



July 30, 2021

Moss, Krusick & Associates, LLC  
501 S. New York Ave., Ste. 100  
Winter Park, Florida 32789

This representation letter is provided in connection with your audit of the financial statements of Florida Philanthropic Network, Inc. (the "Organization"), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and changes in net assets, cash flows and functional expenses for the years then ended, and the disclosures (collectively, the financial statements), for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of July 30, 2021, the following representations made to you during your audit.

#### **Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 13, 2021, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
3. We acknowledge our responsibility 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the Organization's accounts.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10. Significant and material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
11. Guarantees, whether written or oral, under which the Organization is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.
12. Revenue from contracts with customers and contributions have been appropriately accounted for and disclosed in accordance with FASB ASC 606, *Revenue from Contracts with Customers* and FASB ASC 958-605,

*Clarifying the Scope and the Accounting Guidance for Contribution Received and Made.* All contracts underlying revenue recognized in the financial statements have commercial substance and have been approved by appropriate parties. We have considered side agreements, implied promises, and unstated customary business practices in identifying performance obligations in contracts. We have sufficient and appropriate documentation supporting all estimates and judgements underlying the amount and timing of revenue recognized in the financial statements.

13. Receivables recorded in the financial statements represent valid claims against debtors for sales or other charges arising on or before the statement of financial position date and have been reduced to their estimated net realizable value.
14. We have performed an analysis of our revenue recognition policy in accordance with ASC 606 and ASC 958. The disclosure in the notes to the financial statements accurately reflect our revenue recognition policy.

#### **Information Provided**

15. We have provided you with:
  - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside the subsidiary ledgers), documentation, and other matters.
  - Additional information that you have requested from us for the purpose of the audit.
  - Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
  - Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
16. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
17. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
18. We have no knowledge of any fraud or suspected fraud that affects the Organization and involves:
  - Management,
  - Employees who have significant roles in internal control, or
  - Others where the fraud could have a material effect on the financial statements.
19. We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, grantors, regulators, or others.
20. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
21. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
22. We have disclosed to you the names of all of the Organization's related parties and all the related party relationships and transactions, including side agreements.
23. The Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
24. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
25. Florida Philanthropic Network, Inc. is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.

26. In regard to the tax and financial statement preparation services performed by your firm, we agree to —
- Assume all management responsibilities.
  - Designate an individual (within senior management) with suitable skill, knowledge, or experience to oversee the services.
  - Evaluated the adequacy and results of the services performed.
  - Accepted responsibility for the results of the services.
27. Other than as disclosed in Note L to the financial statements, no other impacts from the COVID-19 outbreak are necessary to be reflected in those financial statements.
28. On March 27, 2020, the Coronavirus Aid Relief, and Economic Security Act (CARES Act) was enacted in response to the Covid-19 pandemic. Under the CARES Act, the Paycheck Protection Program (PPP) was established to provide assistance to small businesses with resources needed to maintain payroll and cover applicable overhead. On April 28, 2020, through Seaside National Bank & Trust, we were approved for and received a PPP loan in the amount of \$27,977. On October 8, 2020, we obtained forgiveness of the PPP loan. It was reasonably assured at December 31, 2020 that we met both the eligibility and forgiveness criteria of the PPP loan; therefore, the loan was recorded as debt forgiveness within other income in the 2020 statement of activities.

Florida Philanthropic Network, Inc.

*Ashley Heath Dietz*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
President and CEO

\_\_\_\_\_  
Title

**Florida Philanthropic  
Network, Inc.**

**Financial Statements**

**December 31, 2020**

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**Partners**

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Florida Philanthropic Network, Inc.  
Tampa, Florida

We have audited the accompanying financial statements of Florida Philanthropic Network, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and changes in net assets, cash flows and functional expenses for the year 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 audit. We conducted our audit 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 risk 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 Florida Philanthropic Network, Inc. as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Summarized Comparative Information**

We have previously audited Florida Philanthropic Network, Inc.'s 2019 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 30, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
July 30, 2021

Florida Philanthropic Network, Inc.

