

The Century Foundation, Inc.

Financial Statements

June 30, 2021 and 2020

Independent Auditors' Report

Board of Trustees The Century Foundation, Inc.

We have audited the accompanying financial statements of The Century Foundation, Inc., which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities 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 auditors' 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 The Century Foundation, Inc. as of June 30, 2021 and 2020, 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.

PKF O'Connor Davies, LLP

October 28, 2021

The Century Foundation, Inc.

Statements of Financial Position

	June 30	
	2021	2020
ASSETS		
Cash and cash equivalents	\$ 275,628	\$ 732,488
Restricted cash	390,222	390,146
Prepaid expenses	-	6,676
Investment income and other receivable	1,631,033	820,630
Contributions and grants receivable	1,919,259	627,023
Investments	63,367,532	52,994,091
Property, equipment and leasehold improvements, net	220,925	264,914
Total Assets	\$ 67,804,599	\$ 55,835,968
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 176,662	\$ 126,797
Deferred rent	285,246	317,064
Total Liabilities	461,908	443,861
Net Assets		
Without Donor Restrictions		
Net investment in property and equipment	220,925	264,914
Available for investment and future projects	62,373,166	52,202,162
Total Net Assets Without Donor Restrictions	62,594,091	52,467,076
With donor restrictions	4,748,600	2,925,031
Total Net Assets	67,342,691	55,392,107
Total Liabilities and Net Assets	\$ 67,804,599	\$ 55,835,968

See notes to financial statements

The Century Foundation, Inc.

Statements of Activities

	Year Ended June 30, 2021			Year Ended June 30, 2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Grants, contributions and other	\$ 300,405	\$ 5,303,820	\$ 5,604,225	\$ 76,961	\$ 4,524,636	\$ 4,601,597
Special events revenue	-	-	-	251,017	-	251,017
Investment Return						
Interest, dividends and partnership revenue	1,254,990	-	1,254,990	1,217,254	-	1,217,254
Net realized gain (loss) on sale of investments	2,455,027	-	2,455,027	(348,636)	-	(348,636)
Unrealized appreciation on investments	11,299,239	-	11,299,239	2,186,651	-	2,186,651
Investment expense	(305,641)	-	(305,641)	(291,718)	-	(291,718)
Investment Return	14,703,615	-	14,703,615	2,763,551	-	2,763,551
Royalties and publication sales	7,758	-	7,758	7,231	-	7,231
Net assets released from restrictions	3,480,251	(3,480,251)	-	3,180,578	(3,180,578)	-
Total Support and Revenue	<u>18,492,029</u>	<u>1,823,569</u>	<u>20,315,598</u>	<u>6,279,338</u>	<u>1,344,058</u>	<u>7,623,396</u>
EXPENSES						
Program						
Education policy	3,262,429	-	3,262,429	3,819,543	-	3,819,543
Economy and jobs policy	1,072,232	-	1,072,232	724,996	-	724,996
Healthcare policy	523,148	-	523,148	395,646	-	395,646
Rights and justice policy	-	-	-	100,000	-	100,000
Cross teams	343,343	-	343,343	-	-	-
World policy	644,893	-	644,893	711,326	-	711,326
Next 100	1,406,548	-	1,406,548	973,876	-	973,876
Other	155,350	-	155,350	-	-	-
Communication and editorial	192,435	-	192,435	274,246	-	274,246
Support	-	-	-	135,300	-	135,300
Total Program	7,600,378	-	7,600,378	7,134,933	-	7,134,933
Fundraising	201,161	-	201,161	417,351	-	417,351
Administration	563,475	-	563,475	758,116	-	758,116
Total Expenses	<u>8,365,014</u>	<u>-</u>	<u>8,365,014</u>	<u>8,310,400</u>	<u>-</u>	<u>8,310,400</u>
Change in Net Assets	10,127,015	1,823,569	11,950,584	(2,031,062)	1,344,058	(687,004)
NET ASSETS						
Beginning of year	52,467,076	2,925,031	55,392,107	54,498,138	1,580,973	56,079,111
End of year	<u>\$ 62,594,091</u>	<u>\$ 4,748,600</u>	<u>\$ 67,342,691</u>	<u>\$ 52,467,076</u>	<u>\$ 2,925,031</u>	<u>\$ 55,392,107</u>

See notes to financial statements

The Century Foundation, Inc.

