



THE CITY COLLEGE FUND, INC.
Financial Statements
(Together with Independent Auditors' Report)

Year Ended June 30, 2021

M A R K S P A N E T H

ACCOUNTANTS & ADVISORS

THE CITY COLLEGE FUND, INC.
FINANCIAL STATEMENTS
(Together with Independent Auditors' Report)

YEAR ENDED JUNE 30, 2021

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
The City College Fund, Inc.

We have audited the accompanying financial statements of The City College Fund, Inc. (the "Fund"), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The City College Fund, Inc. as of June 30, 2021, 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.

New York, NY
, 2021

**THE CITY COLLEGE FUND, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2021**

	2021
ASSETS:	
Cash and cash equivalents (Notes 2C and 8)	\$ -
Due from related party (Note 11)	-
Contributions and grant receivables, net (Notes 2D, 2E and 4)	-
Investments (Notes 2F, 2H and 5)	-
TOTAL ASSETS	\$ -
 LIABILITIES:	
Annuity payment liability (Note 2H)	\$ -
Accrued expenses and other payable	-
TOTAL LIABILITIES	-
 COMMITMENTS AND CONTINGENCIES (Note 10)	
 NET ASSETS (Note 2B):	
Without donor restrictions	-
With donor restrictions (Notes 6 and 7)	-
Total net assets	-
Total liabilities and net assets	\$ -

**THE CITY COLLEGE FUND, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS AND OTHER SUPPORT:			
Contributions	\$ 257,055	\$ 768,818	1,025,873
Investment return (Notes 2F and 5)	10,623,985	7,993,798	18,617,783
Change in value of split-interest agreements (Note 2H)		255,000	255,000
Bad debt recoveries, net of bad debt expenses (Note 4)		85,419	85,419
Net assets released from restrictions	2,527,301	(2,527,301)	-
TOTAL REVENUES, GAINS AND OTHER SUPPORT	13,408,341	6,575,734	19,984,075
EXPENSES:			
Program services:			
Scholarship program	1,122,767		1,122,767
College activities supporting programs	784,951		784,951
Total program services	1,907,718	-	1,907,718
Supporting services:			
Management and general	319,186		319,186
Fundraising	-	-	-
Total supporting services	319,186	-	319,186
TOTAL EXPENSES	2,226,904	-	2,226,904
CHANGE IN NET ASSETS	11,181,437	6,575,734	17,757,171
Net assets - beginning of year	6,439,016	71,891,196	78,330,212
Transfer of Net Assets to The Foundation for City College	17,620,453	78,466,930	96,087,383
NET ASSETS - END OF YEAR	\$ -	\$ -	\$ -

**THE CITY COLLEGE FUND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Program Services</u>			<u>Supporting Services</u>		<u>TOTAL 2021</u>
	<u>Scholarship Program</u>	<u>College Activities Supporting Programs</u>	<u>Total</u>	<u>Management and General</u>	<u>Fundraising</u>	
Salaries	\$ -	\$ 311,240	\$ 311,240	\$ 182,785	\$ -	\$ 494,025
Payroll taxes and fringe benefits (Note 9)	-	25,836	25,836	109,657	-	\$ 135,493
Total salaries and related costs	-	337,076	337,076	292,442	-	629,518
Scholarships and awards	1,122,767		1,122,767		-	1,122,767
Grants and contributions		244,001	244,001		-	244,001
Supplies		55,659	55,659	357	-	56,016
Consultants and subcontractors		112,923	112,923		-	112,923
Professional fees		-	-	6,382	-	6,382
Travel and conferences		5,031	5,031		-	5,031
Equipment, repair and maintenance			-		-	-
Refreshments and meals		2,193	2,193		-	2,193
Furniture or equipment purchased for the College		10,789	10,789	11,342	-	22,131
Insurance		3,655	3,655	867	-	4,522
Depreciation			-		-	-
Subscriptions and memberships			-		-	-
Telecommunication			-		-	-
Miscellaneous		4,923	4,924	7,796		12,720
Honorarium		8,700	8,700		-	8,700
TOTAL EXPENSES	<u>\$ 1,122,767</u>	<u>\$ 784,950</u>	<u>\$ 1,907,718</u>	<u>\$ 319,186</u>	<u>\$ -</u>	<u>\$ 2,226,904</u>

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

**THE CITY COLLEGE FUND, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021**

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash receipts from:

Contributions	\$ 663,346
Dividends and interest	2,406,959
Change in value of split-interest agreements	(112,968)

Cash payments to/for:

Employee salaries	(321,505)
Employee benefits	(50,958)
Vendors and suppliers	(162,865)
Contributions and grants	(244,001)
College support	(22,131)
Scholarships, fellowships, internships and stipends	(1,122,767)
Other	(78,785)
Contributions restricted for endowments	<u>221,635</u>