STATEMENTS OF FINANCIAL POSITION

December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents (includes \$12,071 and \$532,500 of restricted cash, respectively)	\$ 297,802	\$ 999,500
Accounts receivable	-	700
Prepaid expenses	<u>35,500</u>	<u>35,449</u>
Total current assets	333,302	1,035,649
Property and equipment, net	15,828	13,704
Other assets: security deposits	<u>3,716</u>	<u>4,104</u>
Total assets	<u>\$ 352,846</u>	<u>\$ 1,053,457</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	\$ 13,791	\$ 12,782
Deferred dues income	242,400	355,080
Funds held as agent for Florida Counts Census 2020	<u>12,071</u>	<u>532,500</u>
Total current liabilities	268,262	900,362
Deferred rent, non current	17,227	16,928
Other liabilities: Deposits	<u>2,940</u>	<u>-</u>
Total liabilities	<u>288,429</u>	<u>917,290</u>
Net assets (deficit):		
Without donor restrictions	(26,048)	71,521
With donor restrictions	<u>90,465</u>	<u>64,646</u>
Total net assets	<u>64,417</u>	<u>136,167</u>
Total liabilities and net assets	<u>\$ 352,846</u>	<u>\$ 1,053,457</u>

The accompanying notes are an integral part of these financial statements.



Florida Philanthropic Network, Inc.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended December 31, 2020

(with summarized financial information for the year ended December 31, 2019)

	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>REVENUES AND SUPPORT</b>				
Dues and contributions	\$ 384,475	\$ -	\$ 384,475	\$ 405,132
Grants and sponsorships	355,850	93,650	449,500	140,000
Annual conference	255,430	-	255,430	262,592
Programs	47,815	-	47,815	14,401
Interest income	1,143	-	1,143	2,874
Other income	40,899	-	40,899	2,464
In-kind revenue	2,500	-	2,500	15,029
Net assets released from restriction	67,831	(67,831)	-	-
Total revenues and support	1,155,943	25,819	1,181,762	842,492
<b>EXPENSES</b>				
Program services	1,147,525	-	1,147,525	877,382
Support services:				
General and administrative	58,293	-	58,293	59,187
Fundraising	47,694	-	47,694	50,428
Total expenses	1,253,512	-	1,253,512	986,997
Change in net assets	(97,569)	25,819	(71,750)	(144,505)
Net assets, beginning of year	71,521	64,646	136,167	280,672
Net assets, end of year	\$ (26,048)	\$ 90,465	\$ 64,417	\$ 136,167

The accompanying notes are an integral part of these financial statements.

**Florida Philanthropic Network, Inc.**

**STATEMENTS OF CASH FLOWS**

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

	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (71,750)	\$ (144,505)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	4,054	3,008
Debt Forgiveness	(27,977)	-
(Increase) decrease in assets:		
Accounts receivable	700	6,505
Prepaid expenses	(51)	994
Other assets	388	1,454
Increase (decrease) in liabilities:		
Accounts payable	1,009	(41,038)
Deferred revenue	(112,680)	75,985
Deferred rent	299	7,444
Deposits	2,940	-
Funds held as agent for Florida Counts		
Census 2020 Pooled Fund	(520,429)	532,500
Net cash (used in) provided by operating activities	(723,497)	442,347
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(6,178)	(4,860)
Proceeds from paycheck protection program loan	27,977	-
Net cash provided by (used in) investing activities	21,799	(4,860)
Net (decrease) increase in cash, cash equivalents, and restricted cash	(701,698)	437,487
Cash, cash equivalents, and restricted cash, beginning of year	999,500	562,013
Cash, cash equivalents, and restricted cash, end of year	\$ 297,802	\$ 999,500

The accompanying notes are an integral part of these financial statements.

Florida Philanthropic Network, Inc.

STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended December 31, 2020

(with summarized financial information for the year ended December 31, 2019)