Statements of Cash Flows

	Year Ended	
	June 30	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 11,950,584	\$ (687,004)
Adjustments to reconcile change in net assets to net cash from operating activities		
Net realized (gain) loss on sale of investments	(2,455,027)	348,636
Unrealized gain on investments	(11,299,239)	(2,186,651)
Depreciation and amortization	43,989	46,063
Deferred rent	(31,818)	(29,105)
Net change in operating assets and liabilities		
Prepaid expenses	6,676	63,270
Investment income and other receivable	(810,403)	781,516
Contributions and grants receivable	(1,292,236)	(239,623)
Accounts payable	49,865	(150,940)
Deferred revenue	-	(30,000)
Net Cash from Operating Activities	(3,837,609)	(2,083,838)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	-	(32,215)
Proceeds from sale of investments	16,943,901	27,982,234
Purchase of investments	(15,708,922)	(21,502,359)
Net change in investment cash and cash equivalents	2,145,846	(3,674,519)
Net Cash from Investing Activities	3,380,825	2,773,141
Net Change in Cash and Cash Equivalents	(456,784)	689,303
CASH AND CASH EQUIVALENTS (INCLUDES RESTRICTED CASH)		
Beginning of year	1,122,634	433,331
End of year	\$ 665,850	\$ 1,122,634

See notes to financial statements

The Century Foundation, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

1. Organization and Tax Status

The Century Foundation, Inc. (the "Foundation") is a non-partisan progressive think tank, founded in 1919 and initially funded by Edward Filene, a man best known for his store's Basement which was established as a way to make goods affordable to working people. At the time of Mr. Filene's death in 1937, he was a close associate of President Franklin Roosevelt, one of the leading liberal businessmen in the country. Along the way, he was a champion of fair workplace and employee ownership strategies, all with an eye to ensuring that economic opportunity is available to all.

Until the end of the last century, the Foundation was known as the Twentieth Century Fund. Trustees over the years have included Theodore Sorensen, Arthur Schlesinger, Jr., John Kenneth Galbraith, Justice Robert Jackson and J. Robert Oppenheimer.

The Foundation has been determined by the Internal Revenue Service (the "IRS") to be a charitable and educational organization as defined in the Internal Revenue Code (the "Code") Sections 501(c)3. During fiscal year ended June 30, 2018, the Foundation notified the IRS of its intent to terminate its private foundation status under Section 507(b)(1)(B) of the Code effective July 1, 2017. The IRS has held that the Foundation will be treated as a public charity under Section 501(a) and 170(b)(1)(A)(vi) of the Code. Grantors and donors may rely on the public charity status during the ruling period and are entitled to the maximum charitable contribution deduction under the Code. Additionally, under Code Section 4940(d)(2), the Foundation is exempt from paying excise tax.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (US GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Presentation of Net Assets

Net assets are classified based on the existence or absence of donor-imposed restrictions. Net assets without donor restrictions are not externally restricted for identified purposes. Net assets with donor restrictions represent amounts that are restricted by donors that are to be held until the donor or time restriction has been satisfied.

The Century Foundation, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

2. Summary of Significant Accounting Policies *(continued)*

Cash and Cash Equivalents

Cash and cash equivalents represent short-term investments with maturities of three months or less at time of purchase, except for those short-term investments managed by the Foundation's investment managers as part of their long-term investment strategies.

Restricted Cash

In connection with the Foundation's lease agreement (see note 9), the Foundation maintains a letter of credit as collateral in a separate bank account. The following is a reconciliation of cash, cash equivalents and restricted cash reported on the statements of financial position to the the statements of cash flows at June 30:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 275,628	\$ 732,488
Restricted cash	<u>390,222</u>	<u>390,146</u>
	<u>\$ 665,850</u>	<u>\$ 1,122,634</u>

Fair Value Measurements

The Foundation follows US GAAP guidance on fair value measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

The Foundation follows US GAAP guidance which removed the requirements to categorize within the fair value hierarchy all investments for which fair value is measured using the Net Asset Value ("NAV") per share as a practical expedient.

Investments Valuation

Investments are carried at fair value.

