
**FUNDERS FOR
REPRODUCTIVE EQUITY**

**Financial Statements and
Independent Auditor's Report**

**For the Years Ended
December 31, 2020 and 2019**

LSVG

**CERTIFIED PUBLIC ACCOUNTANTS
& BUSINESS ADVISORS**



Independent Auditor's Report

To the Board of Directors of
Funders for Reproductive Equity

We have audited the accompanying financial statements of Funders for Reproductive Equity (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and changes in net assets, 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.

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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Funders for Reproductive Equity 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.

LSWG, P.A.

Rockville, Maryland
September 30, 2021

**Funders for Reproductive Equity
Statements of Financial Position
December 31,**

	<u>2020</u>	<u>2019</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,185,597	\$ 1,235,409
Accounts receivable	-	3,180
Contributions receivable	380,000	245,000
Prepaid expenses	<u>1,835</u>	<u>5,470</u>
Total Current Assets	<u>1,567,432</u>	<u>1,489,059</u>
Property and Equipment - at Cost		
Office equipment	3,402	3,402
Less: accumulated depreciation	<u>(876)</u>	<u>(196)</u>
Property and Equipment - Net	<u>2,526</u>	<u>3,206</u>
Total Assets	<u>\$ 1,569,958</u>	<u>\$ 1,492,265</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 2,448	\$ 59,745
Accrued vacation	14,053	4,989
Accrued payroll tax liabilities	7,620	3,061
Deferred revenue	<u>127,750</u>	<u>122,750</u>
Total Current Liabilities	<u>151,871</u>	<u>190,545</u>
Net Assets		
Without donor restrictions	262,376	(120,977)
Without donor restrictions - board designated	<u>325,000</u>	<u>325,000</u>
Total without donor restrictions	587,376	204,023
With donor restrictions	<u>830,711</u>	<u>1,097,697</u>
Total Net Assets	<u>1,418,087</u>	<u>1,301,720</u>
Total Liabilities and Net Assets	<u>\$ 1,569,958</u>	<u>\$ 1,492,265</u>

The accompanying notes are an integral part of these statements.

Funders for Reproductive Equity
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2020

	<u>Without Donor</u>	<u>Restrictions</u>	<u>With Donor</u>	<u>Restrictions</u>	<u>Total</u>
Revenue					
Contributions	\$ 424,570		\$ 344,500		\$ 769,070
Membership dues	404,075		-		404,075
Interest	253		-		253
Other income	50,001		-		50,001
Net assets released from restrictions	<u>611,486</u>		<u>(611,486)</u>		<u>-</u>
Total Revenue	1,490,385		(266,986)		1,223,399
Expenses					
Program					
Grants database	125,023		-		125,023
Programming	509,211		-		509,211
Racial Equity & Justice Program	148,213		-		148,213
Collaborations with Philanthropy	25,805		-		25,805
Membership Engagement & Communications	<u>78,239</u>		<u>-</u>		<u>78,239</u>
Total Program Expenses	886,491		-		886,491
Operations Management & Governance	<u>220,541</u>		<u>-</u>		<u>220,541</u>
Total Expenses	<u>1,107,032</u>		<u>-</u>		<u>1,107,032</u>
Changes in Net Assets	383,353		(266,986)		116,367
Net Assets - Beginning of Year	<u>204,023</u>		<u>1,097,697</u>		<u>1,301,720</u>
Net Assets - End of Year	<u>\$ 587,376</u>		<u>\$ 830,711</u>		<u>\$ 1,418,087</u>

The accompanying notes are an integral part of this statement.

Funders for Reproductive Equity
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2019

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
Revenue			
Contributions	\$ 30,242	\$ 1,023,000	\$ 1,053,242
Membership dues	298,150	-	298,150
Conferences	62,005	-	62,005
Interest	255	-	255
Other income	62	-	62
Loss on disposal of fixed assets	(528)	-	(528)
Net assets released from restrictions	<u>571,407</u>	<u>(571,407)</u>	<u>-</u>
Total Revenue	961,593	451,593	1,413,186
Expenses			
Program			
Grants database	38,541	-	38,541
Meetings	317,249	-	317,249
Outreach	28,663	-	28,663
International Working Group	17,375	-	17,375
Women of Color	8,172	-	8,172
Global Youth Working Group	11,582	-	11,582
Other programs	<u>290,768</u>	<u>-</u>	<u>290,768</u>
Total Program Expenses	712,350	-	712,350
Management & General	<u>322,592</u>	<u>-</u>	<u>322,592</u>
Total Expenses	<u>1,034,942</u>	<u>-</u>	<u>1,034,942</u>
Changes in Net Assets	(73,349)	451,593	378,244
Net Assets - Beginning of Year - Restated	<u>277,372</u>	<u>646,104</u>	<u>923,476</u>
Net Assets - End of Year	<u><u>\$ 204,023</u></u>	<u><u>\$ 1,097,697</u></u>	<u><u>\$ 1,301,720</u></u>

The accompanying notes are an integral part of this statement.

