



TREASURER'S Report
TACF Board Conference Call
August 17, 2020

Use of Established Lines of Credit

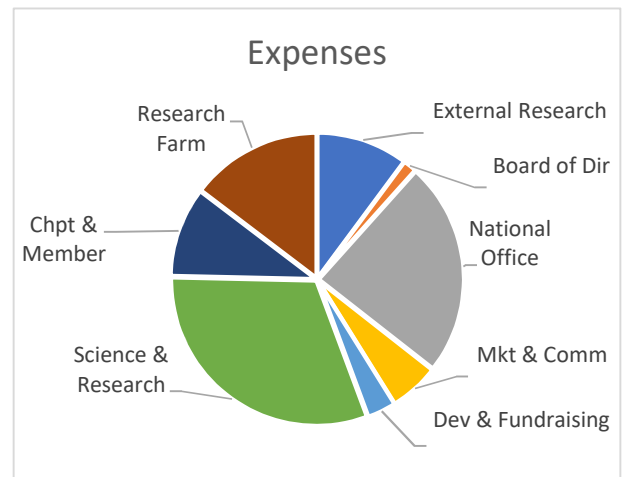
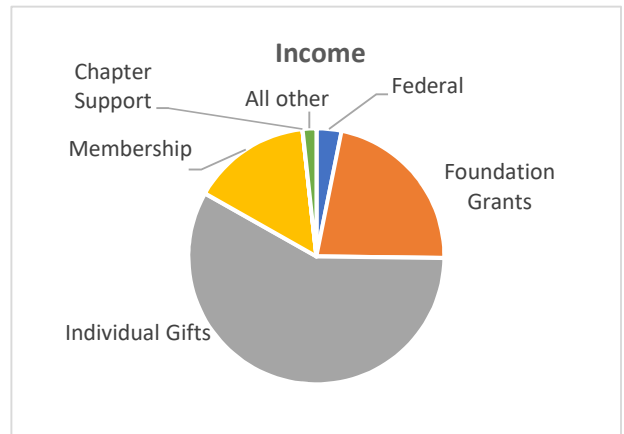
TACF has available to it a \$1,000,000 line of credit from Merrill-Lynch, secured by investments. This line of credit has an interest rate of LIBOR +3% and no maturity date. TACF has second line of credit of \$300,000 from BB&T secured by the Meadowview property. This line of credit has an interest rate of Prime and a maturity date of January 10, 2022. There is currently no outstanding balance associated with either line of credit.

2019/2020 Fiscal Year

TACF's fiscal year runs from July 1 through June 30. We report income and expenses on an accrual basis.

The FY 2021 TACF Budget was approved by the full Board at the June 2020 TACF Board meeting, as follows:

TACF FY 2021 Budget	APPROVED	
INCOME	\$	%
Federal Funding	75,000	3.2
Foundation Grants	523,394	22.1
Individual Gifts	1,375,000	57.9
Membership	358,200	15.1
Chapter Support	0	0
All Other	41,160	1.7
Total Income	2,372,754	
EXPENSES		
External Research	249,500	10.2
Board of Directors	36,200	1.5
National Office	586,858	23.9
Marketing & Communications	136,972	5.6
Development & Fundraising	78,161	3.2
Science & Research	760,773	31.0
Chapter & Membership Services	245,205	10.0
Research Farm	359,549	14.7
Total Expenses	2,453,218	
Net Income (Loss)	-80,464	



NOTE: Year-to-Date updates will be provided Quarterly, with Q1 included in the October 2020 Treasurer's Report.

Cash Accounts

The following table summarizes TACF's cash accounts at BB&T as of **August 11, 2020** with prior year snapshot, pre-pandemic and initial pandemic.

	Jan. 31, 2020	Apr. 30, 2020	August 11, 2020
Operations Checking	652,740	885,044	\$442,193
Payroll Checking	38,465	14,389	\$3,059
Interest Savings	<u>722,135</u>	<u>722,170</u>	<u>\$722,192</u>
Total	<u>1,413,340</u>	<u>1,621,603</u>	<u>\$1,167,444</u>
All Chapters Accounts*	238,365	238,365	\$247,330
Modified Total	<u>\$1,651,704</u>	<u>\$1,859,968</u>	<u>\$1,414,774</u>

* Merged Chapters include IN, NC/SC, OH, TN & WV

NOTE: April 30, 2020 was three days following receipt of the Payroll Protection Program funding of \$208,100.

