

WASHINGTON WOMEN'S FOUNDATION

FINANCIAL STATEMENTS
With Independent Auditor's Report

YEARS ENDED DECEMBER 31, 2020 AND 2019



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WASHINGTON WOMEN'S FOUNDATION

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

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INDEPENDENT AUDITOR'S REPORT

May 25, 2021

Board of Directors
Washington Women's Foundation
Seattle, Washington

We have audited the accompanying financial statements of Washington Women's Foundation (a nonprofit corporation), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to in the first paragraph of this letter present fairly, in all material respects, the financial position of Washington Women's Foundation as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Jacobson Jarvis & Co, PLLC

Jacobson Jarvis & Co, PLLC

WASHINGTON WOMEN'S FOUNDATION

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Current Assets		
Cash and cash equivalents	\$ 1,637,879	\$ 1,311,286
Prepaid expenses	6,211	6,928
	<u>1,644,090</u>	<u>1,318,214</u>
Total Current Assets		
Endowment Investments	5,264,592	4,762,996
Property and Equipment, net	8,049	25,559
	<u>6,916,731</u>	<u>6,106,769</u>
Total Assets		
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities		
Current portion of grants payable to others	\$ 143,333	\$ 207,334
Accounts payable	4,671	4,299
Accrued expenses	58,017	42,277
	<u>206,021</u>	<u>253,910</u>
Total Current Liabilities		
Grants Payable to Others - long term	53,333	20,000
	<u>259,354</u>	<u>273,910</u>
Total Liabilities		
Net Assets		
Without donor restrictions	2,528,068	2,268,832
With donor restrictions	4,129,309	3,564,027
	<u>6,657,377</u>	<u>5,832,859</u>
Total Net Assets		
Total Liabilities and Net Assets	<u>\$ 6,916,731</u>	<u>\$ 6,106,769</u>

See notes to financial statements.

WASHINGTON WOMEN'S FOUNDATION

STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Operating Activities						
Public support, revenue and other support						
Grant contributions	\$ -	\$ 154,636	\$ 154,636	\$ -	\$ 55,438	\$ 55,438
Contributions	1,366,214	25,000	1,391,214	1,158,531	44,441	1,202,972
Endowment earnings transferred from non-operating	173,987		173,987	159,293		159,293
Event sponsorships	29,750		29,750	45,750		45,750
Investment interest	12,508		12,508	20,486		20,486
Other revenue	9,387		9,387	7,560		7,560
Net assets released from time restrictions	26,941	(26,941)	-	44,386	(44,386)	-
Net assets released from purpose restrictions	11,207	(11,207)	-	757,428	(757,428)	-
Total Public Support, Revenue, and Other Support	1,629,994	141,488	1,771,482	2,193,434	(701,935)	1,491,499
Expenses						
Program services	1,131,045		1,131,045	1,299,384		1,299,384
Management and general	290,649		290,649	222,103		222,103
Fundraising	28,856		28,856	27,257		27,257
Total Expenses	1,450,550		1,450,550	1,548,744		1,548,744
Change in Net Assets from Operating Activities	179,444	141,488	320,932	644,690	(701,935)	(57,245)
Non-operating Activities						
Endowment contributions		89,072	89,072		27,375	27,375
Interest and dividends, net of fees	21,665	68,109	89,774	28,486	79,141	107,627
Transfers to operations - released from time restrictions	(44,935)	(129,052)	(173,987)	(36,711)	(122,582)	(159,293)
Investment gains (losses) - realized and unrealized	103,062	395,665	498,727	173,929	480,574	654,503
Change in Net Assets from Non-operating Activities	79,792	423,794	503,586	165,704	464,508	630,212
Total Change in Net Assets	259,236	565,282	824,518	810,394	(237,427)	572,967
Net Assets - beginning of year	2,268,832	3,564,027	5,832,859	1,458,438	3,801,454	5,259,892
Net Assets - end of year	<u>\$ 2,528,068</u>	<u>\$ 4,129,309</u>	<u>\$ 6,657,377</u>	<u>\$ 2,268,832</u>	<u>\$ 3,564,027</u>	<u>\$ 5,832,859</u>