**Funders for Reproductive Equity
Statement of Functional Expenses
For the Year Ended December 31, 2020**

	<u>Grants Database</u>	<u>Programming</u>	<u>Racial Equity & Justice Program</u>	<u>Collaborations with Philanthropy</u>	<u>Membership Engagement & Communications</u>	<u>Operations Management & Governance</u>	<u>Total</u>
Personnel							
Salaries	\$ 35,932	\$ 111,772	\$ 57,476	\$ 18,240	\$ 55,303	\$ 86,084	\$ 364,807
Payroll taxes	2,505	7,791	4,006	1,271	3,855	6,000	25,428
Employee benefits	12,397	38,564	19,831	6,294	19,081	29,701	125,868
Total Personnel	50,834	158,127	81,313	25,805	78,239	121,785	516,103
Consultants	-	-	-	-	-	60,370	60,370
Program expenses	-	349,884	66,900	-	-	-	416,784
Web design	-	-	-	-	-	2,707	2,707
Database	74,189	-	-	-	-	-	74,189
Administrative							
Grant maker directory	-	1,200	-	-	-	-	1,200
Office supplies	-	-	-	-	-	1,653	1,653
Postage	-	-	-	-	-	1,382	1,382
Credit card fees	-	-	-	-	-	1,469	1,469
Subscriptions	-	-	-	-	-	2,664	2,664
Rent	-	-	-	-	-	2,416	2,416
Insurance	-	-	-	-	-	1,932	1,932
Depreciation	-	-	-	-	-	680	680
Total Administrative	-	1,200	-	-	-	12,196	13,396
Communications							
Telephone/conference calls	-	-	-	-	-	5,980	5,980
Web-hosting	-	-	-	-	-	1,806	1,806
Internet service provider	-	-	-	-	-	1,290	1,290
Total Communications	-	-	-	-	-	9,076	9,076
Staff travel	-	-	-	-	-	1,498	1,498
Meals and lodging	-	-	-	-	-	1,728	1,728
Board expense	-	-	-	-	-	10,721	10,721
Miscellaneous	-	-	-	-	-	460	460
Total Expenses	<u>\$ 125,023</u>	<u>\$ 509,211</u>	<u>\$ 148,213</u>	<u>\$ 25,805</u>	<u>\$ 78,239</u>	<u>\$ 220,541</u>	<u>\$ 1,107,032</u>

The accompanying notes are an integral part of this statement.

**Funders for Reproductive Equity
Statement of Functional Expenses
For the Year Ended December 31, 2019**

	<u>Grants Database</u>	<u>Meetings</u>	<u>Outreach</u>	<u>International Working Group</u>	<u>Women of Color</u>	<u>Global Youth Working Group</u>	<u>Other Programs</u>	<u>Management & General</u>	<u>Total</u>
Personnel									
Salaries	\$ 23,609	\$ 108,928	\$ 20,210	\$ 12,848	\$ 6,043	\$ 8,565	\$ 87,221	\$ 91,577	\$ 359,001
Payroll taxes	1,474	6,801	1,262	802	378	534	5,447	5,717	22,415
Employee benefits	6,843	31,577	5,859	3,725	1,751	2,483	25,282	27,620	105,140
Total Personnel	31,926	147,306	27,331	17,375	8,172	11,582	117,950	124,914	486,556
Meetings	-	169,943	-	-	-	-	-	-	169,943
Consultants	-	-	-	-	-	-	-	82,420	82,420
Program expenses	-	-	1,332	-	-	-	171,618	-	172,950
Web design	-	-	-	-	-	-	-	3,060	3,060
Database	6,615	-	-	-	-	-	-	-	6,615
Administrative									
Grant maker directory	-	-	-	-	-	-	1,200	-	1,200
Executive director transition	-	-	-	-	-	-	-	63,011	63,011
Office supplies	-	-	-	-	-	-	-	1,113	1,113
Postage	-	-	-	-	-	-	-	1,399	1,399
Credit card fees	-	-	-	-	-	-	-	3,942	3,942
Subscriptions	-	-	-	-	-	-	-	2,941	2,941
Rent	-	-	-	-	-	-	-	2,057	2,057
Insurance	-	-	-	-	-	-	-	3,803	3,803
Depreciation	-	-	-	-	-	-	-	529	529
Total Administrative	-	-	-	-	-	-	1,200	78,795	79,995
Communications									
Telephone/conference calls	-	-	-	-	-	-	-	6,984	6,984
Web-hosting	-	-	-	-	-	-	-	1,783	1,783
Internet service provider	-	-	-	-	-	-	-	1,585	1,585
Total Communications	-	-	-	-	-	-	-	10,352	10,352
Staff travel	-	-	-	-	-	-	-	9,933	9,933
Meals and lodging	-	-	-	-	-	-	-	10,654	10,654
Board expense	-	-	-	-	-	-	-	2,035	2,035
Miscellaneous	-	-	-	-	-	-	-	429	429
Total Expenses	<u>\$ 38,541</u>	<u>\$ 317,249</u>	<u>\$ 28,663</u>	<u>\$ 17,375</u>	<u>\$ 8,172</u>	<u>\$ 11,582</u>	<u>\$ 290,768</u>	<u>\$ 322,592</u>	<u>\$ 1,034,942</u>

