



*SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
(A NONPROFIT ORGANIZATION)*

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31, 2020



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Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
San Antonio Foundation for Excellence in Education, Inc.
San Antonio, Texas

We have audited the accompanying financial statements of San Antonio Foundation for Excellence in Education, Inc., which comprise the statement of financial position as of December 31, 2020, 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of San Antonio Foundation for Excellence in Education, Inc. as of December 31, 2020, 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.

Armstrong, Vaughan & Associates, P.C.

Armstrong, Vaughan & Associates, P.C.

April 19, 2021



SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020

ASSETS

Current Assets:

Cash and Cash Equivalents	\$	2,984,190
Investments		4,561,141
Accounts Receivable		1,364
Prepaid Expenses		2,561
Promises to Give Receivable, Net		1,873,156
<i>Total Current Assets</i>		9,422,412

Assets of Donor Restricted Endowment Funds:

Cash and Cash Equivalents		378,900
<i>Total Assets of Donor Restricted Endowment Funds</i>		378,900

TOTAL ASSETS	\$	9,801,312
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable	\$	47,135
<i>Total Current Liabilities</i>		47,135

Net Assets:

<i>Without Donor Restrictions</i>		
Board Designated		265,659
Undesignated		1,783,557
<i>With Donor Restrictions</i>		7,704,961
<i>Total Net Assets</i>		9,754,177

TOTAL LIABILITIES AND NET ASSETS	\$	9,801,312
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The accompanying notes are an integral part of these financial statements.

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:			
<i>Support:</i>			
Foundation Grants and Contributions	\$ 813,427	\$ 1,596,166	\$ 2,409,593
Corporate Grants and Contributions	184,918	845,388	1,030,306
Paycheck Protection Program Grant	59,000	-	59,000
Individual Grants and Contributions	170,846	143,152	313,998
United Way Contributions	87,263	-	87,263
Fundraising Events, Net	227,942	-	227,942
In-Kind Donation	34,084	-	34,084
Other Income	5,207	-	5,207
Net Assets Released from Restriction	5,264,581	(5,264,581)	-
<i>Total Support</i>	6,847,268	(2,679,875)	4,167,393
<i>Revenue:</i>			
Interest and Dividends, Net	90,505	14,089	104,594
Realized Gain (Loss) on Investments	2,076	-	2,076
Unrealized Gain (Loss) on Investments	265,743	-	265,743
<i>Total Revenue</i>	358,324	14,089	372,413
TOTAL SUPPORT AND REVENUE	7,205,592	(2,665,786)	4,539,806
EXPENSES			
Program Services	5,755,538	-	5,755,538
Supporting Services:			
General and Administrative	131,413	-	131,413
Fundraising	76,679	-	76,679
TOTAL EXPENSES	5,963,630	-	5,963,630
CHANGE IN NET ASSETS	1,241,962	(2,665,786)	(1,423,824)
BEGINNING NET ASSETS	807,254	10,370,747	11,178,001
ENDING NET ASSETS	\$ 2,049,216	\$ 7,704,961	\$ 9,754,177

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

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Innovative Grants	Other Teacher Grants	Mini-Grants	Grants and Gifts to Schools	Foundation Initiatives
FUNCTIONAL EXPENSES					
<i>Personnel Costs</i>					
Salaries and Wages	\$ -	\$ -	\$ -	\$ -	\$ -
Payroll Taxes	-	-	-	-	-
Payroll Benefits	-	-	-	-	-
<i>Total Personnel Costs</i>	-	-	-	-	-
Accounting and Audit	-	-	-	-	-
Business Meetings and Training	-	-	-	-	-
Bank Fees	-	-	-	-	-
Contract Staffing and Stipends	-	-	-	-	-
Emergency Gap Funding	-	-	-	-	10,311
Gifts	-	-	-	9,133	-
Grants	39,182	12,420	42,452	444,322	-
Insurance	-	-	-	-	-
Marketing and Promotional	-	-	-	-	-
Office Expenses	-	-	-	-	-
Rent (In-Kind)	-	-	-	-	-
Restricted Gifts	-	-	-	15,202	-
Scholarships	-	-	-	-	-
Strategic Initiatives	-	-	-	-	3,432,780
Postage and Shipping	-	-	-	-	-
Printing and Publications	-	-	-	-	-
Professional Development and Memberships	-	-	-	-	-
Professional Fees	-	-	-	-	-
Supplies and Other Fees	-	-	-	-	-
TOTAL FUNCTIONAL EXPENSES	<u>\$ 39,182</u>	<u>\$ 12,420</u>	<u>\$ 42,452</u>	<u>\$ 468,657</u>	<u>\$ 3,443,091</u>

