

**The Century Foundation, Inc.**

Financial Statements

June 30, 2022 and 2021

## Independent Auditors' Report

**Board of Trustees**  
**The Century Foundation, Inc.**

### ***Opinion***

We have audited the accompanying financial statements of The Century Foundation, Inc. (the "Foundation"), which comprise the statements of financial position as of June 30, 2022 and 2021 and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles general accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date of the financial statements are available to be issued.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

***Auditors' Responsibilities for the Audit of the Financial Statements (continued)***

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Report on Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules on pages 18 through 19 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*PKF O'Connor Davies, LLP*

December 2, 2022

## The Century Foundation, Inc.

### Statements of Financial Position June 30

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 204,060	\$ 275,628
Restricted cash	390,299	390,222
Prepaid expenses	53,550	-
Investment income and other receivables	33,615	1,631,033
Contributions and grants receivable	2,091,357	1,919,259
Investments	53,837,090	63,367,532
Property, equipment and leasehold improvements, net	<u>174,832</u>	<u>220,925</u>
 Total Assets	 <u>\$ 56,784,803</u>	 <u>\$ 67,804,599</u>
 <b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable	\$ 301,074	\$ 176,662
Deferred rent	<u>288,440</u>	<u>285,246</u>
Total Liabilities	<u>589,514</u>	<u>461,908</u>
 Net Assets		
Without Donor Restrictions		
Net investment in property and equipment	174,832	220,925
Available for investment and future projects	<u>50,886,981</u>	<u>62,373,166</u>
Total Net Assets Without Donor Restrictions	51,061,813	62,594,091
 With donor restrictions	<u>5,133,476</u>	<u>4,748,600</u>
Total Net Assets	<u>56,195,289</u>	<u>67,342,691</u>
 Total Liabilities and Net Assets	 <u>\$ 56,784,803</u>	 <u>\$ 67,804,599</u>

See notes to financial statements

## The Century Foundation, Inc.

### Statements of Activities Year Ended June 30

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>						
Grants, contributions and other	\$ 270,066	\$ 6,121,230	\$ 6,391,296	\$ 296,490	\$ 5,303,820	\$ 5,600,310
Donated services	7,170	-	7,170	3,915	-	3,915
Investment Return						
Interest, dividends and partnership revenue	1,919,190	-	1,919,190	1,254,990	-	1,254,990
Net realized gain on sale of investments	2,618,985	-	2,618,985	2,455,027	-	2,455,027
Unrealized (depreciation) appreciation on investments	(11,802,182)	-	(11,802,182)	11,299,239	-	11,299,239
Investment expense	(339,142)	-	(339,142)	(305,641)	-	(305,641)
Investment Return	(7,603,149)	-	(7,603,149)	14,703,615	-	14,703,615
Royalties and publication sales	7,650	-	7,650	7,758	-	7,758
Net assets released from restrictions	5,736,354	(5,736,354)	-	3,480,251	(3,480,251)	-
Total Support and Revenue	(1,581,909)	384,876	(1,197,033)	18,492,029	1,823,569	20,315,598
<b>EXPENSES</b>						
Program						
Education policy	3,798,240	-	3,798,240	3,262,429	-	3,262,429
Economy and jobs policy	1,760,204	-	1,760,204	1,072,232	-	1,072,232
Healthcare policy	716,058	-	716,058	523,148	-	523,148
Cross teams	130,184	-	130,184	343,343	-	343,343
Century International	559,571	-	559,571	644,893	-	644,893
Next100	1,396,378	-	1,396,378	1,406,548	-	1,406,548
Other	84,260	-	84,260	155,350	-	155,350
Communication and editorial	290,921	-	290,921	192,435	-	192,435
Total Program	8,735,816	-	8,735,816	7,600,378	-	7,600,378
Fundraising	407,655	-	407,655	201,161	-	201,161
Administration	806,898	-	806,898	563,475	-	563,475
Total Expenses	9,950,369	-	9,950,369	8,365,014	-	8,365,014
Change in Net Assets	(11,532,278)	384,876	(11,147,402)	10,127,015	1,823,569	11,950,584
<b>NET ASSETS</b>						
Beginning of year	62,594,091	4,748,600	67,342,691	52,467,076	2,925,031	55,392,107
End of year	\$ 51,061,813	\$ 5,133,476	\$ 56,195,289	\$ 62,594,091	\$ 4,748,600	\$ 67,342,691

