



**PANHELLENIC SCHOLARSHIP FOUNDATION  
FINANCIAL STATEMENTS**

**INCLUDING INDEPENDENT AUDITORS'  
AUDIT REPORT**

**For the Years Ended  
September 30, 2020 and 2019**

**PANHELLENIC SCHOLARSHIP FOUNDATION**  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
PanHellenic Scholarship Foundation  
Chicago, Illinois

We have audited the accompanying financial statements of PanHellenic Scholarship Foundation (a nonprofit organization), which comprise the statements of financial position as of September 30, 2020 and 2019, 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.

### Auditors' 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 PanHellenic Scholarship Foundation as of September 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*DeMarco Sciacotta Wilkens & Dunleavy LLP*

Frankfort, Illinois  
February 10, 2021

**PANHELLENIC SCHOLARSHIP FOUNDATION**  
**STATEMENTS OF FINANCIAL POSITION**  
September 30, 2020 and 2019

	<b>2020</b>	<b>2019</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 99,454	\$ 2,926,934
Investments	4,942,799	2,040,051
Contributions receivable	4,325	-
Prepaid expenses	11,605	5,500
Property and equipment, net	3,899	5,068
<b>Total Current Assets</b>	5,062,082	4,977,553
<b>OTHER ASSETS</b>		
Deposits	1,485	1,485
<b>TOTAL ASSETS</b>	<b>\$ 5,063,567</b>	<b>\$ 4,979,038</b>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable	\$ 85	\$ 172
Credit card payable	16	240
Conditional contribution	20,898	-
<b>Total Current Liabilities</b>	20,999	412
<b>NET ASSETS</b>		
Without donor restrictions	4,540,365	4,502,314
With donor restrictions	502,203	476,312
<b>Total Net Assets</b>	5,042,568	4,978,626
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 5,063,567</b>	<b>\$ 4,979,038</b>

See accompanying notes and independent auditors' report

**PANHELLENIC SCHOLARSHIP FOUNDATION**  
**STATEMENTS OF ACTIVITIES**  
For the Year Ended September 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUES</b>			
<u>Contributed</u>			
Individuals	\$ 260,085	\$ 12,500	\$ 272,585
Corporations	8,322	-	8,322
Foundations	50,000	-	50,000
Organizations	10,250	-	10,250
In-kind	34,509	-	34,509
<u>Other</u>			
Dividend and interest income	82,314	10,334	92,648
Unrealized gain (loss) on marketable securities	201,640	46,993	248,633
<u>Net Assets Released from Restrictions</u>			
Expiration of time and program satisfaction	40,306	(40,306)	-
<b>Total Revenues</b>	<u>687,426</u>	<u>29,521</u>	<u>716,947</u>
<b>EXPENSES</b>			
Program services	529,354	-	529,354
<u>Support services</u>			
General and administrative	82,946	3,630	86,576
Fund raising and development	37,075	-	37,075
<b>Total Expenses</b>	<u>649,375</u>	<u>3,630</u>	<u>653,005</u>
<b>CHANGE IN NET ASSETS</b>	38,051	25,891	63,942
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>4,502,314</u>	<u>476,312</u>	<u>4,978,626</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 4,540,365</u>	<u>\$ 502,203</u>	<u>\$ 5,042,568</u>

