
Equipment and other leasing	3,785	12,347	16,132	5,193	-	1,790	6,983	23,115	21,918
Telephone	2,519	5,660	8,179	2,380	-	820	3,200	11,379	22,354
Travel, meals, conferences and meetings	365	1,641	2,006	501	-	173	674	2,680	66,855
Printing, postage, mailing and advertising	458	1,940	2,398	630	-	8,881	9,511	11,909	45,678
Credit card and finance charges	2,519	1,586	4,105	18,829	-	-	18,829	22,934	29,529
Miscellaneous	441	7,626	8,067	601	-	208	809	8,876	51,466
Depreciation	60,962	198,861	259,823	83,643	-	28,824	112,467	372,290	387,462
Total expenses	1,257,466	2,870,302	4,127,768	485,428	5,446	457,457	948,331	5,076,099	5,882,598
Less: expenses deducted directly on the statement of activities	-	-	-	-	(5,446)	-	(5,446)	(5,446)	(300,568)
Total expenses reported by function on the statement of activities	\$1,257,466	\$ 2,870,302	\$ 4,127,768	\$ 485,428	\$ -	\$ 457,457	\$ 942,885	\$ 5,070,653	\$ 5,582,030

See notes to financial statements.

ACKERMAN INSTITUTE FOR THE FAMILY

Statement of Cash Flows

	For the Years Ended June 30	
	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Increase (decrease) in net assets	\$ 1,686,553	\$ (2,456,978)
Adjustments to reconcile increase (decrease) in net assets to net cash (used in) operating activities		
Depreciation	372,290	387,462
Donated securities	(10,082)	(8,234)
Proceeds from sales of donated securities	10,082	8,234
Realized (gain) on sale of investments	(1,016,999)	(473,077)
Unrealized (gain) loss on investments	(1,893,164)	853,563
PPP loan forgiveness	(569,500)	-
(Increase) decrease in		
Accounts receivable	(97,047)	12,877
Contributions receivable	23,201	108,100
Prepaid expenses and other assets	11,306	114,837
Increase (decrease) in		
Accounts payable and accrued expenses	(7,175)	6,177
Accrued salaries and payroll taxes	(7,194)	24,612
Deferred tuition and fees revenue	123,631	(50,997)
Net cash (used in) operating activities	<u>(1,374,098)</u>	<u>(1,473,424)</u>
Cash flows from investing activities		
Purchase of investments	(3,301,499)	(3,369,428)
Proceeds from sales of investments	3,902,053	4,366,063
Acquisition of property and equipment	<u>(55,581)</u>	<u>(210,080)</u>
Net cash provided by investing activities	<u>544,973</u>	<u>786,555</u>
Cash flows from financing activities		
Borrowings on line of credit	-	220,000
Repayments of line of credit	-	(220,000)
Proceeds from PPP loans	<u>551,760</u>	<u>569,500</u>
Net cash provided by financing activities	<u>551,760</u>	<u>569,500</u>
Net (decrease) in cash and cash equivalents	(277,365)	(117,369)
Cash and cash equivalents, beginning of year	<u>1,923,217</u>	<u>2,040,586</u>
Cash and cash equivalents, end of year	<u>\$ 1,645,852</u>	<u>\$ 1,923,217</u>

See notes to financial statements.

ACKERMAN INSTITUTE FOR THE FAMILY**Notes to Financial Statements
June 30, 2021****Note 1 – Nature of organization and summary of significant accounting policies**Nature of organization

Ackerman Institute for the Family (the “Organization”) is a not-for-profit organization which provides innovative couple and family therapy services through its on-site clinic; post graduate training in couple and family therapy for mental health professionals; and cutting edge research that focuses on the development of new treatment models and training techniques.

Basis of presentation

The financial statements of the Organization are prepared on the accrual basis of accounting.

Net assets

The Organization’s net assets consist of:

Without donor restrictions

Net assets without donor restrictions consist of amounts that can be spent at the discretion of the Organization. The net assets also include those funds that are designated for specific purposes by the Board of Directors.

Board-designated net assets mainly consist of the remaining proceeds from the sale of the building less the purchase and build-out costs for the Organization’s new office space as well as capital improvements to the building. The Organization uses the earnings from the board-designated fund to pay the office condominium common charges each year and other projects approved by the Board of Directors.

With donor restrictionsTemporary donor restrictions

Net assets with temporary donor restrictions consist of contributions that are restricted by the donor for a specific purpose or pertain to future periods.

Perpetual donor restrictions

Net assets with perpetual donor restrictions consist of contributions that are restricted by the donor in that the principal must remain in perpetuity.