See notes to financial statements

**The Century Foundation, Inc.**

Statements of Cash Flows  
Year Ended June 30

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (11,147,402)	\$ 11,950,584
Adjustments to reconcile change in net assets to net cash from operating activities		
Net realized gain on sale of investments	(2,618,985)	(2,455,027)
Unrealized loss (gain) on investments	11,802,182	(11,299,239)
Depreciation and amortization	46,093	43,989
Deferred rent	3,194	(31,818)
Net change in operating assets and liabilities		
Prepaid expenses	(53,550)	6,676
Investment income and other receivables	1,597,418	(810,403)
Contributions and grants receivable	(172,098)	(1,292,236)
Accounts payable	124,412	49,865
Net Cash from Operating Activities	(418,736)	(3,837,609)
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	13,896,719	16,943,901
Purchase of investments	(11,326,413)	(15,708,922)
Net change in investment cash and cash equivalents	(2,223,061)	2,145,846
Net Cash from Investing Activities	347,245	3,380,825
Net Change in Cash and Cash Equivalents	(71,491)	(456,784)
 <b>CASH AND CASH EQUIVALENTS (INCLUDES RESTRICTED CASH)</b>		
Beginning of year	665,850	1,122,634
End of year	\$ 594,359	\$ 665,850

See notes to financial statements

## **The Century Foundation, Inc.**

Notes to Financial Statements  
June 30, 2022 and 2021

### **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, 2022 and 2021

### 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 statements of cash flows at June 30:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 204,060	\$ 275,628
Restricted cash	<u>390,299</u>	<u>390,222</u>
	<u>\$ 594,359</u>	<u>\$ 665,850</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, 2022 and 2021

### **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, 2022 and 2021

### 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:

	2022	2021
Due within one year	\$ 1,691,741	\$ 1,919,259
Due within two to five years	399,616	-
Total	<u>\$ 2,091,357</u>	<u>\$ 1,919,259</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 \$7,170 and \$3,915 in 2022 and 2021. Such services have been reflected as both donated services revenue in the statements of activities and professional fees in the functional expense schedules.

The contributed services are valued at the estimated fair value based on current rates for similar professional services. There were no donor restrictions on such amounts.

#### ***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, 2022 and 2021

### **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, 2022 and 2021, approximately 6% and 16% 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 2019.

#### ***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 December 2, 2022.

## The Century Foundation, Inc.

Notes to Financial Statements  
June 30, 2022 and 2021

### 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:

	2022		
	Level 1	Other Investments Measured at Net Asset Value (*)	Total
Mutual Funds			
Fixed income	\$ 289,694	\$ -	\$ 289,694
Equities	19,496,638	-	19,496,638
Bond funds	388,062	-	388,062
Hedge funds	-	11,975,363	11,975,363
Private equity	-	11,995,384	11,995,384
Private real estate	-	1,728,362	1,728,362
Limited partnerships	-	2,405,485	2,405,485
Total at Fair Value	\$ 20,174,394	\$ 28,104,594	48,278,988
Invested cash and cash equivalents, at cost			5,558,102
Total Investments			\$ 53,837,090
	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	\$ 34,101,898	\$ 25,930,593	60,032,491
Invested cash and cash equivalents, at cost			3,335,041
Total Investments			\$ 63,367,532

(\*) 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, 2022 and 2021

#### 3. Investments (continued)

Information regarding alternative investments valued at NAV using the practical expedient at June 30, 2022 is as follows:

Hedge Funds				
Strategy	Fair Value	Unfunded Commitments	Redemption Terms	Redemption Restrictions
Investment in distressed securities-Independent return long/short equities	\$ 1,286,379	\$ -	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
Fundamental, research-oriented global equity long short strategy	869,028		Monthly with 45 days notice	Subject to a rolling 1 year soft lock-up period
Invests primarily in long-only funds	1,563,681		Monthly with 30 days notice	None
Invests in liquid, large cap European companies	987,499		Quarterly with 30 days notice	None
Seeks capital appreciation and current income by investing in a diversified portfolio of structured credit products in the United States and European credit markets	159,815		Quarterly with 60 days notice	Subject to a 1 year lock-up period
Investment strategy focuses on identifying and investing behind disruptive technology themes	1,506,528		Quarterly with 45 days notice	Subject to a 1 year lock-up period
Invest in quantitative and fundamental equity	3,052,122		Quarterly with 50 days notice	Subject to a 1 year lock-up period, all redemptions are subject to a 10% holdback
Invests in public and private healthcare and life science companies	1,423,369		Quarterly with 90 days notice	Subject to a 1 year soft lock-up period (3% penalty if within 1 year)
Invests in long/short equities	1,126,942		Quarterly with 65 days notice	None
	<u>\$ 11,975,363</u>	<u>\$ -</u>		
Limited Partnerships				
Strategy	Fair Value	Unfunded Commitments	Redemption Terms	Redemption Restrictions
Concentrated portfolio of listed equity securities of European companies	\$ 1,242,147	\$ -	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
Invests in healthcare companies at all stages of development	1,163,338		Quarterly with 90 days notice	None
	<u>\$ 2,405,485</u>	<u>\$ -</u>		

## The Century Foundation, Inc.

### Notes to Financial Statements June 30, 2022 and 2021

#### 3. Investments (continued)

Strategy	Fair Value	Private Equity		
		Unfunded Commitments	Redemption Terms	Redemption Restrictions
Invests in longer-duration private and public securities, other assets, and debt	\$ 697,218	\$ -	Illiquid	Illiquid
Invests in public and private debt and other interests relating to real estate investments on a global basis	480,633	521,460	Illiquid	Illiquid
Seeks to identify, acquire, hold and sell or otherwise dispose of investments	382,805	433,384	Illiquid	Illiquid
Early stage and growth equity investments in minority-owned businesses	47,728	51,286	Illiquid	Illiquid
Tech-enabled Private Equity	423,931	325,016	Illiquid	Illiquid
Invests in healthcare and technology and in early-stage biotherapeutics companies	168,144	455,700	Illiquid	Illiquid
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	1,864,151	682,933	Illiquid	Illiquid
Invest in hard asset lending strategy	1,940,844	-	Illiquid	Illiquid
Large-scale investments in the technology, technology enabled and related growth industries	1,881,956	267,878	Illiquid	Illiquid
Large-cap, mature private equity strategies	2,216,425	1,133,918	Illiquid	Illiquid
Invests in public and private healthcare and life science companies	414,691	28,490	Illiquid	Illiquid
Middle market lending	898,149	100,000	Illiquid	Illiquid
Invests in global equity long/short equities	92,301	634,992	Monthly with 45 days notice	Rolling annual liquidity, monthly with 3% penalty.
Invests in technology, financial services, healthcare, business services and consumer industries	224,799	678,900	Illiquid	Illiquid
Invests in early-stage private life sciences companies	64,186	389,276	Illiquid	Illiquid
Invests across all major property types in the U.S.	83,025	368,251	Illiquid	Illiquid
Invests in private growth stage technology companies	114,398	689,387	Illiquid	Illiquid
Private real estate invests primarily in stabilized income-generating commercial real estate in the United States and to a lesser extent may invest outside the United States and in real estate debt.	1,728,362	-	Illiquid	Illiquid
	<u>\$ 13,723,746</u>	<u>\$ 6,760,871</u>		

## The Century Foundation, Inc.

Notes to Financial Statements  
June 30, 2022 and 2021

### 4. Property, Equipment and Leasehold Improvements

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

	2022	2021
Leasehold improvements	\$ 417,495	\$ 417,495
Equipment	380,794	380,794
	798,289	798,289
Less accumulated depreciation and amortization	(623,457)	(577,364)
	\$ 174,832	\$ 220,925

Depreciation and amortization expense for the years ended June 30, 2022 and 2021 was \$46,093 and \$43,989. There were no disposals in fiscal years 2022 and 2021.

### 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, 2022 and 2021:

	Balance June 30, 2021	Contributions and Grants	Net Assets Released from Restrictions	Balance June 30, 2022
Higher Education	\$ 971,487	\$ 1,000,000	\$ 1,008,927	\$ 962,560
Education K-12	1,211,544	452,900	1,386,558	277,886
Economy and Jobs	435,441	1,150,000	974,495	610,946
Women's Economic Justice	78,578	190,000	129,428	139,150
Disability Economic Justice	-	800,000	323,237	476,763
Maternal Health	981,880	1,135,735	753,498	1,364,117
Century International (Foreign Policy)	607,010	700,000	393,249	913,761
Next100	462,660	692,595	766,962	388,293
Total	\$ 4,748,600	\$ 6,121,230	\$ 5,736,354	\$ 5,133,476

