EISNERAMPER

NATIONAL CENTER ON PHILANTHROPY AND THE LAW, INC.

(a wholly controlled entity)

FINANCIAL STATEMENTS

AUGUST 31, 2020 and 2019

NATIONAL CENTER ON PHILANTHROPY AND THE LAW, INC.
(a wholly controlled entity)

Contents

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INDEPENDENT AUDITORS' REPORT

Board of Directors
National Center on Philanthropy and the Law, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of the National Center on Philanthropy and the Law, Inc. (a wholly controlled entity) (the "Center"), which comprise the statements of financial position as of August 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for each of the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

The Center's 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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain 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 organization'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 organization'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 National Center on Philanthropy and the Law, Inc. as of August 31, 2020 and 2019, and the changes in its net assets and its cash flows for each of the years then ended, in accordance with accounting principles generally accepted in the United States of America.

EisnerAmper LLP

EISNERAMPER LLP
New York, New York
May 21, 2021

NATIONAL CENTER ON PHILANTHROPY AND THE LAW, INC.
(a wholly controlled entity)

Statements of Financial Position

	August 31, 2020	August 31, 2019
ASSETS		
Cash and cash equivalents	**$ 20,000**	$ 291,743
Contributions receivable, net (see Note B)	**579,513**	849,313
Dividends receivable	**3**	44
Investments (see Note C)	**7,559,110**	6,645,880
	$ 8,158,626	$ 7,786,980
LIABILITIES AND NET ASSETS		
Liabilities:		
Due to New York University	**$ 292,295**	$ 51,783
Accrued expenses	**9,500**	-
	301,795	51,783
Net assets:		
Without donor restrictions	**4,312,790**	3,975,851
With donor restrictions: (see Note G)		
Perpetual in nature	**2,285,400**	2,285,400
Purpose and time restricted	**1,258,641**	1,473,946
Total net assets with donor restrictions	**3,544,041**	3,759,346
Total net assets	**7,856,831**	7,735,197
	$ 8,158,626	$ 7,786,980

NATIONAL CENTER ON PHILANTHROPY AND THE LAW, INC.
(a wholly controlled entity)

Statements of Activities

	Year Ended August 31,					
	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:						
Contributions	$ 9,500	$ 105,200	$ 114,700	$ 4,425	$ 126,629	$ 131,054
Investment earnings, net	21,379	8,869	30,248	204,517	89,161	293,678
Net realized and unrealized gains (losses) on investments	431,994	179,204	611,198	(133,065)	(58,011)	(191,076)
Other income (see Note A[7]ii)	290,000	7,423	297,423	290,000	10,828	300,828
Support and revenue before net assets released from restrictions	752,873	300,696	1,053,569	365,877	168,607	534,484
Net assets released from restrictions	516,001	(516,001)	-	483,847	(483,847)	-
Total support and revenue	1,268,874	(215,305)	1,053,569	849,724	(315,240)	534,484
Expenses:						
Program services	785,020	-	785,020	852,880	-	852,880
Supporting services:						
General and administrative	82,655	-	82,655	69,371	-	69,371
Fundraising	64,260	-	64,260	64,485	-	64,485
Total supporting services	146,915	-	146,915	133,856	-	133,856
Total expenses	931,935	-	931,935	986,736	-	986,736
Change in net assets	336,939	(215,305)	121,634	(137,012)	(315,240)	(452,252)
Net assets - September 1	3,975,851	3,759,346	7,735,197	4,112,863	4,074,586	8,187,449
Net assets - August 31	$ 4,312,790	$ 3,544,041	$ 7,856,831	$ 3,975,851	$ 3,759,346	$ 7,735,197

NATIONAL CENTER ON PHILANTHROPY AND THE LAW, INC.
(a wholly controlled entity)

Statement of Functional Expenses
Year Ended August 31, 2020
(with summarized financial information for 2019)

