

FOOTSTEPS, INC.

**Financial Statements
for the year ended
September 30, 2022**

Independent Auditor's Report

To the Board of Trustees
Footsteps, Inc.

Opinion

We have audited the accompanying financial statements of Footstep's, Inc. (the "Organization") which comprise the statement of financial position as of September 30, 2022 and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of September 2022 and the results of its activities and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Carole Dileasa Culciniti & Donnelly LLP

June 7, 2023

FOOTSTEPS, INC.

Statement of Financial Position

Assets

	September 30	
	2022	2021
Current assets		
Cash and cash equivalents	\$ 1,378,823	\$ 1,820,186
Investments, at fair value	871,458	1,174,053
Contributions receivable, net	527,138	1,148,878
Prepaid expenses	19,681	36,937
Total current assets	2,797,100	4,180,054
Contributions receivable	-	420,000
Leasehold improvements, furniture and equipment, net	263,256	265,674
Total assets	\$ 3,060,356	\$ 4,865,728

Liabilities and Net Assets

Current liabilities		
Accounts payable	\$ 127,827	\$ 125,334
Accrued expenses	126,107	86,378
Total liabilities	253,934	211,712
Net assets		
Without donor restrictions	1,263,642	2,004,361
With donor restrictions	1,542,780	2,649,655
Total net assets	2,806,422	4,654,016
Total liabilities and net assets	\$ 3,060,356	\$ 4,865,728

See notes to financial statements.

FOOTSTEPS, INC.

Statement of Functional Expenses
Year Ended September 30, 2022
(With Summarized Comparative Information for the year Ended September 30, 2021)