See accompanying notes and independent auditors' report

**PANHELLENIC SCHOLARSHIP FOUNDATION**  
**STATEMENTS OF ACTIVITIES**  
For the Year Ended September 30, 2019

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUES</b>			
<u>Contributed</u>			
Individuals	\$ 229,641	\$ 11,000	\$ 240,641
Corporations	103,842	-	103,842
Foundations	55,000	-	55,000
Organizations	15,350	-	15,350
Estates	561,411	-	561,411
Special event revenue	115,265	-	115,265
In-kind	81,727	-	81,727
<u>Other</u>			
Dividend and interest income	67,939	14,412	82,351
Realized gain (loss) on marketable securities	770,870	-	770,870
Unrealized gain (loss) on marketable securities	3,854	(8,344)	(4,490)
<u>Net Assets Released from Restrictions</u>			
Expiration of time and program satisfaction	44,835	(44,835)	-
<b>Total Revenues</b>	<b>2,049,734</b>	<b>(27,767)</b>	<b>2,021,967</b>
<b>EXPENSES</b>			
Program services	419,601	-	419,601
Cost of direct benefits to donors	279,896	-	279,896
<u>Support services</u>			
General and administrative	125,841	3,235	129,076
Fund raising and development	37,755	-	37,755
<b>Total Expenses</b>	<b>863,093</b>	<b>3,235</b>	<b>866,328</b>
<b>CHANGE IN NET ASSETS</b>	1,186,641	(31,002)	1,155,639
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>3,315,673</b>	<b>507,314</b>	<b>3,822,987</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 4,502,314</b>	<b>\$ 476,312</b>	<b>\$ 4,978,626</b>

See accompanying notes and independent auditors' report

**PANHELLENIC SCHOLARSHIP FOUNDATION**  
**STATEMENTS OF CASH FLOWS**  
For the Years Ended September 30, 2020 and 2019

	<b>2020</b>	<b>2019</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 63,942	\$ 1,155,639
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	1,169	780
Unrealized (gain) loss on marketable securities	(248,633)	4,490
Realized gains on sale of real estate held for investment	-	(770,870)
Dividends and interest earned on investments	(92,648)	(82,351)
Investment fees	42,211	21,337
(Increase) decrease in:		
Contributions receivable	(4,325)	3,500
Prepaid expenses	(6,105)	(2,988)
Deposits	-	(1,485)
Increase (decrease) in:		
Accounts payable	(87)	(8,550)
Credit card payable	(224)	(421)
Accrued expenses	-	(25,764)
Due to Tomaras Investments	-	(24,741)
Conditional contribution	20,898	-
	<u>(223,802)</u>	<u>268,576</u>
<b>NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	-	(5,848)
Proceeds from sale of property and equipment	-	2,371,370
Payments out of investments	-	296,037
Transfers into investments	(2,603,678)	-
	<u>(2,603,678)</u>	<u>-</u>
<b>NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES</b>	<u>(2,603,678)</u>	<u>2,661,559</u>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	(2,827,480)	2,930,135
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>2,926,934</u>	<u>(3,201)</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 99,454</u>	<u>\$ 2,926,934</u>

See accompanying notes and independent auditors' report

**PANHELLENIC SCHOLARSHIP FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2020 and 2019

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**NOTE 1 - NATURE OF ACTIVITIES**

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PanHellenic Scholarship Foundation (the "Foundation") is a not-for-profit corporation whose purpose is the furthering of higher education among Greek Americans by awarding scholarships to students demonstrating high academic and leadership skills.

All of the Foundation's support is derived from voluntary donations.

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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*Basis of Accounting*

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP).

*Financial Statement Presentation*

The financial statements of the Foundation are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations: (the "Guide"). ASC 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and 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 as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. The Foundation's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

*Promises to Give*

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are 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.

*Contributions*

Contributions received are recorded as support with or without donor restrictions, depending on the absence or existence and nature of donor restrictions.

*Expense Allocation*

Directly identifiable expenses are charged to the scholarship program and support services. Expenses related to more than one function are charged to program and supporting services on the basis of periodic time and expense estimates. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.



**PANHELLENIC SCHOLARSHIP FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2020 and 2019

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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*Cash and Cash Equivalents*

For the purposes of the statement of cash flows, the Foundation considers cash to be cash on deposit with banks. Cash equivalents represent all highly liquid investments with an initial maturity of three months or less unless the investments are held for meeting restrictions for purchase of property and equipment, payment of long-term debt, or endowment.

*Investments*

Investments primarily consist of cash, equity funds, fixed income funds and alternative assets classes (i.e. venture capital/private equities and real estate investment trusts). The Foundation maintains a diversified portfolio of investments to manage market and interest-rate risks. Investments are recorded at fair value.

Investment income, unrealized gains (losses) and realized gains (losses) are included in the change in net assets and classified in accordance with the presence or absence of donor stipulation.