	Program Services: Research and Education on Philanthropy	Supporting Services: General and Administrative	Supporting Services: Fundraising	Total Expenses 2020	Total Expenses 2019
Salaries	$ 440,122	$ 37,858	$ 45,825	$ 523,805	$ 518,152
Employee benefits	61,689	5,306	6,423	73,418	76,334
Pension contributions	41,973	3,610	4,371	49,954	47,718
Payroll taxes	28,163	2,422	2,933	33,518	31,394
Professional fees	-	1,569	-	1,569	2,112
Accounting	-	28,000	-	28,000	18,000
Library services	9,785	-	-	9,785	13,358
Books and periodicals	18,450	-	-	18,450	27,230
Office supplies and equipment	1,675	143	174	1,992	1,553
Postage	390	34	40	464	366
Stationery and printing	5,980	-	-	5,980	4,297
Travel	36,406	-	-	36,406	61,378
Meals and meetings	29,756	-	-	29,756	40,614
Information technology services	4,111	354	428	4,893	6,679
Rent	39,054	3,359	4,066	46,479	63,450
Memberships	2,828	-	-	2,828	8,923
Fellowships	59,642	-	-	59,642	59,203
Honoraria and awards	4,996	-	-	4,996	5,975
Total expenses	$ 785,020	$ 82,655	$ 64,260	$ 931,935	$ 986,736

NATIONAL CENTER ON PHILANTHROPY AND THE LAW, INC.
(a wholly controlled entity)

Statement of Functional Expenses
Year Ended August 31, 2019

	Program Services: Research and Education on Philanthropy	Supporting Services: General and Administrative	Supporting Services: Fundraising	Total Expenses
Salaries	$ 439,111	$ 34,230	$ 44,811	$ 518,152
Employee benefits	64,690	5,043	6,601	76,334
Pension contribution	40,439	3,152	4,127	47,718
Payroll taxes	26,605	2,074	2,715	31,394
Professional fees	-	2,112	-	2,112
Accounting	-	18,000	-	18,000
Library services	13,358	-	-	13,358
Books and periodicals	27,230	-	-	27,230
Office supplies and equipment	1,316	103	134	1,553
Postage	310	24	32	366
Stationery and printing	4,297	-	-	4,297
Travel	61,378	-	-	61,378
Meals and meetings	40,614	-	-	40,614
Information technology services	5,660	441	578	6,679
Rent	53,771	4,192	5,487	63,450
Memberships	8,923	-	-	8,923
Fellowships	59,203	-	-	59,203
Honoraria and awards	5,975	-	-	5,975
Total expenses	$ 852,880	$ 69,371	$ 64,485	$ 986,736

NATIONAL CENTER ON PHILANTHROPY AND THE LAW, INC.
(a wholly controlled entity)

Statements of Cash Flows

	Year Ended August 31,	
	2020	**2019**
Cash flows from operating activities:		
Change in net assets	**$ 121,634**	$ (452,252)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized (gains) losses on investments	**(644,862)**	304,630
Realized losses (gains) on sales of investments	**33,664**	(113,554)
Changes in:		
Contributions receivable, net	**269,800**	263,371
Dividends receivable	**41**	2,309
Due to New York University	**240,512**	51,783
Accrued expenses	**9,500**	-
Net cash provided by operating activities	**30,289**	56,287
Cash flows from investing activities:		
Purchases of investments	**(544,444)**	(432,822)
Proceeds from sales of investments	**242,412**	402,579
Net cash used in investing activities	**(302,032)**	(30,243)
Net change in cash and cash equivalents, and cash held by New York University	**(271,743)**	26,044
Cash and cash equivalents, and cash held by New York University at beginning of year	**291,743**	265,699
Cash and cash equivalents, and cash held by New York University at end of year	**$ 20,000**	$ 291,743

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Organization:

The National Center for Philanthropy and the Law, Inc. (the "Center") was incorporated in New York in July 1996. The Center operates exclusively for charitable and educational purposes, including the promotion, encouragement, and sponsorship of study, research, and other educational activities in the area of philanthropy and the law. The Center achieves its purpose by (i) conducting or supporting activities for the benefit of New York University (the "University"), (ii) performing various functions of the University, and (iii) carrying out the purposes of the University. Members of the Board of Directors of the Center are appointed by the New York University School of Law Foundation, and, accordingly, the Center is a wholly controlled entity of the University.

