

**EISNERAMPER**

**NEW YORK ACADEMY OF SCIENCES**

**CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2021 and 2020**



# NEW YORK ACADEMY OF SCIENCES

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## INDEPENDENT AUDITORS' REPORT

Board of Governors of  
New York Academy of Sciences

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the New York Academy of Sciences and its wholly controlled entities (the "Academy"), which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for each of the years then ended, and the related notes to the consolidated financial statements.

### *Management's Responsibility for the Consolidated Financial Statements*

The Academy's management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the New York Academy of Sciences as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for each of the years then ended, in accordance with accounting principles generally accepted in the United States of America.



EISNERAMPER LLP  
New York, New York  
January 3, 2022



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# NEW YORK ACADEMY OF SCIENCES

## Consolidated Statements of Financial Position

	June 30,	
	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Cash	\$ 7,217,195	\$ 3,944,904
Receivables:		
Contributions receivable, net	7,605,041	9,487,977
Other receivables	456,196	428,862
Investments	97,795	64,784
Prepaid expenses and other assets	795,646	822,585
Property and equipment, net	26,602	598,669
Website and software costs, net	<u>182,694</u>	<u>432,939</u>
	<u>\$ 16,381,169</u>	<u>\$ 15,780,720</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 5,061,166	\$ 2,760,119
Paycheck Protection Program loan payable	1,787,767	1,853,230
Deferred membership fees and conference registration fees	426,087	478,430
Deferred publishing fee	300,000	400,000
Deferred other	-	58,293
Deferred rent obligation	254,280	529,532
Lease incentive obligation	<u>85,829</u>	<u>214,697</u>
Total liabilities	<u>7,915,129</u>	<u>6,294,301</u>
Commitments, contingency, and uncertainty (see Note J)		
Net assets:		
Without donor restrictions	(2,790,689)	(2,621,168)
With donor restrictions:		
Purpose restrictions	10,789,047	11,615,405
Time-restricted for future periods	58,000	82,500
Perpetual in nature	<u>409,682</u>	<u>409,682</u>
Total net assets with donor restrictions	<u>11,256,729</u>	<u>12,107,587</u>
Total net assets	<u>8,466,040</u>	<u>9,486,419</u>
	<u>\$ 16,381,169</u>	<u>\$ 15,780,720</u>

See notes to consolidated financial statements.

# NEW YORK ACADEMY OF SCIENCES

## Consolidated Statements of Activities

	Year Ended June 30,					
	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Operating support and revenue:</b>						
Contributions	\$ 5,730,412	\$ 7,974,193	\$ 13,704,605	\$ 4,880,743	\$ 9,288,010	\$ 14,168,753
Special events (net of direct benefits to donors of \$182,317 in fiscal-year 2020)	-	-	-	378,566	-	378,566
Gain on forgiveness of Paycheck Protection Program loan	1,853,230	-	1,853,230	-	-	-
Membership fees	603,442	-	603,442	615,342	-	615,342
Publication sales	2,192,200	-	2,192,200	2,361,958	-	2,361,958
Registration and meeting fees	358,006	-	358,006	1,118,799	-	1,118,799
Interest and dividends, net	1,649	-	1,649	9,588	3,094	12,682
Other revenue	9,403	-	9,403	45,674	-	45,674
Total operating support and revenue before net assets released from restrictions	10,748,342	7,974,193	18,722,535	9,410,670	9,291,104	18,701,774
Net assets released from restrictions	8,825,051	(8,825,051)	-	12,254,026	(12,254,026)	-
Total operating support and revenue	19,573,393	(850,858)	18,722,535	21,664,696	(2,962,922)	18,701,774
<b>Operating expenses:</b>						
Program services:						
Membership maintenance	627,315	-	627,315	792,569	-	792,569
Publications	1,309,197	-	1,309,197	1,325,120	-	1,325,120
Conferences, education and other	11,328,031	-	11,328,031	14,453,188	-	14,453,188
Total program services	13,264,543	-	13,264,543	16,570,877	-	16,570,877
Supporting services:						
Fund-raising	2,414,002	-	2,414,002	2,277,579	-	2,277,579
General and administrative	4,078,019	-	4,078,019	4,211,170	-	4,211,170
Total supporting services	6,492,021	-	6,492,021	6,488,749	-	6,488,749
Total operating expenses	19,756,564	-	19,756,564	23,059,626	-	23,059,626
Decrease in net assets before realized and unrealized gains on investments	(183,171)	(850,858)	(1,034,029)	(1,394,930)	(2,962,922)	(4,357,852)
Realized and unrealized gains on investments, net	13,650	-	13,650	93,865	35,418	129,283
<b>Decrease in net assets</b>	<b>(169,521)</b>	<b>(850,858)</b>	<b>(1,020,379)</b>	<b>(1,301,065)</b>	<b>(2,927,504)</b>	<b>(4,228,569)</b>
Net assets, beginning of year	2,621,168	12,107,587	9,486,419	(1,320,103)	15,035,091	13,714,988
<b>Net assets, end of year</b>	<b>\$ (2,790,689)</b>	<b>\$ 11,256,729</b>	<b>\$ 8,466,040</b>	<b>\$ (2,621,168)</b>	<b>\$ 12,107,587</b>	<b>\$ 9,486,419</b>

See notes to consolidated financial statements.