The accompanying notes are an integral part of this statement.

Funders for Reproductive Equity
Statements of Cash Flows
For the Years Ended December 31,

	<u>2020</u>	<u>2019</u>
Increase (Decrease) In Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Changes in net assets	\$ 116,367	\$ 378,244
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	680	529
Loss on disposal of fixed assets	-	528
Net change in current assets and liabilities		
Accounts receivable	3,180	(3,180)
Contributions receivable	(135,000)	(5,000)
Prepaid expenses	3,635	3,301
Accounts payable	(57,297)	(7,190)
Accrued vacation	9,064	(2,795)
Accrued payroll tax liabilities	4,559	(7,395)
Deferred revenue	<u>5,000</u>	<u>32,750</u>
Net Cash Provided by (Used in) Operating Activities	<u>(49,812)</u>	<u>389,792</u>
Cash Flows from Investing Activities		
Purchase of fixed assets	<u>-</u>	<u>(3,402)</u>
Net Cash Provided by (Used in) Investing Activities	<u>-</u>	<u>(3,402)</u>
Net increase (decrease) in cash and cash equivalents	(49,812)	386,390
Cash and Cash Equivalents Balance - Beginning of Year	<u>1,235,409</u>	<u>849,019</u>
Cash and Cash Equivalents Balance - End of Year	<u><u>\$ 1,185,597</u></u>	<u><u>\$ 1,235,409</u></u>
Supplemental Information		
Interest paid	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Income taxes paid	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these statements.

Funders for Reproductive Equity
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

1. Nature of Business

Funders for Reproductive Equity (the Organization) is a community of grantmakers focused on sexual and reproductive health, rights and justice (SRHRJ) in the United States and around the world. The Organization's long term vision is to lead philanthropy and transform philanthropic culture to optimize resources for all people's freedom over their sexual and reproductive lives. To this end, the Organization: (1) develops and offers SRHRJ funders tailored programming and meaningful opportunities for learning, relationship building, networking, strategic collaboration and partnership and (2) supports and informs SRHRJ grantmaking by collecting and providing data and analysis on funding by the Organization's foundation members.

The Organization's primary funding sources include foundation grants and membership fees.

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restrictions.

Net Assets Without Donor Restrictions – Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net Assets with Donor Restrictions – Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other asset or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated timeperiod has elapsed) are reported as reclassifications between the applicable classes of net assets.

(b) Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**Funders for Reproductive Equity
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019**

2. Summary of Significant Accounting Policies (continued)

(c) Accounts and Contributions Receivable

Accounts and contributions receivable are stated at the amount management expects to collect from outstanding balances. The Organization considers accounts and contributions receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

(d) Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is computed on the straight-line method using estimated useful lives of five years. The Organization capitalizes all expenditures for property and equipment over \$1,000. Depreciation expense for the year ended December 31, 2020 and 2019 was \$680 and \$529, respectively.

(e) Revenue Recognition

The Organization derives its revenues primarily from membership dues, meeting registration fees and contributions.

Membership dues, which are nonrefundable, are comprised of an exchange element based on the value of the benefits provided, which include member only workshops, access to webinars, educational resources, database and annual and spring meetings. Membership dues revenue is recognized pro-rata (on a straight-line basis) over the membership period, which corresponds with Organization's calendar year-end. Membership dues received in advance are deferred and recognized as revenue in the subsequent year.

The Organization earns revenue through meeting registration fees. This revenue source is recognized as revenue without donor restrictions at the point in time of transfer or the meeting is held.

For revenue streams involving multiple performance obligations, the transaction (i.e. selling) price is allocated based on relative standalone selling prices of the goods or services. If a standalone selling prices is not directly observable, it is estimated using an expected cost plus margin approach.