*Property and Equipment*

The Foundation capitalizes all property and equipment with a cost, if purchased, or a fair market value, if donated, of more than \$1,000 and a useful life of 3 or more years. Provisions for depreciation of property and equipment are computed under the straight-line method over the estimated useful lives of the assets.

*Income Taxes*

The Foundation is a not-for-profit corporation described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes pursuant to Section 501(a) of the Code. The Foundation is not classified as a private foundation. The Foundation files annual informational returns to the Internal Revenue Service (Form 990) and to the Office of the Attorney General of the state of Illinois. The Foundation has not been informed of any tax examinations by either the Internal Revenue Service or the State. The tax years 2017, 2018, and 2019 are still open for both federal and state purposes.

*Risks and Uncertainties*

Investments are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the net assets of the Foundation.

*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.

*Advertising*

The Foundation uses advertising to promote its scholarship program. These costs are expensed as incurred. Advertising expense for the years ended September 30, 2020 and 2019 was \$7,413 and \$12,499, respectively

*Functional Expenses*

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

**PANHELLENIC SCHOLARSHIP FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2020 and 2019

**NOTE 3 - AVAILABILITY AND LIQUIDITY**

The following represents the Foundation's financial assets at September 30, 2020 and 2019:

Financial assets at year end:	<b>2020</b>	<b>2019</b>
Cash and cash equivalents	\$ 99,454	\$ 2,926,934
Investments	4,942,799	2,040,051
Total financial assets	5,042,253	4,966,985
Less amounts not available to be used within one year:		
Net assets with donor restrictions	502,203	476,312
Less net assets with purpose restrictions to be met in less than a year	(29,794)	(29,306)
	472,409	447,006
Financial assets available to meet general expenditures over the next twelve months	\$ 4,569,844	\$ 4,519,979

As part of the Foundation's liquidity plan, excess cash is invested in short-term investments.

**NOTE 4 - ANNUAL EVENT**

Gala events were held in June, 2019. The 2019 event realized \$85,875 in ticket sales and \$29,390 from the event raffle. Direct expenses for the 2019 events were \$279,896. Due to the COVID-19 pandemic, there was no in-person gala in June, 2020. Instead, the Foundation prepared a virtual gala. Therefore, there was no special event income for the year ended September 30, 2020. Direct expenses for the 2020 virtual gala were \$108,276 as shown under Program Services in the Statement of Functional Expenses.

**NOTE 5 - SCHOLARSHIP AWARD PROGRAM**

In 2020 and 2019 the Foundation awarded twenty scholarships of \$10,000 each and twenty scholarships of \$2,500 each in accordance with scholarship guidelines. Applications were reviewed and recommendations were made by the Foundation's Academic Committee. The Board of Directors made the final approval for all award recipients.

**NOTE 6 - SCHOLARSHIP SOCIETY**

The Foundation implemented the Scholarship Society. To become a Scholarship Society member, the donor must commit to a \$10,000 contribution per year for either 5 years or 10 years. As a member, they will receive various benefits from the Foundation including complimentary gala tickets and VIP seating, when in-person gala events resume. Other benefits include name and logo recognition on the Foundation's website and media releases. The \$10,000 annual contribution is then used to provide a scholarship to one of the award recipients. The commitment will be billed to the donors after January 1 of each year.

**PANHELLENIC SCHOLARSHIP FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2020 and 2019

**NOTE 7 - THE GEORGIA SFONDOURIS MITCHELL MUSIC & ARTS SCHOLARSHIP FUND - NET ASSETS WITH DONOR RESTRICTIONS**

The Foundation was the recipient of a \$500,000 gift. The funds are to be used for two scholarships per year of \$10,000 each and an annual allowance of two percent of the outstanding value to be used as an administrative fee. The scholarships are to be awarded as donor defined. The fund is to be invested to generate earnings with the goal of asset appreciation. The Board of Directors has established a committee for oversight of the fund's operation. As required by GAAP, net assets associated with the fund are classified and reported based on the existence of donor-imposed restrictions.

