



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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31, 2021



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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 financial statements of San Antonio Foundation for Excellence in Education, Inc., which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of San Antonio Foundation for Excellence in Education, Inc. as of December 31, 2021, 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.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about San Antonio Foundation for Excellence in Education, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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



Armstrong, Vaughan & Associates, P.C.

April 14, 2022



SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 2,473,024
Investments	5,408,478
Accounts Receivable	9,839
Prepaid Expenses	2,853
<i>Total Current Assets</i>	7,894,194

Assets of Donor Restricted Endowment Funds:

Cash and Cash Equivalents	394,167
<i>Total Assets of Donor Restricted Endowment Funds</i>	394,167

TOTAL ASSETS	\$ 8,288,361
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable	\$ 1,285
<i>Total Current Liabilities</i>	1,285

Net Assets:

Without Donor Restrictions	
Board Designated	528,397
Undesignated	2,300,905
With Donor Restrictions	5,457,774
<i>Total Net Assets</i>	8,287,076

TOTAL LIABILITIES AND NET ASSETS	\$ 8,288,361
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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, 2021

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE:			
<i>Support:</i>			
Foundation Grants and Contributions	\$ 24,341	\$ 1,014,034	\$ 1,038,375
Corporate Grants and Contributions	367,177	284,303	651,480
Paycheck Protection Program Grant	67,800	-	67,800
Individual Grants and Contributions	104,774	130,894	235,668
United Way Contributions	107,398	-	107,398
Fundraising Events, Net	320,370	-	320,370
In-Kind Donation	58,194	-	58,194
Other Income	5,096	-	5,096
Net Assets Released from Restriction	3,692,185	(3,692,185)	-
<i>Total Support</i>	<u>4,747,335</u>	<u>(2,262,954)</u>	<u>2,484,381</u>
<i>Revenue:</i>			
Interest and Dividends, Net	67,721	15,767	83,488
Realized Gain (Loss) on Investments	115,176	-	115,176
Unrealized Gain (Loss) on Investments	356,787	-	356,787
<i>Total Revenue</i>	<u>539,684</u>	<u>15,767</u>	<u>555,451</u>
TOTAL SUPPORT AND REVENUE	<u>5,287,019</u>	<u>(2,247,187)</u>	<u>3,039,832</u>
EXPENSES			
Program Services	4,257,627	-	4,257,627
Supporting Services:			
General and Administrative	173,492	-	173,492
Fundraising	75,814	-	75,814
TOTAL EXPENSES	<u>4,506,933</u>	<u>-</u>	<u>4,506,933</u>
CHANGE IN NET ASSETS	780,086	(2,247,187)	(1,467,101)
BEGINNING NET ASSETS	<u>2,049,216</u>	<u>7,704,961</u>	<u>9,754,177</u>
ENDING NET ASSETS	<u>\$ 2,829,302</u>	<u>\$ 5,457,774</u>	<u>\$ 8,287,076</u>

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, 2021

	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	-	-	-	-	65,287
Gifts	-	-	-	6,095	-
Grants	111,340	2,888	110,696	231,642	-
Insurance	-	-	-	-	-
Marketing and Promotional	-	-	-	-	-
Office Expenses	-	-	-	-	-
Rent (In-Kind)	-	-	-	-	-
Restricted Gifts	-	-	-	10,581	-
Scholarships	-	-	-	-	-
Strategic Initiatives	-	-	-	-	1,628,798
Postage and Shipping	-	-	-	-	-
Printing and Publications	-	-	-	-	-
Professional Fees	-	-	-	-	-
Supplies and Other Fees	-	-	-	-	-
TOTAL FUNCTIONAL EXPENSES	<u>\$ 111,340</u>	<u>\$ 2,888</u>	<u>\$ 110,696</u>	<u>\$ 248,318</u>	<u>\$ 1,694,085</u>

