

THE JOE TORRE SAFE AT HOME FOUNDATION

Financial Statements

For the Years Ended April 30, 2019 and 2018

THE JOE TORRE SAFE AT HOME FOUNDATION
For the Years Ended April 30, 2019 and 2018

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Joe Torre Safe at Home Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of The Joe Torre Safe at Home Foundation (the "Foundation"), which comprise the statements of financial position as of April 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years 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 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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Joe Torre Safe at Home Foundation as of April 30, 2019 and 2018, and the changes in its net assets, its functional expenses, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, in 2019, the Foundation adopted new accounting guidance ASU 2016-14, Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities. Our opinion is not modified with respect to that matter.

Buchbinder Tunick & Company LLP

BUCHBINDER TUNICK & COMPANY LLP

New York, NY
March 4, 2020

THE JOE TORRE SAFE AT HOME FOUNDATION
Statements of Financial Position
April 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,102,015	\$ 2,592,459
Contributions receivable	332,576	373,125
Prepaid expenses	<u>106,705</u>	<u>65,337</u>
Total current assets	2,541,296	3,030,921
Property assets, net of accumulated depreciation of \$258,455 and \$241,190 at April 30, 2019 and 2018, respectively	28,836	45,214
Security deposits	<u>3,143</u>	<u>3,143</u>
Total assets	<u>\$ 2,573,275</u>	<u>\$ 3,079,278</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 250,560	\$ 242,064
Annual dinner deposits	<u>22,032</u>	<u>51,000</u>
Total current liabilities	272,592	293,064
Deferred rent	<u>64,610</u>	<u>61,791</u>
Total liabilities	<u>337,202</u>	<u>354,855</u>
Net assets:		
Without donor restrictions	2,091,672	2,489,452
With donor restrictions	<u>144,401</u>	<u>234,971</u>
Total net assets	<u>2,236,073</u>	<u>2,724,423</u>
Total liabilities and net assets	<u>\$ 2,573,275</u>	<u>\$ 3,079,278</u>

See notes to financial statements.

THE JOE TORRE SAFE AT HOME FOUNDATION
Statement of Activities
For the year ended April 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Contributions	\$ 1,206,164	\$ 111,000	\$ 1,317,164
Annual dinner revenue	1,447,398	-	1,447,398
Less: direct expense	526,810	-	526,810
Net annual dinner revenue	920,588	-	920,588
Golf event revenue	430,040	-	430,040
Less: direct expense	195,021	-	195,021
Net golf event revenue	235,019	-	235,019
LA event revenue	414,665	-	414,665
Less: direct expense	192,696	-	192,696
Net LA event revenue	221,969	-	221,969
Other event revenue	(3,395)	-	(3,395)
Interest and dividend income	6,281	-	6,281
Contributed services	133,121	-	133,121
Net assets released from purpose restrictions	201,570	(201,570)	-
Total revenue and support	2,921,317	(90,570)	2,830,747
Expenses:			
Program services	2,350,643	-	2,350,643
Supporting activities:			
Management and general	467,134	-	467,134
Fundraising	501,320	-	501,320
Total expenses	3,319,097	-	3,319,097
Change in net assets	(397,780)	(90,570)	(488,350)
Net assets:			
Beginning of year	2,489,452	234,971	2,724,423
End of year	\$ 2,091,672	\$ 144,401	\$ 2,236,073

See notes to financial statements.

THE JOE TORRE SAFE AT HOME FOUNDATION
Statement of Activities
For the year ended April 30, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and support:			
Contributions	\$ 1,055,288	\$ 347,968	\$ 1,403,256
Annual dinner revenue	1,279,381	-	1,279,381
Less: direct expense	<u>394,026</u>	<u>-</u>	<u>394,026</u>
Net annual dinner revenue	<u>885,355</u>	<u>-</u>	<u>885,355</u>
Golf event revenue	494,085	-	494,085
Less: direct expense	<u>186,735</u>	<u>-</u>	<u>186,735</u>
Net golf event revenue	<u>307,350</u>	<u>-</u>	<u>307,350</u>
LA event revenue	442,097	-	442,097
Less: direct expense	<u>144,659</u>	<u>-</u>	<u>144,659</u>
Net LA event revenue	<u>297,438</u>	<u>-</u>	<u>297,438</u>
Other event revenue	<u>27,346</u>	<u>-</u>	<u>27,346</u>
Interest and dividend income	<u>3,219</u>	<u>-</u>	<u>3,219</u>
Contributed services	<u>184,210</u>	<u>-</u>	<u>184,210</u>
Net assets released from purpose restrictions	<u>270,872</u>	<u>(270,872)</u>	<u>-</u>
Total revenue and support	<u>3,031,078</u>	<u>77,096</u>	<u>3,108,174</u>
Expenses:			
Program services	2,408,188	-	2,408,188
Supporting activities:			
Management and general	388,890	-	388,890
Fundraising	<u>487,666</u>	<u>-</u>	<u>487,666</u>
Total expenses	<u>3,284,744</u>	<u>-</u>	<u>3,284,744</u>
Change in net assets	(253,666)	77,096	(176,570)
Net assets:			
Beginning of year	<u>2,743,118</u>	<u>157,875</u>	<u>2,900,993</u>
End of year	<u>\$ 2,489,452</u>	<u>\$ 234,971</u>	<u>\$ 2,724,423</u>