# NEW YORK ACADEMY OF SCIENCES

## Consolidated Statement of Functional Expenses Year Ended June 30, 2021

(with summarized financial information for 2020)

	Program Services				Supporting Services			Totals	
	Membership Maintenance	Publications	Conferences, Education and Other	Total Program Services	Fund-raising	General and Administrative	Total Supporting Services	2021	2020
Salaries and wages	\$ 293,316	\$ 468,029	\$ 3,744,186	\$ 4,505,531	\$ 1,467,252	\$ 1,697,253	\$ 3,164,505	\$ 7,670,036	\$ 8,310,032
Payroll taxes and employee benefits	65,209	103,602	832,346	1,001,157	315,491	357,617	673,108	1,674,265	1,889,498
Rent	105,032	167,558	1,245,019	1,517,609	343,618	914,305	1,257,923	2,775,532	1,985,617
Professional fees	69,173	376,270	2,946,389	3,391,832	102,218	457,451	559,669	3,951,501	4,387,178
Depreciation and amortization	31,495	50,243	363,378	445,116	103,036	274,160	377,196	822,312	1,548,000
Food and reception	-	-	314	314	85	1,667	1,752	2,066	491,615
Travel	627	1,872	27,714	30,213	20	6,908	6,928	37,141	800,143
Office	10,480	8,582	145,970	165,032	19,828	111,713	131,541	296,573	344,899
Utilities and cleaning	2,377	3,793	27,429	33,599	7,778	20,698	28,476	62,075	204,304
Equipment rental and maintenance	11,593	18,494	141,510	171,597	37,927	173,647	211,574	383,171	693,933
Subscriptions and publications	4,376	99,568	16,243	120,187	497	1,602	2,099	122,286	82,721
Prizes and awards	-	-	1,764,306	1,764,306	-	-	-	1,764,306	2,153,812
Printing	15,836	-	-	15,836	-	230	230	16,066	56,710
Insurance	4,152	6,624	47,903	58,679	13,583	36,144	49,727	108,406	103,997
Meetings and dues	-	2,600	448	3,048	-	778	778	3,826	13,234
Education and training	100	-	-	100	-	13,819	13,819	13,919	11,972
Miscellaneous	-	1,962	14,297	16,259	40	7,881	7,921	24,180	28,567
Bad debt expense	-	-	-	-	-	-	-	-	100,280
Interest and credit card fees	13,549	-	10,579	24,128	2,629	2,146	4,775	28,903	35,431
<b>Total expenses</b>	<b>627,315</b>	<b>1,309,197</b>	<b>11,328,031</b>	<b>13,264,543</b>	<b>2,414,002</b>	<b>4,078,019</b>	<b>6,492,021</b>	<b>19,756,564</b>	23,241,943
Less: direct benefits to donors	-	-	-	-	-	-	-	-	(182,317)
<b>Total expenses per consolidated statements of activities</b>	<b>\$ 627,315</b>	<b>\$ 1,309,197</b>	<b>\$ 11,328,031</b>	<b>\$ 13,264,543</b>	<b>\$ 2,414,002</b>	<b>\$ 4,078,019</b>	<b>\$ 6,492,021</b>	<b>\$ 19,756,564</b>	<b>\$ 23,059,626</b>

See notes to consolidated financial statements.

# NEW YORK ACADEMY OF SCIENCES

## Consolidated Statement of Functional Expenses Year Ended June 30, 2020

	Program Services				Supporting Services			Total Expenses
	Membership Maintenance	Publications	Conferences, Education and Other	Total Program Services	Fund-raising	General and Administrative	Total Supporting Services	
Salaries and wages	\$ 331,849	\$ 590,288	\$ 4,531,723	\$ 5,453,860	\$ 1,156,468	\$ 1,699,704	\$ 2,856,172	\$ 8,310,032
Payroll taxes and employee benefits	78,496	140,363	1,072,975	1,291,834	252,408	345,256	597,664	1,889,498
Rent	80,218	142,766	989,234	1,212,218	221,198	552,201	773,399	1,985,617
Professional fees	134,831	215,926	3,263,149	3,613,906	277,498	495,774	773,272	4,387,178
Depreciation and amortization	62,538	111,146	771,370	945,054	172,447	430,499	602,946	1,548,000
Food and reception	18,422	59	308,819	327,300	120,860	43,455	164,315	491,615
Travel	5,908	7,831	698,064	711,803	41,102	47,238	88,340	800,143
Office	11,115	44,089	140,717	195,921	47,501	101,477	148,978	344,899
Utilities and cleaning	8,254	14,669	102,487	125,410	22,759	56,135	78,894	204,304
Equipment rental and maintenance	16,612	29,522	252,736	298,870	115,086	279,977	395,063	693,933
Subscriptions and publications	672	9,994	66,681	77,347	4,804	570	5,374	82,721
Prizes and awards	-	-	2,153,812	2,153,812	-	-	-	2,153,812
Printing	21,274	9,814	11,335	42,423	11,698	2,589	14,287	56,710
Insurance	4,201	7,477	51,811	63,489	11,585	28,923	40,508	103,997
Meetings and dues	325	175	12,344	12,844	-	390	390	13,234
Education and training	-	-	699	699	-	11,273	11,273	11,972
Miscellaneous	-	1,001	13,099	14,100	294	14,173	14,467	28,567
Bad debt expense	-	-	-	-	-	100,280	100,280	100,280
Interest and credit card fees	17,854	-	12,133	29,987	4,188	1,256	5,444	35,431
<b>Total expenses</b>	<b>792,569</b>	<b>1,325,120</b>	<b>14,453,188</b>	<b>16,570,877</b>	<b>2,459,896</b>	<b>4,211,170</b>	<b>6,671,066</b>	<b>23,241,943</b>
Less: direct benefits to donors	-	-	-	-	(182,317)	-	(182,317)	(182,317)
<b>Total expenses per consolidated statements of activities</b>	<b>\$ 792,569</b>	<b>\$ 1,325,120</b>	<b>\$ 14,453,188</b>	<b>\$ 16,570,877</b>	<b>\$ 2,277,579</b>	<b>\$ 4,211,170</b>	<b>\$ 6,488,749</b>	<b>\$ 23,059,626</b>

See notes to consolidated financial statements.