	2022										2021													
	Counseling and Support					Program Services					Education					Supporting Services								
	Identity Development	Family Supports	Community Engagement	Field and Movement Building	Total Counseling and Support	Total Counseling and Support	Economic Empowerment	Total Program Services	Management and General	Fundraising	Total	Identity Development	Family Supports	Community Engagement	Field and Movement Building	Total Counseling and Support	Total Program Services	Economic Empowerment	Total Program Services	Management and General	Fundraising	Total		
Personnel costs																								
Salaries and wages	\$ 330,198	\$ 167,326	\$ 179,327	\$ 228,802	\$ 905,653	\$ 415,091	\$ 1,320,744	\$ 254,839	\$ 207,621	\$ 1,783,204	\$ 415,091	\$ 1,320,744	\$ 254,839	\$ 207,621	\$ 1,783,204	\$ 415,091	\$ 1,320,744	\$ 254,839	\$ 207,621	\$ 1,783,204	\$ 415,091	\$ 1,320,744	\$ 254,839	\$ 207,621
Benefits	63,006	28,262	29,203	32,340	152,811	68,123	220,934	36,995	18,571	276,500	68,123	220,934	36,995	18,571	276,500	68,123	220,934	36,995	18,571	276,500	68,123	220,934	36,995	18,571
Payroll taxes	28,197	14,208	14,940	19,245	76,590	35,415	112,005	20,267	17,482	149,754	35,415	112,005	20,267	17,482	149,754	35,415	112,005	20,267	17,482	149,754	35,415	112,005	20,267	17,482
Total personnel costs	421,401	209,796	223,470	280,387	1,135,054	518,629	1,653,683	312,101	243,674	2,209,458	518,629	1,653,683	312,101	243,674	2,209,458	518,629	1,653,683	312,101	243,674	2,209,458	518,629	1,653,683	312,101	243,674
Advertising and marketing	-	-	281	-	281	-	281	2,773	264	3,318	-	281	2,773	264	3,318	-	281	2,773	264	3,318	-	281	2,773	264
Professional fees and consultants	27,438	93,045	41,043	10,852	172,378	50,038	222,416	261,170	88,275	571,861	50,038	222,416	261,170	88,275	571,861	50,038	222,416	261,170	88,275	571,861	50,038	222,416	261,170	88,275
Supplies and office expenses	8,021	4,006	6,682	4,792	23,501	10,275	33,776	35,591	10,104	79,471	10,275	33,776	35,591	10,104	79,471	10,275	33,776	35,591	10,104	79,471	10,275	33,776	35,591	10,104
Information technology	8,524	4,147	4,889	5,351	22,911	14,446	37,357	11,352	5,752	54,461	14,446	37,357	11,352	5,752	54,461	14,446	37,357	11,352	5,752	54,461	14,446	37,357	11,352	5,752
Occupancy	61,182	29,505	31,585	32,501	154,773	63,036	217,809	44,710	30,700	283,645	63,036	217,809	44,710	30,700	283,645	63,036	217,809	44,710	30,700	283,645	63,036	217,809	44,710	30,700
Travel	290	224	758	1,153	2,425	2,298	4,723	2,897	576	8,196	2,298	4,723	2,897	576	8,196	2,298	4,723	2,897	576	8,196	2,298	4,723	2,897	576
Meetings and conferences	1,876	1,626	3,005	2,224	8,731	2,534	11,265	17,245	348	28,858	2,534	11,265	17,245	348	28,858	2,534	11,265	17,245	348	28,858	2,534	11,265	17,245	348
Insurance	1,045	422	366	402	2,235	856	3,091	4,607	334	8,032	856	3,091	4,607	334	8,032	856	3,091	4,607	334	8,032	856	3,091	4,607	334
Direct member assistance	7,198	36,524	23,621	38,291	105,634	9,389	115,023	-	-	115,023	9,389	115,023	-	-	115,023	9,389	115,023	-	-	115,023	9,389	115,023	-	-
Scholarships and direct financial support	-	26,449	-	300	26,749	666,522	693,271	-	-	693,271	666,522	693,271	-	-	693,271	666,522	693,271	-	-	693,271	666,522	693,271	-	-
Microgrants to individuals	-	-	-	3,857	3,857	4,160	8,017	-	-	8,017	4,160	8,017	-	-	8,017	4,160	8,017	-	-	8,017	4,160	8,017	-	-
Contributed nonfinancial assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fundraising events	-	-	-	150	150	-	150	-	15,000	15,150	-	150	-	15,000	15,150	-	150	-	15,000	15,150	-	150	-	15,000
Depreciation and amortization	5,159	2,321	1,806	3,611	12,897	5,932	18,829	3,869	3,095	25,793	5,932	18,829	3,869	3,095	25,793	5,932	18,829	3,869	3,095	25,793	5,932	18,829	3,869	3,095
Total expenses	\$ 542,134	\$ 408,065	\$ 337,506	\$ 383,871	\$ 1,671,576	\$ 1,348,115	\$ 3,019,691	\$ 696,315	\$ 398,122	\$ 4,114,128	\$ 1,348,115	\$ 3,019,691	\$ 696,315	\$ 398,122	\$ 4,114,128	\$ 1,348,115	\$ 3,019,691	\$ 696,315	\$ 398,122	\$ 4,114,128	\$ 1,348,115	\$ 3,019,691	\$ 696,315	\$ 398,122

See notes to financial statements.

FOOTSTEPS, INC.

Statement of Cash Flows

	Year Ended	
	September 30	
	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Increase (decrease) in net assets	\$(1,847,594)	\$ 1,674,024
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	25,793	20,034
Realized (gain) loss on investments	(24,269)	(12,715)
Unrealized (gain) loss on investments	256,877	(172,628)
(Increase) decrease in assets		
Contributions receivable	1,041,740	(1,002,519)
Prepaid expenses	17,256	(5,607)
Increase in liabilities		
Accounts payable	2,493	31,423
Accrued expenses	39,729	69,378
Net cash provided by (used in) operating activities	<u>(487,975)</u>	<u>601,390</u>
Cash flows from investing activities		
Proceeds from sale of investments	100,000	104,640
Purchase of investments	(30,013)	(63,568)
Purchase of leasehold improvements and equipment	<u>(23,375)</u>	<u>(158,634)</u>
Net cash provided by (used in) investing activities	<u>46,612</u>	<u>(117,562)</u>
Net increase (decrease) in cash and cash equivalents	(441,363)	483,828
Cash and cash equivalents, beginning of year	<u>1,820,186</u>	<u>1,336,358</u>
Cash and cash equivalents, end of year	<u>\$ 1,378,823</u>	<u>\$ 1,820,186</u>

See notes to financial statements.