	2020				2019
	Program Services	Supporting Services		Total	Total
		Management and General	Fund-Raising		
Programs	\$ 441,805	\$ -	\$ -	\$ 441,805	\$ 153,538
Salaries	213,606	29,371	24,030	267,007	342,894
Annual conference	216,340	-	-	216,340	199,967
Consulting services	37,600	5,170	4,230	47,000	-
Rent	33,026	4,541	3,715	41,282	41,426
Human resources	23,091	3,175	2,598	28,864	-
Accounting	17,838	2,453	2,007	22,298	22,112
Payroll taxes	16,600	2,283	1,868	20,750	22,331
Computer cloud and website	15,990	2,199	1,798	19,987	14,612
Health insurance	14,336	1,971	1,613	17,920	29,249
Research	16,500	-	-	16,500	49,211
Public relations	14,429	-	-	14,429	3,477
Retirement	11,445	1,574	1,287	14,306	20,997
Organization affiliations	12,717	-	-	12,717	19,429
Move expense	9,584	1,318	1,078	11,980	300
Contract labor	9,040	1,243	1,017	11,300	2,500
Website maintenance	10,665	-	-	10,665	8,720
Advocacy	9,791	-	-	9,791	2,626
Insurance	4,155	571	468	5,194	4,539
Telephone and internet	3,445	474	388	4,307	6,141
Bank fees	3,393	467	381	4,241	2,870
Office expense	3,298	453	371	4,122	6,259
Depreciation	3,243	446	365	4,054	3,008
In-kind	2,000	275	225	2,500	15,029
Board meetings	1,164	160	132	1,456	4,608
Payroll expenses	1,091	150	123	1,364	1,200
Member development	1,073	-	-	1,073	2,345
Professional meetings	260	-	-	260	7,609
Total expenses	<u>\$ 1,147,525</u>	<u>\$ 58,293</u>	<u>\$ 47,694</u>	<u>\$ 1,253,512</u>	<u>\$ 986,997</u>

The accompanying notes are an integral part of these financial statements.

Florida Philanthropic Network, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

**NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

1. Organization

Florida Philanthropic Network, Inc. (“FPN” or the “Organization”) is a nonprofit Florida corporation established in January 2003. As a statewide association of Grantmakers, FPN builds philanthropy for a better Florida. FPN does this through research and education, collaboration across all sectors – business, government and nonprofit, and by advancing public policy for the common good of all Floridians.

2. Net Assets

The accompanying financial statements and accompanying schedules have been prepared on the accrual basis of accounting. The Organization reports information regarding its financial position and activities according to the following classes of net assets:

*Net Assets Without Donor Restrictions*

Net assets without donor restrictions are available for use at the discretion of the Board and/or management for general operating purposes. From time to time the Board may designate a portion of these net assets for specific purposes which makes them unavailable for use at management’s discretion.

*Net Assets With Donor Restrictions*

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed restrictions, time and/or purpose restrictions.

The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statement of activities as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the gifts of cash and other assets are received, the Organization reports the support as net assets without donor restrictions.

Some net assets with donor restrictions may include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy.

See Note J for more information on the composition of net assets with donor restrictions.

3. Revenue Recognition

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU 2014-09, *Revenue from Contracts with Customers* (ASC 606), which prescribes a single, common revenue standard to replace most existing revenue recognition guidance, including most industry-specific requirements. The standard outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied.

Florida Philanthropic Network, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

**NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

3. Revenue Recognition - continued

In June 2018, the FASB issued ASU No. 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (ASC 958-605)*, which clarifies how transactions should be accounted for as contributions (nonreciprocal transactions) or exchange transactions and whether a contribution is conditional.

The Organization adopted ASC 606 and ASC 950-605 and all related amendments effective January 1, 2019. The adoption had no significant impact on the Organization's financial statements.

The Organization receives its revenue from dues, grants and contributions from its members, who are located primarily in Florida, and from an annual conference. Dues are recognized as revenue in the period to which they are attributable. Contributions are generally recognized as revenue when received or designated at a point in time, and when any barriers to recognition have been overcome. Contributions received generally do not have a right of return. Rental income is recognized as earned on the accrual basis.

Dues are recorded as deferred revenue to the extent they are attributable to future periods. Payments received for annual conference (held in January or February), registrations and sponsorships are deferred until the conference takes place.

4. Programs

The benefits for members include, relevant and unbiased research reports on Florida's nonprofit sector, educational and professional development programs, and annual meetings with elected officials in Washington D.C. and/or Tallahassee.

5. Cash and Cash Equivalents

Financial instruments with an original maturity of three months or less are considered to be cash equivalents.

6. Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, the Organization has made no provision for federal income taxes. Management has analyzed the Organization's various federal and state filing positions and believes that its income tax filing position and deductions are well documented and supported, and that no accruals for tax liabilities are necessary. Therefore, no reserves for uncertain income tax positions have been recorded.

7. Recent Accounting Pronouncement

In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, *Leases*, that requires lessees to put most leases on their balance sheets and recognize expenses on their income statements in a manner similar to today's capital lease accounting. For lessors, the guidance modifies the classification criteria for accounting for sales-type and direct financing leases. The new guidance is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Organization is evaluating the potential effects ASU 2016-02 will have on its financial statements.