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

Pipeline for College Success	Student Scholarships	Program Support	Total Programs	General and Administrative	Fundraising	Total
\$ -	\$ -	\$ 194,992	\$ 194,992	\$ 61,975	\$ 66,470	\$ 323,437
-	-	15,368	15,368	4,884	5,239	25,491
-	-	14,580	14,580	4,634	4,970	24,184
-	-	224,940	224,940	71,493	76,679	373,112
-	-	-	-	11,200	-	11,200
-	-	1,057	1,057	-	-	1,057
-	-	-	-	4,041	-	4,041
-	-	-	-	3,923	-	3,923
-	-	-	10,311	-	-	10,311
-	-	-	9,133	-	-	9,133
-	-	-	538,376	-	-	538,376
-	-	-	-	3,078	-	3,078
-	-	-	-	5,353	-	5,353
-	-	-	-	2,812	-	2,812
-	-	27,267	27,267	6,817	-	34,084
-	-	-	15,202	-	-	15,202
-	133,704	-	133,704	-	-	133,704
1,327,243	-	-	4,760,023	-	-	4,760,023
-	-	-	-	1,554	-	1,554
-	-	-	-	5,846	-	5,846
-	-	-	-	1,092	-	1,092
-	-	-	-	14,204	-	14,204
-	-	35,525	35,525	-	-	35,525
<u>\$ 1,327,243</u>	<u>\$ 133,704</u>	<u>\$ 288,789</u>	<u>\$ 5,755,538</u>	<u>\$ 131,413</u>	<u>\$ 76,679</u>	<u>\$ 5,963,630</u>

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020
CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ (1,423,824)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:	
Realized (Gain) Loss on Investments	(2,076)
Unrealized (Gain) Loss on Investments	(265,743)
(Increase) Decrease in Accounts Receivable	351,136
(Increase) Decrease in Promises to Give Receivable, Net	1,797,190
(Increase) Decrease in Prepaid Expenses	(2,561)
Increase (Decrease) in Accounts Payable	19,249
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	473,371
 CASH FLOWS FROM INVESTING ACTIVITIES	
Maturity of Certificates of Deposit	283,688
Purchase and Reinvestment of Securities	(591,050)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(307,362)
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 166,009
 BEGINNING CASH AND CASH EQUIVALENTS:	
Cash and Cash Equivalents	2,877,811
Restricted Cash and Cash Equivalents	319,270
	3,197,081
 ENDING CASH AND CASH EQUIVALENTS:	
Cash and Cash Equivalents	2,984,190
Restricted Cash and Cash Equivalents	378,900
	\$ 3,363,090
 SUPPLEMENTAL DISCLOSURE:	
Interest Expense Paid	\$ -

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

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE A -- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. NATURE OF ACTIVITIES

The San Antonio Foundation for Excellence in Education, Inc. (the Foundation), incorporated on December 5, 1997, is a private non-profit corporation and is tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code (IRC). The Foundation was organized exclusively for charitable and educational purposes, including the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the IRC. Its main purpose is to facilitate student achievement, develop and recognize staff and teacher excellence, and strengthen partnerships in the San Antonio Independent School District (the District) community.

The Foundation is governed by an independent Board of Directors that has authority to make decisions and significantly influence operations.

2. BASIS OF PRESENTATION

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with U. S. generally accepted accounting principles. Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. If donor-imposed restrictions are met in the same period as the gift or investment income is received, the amount is reported as net assets without donor 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 restrictions. Assets restricted solely through the actions of the Board of Directors are reported as net assets without donor restrictions, board-designated.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that will be met by actions of the Foundation and/or the passage of time. 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.

3. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include all monies in checking, savings and money market accounts. Endowment assets include those assets of donor restricted funds that the Foundation must hold in perpetuity or for a donor-specified period. This implies growing the corpus in real terms while at the same time protecting the assets from market volatility.

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2020

NOTE A -- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

5. FAIR VALUE MEASUREMENT

The Foundation's investments include certificates of deposit, equities and taxable bonds. Investments are reported at their fair values on the statement of financial position based on the hierarchy established by generally accepted accounting principles. The Foundation uses the following hierarchical disclosure framework:

Level 1 – Measurement based upon quoted prices for identical assets in an active market as of the reporting date.