	<b>Net Assets Without Donor Restrictions</b>	<b>Net Assets With Donor Restrictions</b>	<b>Total</b>
October 1, 2019	\$ 149,337	\$ 465,312	\$ 614,649
Scholarships	20,000	(20,000)	-
Administrative fee	9,306	(9,306)	-
Investment income	-	10,334	10,334
Investment fees	-	(3,630)	(3,630)
Net unrealized gains	-	46,993	46,993
September 30, 2020	<u>\$ 178,643</u>	<u>\$ 489,703</u>	<u>\$ 668,346</u>

	<b>Net Assets Without Donor Restrictions</b>	<b>Net Assets With Donor Restrictions</b>	<b>Total</b>
October 1, 2018	\$ 119,502	\$ 492,314	\$ 611,816
Scholarships	20,000	(20,000)	-
Administrative fee	9,835	(9,835)	-
Investment income	-	14,412	14,412
Investment fees	-	(3,235)	(3,235)
Net unrealized losses	-	(8,344)	(8,344)
September 30, 2019	<u>\$ 149,337</u>	<u>\$ 465,312</u>	<u>\$ 614,649</u>

**NOTE 8 - FAIR VALUE MEASUREMENTS**

The fair value of financial assets and liabilities is measured according to the Fair Value Measurements and Disclosures topic of the FASB Accounting Standards Codification. Fair value is required to be evaluated and adjusted according to the following valuation techniques:

Level 1: Quoted prices for similar assets or liabilities in active markets.

Level 2: Inputs other than the quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in markets that are not active; observable inputs other than quoted prices for the assets or liability; and inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

**PANHELLENIC SCHOLARSHIP FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2020 and 2019

**NOTE 8 - FAIR VALUE MEASUREMENTS (CONTINUED)**

<u>September 30, 2020</u>	<u>Fair Value</u>	<u>Significant Observable Inputs (Level 1)</u>	<u>Significant Observable Inputs (Level 2)</u>
Cash/Currency	\$ 114,120	\$ 114,120	\$ -
Equities	2,811,461	2,811,461	-
Bonds - Fixed Income	1,714,809	-	1,714,809
Mutual Funds	243,736	243,736	-
Alternatives	58,673	-	58,673
TOTAL	<u>\$ 4,942,799</u>	<u>\$ 3,169,317</u>	<u>\$ 1,773,482</u>

<u>September 30, 2019</u>	<u>Fair Value</u>	<u>Significant Observable Inputs (Level 1)</u>	<u>Significant Observable Inputs (Level 2)</u>
Cash/Currency	\$ 27,726	\$ 27,726	\$ -
Equities	1,181,347	1,181,347	-
Bonds - Fixed Income	624,738	-	624,738
Mutual Funds	158,397	158,397	-
Alternatives	47,843	-	47,843
TOTAL	<u>\$ 2,040,051</u>	<u>\$ 1,367,470</u>	<u>\$ 672,581</u>

**NOTE 9 - INVESTMENTS**

Balances of major classes of investments as of September 30, 2020 and 2019 are as follows (at fair market value):

	<u>2020</u>	<u>2019</u>
Cash/Currency	\$ 114,120	\$ 27,726
Equities	2,811,461	1,181,347
Bonds - Fixed Income	1,714,809	624,738
Mutual Funds	243,736	158,397
Alternatives	58,673	47,843
TOTAL	<u>\$ 4,942,799</u>	<u>\$ 2,040,051</u>

Investment income consists of the following during the years ended September 30, 2020 and 2019.

	<u>2020</u>	<u>2019</u>
Dividends	\$ 92,648	\$ 82,351
Unrealized gain (loss) in market values	248,633	(4,490)
	<u>\$ 341,281</u>	<u>\$ 77,861</u>

**PANHELLENIC SCHOLARSHIP FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2020 and 2019

**NOTE 9 - INVESTMENTS (CONTINUED)**

Investment securities are exposed to various risks including interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

**NOTE 10 - PROPERTY AND EQUIPMENT, NET**

Property and equipment, net consisted of the following at September 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Conditional contribution	\$ 4,297	\$ 4,297
	1,551	1,551
Less: Accumulated Depreciation	<u>(1,949)</u>	<u>(780)</u>
Property and equipment, net	<u>\$ 3,899</u>	<u>\$ 5,068</u>

For the years ended September 30, 2020 and 2019, depreciation expense totaled \$1,169 and \$780, respectively.