The Century Foundation, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

2. Summary of Significant Accounting Policies (continued)

Allowances for Accounts Doubtful for Collection

The Foundation determines whether an allowance for uncollectible balances should be provided for receivables. Such estimates are based on management's assessment of its receivables, current economic conditions, subsequent receipts and historical information. Receivables are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted.

Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist of cash and cash equivalents, investments, grants and other receivables. The Foundation invests its cash and cash equivalents with a quality financial institution. Throughout the year, balances in this account exceeded the Federal insured limits. The Foundation has a diversified portfolio of investments across multiple asset classes, and routinely assesses the diversification and financial strength of its cash and investment portfolio to limit concentration of credit risk. The Foundation believes no significant concentration of credit risk exist with respect to its grants and other receivables due to the historical collection rate.

Property, Equipment and Leasehold Improvements

Property and equipment are recorded at cost and depreciated using the straight-line method over periods ranging from three to seven years. Leasehold improvements are recorded at cost and amortized over the term of the lease or asset life, whichever is shorter.

Deferred Revenue

Deferred revenue represents amounts received but not yet earned.

Deferred Rent

Rent expense is being recognized on a straight-line basis over the life of the lease. The difference between rent expense recognized and rental payments, as stipulated in the lease, is included in deferred rent on the statements of financial position. In addition, deferred rent also includes a period of free rent provided by the lease and is being amortized over the life of the lease.

The Century Foundation, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

2. Summary of Significant Accounting Policies *(continued)*

Contributions and Grants

Contributions and grants are recorded as with donor restrictions if they are received with donor stipulations that limit the use of the contribution or that have time restrictions. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Management expects contributions receivable at June 30, to be collected in the following periods:

	<u>2021</u>	<u>2020</u>
Due within one year	\$ 1,919,259	\$ 539,523
Due within two to five years	<u>-</u>	<u>87,500</u>
Total	<u>\$ 1,919,259</u>	<u>\$ 627,023</u>

In-Kind Contributions

The Foundation recognizes the fair value of donated services which create or enhance nonfinancial assets, or require specialized skills provided by individuals possessing those skills and would typically be purchased if not provided by donation.

The Foundation received pro-bono legal services valued at \$3,915 and \$17,710 in 2021 and 2020. Such services have been reflected as both in-kind contribution support and as an expense within program expenses.

Investment Income Recognition and Investment Expenses

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

Investment expenses included in the statements of activities consist of fees paid directly to the Foundation's investment advisors and managers, partnership expenses and foreign taxes withheld.

The Century Foundation, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

2. Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The costs of providing various programs and related supporting services have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among the appropriate programs and supporting services benefited. Refer to Note 8 for the classification of expenses by their functional allocation and policy for allocating such expenses.

Research Projects

The cost of research projects is recognized as incurred. Funds received on behalf of specific projects or programs are classified as net assets with donor restrictions.

Significant Concentrations

For the years ended June 30, 2021 and 2020, approximately 16% and 21% of the Foundation's workforce was covered by a collective bargaining agreement which expires on June 30, 2025.

Accounting for Uncertainty in Income Taxes

The Foundation recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that the Foundation had no uncertain tax positions that would require financial statement recognition or disclosure. The Foundation is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to 2018.

Reclassifications

Certain 2020 amounts have been reclassified to conform to the current year presentation.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which is October 28, 2021.

The Century Foundation, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

3. Investments

The following are major categories of investments measured at fair value on a recurring basis at June 30, grouped by the fair value hierarchy, for those investments subject to categorization within such hierarchy:

	2021		
	Level 1	Other Investments Measured at Net Asset Value (*)	Total
Mutual Funds			
Fixed income	\$ 3,122,042	\$ -	\$ 3,122,042
Equities	30,979,856	-	30,979,856
Hedge funds	-	15,005,373	15,005,373
Private equity	-	9,391,883	9,391,883
Limited partnerships	-	1,533,337	1,533,337
Total at Fair Value	<u>\$ 34,101,898</u>	<u>\$ 25,930,593</u>	<u>60,032,491</u>
Invested cash and cash equivalents, at cost			<u>3,335,041</u>
Total Investments			<u>\$ 63,367,532</u>
	2020		
	Level 1	Other Investments Measured at Net Asset Value (*)	Total
Mutual Funds			
Fixed income	\$ 3,195,320	\$ -	\$ 3,195,320
Equities	27,074,742	-	27,074,742
Hedge funds	-	10,493,617	10,493,617
Private equity	-	4,590,479	4,590,479
Limited partnerships	-	2,159,046	2,159,046
Total at Fair Value	<u>\$ 30,270,062</u>	<u>\$ 17,243,142</u>	<u>47,513,204</u>
Invested cash and cash equivalents, at cost			<u>5,480,887</u>
Total Investments			<u>\$ 52,994,091</u>