See notes to financial statements.

THE JOE TORRE SAFE AT HOME FOUNDATION
Statement of Functional Expenses
For the year ended April 30, 2019

	Program Services	Supporting Activities		Total
		Management and General	Fundraising	
Salaries	\$ 1,084,227	\$ 239,040	\$ 320,747	\$ 1,644,014
Payroll taxes	86,470	19,064	25,580	131,114
Employee benefits	149,259	32,908	44,155	226,322
Program expenses	587,757	-	-	587,757
Rent	147,569	32,535	43,655	223,759
Telephone	17,335	3,822	5,128	26,285
Stationery, printing and postage	1,968	434	582	2,984
Insurance	-	27,995	-	27,995
Professional fees	22,500	30,195	10,748	63,443
Educational outreach	122,672	-	-	122,672
Depreciation	11,386	2,511	3,368	17,265
Subscriptions	10,559	2,328	3,124	16,011
Travel and entertainment	27,443	5,772	1,339	34,554
Credit card charges	-	-	17,663	17,663
Technical support	35,745	7,881	10,574	54,200
Website	225	112	1,188	1,525
Office supplies	3,315	730	981	5,026
Bad debt expense	-	52,500	-	52,500
Miscellaneous	42,213	9,307	12,488	64,008
Total expenses	\$ 2,350,643	\$ 467,134	\$ 501,320	\$ 3,319,097

See notes to financial statements.



THE JOE TORRE SAFE AT HOME FOUNDATION
Statement of Functional Expenses
For the year ended April 30, 2018

	Program Services	Supporting Activities		Total
		Management and General	Fundraising	
Salaries	\$ 1,098,132	\$ 223,902	\$ 285,302	\$ 1,607,336
Payroll taxes	80,989	16,513	21,042	118,544
Employee benefits	140,514	28,650	36,507	205,671
Program expenses	670,968	-	-	670,968
Rent	156,604	31,931	40,687	229,222
Telephone	17,430	3,554	4,528	25,512
Stationery, printing and postage	2,948	601	766	4,315
Insurance	-	21,066	-	21,066
Professional fees	14,921	41,725	46,517	103,163
Educational outreach	120,000	-	-	120,000
Depreciation	13,580	2,769	3,528	19,877
Subscriptions	4,699	958	1,221	6,878
Travel and entertainment	20,970	3,675	1,502	26,147
Credit card charges	-	-	12,906	12,906
Technical support	33,135	6,756	8,609	48,500
Website	-	-	15,900	15,900
Office supplies	4,574	933	1,188	6,695
Miscellaneous	28,724	5,857	7,463	42,044
Total expenses	\$ 2,408,188	\$ 388,890	\$ 487,666	\$ 3,284,744

See notes to financial statements.



THE JOE TORRE SAFE AT HOME FOUNDATION
Statements of Cash Flows
For the years ended April 30, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Change in net assets	\$ (488,350)	\$ (176,570)
Adjustments to reconcile change in net assets to net cash (used in) operating activities:		
Depreciation	17,265	19,877
(Increase) decrease in operating assets:		
Contributions receivable	40,549	(127,391)
Prepaid expenses	(41,368)	(2,822)
Security deposits	-	-
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	8,496	147,497
Annual dinner deposits	(28,968)	(17,500)
Deferred rent	2,819	8,608
Net cash (used in) operating activities	(489,557)	(148,301)
Cash flows from investing activities:		
(Purchase of) fixed assets	(887)	(7,987)
Net cash (used in) investing activities	(887)	(7,987)
Net (decrease) in cash and cash equivalents	(490,444)	(156,288)
Cash and cash equivalents:		
Beginning of year	2,592,459	2,748,747
End of year	\$ 2,102,015	\$ 2,592,459

See notes to financial statements.