Florida Philanthropic Network, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

**NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

8. Property and Equipment

Property and equipment are stated at cost. The cost of additions and betterments are capitalized and expenditures for repairs and maintenance are expensed in the period incurred. When items of property and equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is included in income. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, which range from three to seven years.

9. Deferred Rent

The Organization calculates rent using the straight line method resulting in a deferred rent liability.

10. Functional Expenses

The cost of providing various studies, research programs, and supporting services has been summarized on a functional basis in the statement of activities. Those expenses include depreciation, events, membership, research and other programs. Depreciation is allocated on square footage and events, membership, research and other program expenses are allocated based on estimates of time and effort.

11. Estimates

Preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

12. Comparable Financial Statements

The financial statements include certain prior-year summarized comparative information in total, not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

13. Reclassifications

Certain reclassifications have been made to 2019 amounts based on 2020 presentation.

14. Subsequent Events

Subsequent events have been evaluated through July 30, 2021, which is the date the financial statements were available to be issued.

Florida Philanthropic Network, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

**NOTE B – DONATED GOODS AND SERVICES**

Donated goods are recorded as support at their fair values at the date of receipt by the Organization. Donated services are recognized in the financial statements if the services enhance or create non-financial assets or require specialized skills, and would need to be purchases if not provided by donation. Donated goods and services aggregated to \$2,500 and \$15,029 for the years ended December 31, 2020 and 2019, respectively.

**NOTE C – CONCENTRATION OF CREDIT RISK**

Operations

The Organization's operations are concentrated in Florida, and are therefore subject to the economic fluctuations of this geographic area.

Cash and Cash Equivalents

The Organization maintains its cash and cash equivalents in a bank that participates in the Federal Deposit Insurance Corporation (FDIC) Program. Balances are insured up to \$250,000. The Organization had deposits in excess of federally insured limits of \$20,392 and \$786,112 at December 31, 2020 and 2019, respectively. The Organization has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

Grants and Sponsorships

For the year ended December 31, 2020, six foundations provided grants totaling \$432,500, which are approximately 96% of total grants and contributions. For the year ended December 31, 2019, three foundations provided grants totaling \$100,000, which are approximately 71% of total grants and sponsorships.

**NOTE D – PROPERTY AND EQUIPMENT, NET**

Property and equipment at December 31, consisted of the following:

	<u>2020</u>	<u>2019</u>
IT/computers	\$ 23,140	\$ 23,140
Office furniture	30,581	30,581
Office equipment	3,054	3,054
Website	64,982	58,804
	<u>121,757</u>	<u>115,579</u>
Less: accumulated depreciation	<u>(105,929)</u>	<u>(101,875)</u>
	<u>\$ 15,828</u>	<u>\$ 13,704</u>

Depreciation expense was \$4,054 and \$3,008 for 2020 and 2019, respectively.

**Florida Philanthropic Network, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

**NOTE E – RETIREMENT PLAN**

The Organization has a SEP retirement plan which covers substantially all full time employees who meet eligibility requirements. The Organization's contributions to the plan were \$14,306 and \$20,997 for the years ended December 31, 2020 and 2019, respectively.

**NOTE F – RELATED PARTIES**

The Organization receives membership dues and restricted grants from foundations where the Organization's board members are also presidents or senior staff of the foundations which made the contributions. The amount of support received from related parties was \$332,310 and \$186,450 for the years ended December 31, 2020 and 2019, respectively.

**NOTE G – FUNDS HELD AS AGENT**

In 2019, the Organization assumed administration of the Florida Counts Census 2020 Pooled Fund in collaboration with seven other nonprofit organizations. The transactions with this organization are accounted for as an agency fund; therefore, no revenue or expense was recorded for the Organization. Funds held at December 31, 2020 and 2019 of \$12,071 and \$532,500, respectively, were recorded as restricted cash with a corresponding liability to the organization. They were paid out in 2020 and 2021, respectively.