WASHINGTON WOMEN'S FOUNDATION

STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020				2019			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries	\$ 256,274	\$ 150,829	\$ 22,716	\$ 429,819	\$ 234,299	\$ 141,198	\$ 21,717	\$ 397,214
Payroll taxes	20,532	12,313	1,789	34,634	18,546	11,386	1,669	31,601
Employee benefits	39,692	19,114	2,389	61,195	30,676	14,737	1,871	47,284
Total Salaries and Related Expenses	316,498	182,256	26,894	525,648	283,521	167,321	25,257	476,099
Grants to others	708,000	-	-	708,000	685,506	-	-	685,506
Professional services	13,251	87,626	567	101,444	194,558	29,089	499	224,146
Office operation expenses	78,186	18,367	1,395	97,948	120,689	23,293	1,501	145,483
Depreciation expense	15,110	2,400	-	17,510	15,110	2,400	-	17,510
Total Expenses	<u>\$ 1,131,045</u>	<u>\$ 290,649</u>	<u>\$ 28,856</u>	<u>\$ 1,450,550</u>	<u>\$ 1,299,384</u>	<u>\$ 222,103</u>	<u>\$ 27,257</u>	<u>\$ 1,548,744</u>

WASHINGTON WOMEN'S FOUNDATION

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities		
Cash received from:		
Donors	\$ 1,570,600	\$ 1,135,790
Interest	12,507	20,486
Other	9,387	7,560
Cash paid for:		
Personnel	(507,218)	(470,071)
Vendors	(195,993)	(203,652)
Grantees	<u>(738,668)</u>	<u>(761,339)</u>
Net Cash Provided (Used) by Operating Activities	<u>150,615</u>	<u>(271,226)</u>
Cash Flows from Investing Activities		
Purchases of marketable securities	(874,991)	(176,368)
Sales of marketable securities	<u>961,897</u>	<u>308,090</u>
Net Cash Provided by Investing Activities	<u>86,906</u>	<u>131,722</u>
Cash Flows Provided by Financing Activities		
Cash received from endowment contributions	<u>89,072</u>	<u>27,375</u>
Change in Cash and Cash Equivalents	326,593	(112,129)
Cash and Cash Equivalents - beginning of year	<u>1,311,286</u>	<u>1,423,415</u>
Cash and Cash Equivalents - end of year	<u>\$ 1,637,879</u>	<u>\$ 1,311,286</u>

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Washington Women's Foundation (the Foundation) is a nonprofit corporation whose vision is to change the course of women's philanthropy through the power of collective giving. Washington Women's Foundation is a strong and inclusive collective of informed women who together influence community transformation through individual and collective discovery, high-impact grant making and by listening to and respecting all voices in our community. Today Washington Women's Foundation has a membership of about 370 women and has provided over \$19,000,000 in grants to the community since its inception twenty-five years ago.

In 2020, Washington Women's Foundation awarded \$500,000 in pooled grant funds to five nonprofits evaluated through a rigorous review process and selected by membership vote. In addition, \$208,000 in grants were distributed as follows: \$50,000 to runner up organizations in the pooled grant fund, 28 special response grants related to the Covid-19 pandemic totaling \$68,000 and 4 capacity building initiative grants of \$22,500 each. The Foundation hosted 73 educational events attended by hundreds of members and their guests. A professional staff of 4.5 employees, supported by a member-elected board, nine board and operating committees, and more than 180 volunteers, conduct the work of the Foundation, organizing the pooled grant selection process, offering educational programs to members, and conducting outreach to the nonprofit and philanthropic community.

Basis of presentation

The Foundation presents its financial statements on an accrual basis of accounting in accordance with FASB Accounting Standards Codification (ASC) 958, Not-for-Profit Entities. Under FASB ASC 958, the Foundation is required to report information regarding its financial position and activities based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, certain net assets as a board-designated endowment.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions restricted by donors are reported as increases in net assets with donor restrictions when received. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are released from restriction when the assets are placed in service.

Cash and cash equivalents

Cash and cash equivalents represent checking, savings, certificates of deposit, and money market funds held at various regional financial institutions. The Foundation maintains its cash and cash equivalents in bank accounts that may exceed federally insured limits at times during the year. The Foundation has not experienced any losses in these accounts, and management does not believe it is exposed to any significant credit risk.