# NEW YORK ACADEMY OF SCIENCES

## Consolidated Statements of Cash Flows

	Year Ended June 30,	
	2021	2020
<b>Cash flows from operating activities:</b>		
Decrease in net assets	\$ (1,020,379)	\$ (4,228,569)
Adjustments to reconcile decrease in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	822,312	1,548,000
Forgiveness of Paycheck Protection Program loan	(1,853,230)	-
Bad debt expense	-	100,280
Donated securities	(19,361)	(20,328)
Net realized gains on investments	-	(394,885)
Net unrealized (gains) losses on investments	(13,650)	265,602
Amortization of deferred rent obligation	(275,252)	(275,252)
Amortization of lease incentive obligation	(128,868)	(128,868)
Changes in:		
Contributions receivable, net	1,882,936	588,024
Other receivables	(27,334)	(379,970)
Prepaid expenses and other assets	26,939	2,097
Accounts payable and accrued expenses	2,242,754	(259,398)
Deferred membership fees and conference registration fees	(52,343)	20,063
Deferred publishing fee	(100,000)	(100,000)
Deferred other	-	(441,496)
	<u>1,484,524</u>	<u>(3,704,700)</u>
<b>Net cash provided by (used in) operating activities</b>		
<b>Cash flows from investing activities:</b>		
Proceeds from sales of investments	-	2,927,316
Purchases of investments	-	(19,006)
	<u>-</u>	<u>(19,006)</u>
<b>Net cash provided by investing activities</b>	<u>-</u>	<u>2,908,310</u>
<b>Cash flows from financing activities:</b>		
Proceeds from Paycheck Protection Program loan	<u>1,787,767</u>	<u>1,853,230</u>
<b>Increase in cash</b>	<u>3,272,291</u>	<u>1,056,840</u>
Cash, beginning of year	<u>3,944,904</u>	<u>2,888,064</u>
<b>Cash, end of year</b>	<u>\$ 7,217,195</u>	<u>\$ 3,944,904</u>
<b>Supplemental disclosure of cash flow information:</b>		
Unrelated business income taxes paid	<u>\$ -</u>	<u>\$ 26,038</u>

See notes to consolidated financial statements.



# NEW YORK ACADEMY OF SCIENCES

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

### NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### [1] Organization:

The New York Academy of Sciences ("NYAS") was incorporated in New York in 1817 to hold conferences and lectures in interdisciplinary fields of science and technology and to disseminate information in print and online.

NYAS has three wholly-controlled enterprises, the American Institute of the City of New York (the "Institute"), the New York Academy of Sciences U.K. Limited ("NYAS UK") and the Global Stem Alliance, LLC (the "Company"), formerly known as STEM Learning Solutions, LLC. The Institute is largely inactive. NYAS UK, located in London, was formed in fiscal-year 2009 as the result of a substantial bequest from a foreign donor that would permit NYAS to expand its international presence. The Company was formed in fiscal-year 2016 as a disregarded entity, to be operated exclusively for charitable, religious, educational, and scientific purposes. Accordingly, the consolidated financial statements include the financial position, results of operations and cash flows of NYAS, the Institute, NYAS UK, and the Company, (collectively referred to as the "Academy"). All inter-entity transactions and balances have been eliminated in the consolidation process.

The Academy's organizations are exempt from federal income tax pursuant to Section 501(c)(3) of the U.S. Internal Revenue Code, or its foreign equivalent and from state and local taxes under comparable laws.

As of June 30, 2021 and 2020, the Academy had an accumulated deficit in net assets without donor restrictions of \$2,790,689 and \$2,621,168, respectively. The Academy recognized net decreases in net assets of \$1,020,379 and \$4,228,569 for the years ended June 30, 2021 and 2020, respectively. Approximately \$822,000 and \$1,548,000 of depreciation expense represent approximately 81% and 37% of each fiscal year's net losses, for each fiscal year ending June 30, 2021 and 2020, respectively. In addition, in negotiating a future lease contract with the Academy's current leaseholder, the Academy recognized a non-recurring lease cost of approximately \$3,000,000 during fiscal year 2021 representing rent in arrears and settlement to cancel the lease contract. Accordingly, the Academy's Board of Governors and management have been continuously considering various long-term strategies to ensure the continued operations of the Academy. As a result, the management team implemented a number of restructuring initiatives, designed to improve cash flows and to strengthen the consolidated statements of financial position. Significant cost reductions were achieved in salary and staff benefits and reduced event expenses due to holding all events virtually. As noted earlier, the Academy has terminated its office lease and is in the process of securing new space at a significantly lower cost, and new board members have been recruited to strongly position the Academy's fundraising program. The Academy is also working to solicit new contributions without donor restrictions. The Academy is in negotiations with one of its funders to release a portion or all of the donor restricted net assets associated with said donor's contribution.

#### [2] Basis of accounting:

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

#### [3] Use of estimates:

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

# NEW YORK ACADEMY OF SCIENCES

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

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

#### [4] Investments:

The Academy's investments in equity securities have been reported at their fair values in the consolidated statements of financial position based on quoted market prices.

The Academy's investments, in general, are subject to various risks, such as interest-rate, market, and credit risks. Due to the level of risk associated with certain investment vehicles, it is at least reasonably possible that changes in the values of those securities could occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

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

Investment expenses include the service fees and costs of bank trustees, investment managers and custodians. The balances of investment management fees disclosed in Note C are those specific fees charged by the Academy's investment manager in each fiscal year; however, they do not include those fees that are embedded in various other investment accounts and transactions.