**NOTE H – COMMITMENTS**

The Organization leases office space and office equipment under long-term non-cancelable operating leases through February 2026. Lease expense amounted to \$41,282 and \$41,426 for the years ended December 31, 2020 and 2019, respectively. Future minimum lease payments under these leases are as follows:

Year ended:		
2021	\$	37,936
2022		37,936
2023		37,936
2024		37,936
2025		37,939
Thereafter		<u>6,323</u>
	\$	<u>196,003</u>



**Florida Philanthropic Network, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

**NOTE I – SUBLEASE**

The Organization subleases their office space to an unrelated organization beginning November 1, 2020. Monthly payments are due to the Organization beginning December 1, 2020 and expiring February 28, 2026. The monthly rent increases annually by 3% and includes sales tax. Rental income for the year ended December 31, 2020 was \$3,175. Future rental income as of December 31, are as follows:

Year ended:		
2021	\$	36,520
2022		37,616
2023		38,551
2024		39,708
2025		39,906
Thereafter		6,817
	<u>\$</u>	<u>199,118</u>

**NOTE J – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions at December 31, 2020, and the activity during the year ended December 31, 2020, are summarized in the following table:

	December 31, 2019	2020		December 31, 2020
		Proceeds	Released	
Florida Health Funders	\$ 13,940	\$ 20,000	\$ (9,325)	\$ 24,615
Health Research (FHF)	15,000	-	(10,000)	5,000
Census 2020	-	12,500	(11,436)	1,064
Voting 2020	-	40,000	(13,253)	26,747
Common Foundation of Florida	-	16,150	(24)	16,126
Florida Women’s Funding Alliance	35,706	5,000	(23,793)	16,913
	<u>\$ 64,646</u>	<u>\$ 93,650</u>	<u>\$ (67,831)</u>	<u>\$ 90,465</u>

During 2020 and 2019, the Organization received grants totaling \$5,000 and \$0, respectively, from various FPN members to fund Florida Women’s Funding Alliance whose mission is to transform the lives of women and girls through members’ collective voices and resources. As of December 31, 2020, \$76,422 of the grants had been expended and released from restrictions.

The Organization also received grants totaling \$20,000 in 2020 from various FPN members to fund Florida Health Funders which supports health issues, organizations and needs in Florida. As of December 31, 2020, \$59,953 of the grants had been expended and released from restrictions.

**Florida Philanthropic Network, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

**NOTE J – NET ASSETS WITH DONOR RESTRICTIONS (continued)**

Net assets with donor restrictions at December 31, 2019, and the activity during the year ended December 31, 2019, are summarized in the following table:

	December 31, 2018	2019		December 31, 2019
		Proceeds	Released	
Florida Health Funders Health Research (FHF)	\$ 64,568	\$ -	\$ (50,628)	\$ 13,940
Census 2020	-	15,000	-	15,000
Fidelity	3,655	100,000	(103,655)	-
Florida Women’s Funding Alliance	47,063	-	(47,063)	-
	88,335	-	(52,629)	35,706
	<u>\$ 203,621</u>	<u>\$ 115,000</u>	<u>\$ (253,975)</u>	<u>\$ 64,646</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by the donor.

**NOTE K – LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Organization’s financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	December 31,	
	2020	2019
Cash and cash equivalents	<u>\$ 297,802</u>	<u>\$ 999,500</u>
Total financial assets within one year	<u>297,802</u>	<u>999,500</u>
Accounts payable	(13,791)	(12,782)
Deposits	(2,940)	-
Funds held as agent for Florida Counts Census 2020 Pooled Fund	<u>(12,071)</u>	<u>(532,500)</u>
Total financial liabilities due within one year	<u>(28,802)</u>	<u>(545,282)</u>
Amounts unavailable to management:		
Restricted funds	<u>(90,465)</u>	<u>(64,646)</u>
Total net financial assets available within one year after restrictions	<u>\$ 178,535</u>	<u>\$ 389,572</u>

The Organization has net assets with donor restrictions that requires resources to be used in a particular manner or in a future period. The Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**Florida Philanthropic Network, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2020**

**NOTE L – RISKS AND UNCERTAINTIES**

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global pandemic situation.

**NOTE M – CARES ACT LOANS**

On March 27, 2020, the Coronavirus Aid Relief, and Economic Security Act (CARES Act) was enacted in response to the Covid-19 pandemic. Under the CARES Act, the Paycheck Protection Program (PPP) was established to provide assistance to small businesses with resources needed to maintain payroll and cover applicable overhead. On April 28, 2020, the Organization, through Seaside National Bank & Trust was approved for and received a PPP loan in the amount of \$27,977. On October 8, 2020, management obtained forgiveness of the PPP loan. It was reasonably assured at December 31, 2020 that the Organization met both the eligibility and forgiveness criteria of the PPP loan; therefore, the loan was recorded as debt forgiveness within other income in the 2020 statement of activities.