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

<u>Pipeline for College Success</u>	<u>Student Scholarships</u>	<u>Increasing Post Secondary</u>	<u>Other Program Support</u>	<u>Total Programs</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 200,556	\$ 200,556	\$ 58,600	\$ 65,606	\$ 324,762
-	-	-	16,459	16,459	4,809	5,384	26,652
-	-	-	14,748	14,748	4,309	4,824	23,881
-	-	-	231,763	231,763	67,718	75,814	375,295
-	-	-	-	-	11,750	-	11,750
-	-	-	2,174	2,174	-	-	2,174
-	-	-	-	-	4,347	-	4,347
-	-	-	-	-	9,475	-	9,475
-	-	-	-	65,287	-	-	65,287
-	-	-	-	6,095	-	-	6,095
-	-	-	5,128	461,694	-	-	461,694
-	-	-	-	-	2,917	-	2,917
-	-	-	-	-	26,717	-	26,717
-	-	-	-	-	6,087	-	6,087
-	-	-	46,555	46,555	11,639	-	58,194
-	-	-	-	10,581	-	-	10,581
-	112,381	19,646	-	132,027	-	-	132,027
1,634,019	-	-	-	3,262,817	-	-	3,262,817
-	-	-	-	-	1,051	-	1,051
-	-	-	-	-	3,454	-	3,454
-	-	-	-	-	28,337	-	28,337
-	-	-	38,634	38,634	-	-	38,634
<u>\$ 1,634,019</u>	<u>\$ 112,381</u>	<u>\$ 19,646</u>	<u>\$ 324,254</u>	<u>\$ 4,257,627</u>	<u>\$ 173,492</u>	<u>\$ 75,814</u>	<u>\$ 4,506,933</u>

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021
CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ (1,467,101)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:	
Realized (Gain) Loss on Investments	(115,176)
Unrealized (Gain) Loss on Investments	(356,787)
(Increase) Decrease in Accounts Receivable	(8,475)
(Increase) Decrease in Promises to Give Receivable, Net	1,873,156
(Increase) Decrease in Prepaid Expenses	(292)
Increase (Decrease) in Accounts Payable	(45,850)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(120,525)
 CASH FLOWS FROM INVESTING ACTIVITIES	
Maturity of Certificates of Deposit	102,877
Purchase of Securities	(478,251)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(375,374)
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 (495,899)
 BEGINNING CASH AND CASH EQUIVALENTS:	
Cash and Cash Equivalents	2,984,190
Restricted Cash and Cash Equivalents	378,900
	3,363,090
 ENDING CASH AND CASH EQUIVALENTS:	
Cash and Cash Equivalents	2,473,024
Restricted Cash and Cash Equivalents	394,167
	\$ 2,867,191
 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, 2021

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, 2021

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, 2021 as management considers all accounts to be collectible.

7. 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, 2021, 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, 2021

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

8. 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, 2021. 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.

9. 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.

10. 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 2018 - 2020 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.

11. 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.

12. SUBSEQUENT EVENTS

Subsequent events have been evaluated by management through April 14, 2022, 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, 2021

NOTE B -- UNINSURED DEPOSITS

As of December 31, 2021, the Foundation had \$1,733,853 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, certificates of deposit, fixed income investments, equities, exchange traded funds (ETFs) and other assets. Deposits and interest bearing accounts are carried at cost. Investments in equities, taxable bonds, ETFs and other assets are carried at fair market value using the hierarchy disclosed in Note A.

Equity and fixed income are carried at fair value using quoted prices in active markets for identical assets. Certificates of Deposit are recorded at cost plus accrued interest and are exempt from fair value hierarchy disclosures.

The table below summarizes the investments held by the Foundation at December 31, 2021:

	Cost	Fair Value	Cumulative Unrealized Gains (Losses)
Certificates of Deposit	\$ 1,200,208	\$ 1,200,208	\$ -
<i>Level 1</i>			
Equities	1,855,291	2,705,037	849,746
Fixed Income	928,077	907,668	(20,409)
<i>Level 2</i>			
Exchange Traded Funds	516,476	515,520	(956)
Other Assets	54,605	80,045	25,440
Total	<u>\$ 4,554,657</u>	<u>\$ 5,408,478</u>	<u>\$ 853,821</u>

A reconciliation of the investment funds beginning and ending balances for the year ended December 31, 2021 is as follows:

Beginning Balance	\$ 4,561,141
Contributions	300,000
Interest Income	109,090
Realized Gains/(Losses)	115,176
Unrealized Gains/(Losses)	356,787
Draws	(6,260)
Fees	(27,456)
Ending Balance	<u>\$ 5,408,478</u>

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
 NOTES TO FINANCIAL STATEMENTS (CONT.)
 DECEMBER 31, 2021

NOTE D -- ENDOWMENT FUNDS

As of December 31, 2021, the Foundation's donor advised endowments consist of three 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.