  

	Balance June 30, 2020	Contributions and Grants	Net Assets Released from Restrictions	Balance June 30, 2021
Higher Education	\$ 572,151	\$ 1,595,512	\$ 1,196,176	\$ 971,487
Education K-12	1,005,756	590,840	385,052	1,211,544
Economy and Jobs	590,161	815,468	970,188	435,441
Women's Economic Justice	-	100,000	21,422	78,578
Maternal Health	56,600	1,110,000	184,720	981,880
Century International (Foreign Policy)	445,363	492,000	330,353	607,010
Next100	255,000	600,000	392,340	462,660
Total	\$ 2,925,031	\$ 5,303,820	\$ 3,480,251	\$ 4,748,600

## The Century Foundation, Inc.

Notes to Financial Statements  
June 30, 2022 and 2021

### 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:

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash and cash equivalents and restricted cash	\$ 594,359	\$ 665,850
Investment income receivable and other receivable	33,615	1,631,033
Contributions and grants receivable	2,091,357	1,919,259
Investments	<u>53,837,090</u>	<u>63,367,532</u>
Total Financial Assets	<u>56,556,421</u>	<u>67,583,674</u>
Less contractual or donor imposed restricted amount:		
Restricted cash	(390,299)	(390,222)
Illiquid investments	(13,723,746)	(9,391,883)
Donor-imposed restrictions	<u>(5,133,476)</u>	<u>(4,748,600)</u>
	<u>(19,247,521)</u>	<u>(14,530,705)</u>
Financial Assets Available to Meet Cash Needs for General Expenditure Within One Year	<u>\$ 37,308,900</u>	<u>\$ 53,052,969</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, 2022 and 2021 was \$206,259 and \$195,756. 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, 2022 and 2021

### 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.

	2022			
	Program	Administration	Fundraising	Total
Payroll and related	\$ 6,266,304	\$ 429,079	\$ 349,667	\$ 7,045,050
Professional fees	742,050	43,163	-	785,213
Depreciation and amortization	36,875	9,218	-	46,093
Occupancy	566,698	107,942	-	674,640
Travel	207,014	52,605	-	259,619
Office expenses	169,594	35,396	-	204,990
Information technology	158,774	39,693	-	198,467
Communications and publishing	153,099	61,410	-	214,509
Subgrants	374,949	-	-	374,949
Insurance	39,078	9,769	-	48,847
Special events	-	-	57,988	57,988
Bank fees	-	9,025	-	9,025
Miscellaneous	21,381	9,598	-	30,979
Total Expenses	\$ 8,735,816	\$ 806,898	\$ 407,655	\$ 9,950,369

  

	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

## The Century Foundation, Inc.

Notes to Financial Statements  
June 30, 2022 and 2021

### 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.

Effective as of July 1, 2021, the Foundation entered into a sublease agreement for office space in Washington D.C expiring March 31, 2024. The sublease contains a three month rent concession, which is being amortized using the straight-line method over the term of the lease.

Minimum lease payments by fiscal year are as follows:

	New York City	Washington, DC	Total
2023	\$ 386,460	\$ 181,602	\$ 568,062
2024	406,141	140,969	547,110
2025	407,930	-	407,930
2026	407,930	-	407,930
2027	407,930	-	407,930
Thereafter	441,924	-	441,924
	<u>\$ 2,458,315</u>	<u>\$ 322,571</u>	<u>\$ 2,780,886</u>

Rent expense for the years ended June 30, 2022 and 2021 amounted to \$601,895 and \$558,648.

### 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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**The Century Foundation, Inc.**