**NOTE 11 - RELATED PARTY TRANSACTIONS**

Mr. Tomaras was a major contributor to the organization and board members were aware of this relationship. As part of Mr. Tomaras' living trust, the Foundation received property located in Chicago, Illinois valued at a total of \$1,500,000 for both land and building. Building renovations on that property were paid by Mr. Tomaras and Tomaras Investments, Ltd through the end of 2016. It was the Foundation's intention to lease the building to provide additional income for the Foundation and it's mission. The Foundation sold the property during the year ended September 30, 2019. There are no donor imposed restrictions on any of the donations received from Chris Tomaras. Any operating expenses were the responsibility of the Foundation. These expenses are reported as General and Administrative Expenses on the Statements of Functional Expenses.

**NOTE 12 - DUE TO TOMARAS INVESTMENTS**

Administrative personnel and occupancy expenses paid in a prior year by Tomaras Investments, Ltd. are presented as a liability on the statement of financial position. After Chris Tomaras' passing, the Foundation would no longer receive an in kind contribution to cover those expenses.

This liability was reduced by amounts paid by the Foundation for expenses on the building that was donated by Mr. Tomaras. The balance of the liability will not need to be paid by the Foundation. Instead, the amount received by the Foundation from the remainder of Mr. Tomaras' trust will be reduced by the liability at that time. During the year ended September 30, 2019, the trust was finalized. There was no additional amount received. Instead, the liability was removed as an adjustment to the gain on the sale of the building.

**PANHELLENIC SCHOLARSHIP FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2020 and 2019

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**NOTE 13 - LEASE COMMITMENTS**

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*Higgins Road, Chicago*

Beginning January, 2019 the Foundation relocated their offices to Higgins Road in Chicago. The lease is a long term lease which expires March 31, 2022. The Foundation is currently obligated to pay base rent of \$1,065 per month with annual increases on January 1. In addition to the base rent, the Foundation is to pay day-to-day maintenance, real estate taxes, utilities, insurance, and common area maintenance. Total payments under this arrangement were \$36,559 and \$22,351 for the years ended September 30, 2020 and 2019, respectively.

Future minimum rental payments under all non-cancelable operating leases for years ending after September 30, 2020 are as follows:

2021	\$	13,242
2022		<u>6,852</u>
TOTAL	\$	<u>20,094</u>

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**NOTE 14 - SIGNIFICANT CONCENTRATION OF CREDIT RISK**

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Financial instruments that subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents in financial institutions, which from time to time exceed the federal depository insurance coverage limit; that excess is uninsured. Cash equivalents, other securities, and limited amounts of cash held in brokerage accounts are protected by the Securities Investor Protection Corporation (SIPC) in the event of broker-dealer failure, up to \$500,000 of protection for each brokerage account with a limit of \$250,000 for claims of uninvested cash balances. The SIPC insurance does not protect against market losses on investments. The Foundation has not experienced such losses related to uninsured amounts.

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**NOTE 15 - CONDITIONAL CONTRIBUTION**

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The Foundation was granted a \$20,898 loan under the Paycheck Protection Program "PPP" administered by a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the Federal government. The Foundation is eligible for loan forgiveness of up to 100 percent of the loan, upon meeting certain requirements. The Foundation has initially recorded the loan as a refundable advance and will record the forgiveness in accordance with guidance for conditional contributions when there is no longer a measurable performance or other barrier and a right to return of the PPP loan or when such conditions are explicitly waived. Proceeds from the loan are eligible for forgiveness if the Foundation maintains employment levels during its 24-week covered period and uses the funds for certain payroll, rent, and utility expenses. No contribution revenue has been recorded for the year ended September 30, 2020.

The SBA authorized full forgiveness of the PPP loan as of December 31, 2020.

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**NOTE 16 - DATE OF MANAGEMENT EVALUATION**

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Management has evaluated subsequent events through February 10, 2021, the date on which the financial statements were available to be issued.