FOOTSTEPS, INC.**Notes to Financial Statements
September 30, 2022****Note 1 – Nature of organization**

Footsteps, Inc., a New York nonprofit corporation (the “Organization”) was established in 2003 as a 501(c)(3) Organization. The Organization supports and affirms individuals and families who have left, or are contemplating leaving, insular ultra-Orthodox Jewish communities in their quest to lead self-determined lives by offering the following programs:

Counseling and Support

Identity Development supports members through peer support groups, one-to-one supportive counseling, acculturation workshops, and referrals to mental health services.

Family Supports are geared towards parents fighting for the right to a relationship with their children as they leave ultra-Orthodoxy. Program activities include: case management, peer support drop-in groups and workshops, partnerships with lawyers and legal groups to provide legal consultation and representation, and a legal fund for members.

Community Engagement builds the strength of our network to ensure that members have friends and allies along their journey. Highlights include: social events, community building activities, and leadership development.

Field and Movement Building seeks to educate and mobilize the public around reform efforts and issues of concern to those leaving ultra-orthodoxy.

Education

Economic Empowerment supports members’ economic self-sufficiency through education, career and financial counseling programs, workshops and partnerships with trusted organizations. Educational scholarships, crisis supports, tutoring, and mentoring are also offered.

Note 2 – Summary of significant accounting policies**Basis of presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The following comprise the significant accounting policies of the Organization.

Net assets

Under accounting principles generally accepted in the United States of America, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions

Net assets that are not subject to donor-imposed stipulations and may be expendable for any purpose in performing the primary objectives of the Organization. Included in net assets without donor restrictions is a Board Reserve Fund of \$410,559 and \$408,431 as of September 30, 2022 and September 30, 2021, respectively.

FOOTSTEPS, INC.**Notes to Financial Statements (continued)
September 30, 2022****Note 2 – Summary of significant accounting policies (continued)**Net assets with temporary donor restrictions

Net assets with temporary donor restrictions consist of net assets subject to donor-imposed stipulation that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. The Organization's policy is to record contributions with donor-imposed restrictions that are met in the same year that the contributions are received as support without donor restrictions.

Net assets with perpetual donor restrictions

Net assets with perpetual donor restrictions consist of contributions that are restricted by the donor in perpetuity, but the income of such contributions is classified as either with or without donor restrictions. During 2018, the Organization received a \$1,000,000 donation to be held in an endowment fund. Any income earned is to be used to support scholarships.

Revenue recognition

Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. Contributions received are recorded as net assets with or without donor restrictions depending on the existence and/or nature of any donor restrictions.

Cash and cash equivalents

Cash equivalents consist of highly liquid investments with original maturities of 90 days or less at the date of acquisition. Included in cash equivalents is a money market fund.

Investments

The Organization reports investments at fair value in the statement of financial position. The fair value of the investments is based on publicly quoted prices. Interest, dividends, realized and unrealized gains and losses are included in the statement of activities.

Fair values of financial instruments

The Organization's financial instruments consist of cash, cash equivalents and investments. The Organization estimates that the fair value of all financial instruments does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position. The carrying amounts of cash and cash equivalents reported in the statement of financial position approximates fair value because of the short maturities of those instruments.

FOOTSTEPS, INC.**Notes to Financial Statements (continued)
September 30, 2022****Note 2 – Summary of significant accounting policies (continued)**Allowance for doubtful accounts

As of September 30, 2022 and September 30, 2021, the Organization deems all receivables to be collectible and, accordingly, does not have an allowance for doubtful accounts. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions.

Leasehold improvements, furniture and equipment

Leasehold improvements are being amortized by the straight-line method over the estimated useful life of seven years. Furniture and equipment are being depreciated by the straight-line method over the estimated useful life of five years. Expenditures for repairs and maintenance are charged as an expense and major renewals and betterments are capitalized.

Contributed nonfinancial assets

The Organization is required to recognize donations of goods and services if they (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills and typically would have been purchased by the Organization. The Organization received contributed nonfinancial assets totaling \$94,710 for year ended September 30, 2021, which are recorded as revenue in the accompanying statement of activities. There were no contributed nonfinancial assets received for the year ended September 30, 2022.

