

AUDITED FINANCIAL STATEMENTS

ROSENBERG FUND FOR CHILDREN, INC.

Easthampton, Massachusetts

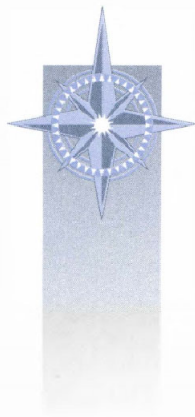
DECEMBER 31, 2024

Boisselle, Morton & Wolkowicz, LLP
Certified Public Accountants

ROSENBERG FUND FOR CHILDREN, INC.

Table of Contents

	Page
Independent Auditors' Report	1-2
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-11



Independent Auditors' Report

To the Board of Directors
Rosenberg Fund for Children, Inc.
Easthampton, Massachusetts

Opinion

We have audited the accompanying financial statements of Rosenberg Fund for Children, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, 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 financial statements referred to above present fairly, in all material respects, the financial position of Rosenberg Fund for Children, Inc. as of December 31, 2024, and the changes in 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Rosenberg Fund for Children, 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 Rosenberg Fund for Children, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 generally accepted auditing standards 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, including omissions, 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 generally accepted auditing standards, 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 Rosenberg Fund for Children, 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 Rosenberg Fund for Children, 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.

Report on Summarized Comparative Information

We have previously audited Rosenberg Fund for Children, Inc.'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 18, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Boisselle, Morton & Wolkowicz, LLP

Hadley, Massachusetts
June 9, 2025

ROSENBERG FUND FOR CHILDREN, INC.

Statement of Financial Position

December 31, 2024 (with comparative totals for December 31, 2023)

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 353,005	\$ 398,722
Contributions receivable	92,165	103,474
Prepaid expenses	8,607	9,073
Right-of-use asset		20,513
Investments	7,745,341	7,111,146
Deposits	<u>1,800</u>	<u>1,800</u>
Total assets	<u>\$ 8,200,918</u>	<u>\$ 7,644,728</u>
<u>Liabilities and Net Assets</u>		
Liabilities		
Accrued expenses	\$ 20,800	\$ 13,767
Accrued payroll and benefits	26,002	20,041
Grants payable	173,826	165,842
Lease liability		21,669
Total liabilities	<u>220,628</u>	<u>221,319</u>
Net assets		
Without donor restrictions	3,080,264	2,891,585
With donor restrictions	<u>4,900,026</u>	<u>4,531,824</u>
Total net assets	<u>7,980,290</u>	<u>7,423,409</u>
Total liabilities and net assets	<u>\$ 8,200,918</u>	<u>\$ 7,644,728</u>

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

ROSENBERG FUND FOR CHILDREN, INC.

Statement of Activities

Year Ended December 31, 2024

(with comparative totals for the year ended December 31, 2023)

	2024			2023
	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>	<u>Total</u>
Revenues, gains and other support				
Contributions	\$ 193,776	\$ 409,612	\$ 603,388	\$ 531,486
Unrealized gains on investments, net	208,217	298,802	507,019	564,594
Realized gains on investments, net	34,780	62,939	97,719	223,142
Investment income, net of fees	38,304	55,832	94,136	67,923
Planned giving	57,012		57,012	179,407
Speaker fees and other income	1,309		1,309	2,140
70th Anniversary income				23,407
Amounts released from restriction:				
Granting activity	<u>458,983</u>	<u>(458,983)</u>		
Total revenues, gains and other support	<u>992,381</u>	<u>368,202</u>	<u>1,360,583</u>	<u>1,592,099</u>
Expenses				
Program	668,228		668,228	647,964
Management and general	68,576		68,576	73,168
Fundraising	<u>66,898</u>		<u>66,898</u>	<u>77,505</u>
Total expenses	<u>803,702</u>		<u>803,702</u>	<u>798,637</u>
Change in net assets	188,679	368,202	556,881	793,462
Net assets - beginning of year	<u>2,891,585</u>	<u>4,531,824</u>	<u>7,423,409</u>	<u>6,629,947</u>
Net assets - end of year	<u>\$ 3,080,264</u>	<u>\$ 4,900,026</u>	<u>\$ 7,980,290</u>	<u>\$ 7,423,409</u>

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

ROSENBERG FUND FOR CHILDREN, INC.

Statement of Functional Expenses

Year Ended December 31, 2024

(with comparative totals for the year ended December 31, 2023)