(*) As discussed in Note 2, investments that are measured using the practical expedient are not classified within the fair value hierarchy.

The Century Foundation, Inc.

Notes to Financial Statements June 30, 2021 and 2020

3. Investments (continued)

Information regarding alternative investments valued at NAV using the practical expedient at June 30, 2021 is as follows:

Type/fund	Strategy	Fair Value	Unfunded Commitments	Redemption Terms	Redemption Restrictions
Hedge funds	Investment in distressed securities-Independent return long/short equities	\$ 1,292,819	\$ -	Annual redemption after the fourth full fiscal quarter following the purchase of the shares	Annually, or quarterly redemptions may be made on the anniversary of the Lock-Up Period. (March of each year), subject to a redemption charge equal to 5% on the NAV of the shares redeemed
Hedge funds	Fundamental, research-oriented global equity long short strategy	997,132	-	Monthly with 45 days notice	Subject to a rolling 1 year soft lock-up period
Private equity	Invests in longer-duration private and public securities, other assets, and debt	355,324	407,434	Illiquid	Illiquid
Private equity	Invests in public and private debt and other interests relating to real estate investments on a global basis	374,775	643,329	Illiquid	Illiquid
Private equity	Seeks to identify, acquire, hold and sell or otherwise dispose of investments	337,623	582,797	Illiquid	Illiquid
Private equity	Early stage and growth equity investments in minority-owned businesses	10,574	87,602	Illiquid	Illiquid
Private equity	Tech-enabled Private Equity	272,256	521,680	Illiquid	Illiquid
Private equity	Invests in healthcare and technology and in early-stage biotherapeutics companies	49,649	570,400	Illiquid	Illiquid
Hedge funds	Invests primarily in long-only funds	2,104,083	-	Monthly with 30 days notice	None
Hedge funds	Invests in liquid, large cap European companies	1,376,557	-	Quarterly with 30 days notice	None
Hedge funds	Seeks capital appreciation and current income by investing in a diversified portfolio of structured credit products in the United States and European credit markets	1,601,557	-	Quarterly with 60 days notice	Subject to a 1 year lock-up period
Hedge funds	Investment strategy focuses on identifying and investing behind disruptive technology themes	2,309,589	-	Quarterly with 45 days notice	Subject to a 1 year lock-up period
Hedge funds	Invest in quantitative and fundamental equity	3,052,438	-	Quarterly with 50 days notice	Subject to a 1 year lock-up period, all redemptions are subject to a 10% holdback
Hedge funds	Invests in public and private healthcare and life science companies	2,271,198	-	Quarterly with 90 days notice	Subject to a 1 year soft lock-up period (3% penalty if within 1 year)
Private equity	Acquires interest in U.S. growth capital, small and middle market buyout investments, primarily through secondary market purchases in established funds that are less than 50% invested	1,272,171	1,149,622	Illiquid	Illiquid
Private equity	Invest in hard asset lending strategy	2,175,000	-	Illiquid	Illiquid
Private equity	Large-scale investments in the technology, technology enabled and related growth industries	2,350,446	283,405	Illiquid	Illiquid
Private equity	Large-cap, mature private equity strategies	1,298,723	1,545,777	Illiquid	Illiquid
Private equity	Invests in public and private healthcare and life science companies	277,328	118,209	Illiquid	Illiquid
Private equity	Middle market lending	618,014	400,000	Illiquid	Illiquid
Limited partnership	Concentrated portfolio of listed equity securities of European companies	1,533,337	-	Members may redeem all or a portion of their interests on any day in which the New York Stock Exchange is open for business	A member may not make a partial redemption when that redemption would leave the member's capital with account less than \$100,000. The request would be treated as redemption of the entire capital account
		<u>\$ 25,930,593</u>	<u>\$ 6,310,255</u>		