Donated securities are recorded at their estimated fair values as determined by the Academy's management on the dates of donation. The Academy's policy is to sell donated securities immediately, and, for purposes of the consolidated statements of cash flows, donated securities and the proceeds generated from their sale are included within operating activities.

#### [5] Property and equipment:

Property and equipment are stated at their original costs at the dates of acquisition, or, if contributed, at their fair values at the dates of donation, net of accumulated depreciation and amortization. The Academy capitalizes items of property and equipment that have a cost of \$1,000 or more and a useful life greater than one year, whereas minor costs of repairs and maintenance are expensed as incurred. Depreciation is provided using the straight-line method over the assets' estimated useful lives. Furniture and fixtures are depreciated over 7 years; equipment is depreciated over 5 years; and computer equipment is depreciated over 3 years. Leasehold improvements are amortized over the remaining lease term or the useful lives of the improvements, whichever is shorter.

Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. There were no triggering events during fiscal-years 2021 or 2020 requiring management to test for impairment that would require any adjustments to property and equipment. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

#### [6] Website and software costs:

Website costs related to data consulting services, site configuration and infrastructure, and conceptual design are capitalized. Costs incurred for the purchase of software and upgrades that result in additional functionality are capitalized. Costs relating to operation and content are expensed as incurred. Capitalized costs are amortized over a five-year expected life using the straight-line method. As of June 30, 2021 and 2020, capitalized website and software costs, were presented net of accumulated amortization of \$3,063,336 and \$2,813,091, respectively.

# NEW YORK ACADEMY OF SCIENCES

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

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

#### [7] Accrued vacation:

Accrued vacation represents the Academy's obligation for the cost of unused vacation time payable in the event of employee departures. At June 30, 2021 and 2020, the accrued vacation obligation was approximately \$304,000 and \$260,000, respectively, and was reported as part of accounts payable and accrued expenses in the accompanying consolidated statements of financial position.

#### [8] Paycheck Protection Program loan payable:

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). The Paycheck Protection Program ("PPP") established by the CARES Act, implemented by the U.S. Small Business Administration ("SBA"), provides businesses, including certain not-for-profit organizations, with funds to pay payroll and other costs during the coronavirus ("COVID-19") outbreak.

There are two acceptable methods for accounting for the PPP funds received under the CARES Act. Entities can elect to treat the funds as a loan or as a conditional contribution. The Academy has elected to record the PPP funds as a loan under the Financial Accounting Standards Board's (the "FASB") Accounting Standards Codification ("ASC") 470, *Debt*. During fiscal year 2021, the Academy applied for and received full loan forgiveness for its first draw PPP loan in the amount of \$1,853,230. Accordingly, this amount has been recognized as a gain on loan forgiveness in the accompanying consolidated statements of activities. The Academy is in the process of applying for loan forgiveness for its second draw PPP loan in the amount of \$1,787,767, which will be recognized as revenue when the application is formally approved by the bank and the SBA; however, no assurance can be provided that the Academy will be eligible for forgiveness, in whole, or in part (see Note E).

#### [9] Net assets:

##### (i) *Net assets without donor restrictions:*

Net assets without donor restrictions represent those resources for which there are no restrictions by donors as to their use and are therefore available for current operations.

##### (ii) *Net assets with donor restrictions:*

Net assets with donor restrictions represent those resources that are subject to donor imposed restrictions, such as specific purposes and/or a specific period of time. Also included within net assets with donor restrictions are donor restrictions that are perpetual in nature and subject to the requirements of the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). These donors have stipulated that those resources be maintained in perpetuity with the resultant income and net capital appreciation arising from the underlying assets to be used in satisfaction of the wishes of those donors. When a donor restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, or funds are appropriated through an action of the Board of Governors, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the consolidated statements of activities as "net assets released from restrictions." Contributions with donor restrictions, the requirements of which are met in the year of donation, are reported as without donor restrictions.

# NEW YORK ACADEMY OF SCIENCES

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

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

#### [10] Revenue recognition:

(i) *Contributions:*

Contributions to the Academy are recognized as revenue upon the receipt of cash or other assets, or of unconditional pledges. Contributions are recorded as "with donor restrictions" if they are received with donor stipulations or time considerations as to their use. Conditional contributions are recognized when the donor's conditions have been met by requisite actions of the Academy's management or necessary events have taken place. Contributions to be received over periods longer than a single year are discounted to present value, at an interest rate commensurate with the risk involved. Management periodically assesses the collectability of its contributions receivables and provides allowances for anticipated losses, if any, when necessary.

(ii) *Special events:*

The Academy holds an annual fund-raising event to raise money for its operations. Gross proceeds paid by attendees at special events represents contribution revenue as well as the payment of the direct costs of the benefits received by the attendee at the event, considered exchange revenue. Special event revenue is reported net of the direct benefits to donors. The exchange portion of the cash received is recognized as revenue when the special event takes place. The exchange portion of special event proceeds for a future year's event is deferred and recognized when the event takes place. The contribution portion is considered restricted by donors for time until the event takes place. As a result of the COVID-19 pandemic, a special event was unable to be held during fiscal-year 2021; and accordingly, there were no direct benefits to donors for the fiscal year ended June 30, 2021.

(iii) *Revenue from contracts with customers:*

The Academy recognizes revenue when, or as, performance obligations are satisfied associated with contracts with customers. Revenue is measured as the amount of consideration the Academy expects to receive in exchange for providing services. The primary sources of revenue from contracts with customers for the Academy are membership fees, publication sales, and registration and meeting fees.

a. *Membership fees:*

Revenue from membership fees is recognized in the year in which membership services are provided. The performance obligation is satisfied throughout the membership period. Members immediately have full access upon payment to a broad array of information, advocacy, and services found nowhere else including publications and events and networking resources and events. There is no remaining performance obligation required by the Academy upon the member termination date. Revenue received in advance of an applicable membership period is deferred and reported as deferred membership fees and conference registration fees in the consolidated statements of financial position.

b. *Publication sales:*

Publication sales are recognized over the term of the subscription and/or contract. The portion applicable to a subsequent period is reported as deferred publishing fee in the consolidated statements of financial position.