	2024				2023
	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	<u>Total</u>
Salaries and related expenses					
Salaries	\$ 152,165	\$ 28,805	\$ 19,557	\$ 200,527	\$ 191,116
Payroll taxes	11,854	2,244	1,524	15,622	15,224
Benefits	27,718	3,469	3,469	34,656	33,705
Total salaries and related expenses	<u>191,737</u>	<u>34,518</u>	<u>24,550</u>	<u>250,805</u>	<u>240,045</u>
Bank fees		17		17	86
Consultants	10,055	4,102	17,444	31,601	33,616
Fees		4,331	1,200	5,531	5,421
Grants	421,985			421,985	420,118
Insurance		1,846		1,846	1,606
Mail processing	7,403		7,402	14,805	13,569
Other	1,551	2,064	1,048	4,663	4,766
Postage	5,639	4,394	5,816	15,849	15,473
Printing	3,743	2,912	3,744	10,399	10,292
Professional fees		8,760		8,760	8,797
Rent	12,868	3,812	3,740	20,420	20,840
Special events and programming	9,426		1,069	10,495	12,430
Supplies	1,241	1,378	443	3,062	8,224
Telephone and internet	2,580	442	442	3,464	3,354
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenses	\$ <u>668,228</u>	\$ <u>68,576</u>	\$ <u>66,898</u>	\$ <u>803,702</u>	\$ <u>798,637</u>

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

ROSENBERG FUND FOR CHILDREN, INC.

Statement of Cash Flows

Year Ended December 31, 2024

(with comparative totals for the year ended December 31, 2023)

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Change in net assets	\$ 556,881	\$ 793,462
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities		
Unrealized gains on investments, net	(507,019)	(564,594)
Realized gains on investments, net	(97,719)	(223,142)
Amortization of right-of-use asset	20,513	19,615
(Increase) decrease in:		
Contributions receivable	11,309	211,701
Prepaid expenses	466	(3,953)
Increase (decrease) in:		
Accrued expenses	7,033	(5,620)
Accrued payroll and benefits	5,961	(417)
Grants payable	7,984	21,042
Lease liability	(21,669)	(19,595)
Net cash (used) provided by operating activities	<u>(16,260)</u>	<u>228,499</u>
Cash flows from investing activities		
Purchase of investments	(2,261,213)	(1,969,960)
Proceeds from sale of investments	<u>2,231,756</u>	<u>1,840,228</u>
Net cash used by investing activities	<u>(29,457)</u>	<u>(129,732)</u>
Net (decrease) increase in cash and cash equivalents	(45,717)	98,767
Cash and cash equivalents - beginning of year	<u>398,722</u>	<u>299,955</u>
Cash and cash equivalents - end of year	\$ <u><u>353,005</u></u>	\$ <u><u>398,722</u></u>

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

ROSENBERG FUND FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2024

1. Summary of Significant Accounting Policies

- a. *Nature of Business:* Rosenberg Fund for Children, Inc. (the “Organization”) was organized in the Commonwealth of Massachusetts as a not-for-profit corporation on September 4, 1990. The Organization works to provide for the educational and emotional needs of targeted activist youth and children in the United States whose parents have suffered because of their progressive beliefs and are, therefore, unable to adequately care for their children.
- b. *Tax status:* The Organization is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code and, accordingly, no provision for income taxes is included in the financial statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1). The Organization is required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. The Organization is also subject to income tax on net income that is derived from business activities that are unrelated to the Organization’s exempt purposes. Management has determined that the Organization is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.
- c. *Basis of Presentation:* The Organization presents its financial statements according to two classes of net assets: those with donor restrictions and those without donor restrictions. Net assets with donor restrictions are subject to stipulations imposed by donors and grantors. The restrictions are temporary in nature and will be met by actions of the Organization. All other net assets are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization.
- d. *Resource Recognition:* The Organization recognizes contributions and planned giving when they are received or an unconditional promise to give is made. Contributions and planned giving with a right of return and measurable performance or other barriers are not recognized until the conditions on which they depend have been met. Contributions and planned giving are recognized as with donor restrictions and without donor restrictions revenues in the year received in accordance with the donor requirements. Conditional promises to give are recognized when the conditions on which they depend are substantially met.
- e. *Allocation of Expenses:* Expenses are allocated among program and supporting services directly or on the basis of time records and utilization estimates made by the Organization’s management. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.
- f. *Cash and Cash Equivalents:* For the purposes of the statement of cash flows, the Organization considers all highly-liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.
- g. *Property and Equipment:* Property and equipment are recorded at cost, if purchased, or at their estimated fair market value at date of donation, if donated. Property and equipment consists primarily of leasehold improvements, furniture and equipment and are fully-depreciated. Provisions for depreciation are made in the accounts using the straight-line method. There was no depreciation in 2024 or 2023.

ROSENBERG FUND FOR CHILDREN, INC.

Notes to Financial Statements (Continued)

December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

- h. Investments:* The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair value on the statement of financial position.
- i. Leases:* The Organization leases its facilities under operating leases. Under Accounting Standards Codification (ASC) 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

The operating leases are included in the right-of-use (ROU) asset and lease liability in the statement of financial position. ROU asset represents the Organization's right to use the underlying assets for the lease term, and lease liability represents the obligation to make lease payments. ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term.

ROU assets also include any lease payments made and exclude any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that they will exercise the option.

The Organization elects not to capitalize leases with a life of one year or less and elects to use a risk-free rate equal to the treasury rate for treasury securities with lives approximating the lease length to determine the present value of lease payments when a lease's implicit rate is not available at its commencement. The Organization's lease ended and was on a month-to-month basis by the end of 2024.