The Century Foundation, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

4. Property, Equipment and Leasehold Improvements

As of June 30, property, equipment and leasehold improvements at the Foundation consisted of the following:

	<u>2021</u>	<u>2020</u>	<u>Estimated Useful Lives</u>
Leasehold improvements	\$ 417,495	\$ 417,495	15 years
Equipment	<u>380,794</u>	<u>380,794</u>	3 to 7 years
	798,289	798,289	
Less accumulated depreciation and amortization	<u>(577,364)</u>	<u>(533,375)</u>	
	<u>\$ 220,925</u>	<u>\$ 264,914</u>	

Depreciation and amortization expense for the years ended June 30, 2021 and 2020 was \$43,989 and \$46,063. During fiscal year 2020, the Foundation disposed of fully depreciated assets with a cost basis of \$9,327. There were no disposals in fiscal year 2021.

The Century Foundation, Inc.

Notes to Financial Statements June 30, 2021 and 2020

5. Net Assets With Donor Restrictions

The following is a summary of the activity of the net assets with time or purpose restrictions for the years ended June 30, 2021 and 2020:

Program/Purpose	Balance June 30, 2020	Contributions and Grants	Net Assets Released from Restrictions	Balance June 30, 2021
Carnegie Corporation of New York - Strengthen Citizenship in the Middle East	\$ -	\$ 300,000	\$ 105,032	\$ 194,968
New Venture Fund - Economy & Jobs	-	30,000	1,749	28,251
Workers Lab - Economy & Jobs	-	25,000	-	25,000
W.K. Kellogg Foundation - Maternal Health	-	1,050,000	93,122	956,878
Moriah Fund - Next 100	-	20,000	7,340	12,660
Robin Hood Foundation - Combat Poverty in NYC	-	450,468	309,406	141,062
Irving Harris Foundation - Black Maternal Health	-	40,000	14,998	25,002
Perigee Fund - Early Childhood Leadership	-	100,000	21,423	78,577
Rodney L. White Foundation - Economy & Jobs	-	10,000	-	10,000
Bernard L. Schwartz - Conferences - Pittsburgh, Cleveland and Chicago	82,628	225,000	96,500	211,128
Lumina Foundation - Next 100	-	225,000	-	225,000
Lumina Foundation - Higher Education Financing Policies	-	300,000	-	300,000
Silicon Valley Community Foundation - NEXT 100	100,000	-	100,000	-
AE Casey Foundation - Education K-12	-	142,000	93,795	48,205
Action Now Initiative (ANI) - Curbing Predatory Student Lending Practices	372,151	1,295,512	1,086,987	580,676
Heising-Simons Foundation -Support for Educators During the COVID-19 Pandemic	-	125,000	49,500	75,500
R.S. Clark Foundation - Next 100 - Training	55,000	55,000	110,000	-
Lumina Foundation - State Financial Aid Policy	176,810	-	176,810	-
Lumina Foundation - Connecting Diverse Communities to Opportunities in Manufacturing	255,723	-	235,723	20,000
The Carnegie Corporation of NY - Consequence of Conflict in the Arab Region	20,363	-	11,250	9,113
The Walton Family Foundation - Creating Creating Thriving Diverse Schools	513,561	308,840	56,127	766,274
The Walton Family Foundation - NEXT 100	100,000	-	100,000	-
The Walton Family Foundation - English Learners and School Choice	85,183	-	85,183	-
Open Society Foundation - Middle East Eroding Citizenship	-	192,000	49,050	142,950
Henry Luce Foundation - Foreign Affairs	350,000	-	90,021	259,979
The Rockefeller Brothers Fund - Nature and National Security in the U.S. Middle East Policy	75,000	-	75,000	-
The City Fund - Educational Equity in American Cities	129,869	-	60,690	69,179
New Profit Inc. - Next 100	-	225,000	-	225,000
Anonymous - Next 100	-	75,000	75,000	-
The Joyce Foundation - Education	200,000	-	109,189	90,811
The Bill & Melinda Gates Foundation - Expand and Disseminate Research on Charter Schools	277,143	15,000	39,756	252,387
New American Foundation - Unemployment Insurance Data Tracking	75,000	75,000	150,000	-
The Commonwealth Fund - Promoting Better Maternal Health Outcomes	56,600	20,000	76,600	-
Total	<u>\$ 2,925,031</u>	<u>\$ 5,303,820</u>	<u>\$ 3,480,251</u>	<u>\$ 4,748,600</u>

The Century Foundation, Inc.

