

**THE ROBERT A. TOIGO FOUNDATION**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

**THE ROBERT A. TOIGO FOUNDATION**  
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## **Independent Auditors' Report**

To the Board of Directors  
THE ROBERT A. TOIGO FOUNDATION

We have audited the accompanying financial statements of The Robert A. Toigo Foundation (a California nonprofit corporation) (the "Foundation"), which comprise the statement of financial position as of December 31, 2018, 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.

### **Auditor's 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.

TO THE BOARD OF DIRECTORS  
THE ROBERT A. TOIGO FOUNDATION

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2018, 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.

A handwritten signature in dark ink, appearing to read "Seifu UR". The signature is fluid and cursive, with the first name "Seifu" and the initials "UR" clearly distinguishable.

San Francisco, California  
June 7, 2019

**THE ROBERT A. TOIGO FOUNDATION**  
**Statement of Financial Position**  
**December 31, 2018**

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ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 1,797,900
Contributions receivable	323,857
Accounts receivable	914
Prepays	112,319
Other assets	57

Total current assets	2,235,047
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SECURITY DEPOSITS	9,218
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INVESTMENTS	17,228
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PROPERTY AND EQUIPMENT, NET	23,078
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CONTRIBUTIONS RECEIVABLE (LONG-TERM), NET	285,249
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Total assets	<u>\$ 2,569,820</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 111,044
Accrued liabilities	27,008

Total current liabilities	<u>138,052</u>
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COMMITMENTS AND CONTINGENCIES (Notes 9,11)

NET ASSETS

Without donor restrictions	1,694,633
With donor restrictions	737,135

Total net assets	<u>2,431,768</u>
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Total liabilities and net assets	<u>\$ 2,569,820</u>
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See Notes to Financial Statements

**THE ROBERT A. TOIGO FOUNDATION**  
**Statement of Activities**  
**For the Year Ended December 31, 2018**

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS, AND OTHER SUPPORT			
Contributions - foundations	\$ 104,010	\$ 485,249	\$ 589,259
Contributions - corporate	514,229		514,229
Contributions - individuals	1,133,671	-	1,133,671
Grants and contracts	296,000	35,000	331,000
Realized and unrealized loss on investments	(20,240)	-	(20,240)
Interest and dividend income	6,203		6,203
Other revenue	271,150	-	271,150
Special events revenue	1,460,531	166,299	1,626,830
Less expenses of special events	(691,383)		(691,383)
Net assets released from restrictions	730,552	(730,552)	-
Total revenue, gains, and other support	3,804,723	(44,004)	3,760,719
EXPENSES			
Program services	2,526,257	-	2,526,257
Management and general	634,614	-	634,614
Fundraising	168,872	-	168,872
Total expenses	3,329,743	-	3,329,743
CHANGE IN NET ASSETS	474,980	(44,004)	430,976
NET ASSETS, BEGINNING OF YEAR	1,219,653	781,139	2,000,792
NET ASSETS, END OF YEAR	\$ 1,694,633	\$ 737,135	\$ 2,431,768

See Notes to Financial Statements

**THE ROBERT A. TOIGO FOUNDATION**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2018**

	Program Services	Management and General	Fundraising	Special Events Expenses	Total
Salaries	\$ 466,235	\$ 187,383	\$ 105,293	\$ 34,708	\$ 793,619
Employee benefits (inc. payroll taxes)	37,335	80,475	3	-	117,813
Tuition fees	205,500	-	-	-	205,500
Occupancy costs	95,799	6,084	1,800	-	103,683
Conferences and meetings	349,742	18,107	2,725	316,928	687,502
Advertising & public relations	13,183	66	-	449	13,698
Telephone	11,040	4,805	2,286	1,318	19,449
Operation service fees	13,128	20,012	12,783	3,758	49,681
Professional service & IT fees	123,415	194,397	32,397	3,555	353,764
Program & event service fees	799,419	43,500	617	298,446	1,141,982
Printing	21,838	506	3,229	9,936	35,509
Office supplies	3,959	7,886	1,533	57	13,435
Maintenance and repairs	5,883	214	910	223	7,230
Travel	259,157	16,263	4,709	8,626	288,755
Postage and delivery	5,482	2,052	437	879	8,850
Filing fees	-	645	-	-	645
Grant award	100,000	-	-	-	100,000
Uncollectible pledge (net of recoveries)	-	49,131	-	-	49,131
Insurance	8,412	2,340	150	-	10,902
Depreciation	6,730	748	-	-	7,478
Program entertainment	-	-	-	12,500	12,500
Total expenses by function	\$ 2,526,257	\$ 634,614	\$ 168,872	\$ 691,383	\$ 4,021,126
Less expenses included with revenues on the statement of activities					
Gala expenses	-	-	-	(691,383)	(691,383)
Total expenses included in the expense section on the statement of activities	<u>\$ 2,526,257</u>	<u>\$ 634,614</u>	<u>\$ 168,872</u>	<u>\$ -</u>	<u>\$ 3,329,743</u>