The Foundation has certificates of deposit that bear interest ranging from 0.40% to 2.18% and have maturities of 12 months with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements.

Fair value measurements

In accordance with financial accounting standards, a three-tiered hierarchy of input levels is used for measuring fair value. Financial accounting standards defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques utilized to determine fair value are consistently applied. The three tiers of inputs used for fair value measurements are as follows:

Level 1: Fair values are based on quoted prices in active markets for identical assets and liabilities.

Level 2: Fair values are based on observable inputs and can be corroborated by observable market data for substantially the full term of the assets.

Level 3: Fair values are based on unobservable data and may require significant management judgment or estimation.

Assets and liabilities carried at fair value on a nonrecurring basis using level 2 inputs generally include donated goods, facilities and services. Long-term promises to give are valued on a nonrecurring basis using the net present value of future cash flows discounted at a risk-free rate of return which is a level 3 input.

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments are stated at fair value. Market risk could occur and is dependent on the future changes in market prices of the various investments held. The Colleen S. Willoughby Endowment Fund and the Washington Women's Foundation Quasi-Endowment Fund are held at Vanguard Institutional Advisory Services (Vanguard).

Promises to give

Promises to give are shown net of unrealizable amounts. Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received.

Property and equipment

Property and equipment are stated at cost or, if donated, at fair value at the date of donation. Property and equipment purchases that exceed \$5,000 are capitalized as assets. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, primarily three years. Capitalized assets as of December 31, 2020 and 2019 included website and database software with original cost of \$57,327. Depreciation expense was \$17,510 in the years ended December 31, 2020 and 2019.

Support recognition

The Foundation recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return or release, are not recognized until the conditions on which they depend have been met. The Foundation had no conditional promises to give at December 31, 2020 or 2019.

Grants payable to others

Grants authorized by the Board of Directors, but unpaid at year-end, are reported as liabilities and are payable in one to five years.

Operating and non-operating activity

Operating activities include the regular business functions of the Foundation of grant-making, program management, education, member relations, contributions, fundraising, cash management, short-term investing, staff salaries, and office expenses. Non-operating activities include the donor restricted Colleen S. Willoughby Endowment and the board-designated Washington Women's Foundation Quasi-Endowment contribution, investment returns and appropriations.

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional allocation of expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation and amortization, salaries, benefits, payroll taxes, professional services, office expenses, information technology, insurance, and other, which are allocated on the basis of estimates of time and effort.

Use of estimates

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

Federal income taxes

The Internal Revenue Service has recognized the Foundation as exempt from federal income taxes under provision of Section 501(a) of the Internal Revenue Code as an entity described in Section 501(c)(3) and not as a private foundation.

Reclassifications

Certain accounts in the 2019 financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements. These reclassifications had no effect on the net assets or change in net assets as of or for the year ended December 31, 2019.

NOTE B - LIQUIDITY

The Foundation's working capital and cash flow have seasonal variations during the year attributable to the annual receipts for memberships and contributions being received during two distinct periods of the year. The Foundation manages its liquidity and reserves by maintaining adequate liquid assets to fund near-term operating needs, sufficient reserves to provide long term stability and by operating within a prudent range of financial soundness.

The following table represents the financial assets as of December 31, 2020 and 2019, reduced by amounts not available for general use within one year of the statement of financial position date because of donor-imposed restrictions or internal designations. Amounts available include donor-restricted amounts that are available for general expenditure in the following year. Amounts not available include amounts set aside for the quasi-endowment that could be drawn upon if the Board of Directors approves that action.

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE B - LIQUIDITY (Continued)

Financial assets as of December 31:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 1,637,879	\$ 1,311,286
Endowment Investments	<u>5,264,592</u>	<u>4,762,996</u>
	6,902,471	6,074,282
Less: Restrictions on the use of financial assets		
Endowment investments	(5,264,592)	(4,762,996)
Net assets with donor restrictions	(203,942)	(62,454)
Less: net assets with time or purpose donor restrictions to be met in one year	17,500	62,454
Less: approved endowment distributions	<u>177,000</u>	<u>173,079</u>
Financial Assets Available for Operations Within One Year	<u>\$ 1,628,437</u>	<u>\$ 1,484,365</u>

