2019 Annual Report

Good+Foundation

From our Executive Director

Dear Good+Foundation Supporter,

Ten years ago, Good+Foundation expanded beyond a focus on mothers and children to include uplifting fathers as a key pillar of our work. In March of 2019, Good+ amended its mission statement to reflect this evolution: *Founded in 2001, Good+Foundation is a leading national nonprofit that works to dismantle multi-generational poverty by pairing tangible goods with innovative services for low-income fathers, mothers and caregivers, creating an upward trajectory for the whole family.*

Good+ raised over $10.6 million in 2019 through a combination of financial and in-kind donations, the highest in our organization's nineteen-year history.

Evolving our mission and raising record revenue afforded Good+ the opportunity to invest in father engagement-specific technical assistance and training for our grantee partners. 2019 was our first year with a focus on training; Good+ provided father inclusion training to 1,235 new social workers through the Los Angeles Department of Child & Family Services (DCFS) Academy, totaling 7,142 hours. In both New York and Los Angeles, Good+ trained an additional 187 program leaders, totaling 545 hours.

Good+ also began offering mental health/trauma-informed care training to our grantee partners on both coasts in 2019, for a total of 120 hours of training.

In 2019, Good+ expanded our capacity to measure the impact of engaging fathers. At the beginning of 2019, only half of our partners that traditionally focused on mothers and children had even been tracking fathers. By the end of the year, 100% of programs were tracking father engagement. All Good+ grantee partners also now create spaces that intentionally integrate fathers and their specific needs, helping men gain the tools they need to be effective and capable parents. For men like Ronald, it was a chance to go from feeling reserved and insecure as a young father to finding the support of other men like him, feeling more pride and "showing more confidence in himself as a father and partner."

At the national policy level, Good+ continued working with Ascend at the Aspen Institute by focusing on addressing outdated child support laws. Child support currently impacts one in five children across the country. There is widespread bipartisan support for the need to reform our child support laws which notoriously force unsustainable payment orders on the poorest dads and exact punitive measures like taking away a driver's license for failure to pay. In 2019, Good+ and Ascend began creating a toolkit for comprehensive child support reform aimed at state-level policymakers. The toolkit will address topics like right-sized payment orders, co-parenting support and fatherhood services.

As we look ahead to 2020, Good+ will continue to heighten our impact at the family level all the way up to the national level. Thank you to every caseworker, volunteer, donor and supporter who continues to make this work possible. Together, we can create lasting positive impacts for families and children.

Sincerely,

Katherine Snider

Katherine Snider
Executive Director

In 2019, Good+ donated **1,664,763** items worth **$6,231,125** to our grantee partner network.

Good+ met **87%** of requests for critical gear in 2019, including

1,338 of 1,581 requested strollers
996 of 1,110 requested car seats
920 of 1009 infant front carriers

Good+ donated **1,230,605** diapers in 2019. This brings our all–time total to over 26 million diapers donated.

Good+ reached **100** partner programs in 2019.

47 in Los Angeles
30 in New York
4 national partners in Baltimore, Houston, Chicago and San Francisco
+ 19 crisis intervention programs

Good+ Impact

87 cents of every dollar spent went directly to Good+ programs.

5,281 volunteers donated **9,960** hours (the equivalent of 1,245 days of work).

Good+ led **7,807** hours of training on topics like father engagement and trauma-informed care for **1,459** people.

Good+ earned its seventh straight **4-star** rating (the highest possible) from Charity Navigator, including a perfect 100/100 for accountability and transparency.

92% of our partners now agree that the way a father treats his baby in the first six months has important lifelong effects on the child.

Good+ Impact

Our Mission

Good+Foundation is a leading national nonprofit that works to dismantle multi-generational poverty by pairing tangible goods with innovative services for low-income fathers, mothers and caregivers, creating an upward trajectory for the whole family. With an early focus on mothers and children, Good+ expanded programming in 2010 to strengthen support for non-custodial and formerly incarcerated fathers to address one of the root causes of cyclical poverty: father absence. Today, the organization partners with a national network of social service programs to pair goods – such as cribs, car seats and diapers – with life skills training, employment assistance, financial literacy, co-parenting classes and more. By giving fathers tools, dignity and opportunities to re-engage with their families, Good+ is improving outcomes for children.

Since increasing its investment in fatherhood, Good+ has provided support to more than 30,000 fathers in cities including Baltimore, Houston, New York City and Los Angeles. As a result, mothers are getting more support, children are getting greater access to their fathers and men are learning how to become the dads they want to be.

Good+Foundation has offices and warehouses in New York City and Los Angeles and strategically distributes more than $6 million worth of goods each year across the country.

Our Donors

Good+Foundation raised more than $10.6 million in product, in-kind, special events and financial donations in 2019, the highest in our history. Good+ raised $2,396,460 in financial donations, and 131 corporate product donors provided Good+ $6.8 million in new product. The largest family fundraiser in New York City, the 2019 Bash in Central Park, raised a net $484k.

In 2019, 5,281 volunteers donated 9,960 hours (the equivalent of 1,245 days of work) to support us in keeping administrative costs low by helping to inventory, screen, sort, and bundle donations including clothing, books, diapers, and other essential items.