See Notes to Financial Statements

**THE ROBERT A. TOIGO FOUNDATION**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2018**

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CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 430,976
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Realized and unrealized loss on investments	20,240
Depreciation	7,478
Non cash contributions	(314,073)
Uncollectible pledge	49,131
Changes in assets and liabilities:	
Increase in deposits	(9,218)
Increase in prepaids	(112,319)
Decrease in accounts receivable	3,481
Increase in contributions receivable	(207,441)
Decrease in other assets	59,656
Increase in accounts payable	46,758
Increase in accrued liabilities	714
Net cash used in operating activities	<u>(24,617)</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES	
Proceeds from sale of donated investments	276,605
Purchase of property and equipment	<u>(11,257)</u>
Net cash provided by investing activities	<u>265,348</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	240,731
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,557,169</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 1,797,900</u></u>

See Notes to Financial Statements



## THE ROBERT A. TOIGO FOUNDATION

### Notes to Financial Statements

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#### 1. NATURE OF OPERATIONS

The Robert A. Toigo Foundation (the "Foundation") is a not-for-profit foundation incorporated in California. The Foundation's contributions are primarily from financial service corporations, individual donors and other foundations located throughout the United States.

The primary objectives of the Foundation are to:

- Establish and maintain a fellowship program which provides tuition assistance for selected students attending a graduate school of business;
- Attract minority groups to pursue business degrees leading to careers in finance;
- Assist participants by way of career management services which includes leadership development and job search support during and following their graduate studies;
- Provide the next generation of minority leaders with the support and skills needed to achieve next level of leadership and to promote the merits of diversity within corporate organizations to adopt best practices around inclusion and engagement of diverse talent and business enterprises;
- Implement program offerings and services that align to the needs and career trajectory of the post-graduate constituency of the Foundation.

The Foundation is currently sponsoring students at more than twenty of the country's most prestigious universities.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

##### ***Basis of Presentation:***

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

##### ***Cash and Cash Equivalents:***

The Foundation considers all highly liquid investments with maturities of three months or less at acquisition to be cash equivalents. The Foundation places its cash and cash equivalents with high credit quality institutions. Periodically, such deposits may be in excess of federally insured limits.

## THE ROBERT A. TOIGO FOUNDATION

### Notes to Financial Statements

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#### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### ***Contributed Services:***

The Foundation recognizes the fair value of contributed services that create or enhance non-financial assets or require specialized skills, which are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donations. The Foundation records donated professional services at the respective fair values of the services received. No significant contributions of such services were received during the year ended December 31, 2018.

##### ***Contributions Revenue:***

Grants and contributions, including unconditional promises to give, are recorded at the time the promise is received. Conditional grants and contributions are not recognized until the conditions on which they depend are substantially met. Grants and contributions scheduled to be collected in more than one year are recorded at the expected value of future payments using present value techniques. There were no conditional contributions as of December 31, 2018.

The Foundation uses the allowance method to determine uncollectible contributions receivable. The allowance is based on prior years' experience and management's analysis of specific contributions receivable. Contribution receivables are written off when deemed uncollectible. No allowance is deemed necessary as of December 31, 2018.

##### ***Receivables and Credit Policies:***

Accounts receivable consist primarily of noninterest-bearing amounts due for alumni endowments. We determine the allowance for uncollectible accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectible. No allowance is deemed necessary as of December 31, 2018.