As a wholly controlled entity of the University, the Center has been determined by the Internal Revenue Service to qualify as a Type I supporting organization under Section 509(a)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), is exempt under 501(c)(3) of the Code from federal income taxes, and has been classified as an organization that is not a private foundation under Section 509(a) of the Code. In addition, the Center is exempt from state and local income taxes under comparable laws. The Center qualifies for the maximum charitable contribution deduction by donors.

[2] Basis of accounting:

The financial statements of the Center have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP"), as applicable to not-for-profit entities.

[3] Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, support and revenue, and expenses as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

[4] Cash and cash equivalents/ Due to New York University:

Cash and cash equivalents include all highly-liquid debt instruments with a maturity of three months or less when purchased. As of August 31, 2020 and 2019, the Center had a liability to the University for $292,295 and $51,783, respectively.

[5] Investments:

Investments are comprised of mutual funds and a money-market account. The multi-asset mutual fund consists of underlying investments with readily determinable fair values, such as global stocks and commodities. Additionally, the Center invests in debt-based mutual funds. All mutual funds are reported at fair value as of fiscal-year end in the statements of financial position.

Investment transactions are recorded on a trade-date basis. Realized gains and losses on investments sold, and unrealized appreciation and depreciation on investments held, are reported on the statements of activities as increases and decreases in net assets without restrictions unless their use is restricted through donor stipulations. Realized gains and losses on investments are determined by comparison of the cost at acquisition to proceeds at the time of disposition. Unrealized gains and losses on investments are determined by comparing each investment's cost to the fair value at the end of each fiscal year. The earnings from dividends and interest are recognized when earned.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[5] Investments: (continued)

Investment expenses include the services of bank trustees, investment managers and custodians. The balances of investment management fees disclosed in Note C are those specific fees charged by the Center's investment managers in each fiscal year; however, they do not include those fees that are embedded in mutual fund transactions.

[6] Net assets:

(i) Net Assets Without Donor Restrictions:

Net assets without donor restrictions are the remaining net assets of the Center that are used to carry out the Center's mission and are not subject to donor-imposed restrictions.

(ii) Net Assets With Donor Restrictions:

Net assets with donor restrictions represent those resources that are subject to donor-imposed restrictions such as specific purposes and/or a specific period of time. Some donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained permanently. These resources, as well as the earnings thereon, are subject to the requirements of the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). The purposes for which the income and net capital appreciation arising from underlying assets may be used depend on the wishes of those donors.

Net assets released from restrictions represent one of the following: (i) appropriations for expenditure by the Board of Directors; (ii) the satisfaction of the restricted purposes specified by the donors; or (iii) the passage of time, and are reclassified as net assets without donor restrictions and are reported in the statement of activities as net assets released from restriction.

[7] Revenue recognition:

(i) Contributions:

Unconditional promises to contribute to the Center are recognized as revenue in the period the promise is received. Conditional contributions are recognized when the donor's conditions have been met by requisite actions of the Center's management or necessary events have taken place. Contributions receivable not expected to be collected within a year are reported at their discounted present values, at a rate commensurate with the risk involved.

(ii) Other income:

During fiscal-year 2016, the Nonprofit Forum became a program of the Center. The funds contributed for this program are included in net assets with donor restrictions and released upon expenditure in satisfaction of the program's activities. The funds are deposited within the operating cash account held by the University. The Nonprofit Forum is a group of approximately two dozen academics and lawyers, specializing in legal issues affecting not-for-profit organizations, who meet for dinner five times each year to present and discuss prepared papers on nonprofit legal topics. This is a self-sustaining program whereby the contributions received cover all related programmatic costs, and, accordingly, these funds were fully expended during each fiscal year. Revenues related to the program totaled approximately $7,400 and $10,800 for the fiscal years ended August 31, 2020 and 2019, respectively, or less than 2% of the Center's total support and revenue for 2020 and 2019.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[7] Revenue recognition: (continued)

(ii) Other income: (continued)

If the program were to be discontinued, the Center's annual revenues would continue to support its main program. Also included in other income is financial support from the University, based on a matching agreement as further described in Note F.