Notes to Financial Statements June 30, 2021 and 2020

5. Net Assets With Donor Restrictions *(continued)*

Program/Purpose	Balance June 30, 2019	Contributions and Grants	Net Assets Released from Restrictions	Balance June 30, 2020
Kresge Foundation - National Student Defense Network	\$ 135,300	\$ -	\$ 135,300	\$ -
Bernard L. Schwartz - Conferences - Pittsburgh, Cleveland and Chicago	50,000	250,000	217,372	82,628
Anonymous - Supporting Secrecy	-	50,000	50,000	-
William & Lydia Addy - Supporting Secrecy	-	50,000	50,000	-
Silicon Valley Community Foundation - NEXT 100	-	100,000	-	100,000
R.W. Johnson Foundation - Making UI Technology System Work for People	22,882	-	22,882	-
Action Now Initiative (ANI) - Curbing Predatory Student Lending Practices	365,688	881,233	874,770	372,151
National Domestic Workers Alliance - Women's Economic Agenda	8,581	-	8,581	-
R.S. Clark Foundation - Next 100 - Training	55,000	-	-	55,000
Lumina Foundation - State Financial Aid Policy	597,058	-	420,248	176,810
Lumina Foundation - Connecting Diverse Communities to Opportunities in Manufacturing	-	400,000	144,277	255,723
The Carnegie Corporation of NY - Consequence of Conflict in the Arab Region	246,559	-	226,196	20,363
The Walton Family Foundation - Creating Thriving Diverse Schools	-	1,072,880	559,319	513,561
The Walton Family Foundation - NEXT 100	-	100,000	-	100,000
The Walton Family Foundation - English Learners and School Choice	-	237,500	152,317	85,183
Henry Luce Foundation - Initiative on Religion in International Affairs	55,476	-	55,476	-
Henry Luce Foundation - Foreign Affairs	-	350,000	-	350,000
The Rockefeller Brothers Fund - Nature and National Security in the U.S. Middle East Policy	-	75,000	-	75,000
The City Fund - Educational Equity in American Cities	-	150,970	21,101	129,869
The Guggenheim Foundation - Insurgent Fragmentation & State Attachment in Syrian Civil War	44,429	-	44,429	-
The Joyce Foundation - College Affordability in Michigan and the Great Lakes Region	-	45,000	45,000	-
The Joyce Foundation - Education	-	200,000	-	200,000
The Bill & Melinda Gates Foundation - Expand and Disseminate Research on Charter Schools	-	407,053	129,910	277,143
New American Foundation - Unemployment Insurance Data Tracking	-	75,000	-	75,000
The Commonwealth Fund - Promoting Better Maternal Health Outcomes	-	80,000	23,400	56,600
Total	<u>\$ 1,580,973</u>	<u>\$ 4,524,636</u>	<u>\$ 3,180,578</u>	<u>\$ 2,925,031</u>

The Century Foundation, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

6. Liquidity and Availability of Financial Assets

The following reflects the Foundation's financial assets and resources without donor restrictions available as of June 30, to meet cash needs for general expenditures within one year of the date of the statement of financial position:

	2021	2020
Financial assets:		
Cash and cash equivalents and restricted cash	\$ 665,850	\$ 1,122,634
Investment income receivable and other receivable	1,631,033	820,630
Contributions and grants receivable	1,919,259	627,023
Investments	<u>63,367,532</u>	<u>52,994,091</u>
Total Financial Assets	<u>67,583,674</u>	<u>55,564,378</u>
Less contractual or donor imposed restricted amount:		
Restricted cash	(390,222)	(390,146)
Illiquid investments	(9,391,883)	(4,590,479)
Donor-imposed restrictions	<u>(4,748,600)</u>	<u>(2,925,031)</u>
	<u>(14,530,705)</u>	<u>(7,905,656)</u>
Financial Assets Available to Meet Cash Needs for General Expenditure Within One Year	<u>\$ 53,052,969</u>	<u>\$ 47,658,722</u>