ACKERMAN INSTITUTE FOR THE FAMILY**Notes to Financial Statements (continued)****June 30, 2021****Note 1 – Nature of organization and summary of significant accounting policies (continued)**Contributions

The Organization reports contributions as support with temporary donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a designated restriction expires, that is, when a stipulated time restriction ends or the purpose for 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. Contributions with temporary donor restrictions are reported as increases in net assets without donor restrictions if the restrictions are satisfied within the same fiscal year the contributions are received.

Cash equivalents

The Organization considers highly liquid investments with an original maturity of 90 days or less to be cash equivalents.

Investments

The Organization reports investments at fair value in the statement of financial position. The fair value of the investments is based on publicly quoted market prices. Realized and unrealized gains and losses are reflected in the statement of activities as increases and decreases in net assets without donor restrictions unless their use is restricted by donor stipulation.

Fair value measurements

Accounting principles generally accepted in the United States of America established a fair value hierarchy that prioritizes the inputs used to measure fair value into three broad levels. The Organization's investments are measured using Level 1 inputs, which are defined as quoted prices in active markets for identical assets that the reporting entity has the ability to access at the measurement date.

Allowance for doubtful accounts

As of June 30, 2021 and June 30, 2021, the Organization has determined that its accounts and contributions receivable are all collectible and an allowance for any possible uncollectible receivables is not necessary. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions.

Property and equipment

Property and equipment are recorded at cost. It is the Organization's policy to capitalize expenditures for those items in excess of \$1,000. Lesser amounts are expensed. Depreciation is being provided on the straight-line method over the estimated useful lives of the assets, which range from 5 to 39 years. During the 2020 fiscal year, fully depreciated property and equipment totaling \$86,603 were written off from the accounts of the Organization. There was no such write off for the 2021 fiscal year.

ACKERMAN INSTITUTE FOR THE FAMILY**Notes to Financial Statements (continued)
June 30, 2021****Note 1 – Nature of organization and summary of significant accounting policies (continued)**Fees for service revenue

Patient services revenue is reported at the estimated net realizable amounts from patients, third-party payers and other services rendered. Self-pay revenue is recorded at published charges with charitable allowances deducted to arrive at net self-pay revenue. All other patient services revenue is recorded at published charges with contractual allowances deducted to arrive at patient services.

Tuition payments are recorded as revenue over the term of the course. Deferred revenue represents tuition payments received from students in advance of the commencement of a course.

Rental revenue

Rental revenue is received from faculty members for use of the Organization's facilities to provide private counseling and is recorded when earned.

Functional expenses

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.

In-kind services

Organizations are required to recognize contributions of services if they create or enhance non-financial assets, or require specialized skills, are provided by individuals possessing those skills and typically would have been purchased if not provided in-kind. Board members and other individuals volunteer their time and perform a variety of tasks that assist the Organization. These services do not meet the criteria to be recorded and have not been included in the financial statements.

Summarized comparative information

The financial statements include certain prior-year summarized comparative information in total but not by functional classification. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

ACKERMAN INSTITUTE FOR THE FAMILY**Notes to Financial Statements (continued)****June 30, 2021****Note 1 – Nature of organization and summary of significant accounting policies (continued)**Use of estimates

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 amounts reported in the financial statements. Actual results could differ from these estimates.

Concentrations of credit risk

The Organization's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash, cash equivalents, investments and receivables. The Organization places its cash and cash equivalents with what it believes to be quality financial institutions. The Organization's investments are exposed to various risks such as interest rate, market volatility, liquidity and credit. Due to the level of uncertainty related to the foregoing, it is reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position as of June 30, 2021. The Organization routinely assesses the financial strength of its holdings in its investment portfolio. The Organization monitors the collectibility of its receivables on an ongoing basis. As a consequence, management believes concentrations of credit risk are limited.

Risks and uncertainties

On March 13, 2020, a national emergency was declared due to extraordinary circumstances resulting from the coronavirus (COVID-19). The economic impact of the coronavirus on the Organization's future financial operations is not readily determinable.

Subsequent events

The Organization has evaluated events and transactions for potential recognition or disclosure through December 14, 2021, which is the date the financial statements were available to be issued.

Note 2 – Liquidity and availability of financial assets

The Organization's working capital and cash flows have seasonal variations during the year attributable to the annual cash receipts from grants, contributions, tuition, fees and other revenue items.

ACKERMAN INSTITUTE FOR THE FAMILY

Notes to Financial Statements (continued)
June 30, 2021

Note 2 – Liquidity and availability of financial assets (continued)

The following is a summary of the Organization's liquid assets as of June 30, 2021 and June 30, 2020 that are available for general use within one year of the statement of financial position date:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 1,645,852	\$ 1,923,217
Investments, at fair value	12,504,320	10,194,711
Accounts receivable	564,918	467,871
Current portion of contributions receivable	<u>91,799</u>	<u>115,000</u>
Sub-total	14,806,889	12,700,799
Less: net assets with perpetual donor restrictions	<u>(2,773,933)</u>	<u>(2,773,933)</u>
Total	<u>\$12,032,956</u>	<u>\$ 9,926,866</u>

In addition, the Organization also has available a \$1,000,000 revolving line of credit (see note 5) that may be drawn upon as necessary during the year.