A reconciliation of the endowment funds beginning and ending balances for the year ended December 31, 2021 is as follows:

	With Donor Restrictions
Beginning Balance	\$ 378,900
Contributions	11,473
Interest Income	15,767
Draws	(11,973)
Ending Balance	\$ 394,167

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2021

NOTE D -- ENDOWMENT FUNDS (CONT.)

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 E -- BOARD DESIGNATED NET ASSETS

As of December 31, 2021, the Board of Directors designated \$528,397 of the net assets without restriction for new teacher grants and student scholarships.

NOTE F -- 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 \$32,494. The Foundation also received an in-kind donation of a piano and bench from an individual in the amount of \$1,700.

NOTE G -- PAYCHECK PROTECTION PROGRAM.

The Foundation received a forgivable loan through the Paycheck Protection Program from the United States Federal Government in the amount of \$67,800 to be used on payroll, interest on mortgages, 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, 2021 and all of the revenue was recognized in 2021.

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
 NOTES TO FINANCIAL STATEMENTS (CONT.)
 DECEMBER 31, 2021

NOTE H -- 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, 2021:

	<u>Golf Fore Excellence</u>	<u>State of the District</u>	<u>Inspire Awards</u>	<u>Total</u>
Revenues	\$ 120,235	\$ 26,400	\$ 243,244	\$ 389,879
Expenses	<u>(17,434)</u>	<u>(8,388)</u>	<u>(43,687)</u>	<u>(69,509)</u>
Special Events, Net	<u>\$ 102,801</u>	<u>\$ 18,012</u>	<u>\$ 199,557</u>	<u>\$ 320,370</u>

NOTE I -- RESTRICTED NET ASSETS

Net assets with donor restrictions at December 31, 2021 are available for the following purposes:

Strategic Initiatives	\$ 3,257,417
College Tours	835,363
Grants to Schools	412,241
Endowment Funds	394,167
Scholarships	257,203
CAST MED	250,120
Campus Education Funds	39,599
Alumni Support	11,664
	<u>\$ 5,457,774</u>

NOTE J -- NET ASSETS RELEASED FROM RESTRICTION

The release of net assets released from restriction for the year ended December 31, 2021 are as follows:

Strategic Initiatives	\$ 2,886,935
CAST MED	400,000
Campus Education Funds	201,254
Scholarships	109,057
Grants to Schools	48,614
College Tours	22,772
Endowment Funds	11,973
Alumni Support	11,580
	<u>\$ 3,692,185</u>

SAN ANTONIO FOUNDATION FOR EXCELLENCE IN EDUCATION, INC.
 NOTES TO FINANCIAL STATEMENTS (CONT.)
 DECEMBER 31, 2021

NOTE K -- 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, 2021, 11% of revenues were provided by one donor.

Additionally, 66.7% of the Foundation's expenses were paid directly to the San Antonio Independent School District.

NOTE L -- RETIREMENT PLAN

The Foundation offers a 401(k) savings plan that provides employer contributions at the rate of 3% of compensation for full time permanent employees. There is no contribution required by employees. Plan expenses for the 2021 fiscal year were \$9,573.

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, 2021 the Foundation had incurred \$150,000 of the expense.

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, 2021 are \$370,728. The Foundation currently has five months of operating expenses in financial assets available to meet cash needs. The following reflects the Organization's financial assets as of December 31, 2021, reduced by current liabilities, board designated funds and net assets with donor restrictions:

Total Current Assets	\$ 7,894,194
Less: Prepaid Expenses	(2,853)
Less: Accounts Payable	(1,285)
Less: Net Assets with Donor Restrictions	(5,457,774)
Less: Board Designated Net Assets	<u>(528,397)</u>
Total Financial Assets Available to Meet	
Financial assets available to meet cash needs as of 12/31/21	<u><u>\$ 1,903,885</u></u>