## NEW YORK ACADEMY OF SCIENCES

### Notes to Consolidated Financial Statements June 30, 2021 and 2020

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

##### [10] Revenue recognition: (continued)

(iii) *Revenue from contracts with customers: (continued)*

b. *Publication sales: (continued)*

In October 2005, the Academy entered into an agreement with an independent publisher, John Wiley & Sons, Inc. ("Wiley"), to jointly publish 28 volumes per year of Annals of the New York Academy of Sciences, beginning January 2006; the number of annual volumes was increased to 32 in January 2009 and then, by mutual agreement, reduced to 30 volumes in 2013, 28 volumes in 2014 and 2015, and 24 volumes in 2016. The Academy retains full responsibility for acquisition of content and editorial quality. In June 2014, the Academy renegotiated its contract with Wiley. The Academy is entitled to an annual editorial stipend, initially of \$575,000, with a 3% annual increase over the term of the contract. In addition, the Academy is entitled to 82.5% of the surplus of revenues over expenditures generated by the Annals each year during the period January 1, 2015 through December 31, 2020 and 83.5% of the surplus of revenues over expenditures generated each year during the period from January 1, 2021 through December 31, 2025. Accordingly, Wiley is required to submit a report of actual revenues and expenditures after December 31st of each year. The Academy also received a one-time signing bonus of \$1,000,000, which is being recognized as revenue over the course of the ten-year term of the agreement. The unrecognized portion of this bonus is reported as a deferred publishing fee in the consolidated statements of financial position at June 30, 2021 and 2020.

c. *Registration and meeting fees:*

Revenue from registrations and meetings is recognized when the related conference or event occurs and the services are rendered in accordance with the contractual provisions in satisfaction of the performance obligations. There is no remaining performance obligation required of the Academy upon completion of the conference or event. Revenue received in advance of the Academy satisfying the performance obligation is deferred and reported as deferred membership fees and conference registration fees in the consolidated statements of financial position.

##### [11] Measure of operations:

The Academy includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities. Net realized and unrealized gains on investments are recognized as a part of non-operating activities.

##### [12] Advertising:

Advertising, consisting primarily of expenses to promote conferences and publications, is recorded as an expense in the period incurred. Advertising expense during fiscal-years 2021 and 2020 was approximately \$261,000 and \$84,000, respectively.

##### [13] Functional allocation of expense:

The costs of providing the Academy's various programs and supporting services have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present expenses by natural classification and function. Accordingly, direct costs have been allocated among program and supporting services, based on the nature of the expense. Indirect costs have been allocated on the basis of time. Costs that have been allocated include salaries and related expenses, certain utilities expenses, insurance expense and depreciation and amortization expense.

## NEW YORK ACADEMY OF SCIENCES

### Notes to Consolidated Financial Statements June 30, 2021 and 2020

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

##### [14] Income taxes:

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

##### [15] Adoption of accounting principles:

###### (i) *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made:*

In June 2018, the FASB issued Accounting Standards Update ("ASU") 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)*. ASU 2018-08 clarified and improved guidance concerning: 1) evaluating whether a transaction should be accounted for as an exchange transaction or as a contribution; and 2) determining whether a contribution received is conditional. ASU 2018-08 should be applied on a modified prospective basis. ASU 2018-08 was effective for annual periods beginning after December 15, 2018 for entities that are resource recipients. Accordingly, the Academy adopted the resource recipient portion for its fiscal-year ended June 30, 2020. ASU 2018-08 is effective for annual periods beginning after December 15, 2019 for entities that are resource providers. The Academy adopted the resource provider portion for its fiscal-year ended June 30, 2021, and this accounting guidance did not have a material effect on the Academy's consolidated financial statements.

###### (ii) *Revenue from Contracts with Customers:*

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. ASU 2014-09 requires an entity to recognize revenue depicting the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard permits the use of either the retrospective or cumulative effect transition method. As a result of deferrals due to COVID-19, the standard is effective for fiscal years beginning after December 15, 2019; accordingly, the Academy adopted this ASU for its year ended June 30, 2021 on the retrospective basis. Analysis of the various provisions of this standard resulted in no significant changes in the way the Academy recognized revenue, and therefore, no changes to the previously issued audited consolidated financial statements were required on a retrospective basis.

##### [16] Upcoming accounting principle:

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, as amended, which supersedes the current leasing guidance and upon adoption, will require lessees to recognize right-of-use assets and lease liabilities on the consolidated statements of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the consolidated statements of activities. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. The new standard is effective for the Academy for the annual period beginning after December 15, 2021, and can be early adopted. Upon the adoption of the guidance, operating leases are capitalized on the consolidated statements of financial position at the present value of lease payments. The consolidated statements of financial position amount recorded for existing leases at the date of adoption of ASU 2016-02 will be calculated using the applicable incremental borrowing rate at the date of adoption. This standard permits the retrospective or use of practical expedient methods. The impact on the Academy's consolidated financial statements is currently being evaluated. Information about the Academy's undiscounted future lease payments and the timing of those payments is provided in Note J.

# NEW YORK ACADEMY OF SCIENCES

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

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

#### [17] Reclassification:

Certain amounts in the prior year's consolidated financial statements have been reclassified to conform to the current year's presentation.