##### ***Property and Equipment:***

Property and equipment is stated at cost, or if donated, at the estimated fair value on the date of donation. The Foundation capitalizes all property and equipment valued at \$1,000 or greater.

Routine maintenance and repairs are charged to expense as incurred. Depreciation is computed on the straight-line method based on the asset's estimated useful life which range from 3 to 5 years.

## THE ROBERT A. TOIGO FOUNDATION

### Notes to Financial Statements

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## 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

### ***Functional Allocation of Expenses:***

The costs of providing the various program services and supporting activities have been summarized on a functional basis in the statements of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the various functions based on estimates of time and direct costs. The indirect expenses allocated include occupancy, utilities, and other office expenses, which use the weighted average of staff and contractors and their time and effort spent in specific program areas. Direct expenses including salaries and wages, benefits, payroll taxes, professional services, office expenses, and other, are allocated based on estimates of time and effort.

### ***Investments:***

Investments in common stock are carried at fair value based on quoted market prices. When the Foundation sells shares of common stock, the cost method is used to determine gain or loss. Investment purchases and sales are recorded on a trade-date basis. Interest income is recognized as earned on the accrual basis and dividend income is recognized as of the ex-dividend date. Unrealized gains and losses on investments resulting from market fluctuations are recorded in the statements of activities in the period that such fluctuations occur.

The Foundation follows the GAAP framework for fair value measurements. This framework favors the use of market-based information over entity-specific information. Investments measured at fair value are classified in one of the following three fair value hierarchy levels, based on the lowest level input that is significant to the fair value measurement in its entirety:

- |         |   |
|---------|---|
| Level 1 | Quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities, without adjustment.  |
| Level 2 | Quoted prices in markets that are not considered to be active for identical or similar assets or liabilities, quoted prices in active markets of similar assets or liabilities, and inputs other than quoted prices that are observable or can be corroborated by observable market data. |
| Level 3 | Inputs that are both significant to the fair value measurement and unobservable, including inputs that are not derived from market data or cannot be corroborated by market data.   |

### ***Use of Estimates:***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## THE ROBERT A. TOIGO FOUNDATION

### Notes to Financial Statements

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#### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### ***Income Taxes:***

The Foundation is registered as a nonprofit corporation and is exempt from federal income taxes, except for unrelated business income, under section 501(c)(3) of the Internal Revenue Code. In addition, the Foundation is exempt from California state taxes under section 23701(d) of the California Revenue and Taxation Code. There was no unrelated business income in 2018. The Foundation has been determined by the Internal Revenue Service (IRS) not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code and is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS.

The Foundation has evaluated its current tax positions and has concluded that as of December 31, 2018, the Foundation does not have any significant uncertain tax positions for which a reserve would be necessary.

##### ***Net Assets:***

Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets without Donor Restrictions* – Net assets available for use in the general operations and not subject to donor or grantor restrictions.

*Net Assets with Donor Restrictions* – Net assets subject to donor or grantor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The Foundation reports contributions restricted by donors as increase in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, 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 ROBERT A. TOIGO FOUNDATION**  
**Notes to Financial Statements**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

***Revenue Recognition:***

Grants and contributions are recognized as revenue when they are received or unconditionally promised. Conditional contributions are not recognized until the conditions on which they depend have been substantially met in their revenue footnote. Special event revenue is recognized when the event is held. Other revenue includes income earned primarily from online job posting and other miscellaneous services provided, and is recognized as revenue when it is earned. Goods and services donated are recognized as in-kind revenue and expense at their estimated fair value on the date donated.

***Recent Accounting Pronouncements:***

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09 (Topic 606), *Revenue from Contracts with Customers* ("ASU 2014-09") to clarify revenue recognition principles. This guidance is intended to improve disclosure requirements and enhance comparability of revenue recognition principles. Improved disclosures under this ASU relate to the nature, amount, timing and uncertainty of revenue that is recognized from contracts with customers. The guidance is effective for the year ending December 31, 2019 and will be required to be applied retrospectively (either fully or on a modified approach). Early application is permitted. The Foundation is currently evaluating the impact that ASU will have on its financial position or results of operations.