Functional allocation of expenses

The cost of providing the various programs and other activities of the Organization have been summarized on a functional basis in the accompanying combined statement of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefitted. Expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques including time and effort spent.

Comparative information

The financial statements include certain prior-year summarized comparative information in total but not by functional expense classification. 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 reached in conjunction with the Organization's financial statements for the year ended September 30, 2021, from which the summarized information was derived.

FOOTSTEPS, INC.**Notes to Financial Statements (continued)
September 30, 2022****Note 2 – Summary of significant accounting policies (continued)**Concentrations of credit risk

The Organization's financial instruments that are exposed to concentrations of credit risk consist primarily of cash, cash equivalents, investments and contributions receivable. The Organization places its cash and cash equivalents with quality financial institutions. At times during the year, the balance in the cash accounts exceeded the FDIC insurance limit. However, the Organization has not experienced any losses in such accounts to date. Investments are exposed to various risks such as interest rate, market volatility and credit risk. Due to the level of uncertainty related to the foregoing risks, it is reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position as of September 30, 2022. The Organization routinely assesses the financial strength of its financial institutions and investment portfolio. The contributions receivable are primarily from individual donors. Management monitors the collectability of the receivables. The Organization believes no significant risk of loss is likely as a result of credit risk concentrations with respect to its cash, cash equivalents, investments and contributions receivable.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from these estimates.

Subsequent events

The Organization has evaluated events and transactions for potential recognition or disclosure through June 7, 2023, which is the date the financial statements were available to be issued.

During June 2023, the Organization entered into a multi-year agreement with a Foundation of up to \$200,000 restricted to its career services program.

During November 2022, the Organization entered into a multi-year agreement with a Foundation of up to \$600,000 for general operating support.

During November 2022, the Organization entered into a multi-year agreement with a Foundation of up to \$500,000 for general operating support.

During October 2022, the Organization entered into a multi-year agreement with a Foundation of up to \$650,000 for general operating support.

FOOTSTEPS, INC.

Notes to Financial Statements (continued)
September 30, 2022

Note 3 – Liquidity and availability of financial assets

The Organization's working capital and cash flows have seasonal variations during the year attributable to contributions and other revenue items. The following is a summary of the Organization's financial asset as of September 30, 2022 and September 30, 2021 that are available for general use within one year of the statement of financial position date reduced by amounts not available for general use within one year due to donor restrictions:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 1,378,823	\$ 1,820,186
Investments, at fair value	871,458	1,174,053
Contributions receivable, net	<u>527,138</u>	<u>1,148,878</u>
Sub-total	2,777,419	4,143,117
Less: assets with donor restrictions	<u>(1,542,780)</u>	<u>(2,649,655)</u>
Total	<u>\$ 1,234,639</u>	<u>\$ 1,493,462</u>

Note 4 – Investments, at fair value

Investments consist of the following as of September 30, 2022 and September 30, 2021:

	<u>2022</u>		<u>2021</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Exchange-traded funds				
Fixed income	\$ 280,487	\$ 246,325	\$ 298,003	\$ 312,682
Equities	<u>612,127</u>	<u>625,133</u>	<u>640,329</u>	<u>861,371</u>
Total	<u>\$ 892,614</u>	<u>\$ 871,458</u>	<u>\$ 938,332</u>	<u>\$1,174,053</u>

Investment return consists of the following as of September 30, 2022 and September 30, 2021:

	<u>2022</u>	<u>2021</u>
Interest and dividends	\$ 28,977	\$ 21,336
Gain (loss) on investments	<u>(232,608)</u>	<u>185,343</u>
Total	<u>\$ (203,631)</u>	<u>\$ 206,679</u>

Note 5 – Contributions receivable

Contributions receivable consist of the following at September 30, 2022 and September 30, 2021:

Amounts due in:	<u>2022</u>	<u>2021</u>
Less than one year	\$ 527,138	\$1,148,878
One to five years	<u>-</u>	<u>420,000</u>
Total	<u>\$ 527,138</u>	<u>\$1,568,878</u>

FOOTSTEPS, INC.