- j. Use of Estimates:* The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.
- k. Comparative Information:* The financial statements include certain prior year summarized comparative information in total but not by function or net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's audited financial statements for the year ended December 31, 2023, from which the summarized information was derived.
- l. Reclassifications:* Certain reclassifications have been made to the prior year summarized information to be comparative to the current year presentations. These reclassifications did not change net assets.

ROSENBERG FUND FOR CHILDREN, INC.

Notes to Financial Statements (Continued)

December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

m. Fair Value Measurements: Accounting standards have established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Inputs to the valuation methodology for the three levels of the fair value hierarchy are described below:

Level 1	Unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
Level 2	Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means.
Level 3	Unobservable and significant to the fair value measurement.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

2. Contributions Receivable

In 2024, the Organization had \$92,165 in receivables, consisting of contributions and planned giving that were not collected until 2025.

In 2023, the Organization had \$103,474 in receivables, consisting of contributions and planned giving that were not collected until 2024.

3. Investments

Investment income was the following for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Interest and dividends (excludes bank interest)	\$148,015	\$114,658
Less investment fees	<u>(53,936)</u>	<u>(46,832)</u>
	<u>\$ 94,079</u>	<u>\$ 67,826</u>

ROSENBERG FUND FOR CHILDREN, INC.

Notes to Financial Statements (Continued)

December 31, 2024

3. Investments (Continued)

The Organization maintains its investment accounts at brokerages. The investments are allocated among various cash, equity and debt instruments. Investments were carried at quoted market values, as summarized below, as of December 31, 2024:

	<u>Original Cost</u>	<u>Market Value</u>
Money market funds	\$ 818,877	\$ 818,877
Equity stocks	2,449,310	4,232,537
U.S. Treasury bonds	316,251	313,756
Fixed income	1,388,725	1,264,894
Other assets	43,972	58,873
Corporate bonds	<u>1,046,534</u>	<u>1,056,404</u>
	<u>\$6,063,669</u>	<u>\$7,745,341</u>

Investments were carried at quoted market values, as summarized below, as of December 31, 2023:

	<u>Original Cost</u>	<u>Market Value</u>
Money market funds	\$ 860,438	\$ 860,438
Mutual funds	110,490	101,793
Equity stocks	2,605,713	3,719,720
U.S. Treasury bonds	412,854	414,908
Fixed income	818,719	714,247
Other assets	46,565	47,776
Corporate bonds	<u>1,283,690</u>	<u>1,252,264</u>
	<u>\$6,138,469</u>	<u>\$7,111,146</u>

Fair values for investments were determined by reference to quoted market prices and other relevant information generated by market transactions.

4. Property and Equipment

The Organization has \$22,206 of leasehold improvements, furniture and equipment that were fully depreciated prior to 2016.

5. Lease Commitment

At December 31, 2023, the right-of-use asset had a balance of \$20,513. The present value of the lease liability is \$21,669, representing lease payments of \$21,996 less interest of \$327. The present value was calculated utilizing the five-year treasury rate at lease commencement of 4%. Lease expense was \$20,420 and \$20,840 for 2024 and 2023, respectively.

As of December 31, 2024, the Organization was renting its office space on a month-to-month basis, therefore there was no ROU asset or lease liability recorded.

ROSENBERG FUND FOR CHILDREN, INC.

Notes to Financial Statements (Continued)

December 31, 2024

6. Restricted Contributions and Net Assets

Contributions and net assets with donor restrictions consisted of funds restricted for the distribution of grants and endowment funds for future operations. The balance in net assets with donor restrictions was \$4,900,026 and \$4,531,824 at December 31, 2024 and 2023, respectively.

7. Retirement Plan

The Organization maintains a 403(b) retirement plan that covers all eligible employees. The plan allows eligible employees to defer a portion of their compensation. Such deferrals accumulate on a tax-deferred basis until the employee withdraws the funds. The Organization matches the employee contributions up to \$500. The Organization matched \$1,454 and \$1,500 for 2024 and 2023, respectively.

8. Concentrations of Credit Risk

The Organization has significant investments in stocks, bonds and mutual funds held by two investment management firms who were engaged by the Organization. Those investments are uninsured and, therefore, subject to concentrations of credit risk. Investments are made by the investment manager and the investments are monitored by the Board of Directors. Though the market value of investments is subject to fluctuations on a year-to-year basis, management believes the investment policy is prudent for the long-term welfare of the Organization.

9. Related Parties

A member of the Board was paid \$79,639 and \$77,936 in 2024 and 2023, respectively, as the Executive Director of the Organization.

10. Available Resources and Liquidity

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at December 31:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents, without donor restrictions	\$ 250,532	\$ 302,171
Contributions receivable, without donor restrictions	56,540	54,945
Investments, without donor restrictions	<u>2,983,413</u>	<u>2,702,939</u>
Total financial assets available for general expenditures within one year	<u>\$3,290,485</u>	<u>\$3,060,055</u>

11. Subsequent Events

The Organization evaluated subsequent events after the statement of financial position date of December 31, 2024, through June 9, 2025, the date on which the financial statements were available to be issued, and concluded that no disclosures were required.