NOTE C - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are as follows at December 31:

	<u>2020</u>	<u>2019</u>
Subject to expenditure for specific purpose:		
WFA Fund for Women	\$ 153,136	\$ -
Diversity, equity and inclusion initiatives	21,634	19,509
Partner grants	10,172	10,172
R&R Fund	1,500	-
Pooled grants	-	5,832
Donations for future periods	<u>17,500</u>	<u>26,941</u>
	203,942	62,454
Endowments:		
Colleen S. Willoughby Endowment	<u>3,925,367</u>	<u>3,501,573</u>
Total net assets with donor restrictions	<u>\$ 4,129,309</u>	<u>\$ 3,564,027</u>

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE D - ENDOWMENT

Washington Women's Foundation's Colleen S. Willoughby Endowment was established in 2005 and the Washington Women's Foundation Quasi-Endowment was established in 2010. The purpose of both funds is to ensure the long-term viability and sustainability of Washington Women's Foundation. For the purposes of this note, both the Endowment and Quasi-Endowment will be referred to as the Endowment. Since February 2017, the Endowment has been held at Vanguard and invested in a diversified group of indexed mutual funds.

Interpretation of Relevant Law

The Board of Directors of Washington Women's Foundation has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary.

As a result of the interpretations, the Foundation classifies net assets associated with endowment funds based on the existence or absence of donor-imposed restrictions.

The Board of Trustees of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as enacted by the State of Washington as allowing the spending of its endowment funds as it determines is prudent, regardless of whether the fund value is below its historic dollar value, unless a donor has provided specific spending limits under the terms of the original donation. In determining an appropriate and prudent spending rate, the Foundation considers the following factors:

In determining an appropriate and prudent spending rate, the Foundation considers the following factors:

1. Duration and preservation of the endowment fund;
2. The purposes of the Foundation and donor-restricted endowment funds;
3. General economic conditions;
4. The possible effect of inflation or deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the Foundation; and
7. The investment policies of the Foundation.

Spending Policy

The Foundation has a policy of appropriating for distribution each year a maximum of four percent of the portfolio's average fair value over the prior 12 quarters through the calendar year end preceding the fiscal year in which the distribution is planned. During the years ended December 31, 2020 and 2019, \$173,987 and \$159,293, respectively, was distributed from the Endowment.

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE D - ENDOWMENT (Continued)

Return Objectives

The Foundation invests its portfolio with the objectives of preserving the long-term, real purchasing power of assets while providing a relatively predictable and growing stream of annual distributions in support of the Foundation. The Foundation expects the current spending policy to allow its endowment to grow at a rate equal to the rate of inflation, consistent with the Foundation's objectives.

Strategies Employed for Achieving Objectives

The Foundation believes that the strategic allocation of portfolio assets across broadly defined financial asset and sub-asset categories with varying degrees of risk, return, and return correlation will be the most significant determinant of long-term investment returns and portfolio asset value stability. Accordingly, portfolio assets will be managed as a diversified portfolio composed of two major components: an equity portion and a fixed income portion. The expected role of portfolio equity investments will be to maximize the long-term real growth of portfolio assets, while the role of fixed income investments will be to generate current income, provide for more stable periodic returns, and provide some protection against a prolonged decline in the market value of portfolio equity investments.

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Endowment Net Assets by Fund Type as of December 31, 2020:			
Colleen S. Willoughby Endowment	\$ -	\$ 3,925,367	\$ 3,925,367
WWF Quasi-Endowment	<u>1,339,225</u>	<u>-</u>	<u>1,339,225</u>
Total Endowments	<u>\$ 1,339,225</u>	<u>\$ 3,925,367</u>	<u>\$ 5,264,592</u>

Changes in Endowment Net Assets For the Year Ended December 31, 2020:

Endowment net assets, beginning of year	<u>\$ 1,261,423</u>	<u>\$ 3,501,573</u>	<u>\$ 4,762,996</u>
Board Transfer	-	-	-
Contributions	<u>-</u>	<u>89,072</u>	<u>89,072</u>
Investment return:			
Investment income	25,632	79,649	105,281
Investment fees	(3,966)	(11,540)	(15,506)
Net gains	<u>101,071</u>	<u>395,665</u>	<u>496,736</u>
Total investment return	122,737	463,774	586,511
Appropriation of endowment assets for expenditure	<u>(44,935)</u>	<u>(129,052)</u>	<u>(173,987)</u>
Endowment net assets, end of year	<u>\$ 1,339,225</u>	<u>\$ 3,925,367</u>	<u>\$ 5,264,592</u>

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE D - ENDOWMENT (Continued)

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Endowment Net Assets by Fund Type as of December 31, 2019:			
Colleen S. Willoughby Endowment	\$ -	\$ 3,501,573	\$ 3,501,573
WWF Quasi-Endowment	<u>1,261,423</u>	<u>-</u>	<u>1,261,423</u>
Total Endowments	<u>\$ 1,261,423</u>	<u>\$ 3,501,573</u>	<u>\$ 4,762,996</u>
Changes in Endowment Net Assets For the Year Ended December 31, 2019:			
Endowment net assets, beginning of year	<u>\$ 1,095,523</u>	<u>\$ 3,037,065</u>	<u>\$ 4,132,588</u>
Board Transfer	-	-	-
Contributions	<u>-</u>	<u>27,375</u>	<u>27,375</u>
Investment return:			
Investment income	32,545	90,381	122,926
Investment fees	(4,059)	(11,240)	(15,299)
Net gains	<u>174,125</u>	<u>480,574</u>	<u>654,699</u>
Total investment return	202,611	559,715	762,326
Appropriation of endowment assets for expenditure	<u>(36,711)</u>	<u>(122,582)</u>	<u>(159,293)</u>
Endowment net assets, end of year	<u>\$ 1,261,423</u>	<u>\$ 3,501,573</u>	<u>\$ 4,762,996</u>

NOTE E - FAIR VALUE MEASUREMENTS

Fair value of assets measured on a recurring basis (at least annually) are as follows:

	Quoted Prices (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
As of December 31, 2020			
Domestic equity funds	\$ 1,774,785	\$ -	\$ -
International equity funds	1,221,449	-	-
Domestic fixed income funds	1,391,911	-	-
International fixed income funds	<u>628,378</u>	<u>-</u>	<u>-</u>
	<u>\$ 5,016,523</u>	<u>\$ -</u>	<u>\$ -</u>

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE E - FAIR VALUE MEASUREMENTS (Continued)

	Quoted Prices (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
As of December 31, 2019			
Domestic equity funds	\$ 1,784,884	\$ -	\$ -
International equity funds	1,146,128	-	-
Domestic fixed income funds	1,279,468	-	-
International fixed income funds	545,391	-	-
	<u>\$ 4,755,871</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE F - LEASE OBLIGATION

The Foundation leases office space under a non-cancelable operating lease that was renewed on February 1, 2021 for a term of 24 months. Under the terms of the renewed lease, base rent will remain consistent for the first 6 months then will increase by 2% and 3% for the following 6 months and 12 months, respectively. The future established minimum payments under the previous lease and this lease renewal for the years ending December 31 are as follows:

2021	\$ 16,024
2022	16,654
2023	<u>1,391</u>
	<u>\$ 34,069</u>

Rent expense related to this lease was \$10,580 and \$15,641, respectively, for the years ended December 31, 2020 and 2019, and was included in office operation expenses.

NOTE G - RETIREMENT PLAN

The Foundation offers a SEP IRA to employees who have completed one year of service. For the years ended December 31, 2020 and 2019, the Foundation contributed an amount equal to 3% of each eligible employee's gross wages, totaling \$12,895 and \$11,916, respectively, to the employees' SEP IRA accounts.

NOTE H - RISKS AND UNCERTAINTIES

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic which continues to spread throughout the United States. On March 23, 2020 the Governor of Washington declared a health emergency and issued an order to close all nonessential businesses until further notice. Management continues to evaluate the ongoing impacts of the COVID-19 pandemic.

WASHINGTON WOMEN'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE I - SUBSEQUENT EVENTS

Management has evaluated events occurring subsequent to December 31, 2020 through May 25, 2021, which is the date the financial statements were available to be issued, and has recognized in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at December 31, 2020, including the estimates inherent in the processing of financial statements.