In January 2016, FASB issued ASU No. 2016-02, *Leases* (Topic 842) ("ASU No. 2016-02"). Under the new guidance in ASU No. 2016-02, lessees will be required to recognize the following for all leases (with the exception of short-term leases) at the commencement date: 1) A lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and 2) A right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. Under the new guidance, lessor accounting is largely unchanged, however, certain targeted improvements were made. ASU No. 2016-02 also simplifies the accounting for sale and leaseback transactions. Lessees (for capital and operating leases) and lessors (for sales-type, direct financing, and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. Lessees and lessors may not apply a full retrospective transition approach. ASU No. 2016-02 is effective for the year ending December 31, 2020. Early application is permitted. The Foundation is currently evaluating the impact that ASU No. 2016-02 may have on its financial position or results of operations.

## THE ROBERT A. TOIGO FOUNDATION

### Notes to Financial Statements

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## 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

### ***Recent Accounting Pronouncements:*** (continued)

In June 2018, the FASB issued ASU No. 2018-08, *Not-for-Profit Entities (Topic 958) – Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made* (“ASU No. 2018-08”). The amendments in ASU No. 2018-08 clarify and improve the scope and the accounting guidance for contributions received and contributions made. The amendments assist entities in evaluating whether transactions should be accounted for as contributions within the scope of *Topic 958, Not-for-Profit Entities*, or as exchange (reciprocal) transactions subject to other guidance and (2) determine whether a contribution is conditional. ASU No. 2018-08 should be applied on a modified prospective basis. ASU No. 2018-08 is effective for the Foundation’s year ending December 31, 2020 for grants made and year ending December 31, 2019 for grants received, with early adoption permitted. The Foundation is currently evaluating the impact that ASU No. 2018-08 may have on the Foundation’s financial position or results of operations.

### ***Change in Accounting Principle:***

In August 2016, the FASB issued ASU No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)* (“ASU No. 2016-14”). The amendments in ASU No. 2016-14 require *Not-for-Profit Entities* to present on the face of the statement of financial position amounts for two classes of net assets, net assets with donor restrictions and net assets without donor restrictions. The amendments also require improved presentation and disclosures to help not-for-profits provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. These include qualitative and quantitative requirements in net asset classes, investment return, expenses, liquidity and availability of resources, and presentation of operating cash flows. The amendments will also require entities to disclose, among other things, amounts of expenses by both their natural classification and their functional classification and the method(s) used to allocate costs among program and support functions.

The ASU also requires entities to report investment return net of external and direct internal investment expenses but no longer requires disclosure of those netted expenses.

The Foundation has implemented this ASU in 2018 and has adjusted the presentation in these financial statements accordingly. The Foundation’s temporarily restricted net assets were re-characterized as “with donor restriction” and unrestricted net assets were re-characterized as “without donor restriction”. The analysis of the restrictions on grants and contributions due to the adoption of the ASU did not change the characterization of the grants and contributions between with or without donor restriction. Therefore, there was no impact to contribution and grant revenue classifications on the statement of activities or in the statement of financial position. There was no other impact to the statement of financial position or statement of activities upon adoption of this ASU.

**THE ROBERT A. TOIGO FOUNDATION**  
**Notes to Financial Statements**

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**3. LIQUIDITY AND AVAILABILITY**

Financial assets available within one year of the consolidated statement of financial position date for general expenditure are as follows:

Cash and cash equivalents	\$ 1,797,900
Less donor restricted cash	(351,886)
Cash and cash equivalents without donor restrictions	<u>1,446,014</u>
Contribution receivable, current	323,857
Less donor restricted contributions	(100,00)
Contribution receivable, current without donor restriction	<u>223,857</u>
Accounts receivable	914
Investments in marketable securities	<u>17,228</u>
Total financial assets available within one year	<u><u>\$ 1,688,013</u></u>

The Foundation endeavors to structure its financial assets to be available and liquid as its general expenditures, liabilities, and other obligations come due. The Foundation receives significant contributions restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Foundation regularly monitors the availability of resources required to meet its operating needs and other contractual commitments. In addition to financial assets available to meet general expenditures over the next 12 months, the Foundation operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

**4. CONTRIBUTIONS RECEIVABLE**

Unconditional promises to give not expected to be collected until after the year promised are reflected in the accompanying financial statements as contributions receivable and revenue in the appropriate net asset category. Contributions receivable are recorded using a discount rate of 2.50%. Four donors comprised approximately 79% of contributions receivable at December 31, 2018.