Net Cash Used in Operating Activities 1,175,960

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sales of investments	(22,861,153)
Purchases of investments	<u>21,186,433</u>

Net Cash Provided by Investing Activities (1,674,720)

CASH FLOWS FROM FINANCING ACTIVITIES

Contributions restricted for endowments	<u>(221,635)</u>
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Net Cash Provided by Financing Activities (221,635)

NET DECREASE IN CASH AND CASH EQUIVALENTS (720,395)

Cash and cash equivalents - beginning of year	727,025
Transfer of cash and equivalents	<u>6,630</u>

CASH AND CASH EQUIVALENTS - END OF YEAR \$ -

**THE CITY COLLEGE FUND, INC.
STATEMENT OF CASH FLOWS, CONTINUED**

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$	17,757,170
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Net unrealized and realized gain on investments		(16,280,909)
Bad debt recoveries, net of bad debt expenses		(85,419)
(Increase) decrease in assets:		
Due from related party		(220,381)
Contributions and grant receivable		114,910
Increase (decrease) in liabilities:		
Annuity payment liability		(367,968)
Accrued expenses and other liabilities		36,922
Net Cash by (Used in) Operating Activities		954,325

Supplemental schedule of cash flow information

Net Cash provided by (used in) operations	\$	954,325
Add back contributions restricted for permanent endowments		221,635
Net cash provided by operations, including contributions restricted for permanent endowments	\$	1,175,960

Supplemental schedule of non-cash information - non-cash
operating activities:

Net assets without donor restrictions		17,620,453
Net assets With donor restrictions		78,466,930
Investments		(95,282,974)
Contributions receivable, net		(910,154)
Due from related parties		(322,391)
Accrued expenses and other payable		45,634
Annuity Payment liability		389,132

CASH AND EQUIVALENTS TRANSFERRED	\$	6,630
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THE CITY COLLEGE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - DESCRIPTION OF ORGANIZATION

The City College Fund Inc. ("Fund") is a nonprofit organization dedicated to helping The City College of New York (the "College") by raising funds for various programs of the College. The Fund is primarily supported by contributions and investment income.

In June 2018, the Board of Directors ("BOD") approved the consolidation of The City College Fund and the City College 21st Century Foundation, which is also a supporting foundation of the College, to create a new foundation for the purpose of raising philanthropic funding to support various programs.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. **Basis of Accounting** – The Fund's financial statements have been prepared on the accrual basis of accounting. The Fund adheres to accounting principles generally accepted in the United States of America ("U.S. GAAP").
- B. **Basis of Presentation** – The Fund maintain its net assets under the following two classes:
- Without donor restrictions – resources that are available for the general support of the Fund's operations.
 - With donor restrictions – net assets subject to donor-imposed stipulations that will be met either by actions of the Fund or the passage of time, stipulations that they be maintained in perpetuity by the Fund, and unappropriated endowment earnings.
- C. **Cash and Cash Equivalents** – The Fund considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.
- D. **Contributions and Grant Receivables** – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. As of June 30, 2021, the Fund had no conditional contributions from individual donors or foundations that have not been recorded in the accompanying financial statements.
- E. **Allowance for Doubtful Accounts** – The Fund determines whether an allowance for uncollectible receivables should be provided for contributions and grant receivables. Such estimates are based on management's assessment of the aged basis of its receivable, creditworthiness of its donors and borrowers, current economic conditions and historical information.

THE CITY COLLEGE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- F. **Investments and Fair Value Measurements** – Investments are recorded at fair value. Fair value measurements are the prices that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Changes in the fair value of investments are recorded as unrealized gains or losses and are reflected in the statement of activities. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Fund's gains and losses on investments bought and sold as well as held during the year.

In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described in Note 5.

- G. **Property and Equipment** – Property and equipment are recorded at cost less accumulated depreciation. Depreciation is provided on the straight-line method over the estimated useful lives of the assets. The Fund capitalizes purchases greater than \$5,000 with an estimated useful life of at least three years. During the year ended June 30, 2021, the Fund depreciated its property and equipment resulting in a book value of \$0.

- H. **Split-Interest Agreements** – The Fund's split-interest agreements with donors consist primarily of irrevocable charitable remainder annuity trusts and perpetual trusts held by third parties. Charitable remainder annuity gifts are time-restricted contributions not available to the Fund until after the death of the donor and other beneficiaries, who, while living, receive payouts from the trust based on a fixed amount each year as stated in the trust agreements. The trust agreements, in certain instances, allow for the beneficiaries to receive additional distributions, which may substantially reduce the value of expected future cash receipts. Under the terms of the perpetual trusts, the Fund has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust.