The Organization recognizes contributions of cash, securities or other assets through general operating support and project support grants; an unconditional promise to give; or a 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 – are not recognized until the conditions on which they depend have been met.

Funders for Reproductive Equity
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

2. Summary of Significant Accounting Policies (continued)

(f) Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(g) Functional Allocation of Expenses

The Organization's operating costs have been allocated between program and operations management and governance based on direct identification when possible, and allocation if a single expenditure benefits more than one program or function. The expenses that are allocated are personal costs, which are allocated on the basis of estimates of time and effort.

3. Taxes

The Organization is a nonprofit as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. Income generated by activities that would be considered unrelated to the Organization's mission would be subject to tax which, if incurred, would be recognized as a current expense. No such tax has been recognized as of December 31, 2020 and 2019. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax asset (or a reduction of a liability) only if the Organization has taken a position that more likely than not would be sustained upon examination by the IRS.

Management has analyzed the tax positions taken by the Organization, and has concluded that as of December 31, 2020 and 2019, all tax positions taken would more likely than not be sustained upon examination. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations for years prior to 2017.

4. Retirement Plan

On April 1, 2000, the Organization adopted a Simple Employee Pension Plan. All employees are eligible to participate in the plan after completing one year of service and having reached twenty-one years of age. Under the plan participants may elect but are not required to defer a portion of their salary up to maximum allowed by law. The employer contributes 10% of the participant's compensation. Retirement expense for the years ended December 31, 2020 and 2019 was \$19,612 and \$23,600, respectively.

**Funders for Reproductive Equity
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019**

5. Concentrations

Credit Risk

Cash held by the Organization in bank accounts may at times exceed the Federal Deposit Insurance Corporation (FDIC) coverage limit. Cash in excess of FDIC coverage at December 31, 2020 and 2019 was \$685,597 and \$765,426, respectively. Management believes the Organization is not exposed to any significant credit risk related to cash.

Revenue

Approximately 30% of total revenue in 2020 was received from two donors. Approximately 49% of total revenue in 2019 was received from four donors. The loss of a significant donor could have a negative impact on the operations of the Organization.

6. Board Designated Net Assets

The Board of Directors has designated \$325,000 of net assets for operating reserves. These funds are included in cash and cash equivalents on the Statement of Financial Position.

7. Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes or time periods at December 31:

	<u>2020</u>	<u>2019</u>
Restricted for time:		
2020	\$ -	\$ 40,000
2021	70,000	20,000
2022	70,000	20,000
2023	50,000	-
2024	<u>35,417</u>	<u>-</u>
	225,417	80,000
Restricted for purpose:		
Executive Director transition	31,958	236,958
Grants database	-	11,459
Racial justice	100,000	-
Rockwood leadership project	<u>473,336</u>	<u>769,280</u>
Total net assets with donor restrictions	<u><u>\$ 830,711</u></u>	<u><u>\$ 1,097,697</u></u>

Funders for Reproductive Equity
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

8. Revenue from Contracts with Customers

The following table provides information about significant changes in deferred revenue for the year ended December 31:

	<u>2020</u>	<u>2019</u>
Deferred membership dues, beginning of year	\$ 122,750	\$ 90,000
Revenue recognized that was included in deferred membership dues at the beginning of the year	(62,750)	(60,000)
Increase in deferred revenue due to cash received during the period	<u>67,750</u>	<u>92,750</u>
Deferred membership dues, end of year	<u><u>\$ 127,750</u></u>	<u><u>\$ 122,750</u></u>

9. Liquidity and Availability of Financial Assets

The following table reflects the Organization's financial assets as of December 31, 2020 and 2019, reduced by amounts not available for general expenditures within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year or because the governing board has set aside the funds for a specific contingency reserve.

	<u>2020</u>	<u>2019</u>
Financial assets:		
Cash and cash equivalents	\$ 1,185,597	\$ 1,235,409
Accounts receivable	-	3,180
Contributions receivable	<u>380,000</u>	<u>245,000</u>
Financial assets at year end	1,565,597	1,483,589
Less those unavailable for general expenditure within one year due to:		
Net assets with board designations	(325,000)	(325,000)
Net assets with donor restrictions	<u>(830,711)</u>	<u>(1,097,697)</u>
Financial assets available to meet cash needs for general expenses within one year	<u><u>\$ 409,886</u></u>	<u><u>\$ 60,892</u></u>

As part of its liquidity management, the Organization structures its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in a money market account. The board designated net assets of \$325,000 could be drawn upon if the board approves that action.

**Funders for Reproductive Equity
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019**

10. Subsequent Events

Management has evaluated subsequent events through September 30, 2021, the date that the financial statements were available to be issued. There were no subsequent events to report.

FREDERICK • ROCKVILLE

www.lswgcpa.com