Contributions receivable consist of the following:

Receivable in less than one year	\$ 323,857
Receivable in one to five years	<u>300,000</u>
Total contributions receivable	623,857
Less: discounts to net present value	(14,751)
Total net present value of contributions receivable	<u>609,106</u>
Less: current portion of contributions receivable	<u>(323,857)</u>
Net long-term portion of contributions receivable	<u><u>\$ 285,249</u></u>

## THE ROBERT A. TOIGO FOUNDATION

### Notes to Financial Statements

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#### 5. CONCENTRATION OF CREDIT RISK

The Foundation maintains cash balances in a money market fund account and money market mutual fund accounts at financial institutions. Such accounts do not have insurance coverage by the Federal Deposit Insurance Corporation ("FDIC"), but money market mutual fund accounts are insured by the Securities Investor Protection Corporation ("SIPC") up to \$500,000, including a maximum of \$250,000 for cash. The Foundation has not experienced any losses in these accounts and management believes it is not exposed to any significant credit risk thereon.

#### 6. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

Computers and equipment	\$	60,675
Furniture		28,903
Software and website costs		355,912
		<hr/>
		445,490
Accumulated depreciation		(422,412)
		<hr/>
	\$	23,078

Depreciation expense amounted to \$7,478 for the year ended December 31, 2018.

#### 7. FAIR VALUE MEASUREMENTS FOR INVESTMENTS

The Foundation's investments recorded at fair value have been categorized based upon a fair value hierarchy established by GAAP. See Note 2 for a discussion of the Foundation's policy regarding this hierarchy. The following fair value hierarchy table present information about the Foundation's investments measured at fair value as of December 31, 2018:

Description	Total	Level 1	Level 2	Level 3
Common stocks	\$ 17,228	\$ 17,228	\$ -	\$ -
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 17,228	\$ 17,228	\$ -	\$ -

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used during the year.

*Common stocks* – Valued at the closing price reported on the active market on which the individual securities are traded.



**THE ROBERT A. TOIGO FOUNDATION**  
**Notes to Financial Statements**

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**8. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors for the year ended December 31, 2018. The following table summarizes the purposes for which net assets with donor restrictions are available and the related additions and releases:

	December 31, 2017	Current year additions	Write-offs	Released from restrictions	December 31, 2018
Time restrictions	\$ 205,445	\$ 485,249	\$ (50,000)	\$ (230,445)	\$ 410,249
Annual GALA	213,470	166,299	-	(213,470)	166,299
Bridge-to-business grant	260,934	-	-	(100,347)	160,587
Private equity grant	101,290	-	-	(101,290)	-
MBA internship	-	35,000	-	(35,000)	-
	<u>\$ 781,139</u>	<u>\$ 686,548</u>	<u>\$ (50,000)</u>	<u>\$ (680,552)</u>	<u>\$ 737,135</u>

**9. COMMITMENTS**

The Foundation leases office space under an operating lease that is set to expire on September 30, 2020. The operating lease calls for rents of \$8,650 per month and is subject to annual increases per the lease agreement. The Foundation incurred rent expense of \$104,023 during 2018. Future minimum rental payments under the agreement are \$107,047 for 2019 and \$110,013 for 2020.

**10. RELATED PARTY TRANSACTIONS**

The Foundation received \$156,922 in contributions from individual board members during the year ended December 31, 2018.

**11. RETIREMENT PLAN**

The Foundation provides retirement benefits to its employees through a defined contribution plan which allows all eligible employees, as defined by the plan, to make elective deferrals of wages. The Foundation contributed \$7,596 to the retirement plan during the year ended December 31, 2018.

**THE ROBERT A. TOIGO FOUNDATION**  
**Notes to Financial Statements**

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**12. SUBSEQUENT EVENTS**

Management has reviewed subsequent events and transactions that occurred after the statement of financial position date through June 7, 2019, the date the financial statements were available to be issued. The financial statements include all events or transactions, including estimates, required to be recognized in accordance with GAAP. Management has determined that there are no subsequent events that require additional disclosure.