Cash Flow Projection – July-September 2020

TACF provides strict oversight of the Foundation's cash-flow. During this pandemic, we are sharing a summary of our cash-flow projection. This does NOT include Chapter funds or investments.

	July 2020 (Actual)	August 2020 (Forecast)	September 2020 (Forecast)
Beginning Operating Cash Balance	1,462,363	1,179,810	1,096,184
Forecast Revenue			
Grants	102,500	13,750	27,500
Membership and Donations	40,145	30,000	30,000
Potential Major Gifts	0	0	0
Sub-Total	1,605,008	1,223,560	1,153,684
Forecast Expenses			
Grant Expenses	(247,500)*	(8,200)	(8,200)
Payroll & Payroll Tax	(58,317)	(59,620)	(58,660)
Operations (Db, Mkt, Farm, Recurring, misc)	(119,381)	(59,556)	(67,211)
Ending Operating Cash Balance	<u>1,179,810</u>	<u>1,096,184</u>	<u>1,019,613</u>
Increase (decrease) in operating	<u>(282,553)</u>	<u>(83,626)</u>	<u>(76,571)</u>

* SUNY-ESF Pass-Through Grant

Investments

The following table summarizes TACF's investment balances with prior period comparison as of January 21, 2020.

	Jan. 21, 2020	Aug. 06, 2020	\$ Change	% Change
Vanguard	\$48,149	\$48,712	\$566	1.1%
Merrill Lynch*	<u>\$3,315,910</u>	<u>\$3,231,487</u>	-\$84,423	-2.6%
Total	<u>\$3,364,059</u>	<u>\$3,280,199</u>		

***Merrill Lynch Investment Note:** Paul Wingenfeld has posted all of the monthly investment activity from Merrill Lynch and Vanguard for the period July 2019 – June 2020. Merrill Lynch activity in summary:

- Dividend income reinvested \$142,178
- Realized gain from sale of donated stock \$3,553
- Unrealized loss in investments \$127,914
- Investment fees paid \$21,471
- Cost basis of Donated stock \$6,432

Financial Notables

Merrill Lynch: Several TACF Executive Committee members, and Cartter Patten met with Mark Mayer and Josh Donofry of Merrill Lynch's Will Group; via Zoom conferencing, on July 23, 2020 to review the status of TACF investments and asset allocation. In summary, as of 06/30/2020 our asset allocation was 70% equity; 24% fixed income, and 6% cash. Our investments with the Will Group are reviewed frequently and adjusted as appropriate, with no more than 5% of our stock holdings with any one entity. Our weighted fee (expenses) across the ML mutual funds and bonds is 0.56% on an annual basis.

External Audit: The FY 2020 External Audit is poised to begin at the end of August, once again conducted by **Carter P.C.**, our external auditors for the past few years. It is expected to be completed by the end of October, with Financial Statements and an **Independent Auditor's Report** submitted to TACF management and the Board. **Cartter Patten** chairs the Audit Subcommittee. That subcommittee will review the Financial Statements and Audit Report, and recommend action to the Finance Committee and the full Board, expected in November 2020.

Update on Payroll Protection Program: TACF qualified for, and received on April 27, 2020 a federal loan through the Paycheck Protection Program (PPP) in the amount of \$208,100. BB&T is the loan originator. Currently, this loan covers either eight weeks or twenty-four weeks of payroll, benefits, rents, mortgages, and utilities, beginning on the date of receipt. TACF is staying apprised of forgiveness requirements and the expectation is that this loan will be 100% forgiven using the 24-week period. BB&T has not yet begun to accept loan forgiveness applications.

Operations during Pandemic: Despite the fact that COVID-19 continues to affect TACF operations, staff are fully engaged and productive, working from home as possible and practical, and taking cautionary measures at Meadowview Farm and in the labs. The Regional Science Coordinators continue to maintain ongoing communication and coordination with the chapters in their region. All, including administrative services, are functioning seamlessly, and all are fully employed.

Fiscal Year 2019 Tax Filing and External Audit

TACF's 2018-2019 Form 990 was filed on December 13, 2019. The external audit was completed and submitted to TACF on October 30, 2019, indicating TACF financial statements were in accordance with generally accepted accounting principles. Financial information for both, and the TACF annual report can be found at:

<https://www.acf.org/about-us/financials/>