[8] Functional allocation of expenses:

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statements of activities. The statements of functional expenses present expenses by functional and natural classification. Natural expenses attributable to more than one functional expense category are allocated by management based on time and effort.

[9] Income taxes:

The Center is subject to the provisions of the Financial Accounting Standards Board's (the "FASB") Accounting Standards Codification ("ASC") Topic 740, *Income Taxes*, as it relates to accounting and reporting for uncertainty in income taxes. Because of the Center's general tax-exempt status, management believes ASC Topic 740 has not had, and is not anticipated to have, a material impact on the Center's financial statements.

[10] Reclassification:

Certain amounts in the 2019 financial statements and disclosures have been reclassified to conform to the presentation in the 2020 financial statements.

[11] Adoption of accounting pronouncement:

In June 2018, the FASB issued Accounting Standards Update ('"ASU") 2018-08, *Not-for-Profit Entities, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.* This standard provides a framework for evaluating whether grants should be accounted for as exchange transactions or as non-exchange transactions. For non-exchange transactions, the new guidance clarifies whether arrangements are conditional or unconditional. The standard is effective for years beginning after December 15, 2018 for entities receiving resources and after December 15, 2019 for entities providing resources. ASU 2018-08 should be adopted on a modified prospective basis. The Center has adopted the resource recipient section of the standard for its fiscal year ending August 31, 2020 and this accounting guidance did not have a material effect on the Center's financial statements. The Center is evaluating the impact of the resource provider portion of this ASU on the financial statements.

[12] Upcoming accounting pronouncement:

Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement.* The amendments in this update apply to all entities that are required to make disclosures about recurring or nonrecurring fair value measurements. Certain of the disclosures that are required by the amendments are not required for nonpublic entities. ASU 2018-13 eliminates, adds and modifies certain disclosure requirements for fair value measurements as part of its disclosure framework project. ASU 2018-13 is effective for fiscal years beginning after December 15, 2019 and interim periods within those fiscal years.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[12] Upcoming accounting pronouncement: (continued)

The amendments on changes in unrealized gains and losses, the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements, and the narrative description of measurement uncertainty should be applied prospectively for only the most recent annual period presented in the year of adoption. All other amendments should be applied retrospectively to each period for which the financial statements are presented. Management is in the process of assessing the impact of this ASU on the financial statements.

NOTE B - CONTRIBUTIONS RECEIVABLE

At each fiscal year-end, contributions receivable were estimated to be due as follows:

	August 31,	
	2020	**2019**
Less than one year	**$ 300,000**	$ 300,000
One year to five years	**300,000**	600,000
	600,000	900,000
Reduction of pledges due in excess of one year to present value, at a discount rate of 3.6%	**(20,487)**	(50,687)
	$ 579,513	$ 849,313

Management believes the amounts reported above to be fully collectible; accordingly, no allowance for doubtful account has been established.

NOTE C - INVESTMENTS

At each fiscal year-end, investments at fair value consisted of the following:

	August 31,	
	2020	**2019**
Money-market fund	**$ 321,655**	$ 26,683
Mutual funds	**7,237,455**	6,619,197
	$ 7,559,110	$ 6,645,880

NOTE C - INVESTMENTS (CONTINUED)

For each fiscal year, investment earnings consisted of the following:

	Year Ended August 31, 2020	2019
Interest and dividends	**$ 33,748**	$ 297,210
Realized (losses) gains	**(33,664)**	113,554
Unrealized gains (losses)	**644,862**	(304,630)
	644,946	106,134
Investment fees	**(3,500)**	(3,532)
Net investment income	**$ 641,446**	$ 102,602

Authoritative guidance for fair-value measurements, ASC Topic 820, *Fair Value Measurement,* establishes a hierarchy of valuation methodologies based on the extent to which asset valuations are observable in the marketplace. The following describes the hierarchy of methodologies used to measure fair value of investments:

Fair value for Level 1 is based on quoted prices in actively traded markets that the Center has the ability to access for identical assets. Market price data is generally obtained from exchange or dealer markets. The Center does not adjust the quoted price for such assets.