Level 2 – Measurement based upon marketplace inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Measurement based on assumptions about hypothetical marketplace inputs because observable market inputs are not available as of the reporting date.

The Foundation uses appropriate valuation techniques based on available inputs to measure the fair value of its assets and liabilities. When available, the Foundation measures fair market value using Level 1 inputs because they generally provided the most reliable evidence of fair value. Level 3 inputs have the lowest priority.

6. ACCOUNTS RECEIVABLE

Accounts receivable balances are reported as outstanding principal, net of an allowance for doubtful accounts if deemed necessary. An allowance for uncollectible accounts has not been established as of December 31, 2020 as management considers all accounts to be collectible.

7. PROMISES TO GIVE RECEIVABLE

Promises to give receivable are unconditional promises to give that have not yet been received. Promises to give due in the next year are recorded at their net realizable value. Contributions and promises to give due in subsequent years are recorded at the present value of their net realizable value, using interest rates applicable to the years in which the contributions are to be received to discount those amounts. The interest rate is based on the rate at which the Foundation can borrow the funding from a reputable bank or credit union. An estimate for uncollectible amounts has not been established by management as of December 31, 2020 based on their review of individual accounts which were determined be fully collectible.

8. PROPERTY AND EQUIPMENT

Property and equipment is stated at cost at date of acquisition or fair value at date of donation in the case of gifts. Depreciation on the property and equipment is calculated using the straight-line method. The Foundation capitalized all asset acquisitions in excess of \$2,500. At December 31, 2020, the Foundation had no property and equipment that meets the criteria for capitalization.

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2020

NOTE A -- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

9. REVENUE RECOGNITION

Contributions are recognized as revenues when a gift or pledge that is unconditional is received. Conditional promises to give are those with a measurable performance or other barrier and a right of return and are not recognized until the conditions on which they depend have been met. There are no conditional promises to give as of December 31, 2020. The Foundation records special event revenue when the event occurs.

Grants and contributions received are recorded as net assets with restriction or net assets without restriction depending on the existence and/or nature of any donor restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with restriction are reclassified to net assets without restriction and reported in the statement of activities as net assets released from restrictions.

10. IN-KIND SUPPORT

The Foundation may receive services, or support without payment or compensation. When the value of such services meets recognition criteria, it is reflected in the accompanying financial statements as revenues and expenses in a like amount. In-kind contributions are measured and recorded at fair value on the date of donation.

11. INCOME TAXES

The Foundation is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) of the Internal Revenue Code. The Foundation is required to file Internal Revenue Service form 990, Return of Foundation Exempt from Income Tax annually.

The most significant tax position of the Foundation is its assertion that it is exempt from income taxes and its determination of whether any amounts are subject to unrelated business income tax (UBIT). All significant tax positions have been considered by management. It has been determined that it is more likely than not that all tax positions would be sustained upon examinations by taxing authorities. Tax years 2017 - 2019 remain open to examination by the taxing jurisdiction to which the Foundation is subject, and these periods have not been extended beyond the applicable statute of limitation.

12. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the Foundation's programs and activities have been summarized on a functional basis in the statement of activities and detailed on the statement of functional expenses. Expenses that can be identified with a specific program or support service are allocated directly according to their natural expenditure classification. Salary and wage expenses are allocated based on job description. Other expenses are allocated on basis of time and efforts or other reasonable basis.

13. SUBSEQUENT EVENTS

Subsequent events have been evaluated by management through April 19, 2021, which is the date the financial statements were available to be issued.

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
 NOTES TO FINANCIAL STATEMENTS (CONT.)
 DECEMBER 31, 2020

NOTE B -- UNINSURED DEPOSITS

As of December 31, 2020, the Foundation had \$2,287,593 in excess of federal deposit insurance coverage at a banking institution.

NOTE C -- INVESTMENTS

The Foundation's financial instruments consist primarily of a checking account, savings account, money market accounts, and certificates of deposit, taxable bonds and equities. The carrying amount of the cash and cash equivalents and taxable bond investments approximate their fair market value due to the short-term nature of such instruments (Level 1). All of the Foundation's equity investments are according to the fair value hierarchy at Level 2. The certificates of deposits are valued at amortized cost.