The Fund recognizes as assets and contributions to net assets with donor restrictions, the fair value of the trusts, other than the perpetual trust, based on the present value of the estimated expected future cash receipts from the trusts' assets. The carrying value of the assets is adjusted to fair value at the end of the year. Distributions received by the Fund are either for general purposes or restricted based upon donor-imposed stipulations.

- I. **Functional Expense Allocation** – The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, insurance, depreciation, and amortization, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest and other, which are allocated on the basis of estimates of time and effort.

- J. **Use of Estimates** – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures at the date of the financial statements. Actual results could differ from those estimates.

THE CITY COLLEGE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. **Recent Accounting Pronouncements** – Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) 2018-08, “Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made” (Topic 958) was adopted by the Fund for the year ended June 30, 2021. The core guidance is to assist entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions and determining whether a contribution is conditional, whether an agreement includes a barrier that must be overcome and a right of return of assets transferred or a right of releases of a resource provider’s obligation to transfer assets. The adoption of the ASU did not affect net assets as previously reported.

NOTE 3 - AVAILABLE RESOURCES AND LIQUIDITY

The Fund regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Fund has various sources of liquidity at its disposal, including cash and cash equivalents, marketable debt and equity securities.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Fund considers all expenditures related to its ongoing activities of Scholarship and College activities supporting programs as well as the conduct of services undertaken to support those activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, the Fund operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

The Fund has \$0 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of \$0 of cash, \$0 of receivables and \$0 of investments. Some of the receivables and investments are subject to donor or contractual restrictions that make them unavailable for general expenditure within one year of the 2021 statement of financial position.

NOTE 4 - CONTRIBUTIONS AND GRANT RECEIVABLES, NET

Contributions and grant receivables consisted of the following as of June 30:

Receivables due in less than one year	\$ 1,080,300
Receivables due in more than one year	<u>345,251</u>
	1,425,551
Less: Allowance for doubtful accounts	(489,845)
Discount to present value	<u>(25,552)</u>
	<u>\$ 910,154</u>

Bad debt recoveries, net of \$3,500 bad debt expenses, amounted to \$85,419 during the year ended June 30, 2021.

\$910,154 was transferred to the Foundation for City College on June 30, 2021.

THE CITY COLLEGE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

Investments consist of the following during FY 2021:

Cash and money market funds	\$ 351,781
Equity, securities and mutual funds	69,779,340
Corporate and government bonds	<u>25,151,853</u>
	<u>\$ 95,282,974</u>

Investments are subject to market volatility that could substantially change their fair values in the near term.

\$95,282,974 was transferred to the Foundation for City College on June 30, 2021.

Investment income (loss) is included in the statement of activities and consists of the following for the year ended June 30:

Dividends and interest	\$ 2,406,959
Realized (gain)	355,779
Unrealized gain	15,925,130
Investment fees	<u>(70,085)</u>
	<u>\$ 18,617,783</u>

Accounting Standards Codification 820, *Fair Value Measurements and Disclosures*, ("ASC 820") defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). In determining fair value, the Fund utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value. These inputs also form the basis of the fair value hierarchy which is used to categorize a fair value measurement into one of three levels as follows:

- Level 1 - Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2 - Valuations based on observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets for identical assets or liabilities; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.
- Level 3 - Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to level 3 inputs.

Investments in equities and securities are valued using market prices in active markets (Level 1). Mutual funds are valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds are deemed to be actively traded. Level 1 instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets. Investments in corporate and government obligations are valued using quoted prices in inactive markets (Level 2). Level 2 instruments valuations are obtained from similar assets or model derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

**THE CITY COLLEGE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 - INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

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 model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the end of the reporting period. For the year ended June 30, 2021, there were no transfers in or out of Levels 1 or 2.

\$95,282,974 was transferred to the Foundation for City College on June 30, 2021. Financial assets carried at fair value on June 30 are classified as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Cash and money market funds	\$ 351,781	\$ -	\$ 351,781
Equity, securities and mutual funds	69,779,340	-	69,779,340
Corporate and government bonds	<u>-</u>	<u>25,151,853</u>	<u>25,151,853</u>
Investments at Fair Value	<u>\$70,131,121</u>	<u>\$ 25,151,854</u>	<u>\$ 95,282,974</u>

NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of June 30 were available for the following purposes:

\$78,466,928 was transferred to the Foundation for City College on June 30, 2021.