#### [18] Subsequent events:

The Academy has evaluated subsequent events through January 3, 2022, the date on which the consolidated financial statements were available to be issued.

### NOTE B - RECEIVABLES

#### [1] Contributions receivable:

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

	Year Ended June 30,	
	2021	2020
Less than one year	\$ 5,031,301	\$ 9,678,869
One to five years	<u>2,714,559</u>	<u>20,000</u>
	7,745,860	9,698,869
Reduction of pledges due in excess of one year to present value, at a rate ranging from 0.16% - 2.63%	<u>(31,219)</u>	<u>(1,012)</u>
	7,714,641	9,697,857
Less: allowance for doubtful accounts	<u>(109,600)</u>	<u>(209,880)</u>
	<u>\$ 7,605,041</u>	<u>\$ 9,487,977</u>

The Academy wrote off uncollectible pledges of approximately \$100,000 and \$513,000 against its allowance in fiscal-year 2021 and 2020, respectively.

#### [2] Other receivables:

At each fiscal year-end, other accounts receivable consisted of reimbursable expenses and other amounts due from unrelated parties for exchange-type transactions. All amounts are due within one year, and management expects the receivables to be fully collected. Accordingly, no allowance for doubtful amounts has been established.

## NEW YORK ACADEMY OF SCIENCES

### Notes to Consolidated Financial Statements June 30, 2021 and 2020

#### NOTE C - INVESTMENTS

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

	June 30,			
	2021		2020	
	Fair Value	Cost	Fair Value	Cost
Equity securities	<u>\$ 97,795</u>	<u>\$ 80,207</u>	<u>\$ 64,784</u>	<u>\$ 60,846</u>

During each fiscal year, investment income consisted of the following:

	June 30,	
	2021	2020
Interest and dividends	\$ 1,649	\$ 21,021
Investment management fees	-	(8,339)
Interest and dividends, net	<u>1,649</u>	<u>12,682</u>
Net realized gains	-	394,885
Net unrealized gains (losses)	<u>13,650</u>	<u>(265,602)</u>
Total net realized and unrealized gains	<u>13,650</u>	<u>129,283</u>
	<u>\$ 15,299</u>	<u>\$ 141,965</u>

The FASB's ASC Topic 820, *Fair Value Measurements*, establishes a three-level valuation hierarchy of fair-value measurements. These valuation techniques are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair-value hierarchy:

- Level 1: Valuations are based on observable inputs that reflect quoted market prices in active markets for identical assets at the reporting date.
- Level 2: Valuations are based on: (i) quoted prices for similar assets in active markets; or (ii) quoted prices for those assets, or similar assets, in markets that are not active; or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date.
- Level 3: Valuations are based on pricing inputs that are unobservable and include situations where: (i) there is little, if any, market activity for the assets; or (ii) the assets cannot be independently valued.

The Academy's investments were valued entirely as Level 1 of the fair-value hierarchy for both fiscal-years 2021 and 2020.

The availability of market data is monitored to assess the appropriate classification of financial instruments within the fair-value hierarchy. Changes in economic conditions or valuation techniques may require the transfer of financial instruments from one level to another.



# NEW YORK ACADEMY OF SCIENCES

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

### NOTE D - PROPERTY AND EQUIPMENT

At each fiscal-year end, property and equipment consisted of the following:

	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
Leasehold improvements	\$ 9,630,961	\$ 9,630,961
Furniture, fixtures and equipment	1,079,189	1,079,189
Computer equipment	<u>2,864,880</u>	<u>2,864,880</u>
	<b>13,575,030</b>	13,575,030
Less: accumulated depreciation and amortization	<u>(13,548,428)</u>	<u>(12,976,361)</u>
	<u><b>\$ 26,602</b></u>	<u>\$ 598,669</u>

### NOTE E - PAYCHECK PROTECTION PROGRAM LOAN PAYABLE

On March 16, 2021 and May 1, 2020, the Academy received \$1,787,767 and \$1,853,230, respectively, in funds from the PPP, which are reported as Paycheck Protection Program loan payable in the consolidated statements of financial position at June 30, 2021 and 2020. During April 2021, the Academy received full forgiveness for the total amount of \$1,853,230 in relation to the first draw of the PPP loan. Accordingly, this amount has been recognized as a gain on loan forgiveness in the accompanying consolidated statements of activities.

Neither principal nor interest is due on the second draw PPP loan for a ten-month deferral period after the end of the covered period. This loan may be forgiven subject to bank approval in accordance with SBA guidelines. Any outstanding principal of the loan that is not forgiven under the PPP loan program at the end of the ten-month deferral period will convert to a term loan with an interest rate of 1% payable in equal installments of principal and interest over the next 48 months, beginning in March 2022. The loan matures on March 16, 2026. The Academy is in the process of applying for forgiveness. Until the determination of forgiveness is made, the scheduled future principal maturities as of June 30, 2021 are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 353,829
2023	446,942
2024	446,942
2025	446,942
2026	<u>93,112</u>
	<u><b>\$ 1,787,767</b></u>

## NEW YORK ACADEMY OF SCIENCES

### Notes to Consolidated Financial Statements June 30, 2021 and 2020

#### NOTE F - DEFERRED REVENUE

The following table provides information about significant changes in deferred revenue from membership and conference registration fees consisting of the following:

	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
Deferred membership and conference registration fees, beginning of year	\$ 478,430	\$ 458,367
Revenue recognized that was included in deferred membership and conference registration fees at the beginning of the year	(376,285)	(384,420)
Increase in deferred membership and conference registration fees due to cash received during the period	<u>323,942</u>	<u>404,483</u>
Deferred membership and conference registration fees, end of year	<u>\$ 426,087</u>	<u>\$ 478,430</u>

Other significant contract liabilities consisted of a deferred publishing fee that is recognized ratably over the term of the contract (see Note A[10](iii)(b)).