THE JOE TORRE SAFE AT HOME FOUNDATION
Notes to Financial Statements
April 30, 2019 and 2018

Note 1 - Nature of Operations

The Joe Torre Safe at Home Foundation (the "Foundation") was founded by Joseph P. Torre and incorporated in the State of Missouri as a nonprofit corporation on May 15, 2002. The Foundation's mission is to develop educational programs to end the cycle of domestic violence and save lives. The Foundation is classified as a public charity under the provisions of Section 509(a)(1) of the Internal Revenue Code (the "IRC") and is exempt from federal income taxes under Section 501(c)(3) of the IRC.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting.

Basis of Presentation

The Foundation's net assets and revenue, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions – net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions – net assets subject to donor-imposed stipulations. These stipulations may be met either by actions of the Foundation or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained permanently.

Revenue is reported as increases in net assets without donor restrictions unless its use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions. Contributions whose restrictions are met in the year of contribution are reported as net assets without donor restrictions.

THE JOE TORRE SAFE AT HOME FOUNDATION
Notes to Financial Statements (Continued)
April 30, 2019 and 2018

Note 2 - Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Foundation considers all highly liquid debt instruments purchased with original maturities of three months or less to be cash equivalents. At April 30, 2019 and 2018, cash equivalents primarily consist of money market funds.

Contributions Receivable

The Foundation carries its contributions receivable at cost, less an allowance for doubtful accounts as needed. The Foundation evaluates its contributions receivable on a periodic basis and establishes an allowance for doubtful accounts, when deemed necessary, based on its history of past write-offs and collections and current credit conditions. The Foundation considers contributions at April 30, 2019 and 2018 to be fully collectible; accordingly, no allowance for doubtful accounts is required.

Fixed Assets

Depreciation of fixed assets is provided on the straight-line method over the estimated useful lives of the assets:

<u>Assets</u>	<u>Useful Life</u>
Computer software	3 years
Computer equipment	5 years
Furniture and equipment	7 years
Leasehold improvements	Shorter of estimated useful life or remaining length of lease

THE JOE TORRE SAFE AT HOME FOUNDATION
Notes to Financial Statements (Continued)
April 30, 2019 and 2018

Note 2 - Summary of Significant Accounting Policies (Continued)

Deferred Rent

Deferred rent is recognized when the straight-line of rental payments exceeds the cash payments made by the Foundation for rent expense.

Contributed Services

Contributed services are recognized if the services received: (a) created or enhanced a nonfinancial asset, or (b) required specialized skills that were provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The Foundation recognizes contributed services from several firms primarily for design and advertising services that were utilized in operations during the years ended April 30, 2019 and 2018. These contributed services have been recorded at their approximate fair value. Contributed services for the years ended April 30, 2019 and 2018 totaled approximately \$133,121 and \$184,210, respectively.

Program Expenses

Program expenses, consisting of facility establishment, educational outreach, and public information, are reported as an expense and a liability of the Foundation when approved by the Foundation's Board of Directors.

Income Taxes

The Foundation files an annual Form 990, *Return of Organization Exempt from Income Tax*, with the Internal Revenue Service (the "IRS"). At April 30, 2019, the Foundation's Form 990s for the years 2016 through 2019 remain eligible for examination by the IRS.

Functional Classification of Expenses

In the accompanying statements of activities, expenses have been reported by their functional classification, a method of grouping expenses according to the purpose for which they were incurred. The primary functional classifications are program services and supporting activities. Program services are the activities that result in services being provided to members that fulfill the purposes or mission for which the organization exists. Supporting activities are all activities of an organization other than program services.

THE JOE TORRE SAFE AT HOME FOUNDATION
Notes to Financial Statements (Continued)
April 30, 2019 and 2018

Note 2 - Summary of Significant Accounting Policies (Continued)

Functional Classification of Expenses (Continued)

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries, payroll taxes, and benefits	Time and effort
Rent and utilities	Time and effort
Telephone	Time and effort
Stationery, printing, and postage	Time and effort
Program expenses	Purpose of expenditure
Insurance	Purpose of expenditure
Professional fees	Purpose of expenditure
Educational outreach	Purpose of expenditure
Subscriptions	Time and effort
Travel and entertainment	Purpose of expenditure
Credit card charges	Purpose of expenditure
Technical support	Time and effort
Website	Purpose of expenditure
Office supplies	Time and effort
Bad debt expense	Purpose of expenditure
Miscellaneous	Time and effort
Depreciation	Time and effort

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

New Accounting Pronouncement

In August 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-14, Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Foundation has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

THE JOE TORRE SAFE AT HOME FOUNDATION
Notes to Financial Statements (Continued)
April 30, 2019 and 2018

Note 2 - Summary of Significant Accounting Policies (Continued)

Subsequent Events

The Foundation has evaluated subsequent events and transactions through March 4, 2020, the date that the financial statements were available to be issued.