Fair value for Level 2 is based on quoted prices for instruments similar to those held by the Center in actively traded markets, quoted prices for identical instruments held by the Center in markets that are not actively traded and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data. Inputs are obtained from various sources, including market participants, dealers, and brokers.

Fair value for Level 3 is based on valuation techniques used to assess prices that are unobservable, as the assets trade infrequently or not at all.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair-value hierarchy. Changes in economic conditions or valuation techniques may require the transfer of financial instruments from one level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The Center's investments at August 31, 2020 and 2019 were all considered to be in Level 1. During fiscal-years 2020 and 2019, there were no transfers among Levels 1, 2, or 3.

NOTE D - CONCENTRATION OF REVENUE

Approximately 71% and 69% of the Center's total support was provided by one donor, during fiscal years 2020 and 2019, respectively. Due to the contributions the Center receives from various donors in each year, the Center is not solely reliant on any particular donor.

NOTE E - RETIREMENT PLAN

The employees of the University who are affiliated with the Center participate in an Internal Revenue Service Section 403(b) defined-contribution plan with the University. Pension costs charged to operations were $49,954 and $47,718 for fiscal-years 2020 and 2019, respectively.

NOTE F - RELATED-PARTY TRANSACTIONS

The Center rents a furnished office from the University, and utilizes various services of the University's School of Law, including library resources and computer technology. The Center reimburses the University for the costs of the office and related services, as well as for the compensation of Center employees who are paid directly by the University. The University also provides the Center with some immaterial administrative support. In addition, the Center receives financial support from the University, based on a matching agreement, the amount of which was $290,000 in each of the fiscal years 2020 and 2019, and which is included as other income in the accompanying statements of activities.

NOTE G - NET ASSETS WITH DONOR RESTRICTIONS

At each fiscal year-end, net assets with donor restrictions were associated with the following:

	August 31,	
	2020	**2019**
Perpetual in nature:		
Professorship	**$ 2,000,000**	$ 2,000,000
Other - general activities	**285,400**	285,400
Total perpetual in nature	**2,285,400**	2,285,400
Purpose restrictions:		
Scholarships and fellowships	**239,673**	259,383
Conferences	**125,585**	125,843
Scientific, literary, and education efforts	**639**	639
Professorship	**313,231**	238,768
Time restrictions	**579,513**	849,313
Total purpose and time restricted	**1,258,641**	1,473,946
	$ 3,544,041	$ 3,759,346

NOTE G - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

During each fiscal year, net assets released from restrictions as the result of satisfying donor restrictions were as follows:

	August 31,	
	2020	**2019**
Purpose restrictions satisfied:		
Scholarships and fellowships	**$ 64,710**	$ 16
Conferences	**30,258**	39,760
Professorship	**113,610**	133,243
Nonprofit Forum	**7,423**	10,828
Time restrictions satisfied	**300,000**	300,000
	$ 516,001	$ 483,847

NOTE H - ENDOWMENT

[1] The endowment:

The Center's endowment consists entirely of donor-restricted funds, of which $2,000,000 was established for the purpose of a professorship and the balance was established to fund general activities. The Center does not have any funds designated by the Board of Directors to function as endowment.

[2] Interpretation of relevant law:

The terms of NYPMIFA are applicable to the Center. NYPMIFA principally addresses (i) the management and investment of all of a not-for-profit entity's "institutional funds" (which are mainly the financial assets of the entity and which exclude programmatic assets such as buildings or operating facilities), and (ii) the appropriations by the governing board of earnings derived from both donor-restricted and board-designated endowment funds. In essence, NYPMIFA requires all of the financial resources of the entity to be used in a "prudent" fashion, with the express approval and action of the governing board. The Board of Directors continues to adhere to NYPMIFA's requirements. Under NYPMIFA, the Center is not required to maintain the purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result, when reviewing its donor-restricted endowment funds, the Center considers a fund to be underwater if the fair value of the fund is less than the sum of the original value of the initial and subsequent gift amounts donated to the fund and any accumulations to the fund that are required to be maintained in perpetuity.