Supplementary Information

June 30, 2022 and 2021

## The Century Foundation, Inc.

### Schedule of Purpose Restricted Grants and Contributions Received Year Ended June 30, 2022

Funder	Balance June 30, 2021	Contributions and Grants	Net Assets Released from Restrictions	Balance June 30, 2022
Action Now Initiative (ANI)	\$ 580,676	\$ 1,000,685	\$ 782,881	\$ 798,480
Ford Foundation	-	900,000	417,865	482,135
Lumina Foundation	545,000	725,000	804,934	465,066
The Commonwealth Fund	-	565,000	87,715	477,285
Walton Family Foundation	766,274	412,500	1,005,916	172,858
Carnegie Corporation of New York	194,968	350,000	194,968	350,000
Open Society Foundation	142,950	350,000	142,950	350,000
Irving Harris Foundation	25,002	320,000	25,002	320,000
Ballmer Group	-	200,000	163,532	36,468
ECMC Foundation	-	200,000	-	200,000
Gates Foundation	252,387	200,000	252,387	200,000
The City Fund	69,178	150,000	71,036	148,142
Perigee Fund	78,577	115,000	78,577	115,000
R.S. Clark Foundation	-	80,000	4,400	75,600
Urban Mfg Alliance	-	75,000	8,549	66,451
American Institutes for Research	-	75,000	36,667	38,333
Silicon Valley Community Foundation	-	75,000	12,621	62,379
Evelyn & Walter Hass Jr. Fund	-	50,000	25,083	24,917
Natl Domestic Workers Alliance	-	50,000	50,000	-
North Forty (via Seattle Foundation)	-	50,000	50,000	-
Seattle Foundation (Raikes Family Office)	-	50,000	-	50,000
Moriah Fund	12,660	30,000	42,660	-
Alliance for Early Success	-	25,000	25,000	-
Robin Hood Foundation	141,062	25,000	141,062	25,000
Tides Foundation	-	25,000	850	24,150
Hunt Institute	-	15,400	15,400	-
Individual Donations (Network for Good)	-	7,595	-	7,595
W.K. Kellogg Foundation	956,878	50	545,624	411,304
BLS	211,128	-	211,128	-
AE Casey Foundation	48,205	-	48,205	-
Heising-Simons Foundation	75,500	-	56,948	18,552
Joyce Foundation	90,811	-	90,811	-
Henry Luce Foundation	259,979	-	46,218	213,761
New Profit Inc.	225,000	-	225,000	-
New Venture Fund	28,251	-	28,251	-
Rodney L. White Foundation	10,000	-	10,000	-
Carnegie Corporation of New York	9,114	-	9,114	-
Workers Lab	25,000	-	25,000	-
Total	<u>\$ 4,748,600</u>	<u>\$ 6,121,230</u>	<u>\$ 5,736,354</u>	<u>\$ 5,133,476</u>

See independent auditors' report

## The Century Foundation, Inc.

### Schedule of Purpose Restricted Grants and Contributions Received Year Ended June 30, 2021

Funder	Balance June 30, 2020	Contributions and Grants	Net Assets Released from Restrictions	Balance June 30, 2021
Action Now Initiative (ANI)	\$ 372,151	\$ 1,295,512	\$ 1,086,987	\$ 580,676
W.K. Kellogg Foundation	-	1,050,000	93,122	956,878
Lumina Foundation	432,533	525,000	412,533	545,000
Robin Hood Foundation	-	450,468	309,406	141,062
Walton Family Foundation	698,744	308,840	241,310	766,274
Carnegie Corporation of New York	20,363	300,000	116,282	204,081
BLS	82,628	225,000	96,500	211,128
New Profit Inc.	-	225,000	-	225,000
Open Society Foundation	-	192,000	49,050	142,950
AE Casey Foundation	-	142,000	93,795	48,205
Heising-Simons Foundation	-	125,000	49,500	75,500
Perigee Fund	-	100,000	21,423	78,577
Silicon Valley Community Foundation	-	75,000	75,000	-
New America Foundation	75,000	75,000	150,000	-
R.S. Clark Foundation	55,000	55,000	110,000	-
Irving Harris Foundation	-	40,000	14,998	25,002
New Venture Fund	-	30,000	1,749	28,251
Workers Lab	-	25,000	-	25,000
The Commonwealth Fund	56,600	20,000	76,600	-
Moriah Fund	-	20,000	7,340	12,660
Gates Foundation	277,143	15,000	39,756	252,387
Rodney L. White Foundation	-	10,000	-	10,000
Silicon Valley Community Foundation	100,000	-	100,000	-
City Fund	129,869	-	60,690	69,179
Joyce Foundation	200,000	-	109,189	90,811
Henry Luce Foundation	350,000	-	90,021	259,979
Rockefeller Brothers Fund	75,000	-	75,000	-
Total	<u>\$ 2,925,031</u>	<u>\$ 5,303,820</u>	<u>\$ 3,480,251</u>	<u>\$ 4,748,600</u>

See independent auditors' report