Note 3 – Investments

The following is a summary of investments held by the Organization as of June 30, 2021 and June 30, 2020:

	<u>2021</u>		<u>2020</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Equities – domestic	\$ 6,477,249	\$ 9,584,688	\$ 6,072,960	\$ 7,275,970
Fixed income	2,284,191	2,379,809	2,283,596	2,470,056
Mutual funds – equities	<u>474,632</u>	<u>539,823</u>	<u>463,071</u>	<u>448,685</u>
Total	<u>\$ 9,236,072</u>	<u>\$ 12,504,320</u>	<u>\$ 8,819,627</u>	<u>\$ 10,194,711</u>

Net investment return consists of the following for the years ended June 30, 2021 and June 30, 2020:

	<u>2021</u>	<u>2020</u>
Realized gain on sale of investments	\$ 1,016,999	\$ 473,077
Interest and dividends	<u>289,210</u>	<u>325,836</u>
Sub-total	1,306,209	798,913
Less: investment fees	<u>(80,058)</u>	<u>(71,872)</u>
Total	<u>\$ 1,226,151</u>	<u>\$ 727,041</u>
Unrealized gain (loss) on investments	<u>\$ 1,893,164</u>	<u>\$ (853,563)</u>

ACKERMAN INSTITUTE FOR THE FAMILY

**Notes to Financial Statements (continued)
June 30, 2021**

Note 4 – Property and equipment

A summary of the property and equipment as of June 30, 2021 and June 30, 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Office condominium and improvements	\$ 11,226,928	\$ 11,178,965
Furniture and fixtures	468,325	468,325
Computer and video equipment	<u>414,401</u>	<u>406,783</u>
Total	12,109,654	12,054,073
Less: accumulated depreciation	<u>2,934,490</u>	<u>2,562,200</u>
Total property and equipment	<u>\$ 9,175,164</u>	<u>\$ 9,491,873</u>

Note 5 – Line of credit

The Organization has available a \$1,000,000 revolving line of credit which expires May 22, 2022. Amounts borrowed under the line bear interest at the Wall Street Journal Prime Rate less .25% per annum. As of June 30, 2021, the interest rate was 3.0%. The line of credit is secured by the Organization's personal assets. As of June 30, 2021, there were no outstanding amounts on the line of credit.

Note 6 – PPP Loans

In May 2020, the Organization applied for and received \$569,500 under the Paycheck Protection Program ("PPP") which is a business loan program established under the Coronavirus Aid, Relief, and Economic Security Act. The Organization has elected to record the proceeds as a liability until the loan is, in part or wholly, forgiven and the Organization is legally released. The Organization applied for forgiveness of the loan and on January 22, 2021 the loan was forgiven. The proceeds are recorded as a government grant in the 2021 statement of activities.

In April 2021, the Organization applied for and received a second draw PPP loan in the amount of \$551,760. The Organization has elected to record the proceeds as a liability until the loan is, in part or wholly, forgiven and the Organization is legally released. The Organization believes it has spent the proceeds in accordance with the terms of the PPP loan program and expects to have the loan forgiven during the 2022 fiscal year. Any amounts not forgiven are subject to interest at a fixed rate of 1% for a five year-term. As of the date of this report, the Organization has not applied for forgiveness.

ACKERMAN INSTITUTE FOR THE FAMILY

Notes to Financial Statements (continued)
June 30, 2021

Note 7 – Endowments and net assets with donor restrictions

The Organization's endowment consists of three individual funds established for specific purposes. Its endowment includes donor-restricted endowment funds. Under the New York Prudent Management of Institutional Funds Act (NYPMIFA), the provisions of which apply to endowment funds, the Organization is required to act prudently when making decisions to spend or accumulate donor restricted endowment assets and in doing so to consider a number of factors including the duration and preservation of its donor restricted endowment funds. The Organization classifies as perpetuity restricted net assets the original value of gifts donated to the permanent endowment.