Note 3 - Concentrations of Risk

Financial instruments that subject the Foundation to concentrations of credit risk include cash and accounts receivable. The Foundation maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk with respect to the cash balances.

Receivables consist of government grants and pledges from individuals, corporations, and foundations. In connection with annual fundraising activities, pledges from one foundation in 2019 and one foundation in 2018 represented 36% and 13%, respectively, of the total accounts receivable.

Note 4 - Property Assets

Property assets, stated at cost at April 30, 2019 and 2018, consist of the following:

	<u>2019</u>	<u>2018</u>
Furniture and equipment	\$ 38,994	\$ 38,107
Computer software and licenses	107,603	107,603
Leasehold improvements	33,667	33,667
Computer equipment	<u>107,027</u>	<u>107,027</u>
	287,291	286,404
Less: accumulated depreciation	<u>(258,455)</u>	<u>(241,190)</u>
Property assets, net	<u>\$ 28,836</u>	<u>\$ 45,214</u>

Depreciation expense amounted to \$17,265 and \$19,877 for the years ended April 30, 2019 and 2018, respectively.

THE JOE TORRE SAFE AT HOME FOUNDATION
Notes to Financial Statements (Continued)
April 30, 2019 and 2018

Note 5 - Deferred Income

The Foundation hosts a fundraising event to which tickets may be sold in advance. These annual dinner deposits totaled \$22,032 and \$51,000 in 2019 and 2018, respectively.

Note 6 - Net Assets with Donor Restrictions

Net assets with donor restrictions at April 30, 2019 and 2018 are being held in cash and are available for the following purposes:

	<u>2019</u>	<u>2018</u>
Specific purpose:		
Operation of programs at:		
Cincinnati, OH YWCA	\$ 144,401	\$ 160,138
Venice High School, Los Angeles, CA	-	8,428
Base and MS217, Los Angeles, CA	-	25,742
Marina del Rey, Los Angeles, CA	-	36,144
Washington Heights, New York, NY	<u>-</u>	<u>4,519</u>
Total	<u>\$ 144,401</u>	<u>\$ 234,971</u>

Note 7 - Commitment

The Foundation leases office space in New York, New York and Los Angeles, California. The leases expire in October 2022, and October 2021, respectively. Minimum future rental payments under the present, non-cancellable operating leases are as follows:

<u>Years Ending</u> <u>April 30,</u>	<u>Amount</u>
2020	\$ 224,120
2021	233,371
2022	227,432
2023	<u>109,592</u>
Total	<u>\$ 794,515</u>

Total rent expense charged to operations was \$223,759 and \$229,222 for the years ended April 30, 2019 and 2018, respectively.

THE JOE TORRE SAFE AT HOME FOUNDATION
Notes to Financial Statements (Continued)
April 30, 2019 and 2018

Note 8 - Retirement Plan

The Foundation sponsors a defined contribution 403(b) plan (the "Plan") covering all eligible employees of the Foundation. The Foundation makes annual contributions to the Plan equal to a percentage determined by the Foundation prior to the end of each year. For the years ended April 30, 2019 and 2018, the Foundation contributed \$60,321 and \$61,316, respectively, to the Plan.

Note 9 - Availability and Liquidity

Financial assets consist of the following at April 30, 2019 and 2018:

	2019	2018
Financial assets at year end:		
Cash and cash equivalents	\$ 2,102,015	\$ 2,592,459
Contributions receivable	332,576	373,125
Total financial assets	2,434,591	2,965,584
Less amounts not available to be used within one year:		
Net assets with donor restrictions	144,401	234,971
Less net assets with purpose restrictions to be met in less than a year	(144,401)	(234,971)
	-	-
Financial assets available to meet general expenditures over the next twelve months	\$ 2,434,591	\$ 2,965,584

The Foundation's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$830,000). As part of its liquidity plan, excess cash is maintained in interest-bearing bank accounts at an FDIC insured institution.