The table below summarizes the investments held by the Foundation at December 31, 2020:

	Cost	Fair Value	Cumulative Unrealized Gains (Losses)
Certificates of Deposit	\$ 952,535	\$ 952,535	\$ -
Equities	1,652,859	2,092,514	439,655
Fixed Income	854,199	894,822	40,623
Exchange Traded Funds	555,275	565,756	10,481
Other Assets	45,796	55,514	9,718
Total	<u>\$ 4,060,664</u>	<u>\$ 4,561,141</u>	<u>\$ 500,477</u>

A reconciliation of the investment funds beginning and ending balances for the year ended December 31, 2020 is as follows:

Beginning Balance	\$ 3,985,960
Contributions	450,000
Interest Income	119,617
Realized Gains/(Losses)	2,076
Unrealized Gains/(Losses)	265,743
Draws	(241,342)
Fees	(20,913)
Ending Balance	<u>\$ 4,561,141</u>

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
 NOTES TO FINANCIAL STATEMENTS (CONT.)
 DECEMBER 31, 2020

NOTE D -- PROMISES TO GIVE RECEIVABLE

Promises to give receivable, less the discount for present value at December 31, 2020 and expected date of receipt are listed below:

	One Year	Within Five Years	Total
Total Promises to Give Receivable	\$ 2,023,000	\$ -	\$ 2,023,000
Less: Present Value Discount of 8%	(149,844)	-	(149,844)
Promises to Give Receivable, Net	\$ 1,873,156	\$ -	\$ 1,873,156

An allowance for uncollectible promises to give receivable has not been established as of December 31, 2020 as management estimates all promises to give to be collectible.

NOTE E -- ENDOWMENT FUNDS

As of December 31, 2020, the Foundation’s donor advised endowments consist of two individual funds established for the benefit of the SAISD Foundation and the students and schools it supports. The donors requested the monies be held as perpetually restricted funds. The net assets associated with this fund are classified and reported based on the existence or absence of donor-imposed restrictions.

Adoption of the Uniform Prudent Management of Institutional Funds Act

The Board of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPIFMA) as requiring the preservation of the fair value of the original gift of the date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. The State of Texas and the Foundation have both adopted UPMIFA. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPIFMA.

The Foundation in accordance with UPMIFA has considered the following factors in making decisions to appropriate or accumulate donor restricted endowment funds.

1. Duration and Preservation of the funds.
2. Purpose of the Foundation and the Endowment funds.
3. Economic conditions.
4. The possible effect of inflation or deflation.
5. The expected total return from income and the appreciation or market downturns.
6. Other resources of the Foundation.
7. The investment policies of the Foundation.

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
 NOTES TO FINANCIAL STATEMENTS (CONT.)
 DECEMBER 31, 2020

NOTE E -- ENDOWMENT FUNDS (CONT.)

A reconciliation of the endowment funds beginning and ending balances for the year ended December 31, 2020 is as follows:

	With Donor Restrictions
Beginning Balance	\$ 319,270
Contributions	55,056
Interest Income	14,089
Draws	(9,515)
Ending Balance	\$ 378,900

Return Objectives and Risk Parameters

The Foundation holds all endowment investments in long-term taxable bond and equity investments. The Board of Directors of the Foundation has adopted investment policies for the endowment fund that attempt to fill the purpose of the fund and also protect the principal of the fund. The intent of the Endowment assets include those assets of donor restricted funds that the Foundation must hold in perpetuity or for a donor-specified period. This implies growing the corpus in real terms while at the same time protecting the assets from serious volatility.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return strategy in which investment returns are achieved through current yield (interest and dividends). The fund is designed to offer a portfolio balanced through a diversified group of quality securities to achieve its long-term return objective within the guidelines of the Foundation's investment policy.

NOTE F -- BOARD DESIGNATED NET ASSETS

As of December 31, 2020, the Board of Directors designated \$265,659 of the net assets without restriction for new teacher grants.

NOTE G -- IN-KIND DONATIONS.

The Foundation receives and records in-kind contributions in the form of office space provided and paid by the San Antonio Independent School District in the amount of \$24,000 and office space provided and paid by Port Authority of San Antonio in the amount of \$8,124. The Foundation also received in-kind donations of musical instruments and books from individuals in the amount of \$1,960.