#### NOTE G - NET ASSETS WITH DONOR RESTRICTIONS

At each fiscal year-end, net assets with donor restrictions consisted of the following:

	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
Purpose restrictions:		
Conferences	\$ 1,115,370	\$ 325,752
Special programs	<u>9,294,025</u>	<u>10,910,001</u>
	<u>10,409,395</u>	<u>11,235,753</u>
Restricted for future periods	<u>58,000</u>	<u>82,500</u>
Accumulated endowment income subject to appropriation	<u>379,652</u>	<u>379,652</u>
Perpetual in nature:		
General operating support	359,682	359,682
Special programs	<u>50,000</u>	<u>50,000</u>
	<u>409,682</u>	<u>409,682</u>
	<u>\$ 11,256,729</u>	<u>\$ 12,107,587</u>

# NEW YORK ACADEMY OF SCIENCES

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

### NOTE G - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

During each fiscal year, net assets released from restrictions resulted from satisfying the following donor restrictions:

	Year Ended June 30,	
	2021	2020
Purpose restrictions satisfied:		
Conferences	\$ -	\$ 272,951
Special programs	<u>8,800,551</u>	<u>11,970,075</u>
	<u>8,800,551</u>	<u>12,243,026</u>
Time restrictions satisfied	<u>24,500</u>	<u>11,000</u>
	<u>\$ 8,825,051</u>	<u>\$ 12,254,026</u>

### NOTE H - ACCOUNTING AND REPORTING FOR ENDOWMENTS

#### [1] The endowment:

The Academy's endowment funds consist of 16 donor-restricted funds established for a variety of purposes. As required by U.S. GAAP, net assets associated with the endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

#### [2] Interpretation of relevant law:

As discussed in Note A[9], NYPMIFA is applicable to the Academy's institutional funds, including its donor-restricted endowment fund.

#### [3] Endowment net asset composition by type, at each fiscal year-end:

	June 30, 2021		
	Amounts Subject to Appropriation	Amounts Held in Perpetuity	Total
Donor-restricted endowment funds	<u>\$ 379,652</u>	<u>\$ 409,682</u>	<u>\$ 789,334</u>
	June 30, 2020		
	Amounts Subject to Appropriation	Amounts Held in Perpetuity	Total
Donor-restricted endowment funds	<u>\$ 379,652</u>	<u>\$ 409,682</u>	<u>\$ 789,334</u>

Amounts subject to appropriation represent that portion of allocated investment income, derived from endowment assets held in perpetuity, that have not been appropriated by the Board of Governors for expenditure.

# NEW YORK ACADEMY OF SCIENCES

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

### NOTE H - ACCOUNTING AND REPORTING FOR ENDOWMENTS (CONTINUED)

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

	June 30, 2021		
	Amounts Subject to Appropriation	Amounts Held in Perpetuity	Total
Endowment funds, beginning of year	\$ 379,652	\$ 409,682	\$ 789,334
Investment returns, net	-	-	-
Endowment funds, end of year	<u>\$ 379,652</u>	<u>\$ 409,682</u>	<u>\$ 789,334</u>
	June 30, 2020		
	Amounts Subject to Appropriation	Amounts Held in Perpetuity	Total
Endowment funds, beginning of year	\$ 341,140	\$ 409,682	\$ 750,822
Investment returns, net	38,512	-	38,512
Endowment funds, end of year	<u>\$ 379,652</u>	<u>\$ 409,682</u>	<u>\$ 789,334</u>

#### [5] Return objectives and risk parameters:

The Academy's Board of Governors overall financial objective for the endowment assets is to provide the operations of the Academy with a relatively stable stream of spendable revenue that increases over time. Endowment assets consist of those assets of donor-restricted funds that the Academy must hold in perpetuity. Investment guidelines include:

- Meeting or exceeding the market index, or blended market index, as selected and agreed-upon by the Academy's Investment Committee, and approved by the Board of Governors; and
- Employing an overall level of risk in the portfolio consistent with the risk associated with the benchmark specified above.

During fiscal year 2020, the Academy's Board of Governors liquidated the majority of its investment portfolio and accordingly, the endowment assets were transferred to the operating cash account until a suitable alternative investment is determined.

#### [6] Strategies employed for achieving objectives:

Due to market volatility, the Academy's endowment is held in cash. The Academy's Board of Governors are continuously monitoring the market conditions and will invest the endowment when deemed prudent and necessary.

#### [7] Spending policy:

The endowment is expected to remain whole, with all gains and losses reserved in net assets with donor restrictions until appropriated. The Academy's Board of Governors did not appropriate from the endowment for either fiscal-year 2021 or 2020.

## **NEW YORK ACADEMY OF SCIENCES**

### **Notes to Consolidated Financial Statements June 30, 2021 and 2020**

#### **NOTE H - ACCOUNTING AND REPORTING FOR ENDOWMENTS (CONTINUED)**

##### **[8] Funds with deficiencies:**

Due to unfavorable market fluctuations, from time to time, the fair value of assets associated with the individual donor-restricted endowment funds may decline below the historic dollar value of the donor's original, restricted contribution, or the amount required to be maintained under state law, referred to as underwater endowment. Under the terms of NYPMIFA, the Academy has no responsibility to restore such decreases in value. At June 30, 2021 and 2020, there were no deficiencies of this nature.

#### **NOTE I - EMPLOYEE-BENEFIT PLAN**

The Academy maintains a defined-contribution retirement plan, established under Section 403(b) of the Internal Revenue Code. Effective January 1, 2017, employees are eligible to participate in the deferral portion of the Plan upon employment. An employee who is at least 21 years of age and has attained one year of service must defer at least 3% of pay into the Plan as a condition of employment. The Academy contributes 5% of each eligible employee's compensation to the Plan. Plan expenses for fiscal-years 2021 and 2020 were approximately \$310,000 and \$344,000, respectively.