Net assets with temporary donor restrictions

Net assets with temporary donor restrictions activity for the year ended June 30, 2021 is as follows:

	Balance June 30, 2020	Contributions	Investment Return, Net	Net Assets Released from Restrictions	Balance June 30, 2021
Ruth Perl Kahn Fund	\$ 1,161,258	\$ -	\$ 1,281,240	\$ (146,760)	\$ 2,295,738
Developing Child and Family Project	42,487	125,000	-	(129,987)	37,500
Schoolman	3,367	-	-	-	3,367
Relational Trauma	3,414	-	-	(3,414)	-
Sandy Chernick Scholarship Fund	-	2,861	-	-	2,861
Scholarship Program	6,495	2,500	-	(6,495)	2,500
Maslow Scholarship Fund	67,638	-	71,020	(4,920)	133,738
Oppenheim Fellowship	25,000	-	-	(25,000)	-
Center for Work & Family	3,356	-	-	(1,224)	2,132
Center for Alcohol & Substance Abuse	4,652	-	-	-	4,652
Soul Work Conference	1,350	-	-	(450)	900
Substance Abuse	3,885	-	-	-	3,885
Brownstone Fellowship	24,709	-	-	(12,000)	12,709
Emergency Fund	3,265	-	-	-	3,265
Adolescent Program	5,259	-	-	-	5,259
Tina Fund	3,000	-	-	-	3,000
Gender & Family	32,689	86,413	-	(17,689)	101,413
Challenge Grant Gift	158,294	-	296,293	(29,362)	425,225
International Training	19,452	-	-	-	19,452
Leonard and Sophie Davis Fund	-	15,000	-	-	15,000
Foster Care	10,105	2,200	-	(240)	12,065
Justice Project	10,822	-	-	-	10,822
Total	<u>\$ 1,590,497</u>	<u>\$ 233,974</u>	<u>\$ 1,648,553</u>	<u>\$ (377,541)</u>	<u>\$ 3,095,483</u>

ACKERMAN INSTITUTE FOR THE FAMILY

Notes to Financial Statements (continued)

June 30, 2021

Note 7 – Endowments and net assets with donor restrictions (continued)

Perpetual donor restrictions

These net assets represent contributions and bequests made that are restricted to investment in perpetuity. Under the Ruth Perl Kahn Fund stipulations, investment revenue earned on such fund is recorded as net assets with temporary donor restrictions and added to the respective fund balance. In addition, the donor stipulations permit the expenditure of up to 5% of the fair value of the funds to be used for operations. The Board appropriates the expenditure of the temporary restricted investment revenue by the annual budget.

The following is a summary of the Ruth Perl Kahn Fund, Maslow Scholarship Fund and the Challenge Grant Gift as of June 30, 2021 and June 30, 2020:

	2021		
	Temporary Restricted	Perpetually Restricted	Total
Ruth Perl Kahn Fund	\$ 2,295,738	\$ 1,773,933	\$ 4,069,671
Maslow Scholarship Fund	133,738	-	133,738
Challenge Grant Gift	425,225	1,000,000	1,425,225
Total	\$ 2,854,701	\$ 2,773,933	\$ 5,628,634
	2020		
	Temporary Restricted	Perpetually Restricted	Total
Ruth Perl Kahn Fund	\$ 1,161,258	\$ 1,773,933	\$ 2,935,191
Maslow Scholarship Fund	67,638	-	67,638
Challenge Grant Gift	158,294	1,000,000	1,158,294
Total	\$ 1,387,190	\$ 2,773,933	\$ 4,161,123

Note 8 – Commitment and contingency

Employee agreement

The Organization is obligated under an agreement with a key employee for two years, which commenced February 3, 2020. The agreement provides for certain termination provisions.

Government programs

Government supported programs are subject to audits by the granting agency.

ACKERMAN INSTITUTE FOR THE FAMILY**Notes to Financial Statements (continued)****June 30, 2021****Note 9 – Related party transactions**

A member of the Board of Directors is a principal in a brokerage firm that manages several of the Organization's investment funds. Nominal fees in the nature of cost recovery were paid to the brokerage firm during the 2021 and 2020 fiscal years. Furthermore, a second member of the Board of Directors is in senior management of a brokerage firm that functions as a custodian for a portion of the Organization's investment funds. Nominal fees in the nature of cost recovery were paid to the brokerage firm during the 2021 and 2020 fiscal years.

Note 10 – Retirement plans**403(b) plan**

All eligible employees of the Organization can participate in the 403(b) savings plan (the "savings plan"). An eligible employee may contribute a portion of his/her compensation in accordance with Internal Revenue Service regulations. The Organization matches the participants' contributions to the savings plan up to 10% of the individual participants' contributions upon hire. Effective January 1, 2022, the Organization will be matching up to 4% of an employee's salary. The savings plan expense for the years ended June 30, 2021 and June 30, 2020 was \$18,692 and \$29,771, respectively.

403(b) plan

The Organization also has another 403(b) plan (the "retirement plan"). The Organization froze this plan effective June 25, 2020. The Organization does not contribute to the retirement plan.

Note 11 – Tax status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code"). In addition, the Organization has been determined by the Internal Revenue Service to be a publicly supported organization, and not a private foundation within the meaning of Section 509(a)(2) of the Code. Donors are eligible to receive the maximum charitable tax deductions available for public charities under the Code.