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
 NOTES TO FINANCIAL STATEMENTS (CONT.)
 DECEMBER 31, 2020

NOTE H -- PAYCHECK PROTECTION PROGRAM.

The Foundation received a forgivable loan through the Paycheck Protection Program from the United States Federal Government in the amount of \$59,000 to be used on payroll, rent and utilities. Management elected to treat the program as a grant and recognized the revenue as the conditions were met. The loan has been forgiven in full as of December 31, 2020 and all of the revenue was recognized in 2020.

NOTE I -- SPECIAL EVENTS

Special event fundraisers are reported net of direct costs which is shown as Fundraising Events on the Statement of Activities. The following is a summary of special events hosted during the year ended December 31, 2020:

	Golf Fore Excellence	State of the District	Get Inspired!	Total
Revenues	\$ 73,000	\$ 46,026	\$ 151,559	\$ 270,585
Expenses	(5,518)	(18,505)	(18,620)	(42,643)
Special Events, Net	<u>\$ 67,482</u>	<u>\$ 27,521</u>	<u>\$ 132,939</u>	<u>\$ 227,942</u>

NOTE J -- RESTRICTED NET ASSETS

Net assets with donor restrictions at December 31, 2020 are available for the following purposes:

Strategic Initiatives	\$ 5,109,326
College Tours	855,232
CAST MED	650,100
Grants to Schools	380,672
Endowment Funds	378,900
Scholarships	204,517
Campus Education Funds	109,764
Alumni Support	16,450
	<u>\$ 7,704,961</u>

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2020

NOTE K -- NET ASSETS RELEASED FROM RESTRICTION

The release of net assets released from restriction for the year ended December 31, 2020 are as follows:

Strategic Initiatives	\$ 3,037,761
CAST MED	850,000
Endowment Funds	651,722
Grants to Schools	361,558
Scholarships	149,298
College Tours	84,816
Other	59,000
Campus Education Funds	57,134
Alumni Support	13,292
	<u>\$ 5,264,581</u>

NOTE L -- REVENUE AND EXPENSE CONCENTRATION

The Foundation relies upon grants, contributions and other assistance to supplement a majority of its program fees. For the year ended December 31, 2020, 34% of revenues were provided by three donors.

Additionally, 74% of the Foundation's expenses were paid directly to the San Antonio Independent School District.

NOTE M -- LITIGATION

Management is not aware of any pending or threatened litigation against the Foundation.

NOTE N -- COMMITMENT

The Foundation contracted with Education Analytics, Inc. for data collection services, growth model development and implementation services, and policy consulting and technical documentation services for \$225,000 payable in three equal installments over the course of the project. As of December 31, 2020 the Foundation had incurred \$75,000 of the expense.

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
 NOTES TO FINANCIAL STATEMENTS (CONT.)
 DECEMBER 31, 2020

NOTE O -- LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The management of the Foundation's working capital and cash flows have variations during the year attributable to the annual cash receipts for contributions, grants and program fees. Monthly operations, excluding in-kind, as of December 31, 2020 are \$494,129. The Foundation currently has three months of operating expenses in financial assets available to meet cash needs. The following reflects the Organization's financial assets as of December 31, 2020, reduced by current liabilities, board designated funds and net assets with donor restrictions:

Total Current Assets	\$ 9,422,412
Less: Prepaid Expenses	(2,561)
Less: Accounts Payable	(47,135)
Less: Restricted Net Assets	(7,704,961)
Less: Board Designated Net Assets	<u>(265,659)</u>
Total Financial Assets Available to Meet	
Financial assets available to meet cash needs as of 12/31/20	<u><u>\$ 1,402,096</u></u>

NOTE P -- COVID-19 PANDEMIC

The Foundation's ongoing finances may experience instability and the estimates included in the financial statements may change due to current political and economic conditions as a result of public health concerns related to the novel coronavirus, or COVID-19 pandemic. The duration and intensity of these impacts and resulting disruption to which these events effect the Foundation's activity will depend on future developments, which are highly uncertain and cannot be predicted at this time.

NOTE Q -- SUBSEQUENT EVENT

In February of 2021, the Foundation was approved for a loan of \$67,800 through the Small Business Association's Paycheck Protection Program. This loan has a maturity of two years and an interest rate of 1%. Loan payments will be deferred for six months. The Foundation intends to use the funds for payroll costs (at least 75%), interest on mortgages, rent and utilities as required for the loan to be fully forgiven.