#### **NOTE J - COMMITMENTS, CONTINGENCY AND OTHER UNCERTAINTY**

##### **[1] Lease agreements:**

In December 2005, the Academy signed a lease agreement for office space and conference space with an unrelated party, expiring in February 2022, which includes an optional additional five-year renewal period. The lease provided for escalation charges through the lease term, as well as a free rent period through February 1, 2008. The aggregate minimum lease payments are currently being amortized using the straight-line method over the term of the lease. The cumulative differences between rent expense and amounts paid were \$254,280 and \$529,532 as of June 30, 2021 and 2020, respectively, and have been reported as a deferred rent obligation in the accompanying consolidated statements of financial position.

In June 2019, the Academy signed an amendment to the original lease agreement, expiring in December 2037. The lease provides for escalation charges through the lease term, as well as a free rent period from March 2022 through December 2022.

Additionally, under the terms of the original lease, the Academy is reimbursed by the landlord for leasehold improvements in an amount up to \$2,000,000. The amount of costs incurred to be reimbursed by the landlord is recorded as a lease incentive obligation, which is amortized as a reduction to rent expense over the term of the lease. Accordingly, at June 30, 2021 and 2020, respectively, lease incentive obligations of \$85,829 and \$214,697 have been reported in the accompanying consolidated statements of financial position.

During fiscal-year 2006, the Academy and the landlord applied for funding to be used to reduce rental charges under the World Trade Center Rent Reduction Program, which was approved in October 2006. Under this program, the Academy is entitled to reductions in rent expense of approximately \$13,000 per month, starting February 1, 2008, and extending through the end of the lease term. Total rent expense under this agreement was approximately \$2,775,000 and \$1,986,000 for fiscal-years 2021 and 2020, respectively.

The Academy is also obligated for certain equipment under operating leases that expire through January 2025.

## NEW YORK ACADEMY OF SCIENCES

### Notes to Consolidated Financial Statements June 30, 2021 and 2020

#### NOTE J - COMMITMENTS, CONTINGENCY AND OTHER UNCERTAINTY (CONTINUED)

##### [1] Lease agreements: (continued)

Minimum annual future rental commitments under the Academy's lease agreements, excluding rent reduction and escalation charges, for the years subsequent to June 30, 2021, are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 1,259,177
2023	1,503,144
2024	2,975,148
2025	2,959,578
2026	2,944,008
Thereafter	<u>38,039,037</u>
	<u>\$ 49,680,092</u>

Subsequent to fiscal year-end, in August 2021, the Academy terminated its lease agreement for office space and conference space with an unrelated party. The Academy made a final payment totaling \$3,000,000 to the unrelated party in August 2021, releasing the Academy of any future obligations under the lease agreement.

##### [2] Government grants:

Government-supported projects are subject to audit in the future by governmental authorities. Accordingly, the Academy could be required to fund any disallowed costs for its own federally or state supported programs that were incurred during the period of the Academy's stewardship. In management's opinion, any such audits would not result in disallowed costs in amounts that would be significant to the Academy's operations.

##### [3] Other uncertainty:

The extent of the impact of the COVID-19 outbreak on the operational and financial performance of the Academy will depend on the continued future developments, including the duration and spread of the outbreak and related restrictions and the impact of COVID-19 on the financial markets and the overall economy, all of which are highly uncertain and cannot be predicted. If the need for the Academy's services or the contributions towards the Academy's programs are impacted for an extended period, the results of operations may be materially adversely affected.

#### NOTE K - CONCENTRATIONS OF CREDIT RISK

The Academy deposits cash in a financial institution in amounts which, at times, may exceed federally insured limits. The Academy's cash is held at a major financial institution, and management believes that there is no significant risk of loss by reason of the institution's failure.

## NEW YORK ACADEMY OF SCIENCES

### Notes to Consolidated Financial Statements June 30, 2021 and 2020

#### NOTE L - CONCENTRATIONS OF REVENUE

Amounts provided by three donors of approximately 81% of contributions receivable represent a concentration of receivables as of June 30, 2021. Amounts provided by two donors of approximately 74% of contributions receivable represent a concentration of receivables as of June 30, 2020. Amounts provided by two donors of approximately 57% of contributions revenue represent a concentration of revenues for the fiscal year-ended June 30, 2021. Amounts provided by one donor of approximately 58% of contributions revenue represent a concentration of revenues for the fiscal year-ended June 30, 2020.

#### NOTE M - LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Academy's financial assets at each fiscal year-end available for general expenditures within one year of the consolidated statements of financial position dates:

	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
Cash	\$ 7,217,195	\$ 3,944,904
Contributions receivable, net	7,605,041	9,487,977
Other receivables	456,196	428,862
Investments	<u>97,795</u>	<u>64,784</u>
Total financial assets available within one year	<u>15,376,227</u>	<u>13,926,527</u>
Less:		
Amounts unavailable for general expenditures within one year, due to:		
Restricted by donors for:		
Purpose restrictions	(10,789,047)	(11,615,405)
Time-restrictions for future periods	(58,000)	(82,500)
Perpetual in nature	<u>(409,682)</u>	<u>(409,682)</u>
Total amounts unavailable for general expenditure within one year	<u>(11,256,729)</u>	<u>(12,107,587)</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 4,119,498</u>	<u>\$ 1,818,940</u>

#### Liquidity policy:

The Academy maintains a sufficient level of operating cash and investments to be available for its general expenditures, liabilities and other obligations as they come due.