	<u>2021</u>
Subject to expenditures for specific purpose and the passage of time:	
Scholarship program	\$25,396,703
College activities supporting programs	<u>19,130,875</u>
Subtotal	<u>44,527,578</u>
Endowment principal held in perpetuity:	
Endowment funds - Scholarship program	16,916,784
Endowment funds - College activities supporting programs	<u>17,022,566</u>
Subtotal	<u>33,939,350</u>
Net assets with donor restrictions	<u>\$78,466,928</u>

Net assets were released from donor restrictions when expenses satisfying the restricted purposes were incurred or by occurrence of other events specified by donors as follows for the year ended June 30:

Scholarship program	\$\$1,384,573
College activities supporting programs	<u>\$1,142,728</u>
	<u>\$2,527,301</u>

NOTE 7 - ENDOWMENT FUNDS

The Board of the Fund follows the New York State law called the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). NYPMIFA includes a rebuttable presumption of imprudence if an organization appropriates more than 7% of a donor-restricted permanent endowment fund's fair value (averaged over a period of not less than the preceding five years) in any year. Any unappropriated earnings that would otherwise be considered unrestricted by the donor are reflected as net assets with donor restrictions until appropriated.

**THE CITY COLLEGE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 - ENDOWMENT FUNDS (CONTINUED)

The Fund's Board has interpreted NYPMIFA as allowing the Fund to appropriate for expenditure or accumulate so much of an endowment fund as the Fund determines is prudent for the uses, benefits, purposes and duration for which the endowment fund was established, subject to the intent of the donor as expressed in the gift instrument. Unless stated otherwise, the assets in a donor-restricted endowment fund shall be donor-restricted assets until appropriated for expenditure by the Board. Under the provisions of NYPMIFA, for the year ended June 30, 2021, the Fund's board approved spending rate on endowment investments was approximately 4% of the average historical investment balance.

As a result of this interpretation, the Fund has not changed the way net assets restricted in perpetuity are classified. The remaining portion of the donor-restricted endowment fund that is not classified as restricted in perpetuity is classified as net assets with donor restrictions (purpose and time-restricted for future periods), until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by NYPMIFA.

The policy for valuing the Fund's investments is described in Note 2F. In accordance with U.S. GAAP, any deterioration of the fair value of assets associated with donor-restricted endowment funds that falls below the level the donor requires the Fund to retain in perpetuity is to be reported in net assets with donor restrictions. The fair value of assets associated with individual donor-restricted endowment funds are all above historic dollar value as of June 30, 2021.

Changes in endowment net assets for the year ended June 30, 2021 are as follows:

	<u>Unappropriated Earnings</u>	<u>Endowment Corpus</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 29,445,945	\$ 33,029,584	\$ 62,475,529
Contributions	-	224,389	224,389
Investment return	7,530,231	-	7,530,231
Bad debt expense	-	82,482	82,482
Appropriations	<u>(1,752,443)</u>	<u>602,896</u>	<u>(1,149,547)</u>
Transfer to the Foundation for City College	<u>\$ 35,223,733</u>	<u>\$ 33,939,350</u>	<u>\$ 69,163,083</u>
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 8 - CONCENTRATION

Cash and cash equivalents that potentially subject the Fund to a concentration of credit risk include cash accounts with banks that exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limits. Cash accounts are insured up to \$250,000 per depositor. As of June 30, 2021, there was approximately \$6,630 of cash and cash equivalents held by one bank within FDIC limits.

NOTE 9 - EMPLOYEE PENSION

The Fund has a defined contribution 403(b) Plan. Pension TER costs are funded on a current basis. Contributions to the retirement plan for the employees of the Fund are based on a percentage of payroll. This plan covers all employees with at least two years of service.

THE CITY COLLEGE FUND, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 - COMMITMENTS AND CONTINGENCIES

- A. The Fund believes it had no uncertain tax positions as of June 30, 2021 in accordance with ASC Topic 740, *Income Taxes*, which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

NOTE 10 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

- B. In March 2021, the World Health Organization declared the outbreak of a novel coronavirus (“COVID-19”) as a pandemic, which continues to spread throughout the United States. The Fund could be materially and adversely affected by the risks, or the public perception of the risks, related to an epidemic, pandemic, outbreak, or other public health crisis, such as the recent outbreak of COVID-19. The ultimate extent of the impact of any epidemic, pandemic or other health crisis on the Fund’s mission, programs, financial condition and results of operations will depend on future developments, which are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of such epidemic, pandemic or other health crisis and actions taken to contain or prevent their further spread, among others. Accordingly, the Fund cannot predict the extent to which its financial condition and results of operations will be affected.

NOTE 11 - RELATED-PARTY TRANSACTIONS

Due to lack of staff working on campus during the COVID-19 pandemic and a mechanical malfunction on the remote deposit scanner (“RDS”) provided by Signature Bank, the staff of the Fund’s Development Office deposited checks from donors by the RDS provided for 21st Century Foundation in accordance with the Development Office policy. The City College 21st Century Foundation served as a repository for checks from donors to the Fund during the pandemic.

NOTE 12 - SUBSEQUENT EVENTS

The Fund has evaluated events subsequent to the date of the statement of financial position through, 2021, the date the financial statements were available to be issued. The Fund has determined that no subsequent events have occurred which require disclosure in or adjustments to the financial statements.