7. Retirement Plans

Retirement benefits for substantially all employees are provided through defined contributions by the Foundation and employees to individual annuity contracts with Teachers Insurance and Annuity Association and College Retirement Equities Fund. The Foundation matches employee contributions up to 5%. Employees are eligible for participation in the plan upon the completion of six months of service. The cost of the plan for the years ended June 30, 2021 and 2020 was \$195,756 and \$160,561. Additionally, employees have the option to contribute before-tax amounts to a separate annuity plan subject to limits determined by IRC guidelines. The Foundation does not contribute to this separate annuity plan.

The Century Foundation, Inc.

Notes to Financial Statements June 30, 2021 and 2020

8. Functional Expenses

Expenses are presented by functional classification in alignment with the overall mission of the Foundation. The allocation percentages are determined based upon a time analysis for all employees and functional classification of program (grant) expenses. The following tables present expenses by both their natural and functional classification for the years ended June 30.

	2021			
	Program	Administration	Fundraising	Total
Payroll and related	\$ 5,498,755	\$ 320,029	\$ 201,161	\$ 6,019,945
Professional fees	871,695	49,633	-	921,328
Depreciation and amortization	35,191	8,798	-	43,989
Occupancy	481,914	104,385	-	586,299
Travel	105,723	2,345	-	108,068
Office expenses	93,902	6,966	-	100,868
Information technology	134,625	20,936	-	155,561
Communications and publishing	48,882	32,665	-	81,547
Subgrants	238,750	-	-	238,750
Insurance	90,273	5,040	-	95,313
Bank fees	668	11,998	-	12,666
Miscellaneous	-	680	-	680
Total Expenses	\$ 7,600,378	\$ 563,475	\$ 201,161	\$ 8,365,014

	2020			
	Program	Administration	Fundraising	Total
Payroll and related	\$ 4,713,225	\$ 562,625	\$ 273,666	\$ 5,549,516
Professional fees	803,793	15,052	-	818,845
Depreciation and amortization	-	46,063	-	46,063
Occupancy	599,868	76,659	-	676,527
Travel	231,733	39,910	-	271,643
Office expenses	112,020	-	-	112,020
Information technology	88,099	-	-	88,099
Communications and publishing	143,063	17,807	-	160,870
Subgrants	291,098	-	-	291,098
Insurance	126,543	-	-	126,543
Special events	-	-	143,685	143,685
Bank fees	14,340	-	-	14,340
Miscellaneous	11,151	-	-	11,151
Total Expenses	\$ 7,134,933	\$ 758,116	\$ 417,351	\$ 8,310,400

9. Commitments

During 2012, the Foundation entered into a lease for office space in New York City expiring July 2028. The lease contains a ten month rent concession, which is being amortized using the straight-line method over the term of the lease. The lease contains a provision for security whereby the Foundation executed an irrevocable standby letter of credit ("LOC") for \$386,460. The LOC is collateralized by a separate bank account.

The Century Foundation, Inc.

Notes to Financial Statements
June 30, 2021 and 2020

9. Commitments (continued)

During fiscal year 2017, the Foundation entered into a lease agreement to rent office space in Washington, DC. The lease was terminated effective April 30, 2020.

During fiscal year 2018, the Foundation entered into an agreement to rent office space in Berkeley, California. The lease was terminated in July 2020.

Minimum lease payments by fiscal year are as follows:

2022	\$	386,460
2023		386,460
2024		406,141
2025		407,930
2026		407,930
Thereafter		<u>883,848</u>
	\$	<u>2,878,769</u>

Subsequent to year end the Foundation entered into a new lease agreement to rent office space in Washington, DC expiring in March 2024.

Rent expense for the years ended June 30, 2021 and 2020 amounted to \$351,933 and \$369,632.

10. Risks and Uncertainties

The ongoing Coronavirus pandemic has resulted in substantial volatility in the global economy. While management has implemented measures to mitigate the impact of the pandemic, the extent to which the Foundation's operations are impacted will depend on future developments.

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