NOTE H – ENDOWMENT (CONTINUED)

[3] Changes in endowment net assets with donor restrictions during each fiscal year:

	August 31,	
	2020	**2019**
Endowment net assets and the earnings thereon, beginning of the fiscal year	**$ 2,524,168**	$ 2,626,261
Investment return:		
Investment earnings, net	**8,869**	89,161
Net appreciation (depreciation) (realized and unrealized)	**179,204**	(58,011)
Total net investment return	**188,073**	31,150
Appropriation of endowment assets for expenditure	**(113,610)**	(133,243)
Endowment net assets and the earnings thereon, end of the fiscal year	**$ 2,598,631**	$ 2,524,168

[4] Endowment objectives:

The Board of Directors of the Center has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to objectives supported by its endowment, while seeking to maintain the purchasing power of the endowment assets.

[5] Funds with deficiencies:

Due to unfavorable market fluctuations, from time-to-time the fair value of assets associated with individual donor-restricted endowment funds may decline below the historical dollar value of the donors' original restricted contributions, or the amount required to be maintained under state law, referred to as underwater endowment. As of August 31, 2020, a deficiency existed in one donor-restricted endowment fund which had an original contribution value totaling $285,400, a current fair value of $275,465, and a deficiency of $9,935. As of August 31, 2019, a deficiency existed in one donor-restricted endowment fund which had an original contribution value totaling $285,400, a current fair value of $251,968, and a deficiency of $33,432. Under the terms of NYPMIFA, the Center has no responsibility to restore such decreases in value.

[6] Spending policy and relationship to underwater endowments:

With respect to the $2 million component of the endowment restricted for professorship, the donor has specified a spend policy whereby appropriation in each fiscal-year is to be the lesser of 5% of the beginning value of the endowment in a particular year, or the expense related to professorship. The Board of Directors of the Center adheres to this spend formula each year. For the remaining portion of the endowment, in 2012, the Board adopted a spending policy in the context of the Center's overall financial performance to maintain a prudent investment of the endowment assets. Each year, the Center's Board of Directors plans to appropriate for expenditure an amount from the Center's endowment funds that is determined to be prudent, after consideration of the eight factors listed in NYPMIFA. The Center has a policy that permits spending from underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent. During fiscal-year 2020, the Board did not appropriate from the underwater endowment fund and during fiscal-year 2019, the Board appropriated for expenditure $15,088 from the underwater fund, which represented the interest, dividends (net of investment fees), and realized gains generated by the fund.

NOTE I - LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Center's financial assets available for general use within one year of the statements of financial position date:

	August 31, 2020	August 31, 2019
Cash and cash equivalents	**$ 20,000**	$ 291,743
Contributions receivable, net	**579,513**	849,313
Dividends receivable	**3**	44
Investments	**7,559,110**	6,645,880
Total financial assets available within one year	**8,158,626**	7,786,980
Less: amounts unavailable for general expenditures within one year, due to:		
Restricted by donors with:		
Perpetual in nature	**(2,285,400)**	(2,285,400)
Purpose and time restrictions	**(958,641)**	(1,173,946)
Total amounts unavailable for general expenditure within one year	**(3,244,041)**	(3,459,346)
Total financial assets available to meet cash needs for general expenditures within one year	**$ 4,914,585**	$ 4,327,634

Liquidity policy:

As part of the Center's liquidity management, it maintains a sufficient level of operating cash and investments to be available as its general expenditures come due.

NOTE J - SUBSEQUENT EVENTS

The Center performed an evaluation of subsequent events through May 21, 2021, which is the date the financial statements were available to be issued.

NOTE K - RISK AND OTHER UNCERTAINTY

The extent of the impact of the Coronavirus ("COVID-19") outbreak on the operational and financial performance of the Center will depend on the continued future developments, including the duration and spread of the outbreak and related travel advisories and restrictions and the impact of COVID-19 on the overall availability of contributions towards the Center's programs, all of which are highly uncertain and cannot be predicted. If contributions towards the Center's programs are impacted for an extended period, results of operations may be materially adversely affected.