Notes to Financial Statements (continued)
September 30, 2022

Note 6 – Leasehold improvements, furniture and equipment, net

The summary of the property and equipment as of September 30, 2022 and September 30, 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Leasehold improvements	\$ 271,526	\$ 271,526
Furniture and equipment	<u>37,557</u>	<u>14,182</u>
Sub-total	309,083	285,708
Less: accumulated depreciation and amortization	<u>45,827</u>	<u>20,034</u>
Total	<u>\$ 263,256</u>	<u>\$ 265,674</u>

Note 7 – Lease agreement

The Organization has a lease agreement for office space, which expires February 28, 2025. The lease, which commenced May 1, 2019, requires the Organization to pay an initial fixed monthly rent of \$16,289 increasing annually to a fixed monthly payment of \$19,854 in the final year of the lease. In addition to the minimum rent, the Organization is also required to pay its proportionate share of certain operating costs of the landlord. During March 2020, the lease agreement was amended in connection with a leasehold improvement joining the Organization's existing office suite with two contiguous spaces. The costs incurred totaling \$271,526 are recorded as leasehold improvements on the statement of financial position. As security for the lease, the Organization obtained a \$59,500 letter of credit for the benefit of the landlord. Rent expense during the 2022 and 2021 fiscal years totaled \$230,697 and \$212,464, respectively, which is included in occupancy expense on the statement of functional expenses.

Future minimum lease payment are as follows at September 30, 2022:

<u>Fiscal Year</u>	<u>Amount</u>
2023	\$ 224,755
2024	231,165
2025	<u>98,725</u>
Total	<u>\$ 554,645</u>

FOOTSTEPS, INC.

Notes to Financial Statements (continued)
September 30, 2022

Note 8 – Net assets with donor restrictions

The following is a summary of the activity of the net assets with donor restrictions for the years ended September 30, 2022 and September 30, 2021:

	Balance September 30, 2021	Additions	Net Assets Released from Restrictions	Balance September 30, 2022
<u>Temporary Restrictions:</u>				
General Operations	\$ 751,905	\$ 121,875	\$ (755,000)	\$ 118,780
Scholarships	440,000	-	(310,750)	129,250
Capacity Building	8,000	-	(8,000)	-
Economic Empowerment	249,750	-	(120,000)	129,750
Family Justice	200,000	-	(35,000)	165,000
Sub-total	1,649,655	121,875	(1,228,750)	542,780
Perpetual Restrictions	1,000,000	-	-	1,000,000
Total	<u>\$ 2,649,655</u>	<u>\$ 121,875</u>	<u>\$(1,228,750)</u>	<u>\$ 1,542,780</u>

	Balance September 30, 2020	Additions	Net Assets Released from Restrictions	Balance September 30, 2021
<u>Temporary Restrictions:</u>				
General Operations	\$ 137,857	\$ 709,048	\$ (95,000)	\$ 751,905
Scholarships	280,744	440,000	(280,744)	440,000
Capacity Building	-	8,000	-	8,000
Economic Empowerment	67,500	249,750	(67,500)	249,750
Family Justice	-	200,000	-	200,000
Sub-total	486,101	1,606,798	(443,244)	1,649,655
Perpetual Restrictions	1,000,000	-	-	1,000,000
Total	<u>\$ 1,486,101</u>	<u>\$ 1,606,798</u>	<u>\$ (443,244)</u>	<u>\$ 2,649,655</u>

Note 9 – Retirement plan

The Organization has a SIMPLE IRA retirement plan for all eligible employees. Eligible employees may contribute a portion of their salary, not to exceed limits established by the Internal Revenue Service. The Organization matches contributions equal to an employee's salary deferred to the plan up to a limit of 3% of the employee's compensation for the calendar year. The Organization's matching contributions for the years ended September 30, 2022 and September 30, 2021, was \$33,390 and \$36,239, respectively.

Note 10 – Tax status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code"). In addition, the Organization has been determined by the Internal Revenue Service to be a publicly supported organization as described in Sections 509(a)(1) and 170(b)(1)(A)(vi) of the Code and not a private foundation. Accordingly, no provision for federal, state or local income taxes has been recorded.