**PANHELLENIC SCHOLARSHIP FOUNDATION**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
For the Year Ended September 30, 2020

	<u>Program Services</u>	<u>Support Services</u>		<u>Total</u>
	<u>Program Expenses</u>	<u>General and Administrative Expenses</u>	<u>Fundraising and Development Expenses</u>	
<b>FUNCTIONAL EXPENSES</b>				
Scholarship grants	\$ 250,000	\$ -	\$ -	\$ 250,000
Bank and credit card processing charges	-	530	-	530
Computer expense	9,560	562	1,125	11,247
Contributions	-	3,450	-	3,450
Depreciation expense	-	1,169	-	1,169
Dues and subscriptions	-	7,603	-	7,603
Employee benefits	8,043	473	946	9,462
Equipment leasing	-	7,241	-	7,241
Graphic design	1,080	-	1,080	2,160
Insurance	-	1,705	-	1,705
Internet expense	1,056	1,055	-	2,111
Investment expense	-	38,581	-	38,581
Marketing - publicity	3,707	-	3,706	7,413
Meeting and conferences	832	186	832	1,850
Office supplies	-	1,608	-	1,608
Payroll processing fees	2,406	142	283	2,831
Postage and mailings	5,654	-	5,654	11,308
Printing	4,464	-	4,464	8,928
Professional services	-	9,562	3,188	12,750
Rent	31,075	1,828	3,656	36,559
Salaries	101,351	5,962	11,924	119,237
Telephone	586	35	69	690
Utilities	750	44	88	882
Virtual gala	108,276	-	-	108,276
Web development and maintenance	514	30	60	604
Karlov Building				
Janitorial services	-	1,180	-	1,180
<b>TOTAL FUNCTIONAL EXPENSES</b>	<u>\$ 529,354</u>	<u>\$ 82,946</u>	<u>\$ 37,075</u>	<u>\$ 649,375</u>

See accompanying notes and independent auditors' report

**PANHELLENIC SCHOLARSHIP FOUNDATION**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
For the Year Ended September 30, 2019

	<u>Program Services</u>	<u>Support Services</u>		<u>Total</u>
	<u>Program Expenses</u>	<u>General and Administrative Expenses</u>	<u>Fundraising and Development Expenses</u>	
<b>FUNCTIONAL EXPENSES</b>				
Scholarship grants	\$ 250,000	\$ -	\$ -	\$ 250,000
Bank and credit card processing charges	-	691	-	691
Computer expense	15,758	927	1,854	18,539
Contributions	-	200	-	200
Depreciation Expense	-	780	-	780
Dues and subscriptions	-	7,398	-	7,398
Employee benefits	5,894	347	693	6,934
Equipment leasing	-	5,556	-	5,556
Graphic design	490	-	490	980
Insurance	-	894	-	894
Internet expense	1,170	1,170	-	2,340
Investment expense	-	18,102	-	18,102
Licenses	-	345	-	345
Marketing - publicity	6,250	-	6,249	12,499
Meeting and conferences	1,152	256	1,152	2,560
Office supplies	-	4,467	-	4,467
Parking	-	528	528	1,056
Payroll processing fees	1,930	114	227	2,271
Postage and mailings	1,886	-	1,886	3,772
Printing	6,018	-	6,018	12,036
Professional services	-	10,425	3,475	13,900
Rent	24,948	1,468	2,935	29,351
Salaries	100,512	5,912	11,825	118,249
Telephone	1,119	66	132	1,317
Web development and maintenance	2,474	145	291	2,910
Karlov Building				
Insurance	-	9,961	-	9,961
Janitorial services	-	4,824	-	4,824
Professional services	-	7,355	-	7,355
Real estate taxes	-	8	-	8
Repairs	-	12,376	-	12,376
Security	-	581	-	581
Telephone	-	967	-	967
Utilities	-	29,978	-	29,978
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 419,601</b>	<b>\$ 125,841</b>	<b>\$ 37,755</b>	<b>\$ 583,197</b>

See accompanying notes and independent auditors' report