Financial Donors
($100,000 and above)

+ Samsung
+ Credit Suisse Americas Foundation
+ Angelo Family Charitable Foundation
+ NORDSTROM
+ The Eisner Foundation
+ Tsunami Foundation
+ Related Companies

Financial Donors
($50,000–$99,999)

+ Bank of America
+ Ross Stores Foundation/Ross Dress for Less
+ Burberry
+ The Chase and Stephanie Coleman Foundation
+ Mary Kitchen and Jon Orszag
+ LME Foundation

Our Donors

Financial Donors ($25,000–$49,999)	+ Bloomberg Philanthropies + Jessica and Jerry Seinfeld + Hearst + The Allen Family Foundation + Ali Wentworth and George Stephanopoulos + Co Collection + Johnson & Johnson + Melony and Adam Lewis Advised Fund at Aspen Community Foundation + NET-A-PORTER + The Slomo and Cindy Silvian Foundation, Inc.
Financial Donors ($10,000–$24,999)	+ Anonymous + The Cherwin Family + The Loeb Family + Bara Tisch + FIJI Water + Fiona and Eric Rudin + UJA-Federation of New York

Our Donors

Financial Donors
($10,000–$24,999)
continued

- The Neuberger Berman Foundation
- Hermine Heller
- University of California/DCFS
- Bill Maher Charitable Foundation
- Leslie Simmons Brille
- The Derrough-Salas Family
- Robert and Nicole Grubert
- Gabriela & Austin Hearst and Family
- Gillian Hearst
- The Hyde and Watson Foundation
- JCPenney
- Jennifer Koen and Mark Horowitz
- Niagara Cares
- Nurmi Family Foundation
- Quad Family Foundation
- Sarahmay and Larry Robbins
- Skip Hop
- Ariel and Michael Tiedemann
- The Walt Disney Company

Our Donors

Product Donors
($50,000 and above)

- NORDSTROM
- The Children's Place
- Hanna Andersson
- CVS Health
- AKID Brand Inc.
- The RealReal
- Seventh Generation
- Mack Weldon, Inc.
- NET-A-PORTER
- UPPAbaby/Monahan Products, LLC
- Medela, LLC
- Brandless, Inc.
- Gap Inc.
- Kids II, Inc.
- Skip Hop
- Bloomingdale's
- Carter's

Our Donors

Product Donors ($50,000 and above) continued	+ Bloomberg LP + Moonlite World, Inc. + Stonz Wear, Inc. + Pink Chicken + Unconditional Love/Hello Bello + Fridababy
In-Kind Donors ($50,000 and above)	+ COLLINS + Weil, Gotshal & Manges LLP

Our Leadership

Board Of Directors

Founder & President
Jessica Seinfeld
New York Times Best-Selling Author

Vice President & Treasurer
Michael Tiedemann
CEO, Tiedemann Investment Group

Secretary
Jennifer L. Franklin
Counsel, Simpson, Thacher & Bartlett LLP

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Executive Director, Whalerock Industries and Board Member, Allen Family Foundation

Veronica Swanson Beard
Co-Founder, Veronica Beard and Board Member, Tsunami Foundation

Leslie Simmons Brille
COO/CFO, LyfeBulb

Jennifer Carlston
Co-Founder, Covet New York

Danielle Devine
VP, Enterprise Strategy and Communication, Johnson & Johnson

Stacey Bendet Eisner
Founder & CEO, Alice + Olivia

Sarah Michelle Gellar
Actress and Partner, Foodstirs

Stefani Greenfield
Founder, My Next Act and Theodora & Callum

Mary Kitchen
TV Reporter and Board Member, Orszag Family Foundation

Jennifer Koen
Head of Brand Marketing and PR, The Yes

Kara Moore
Managing Director of Global Philanthropy and Engagement, Bloomberg LP

Michael Nissan
Partner, Weil, Gotshal & Manges LLP

Ari Shalam
Managing Director, RWN Real Estate Partners LLC

Bara Tisch
Philanthropist

Connie Verducci
SVP, Bank of America

Ali Wentworth
Actress and Author

Non-Voting Board Member

Katherine Snider
Executive Director, Good+Foundation

Pro Bono Counsel

Michael Nissan
Partner, Weil, Gotshal & Manges LLP

Amanda Rosenblum
Associate Pro Bono Counsel, Weil, Gotshal & Manges LLP

Good+Foundation

GOOD PLUS FOUNDATION, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2019 AND 2018

MBAF

CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS

GOOD PLUS FOUNDATION, INC.

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CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Good Plus Foundation, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Good Plus Foundation, Inc. (the "Organization"), which comprise the statements of financial position as of December 31, 2019 and 2018, 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.

Auditor's 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 audits to obtain reasonable assurance about whether the financial statements are free of 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.

MBAF
CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Good Plus Foundation, Inc. as of December 31, 2019 and 2018, 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.

MBAF CPAs, LLC

New York, NY
April 30, 2020

GOOD PLUS FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2019 AND 2018

ASSETS	2019	2018
Cash and cash equivalents	$ 898,564	$ 1,604,745
Investments	2,606,232	1,710,956
Certificate of deposit, at cost	303,374	300,000
Contributions receivable	135,000	11,550
Inventory	2,363,233	1,021,935
Prepaid expenses and other assets	46,007	37,502
Property and equipment, net	19,026	23,023
Website, net	30,000	20,000
	$ 6,401,436	**$ 4,729,711**
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	$ 190,339	$ 49,257
NET ASSETS		
Without donor restrictions	6,085,556	4,657,877
With donor restrictions	125,541	22,577
	6,211,097	4,680,454
	$ 6,401,436	**$ 4,729,711**

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

GOOD PLUS FOUNDATION, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
Contributions	$ 1,722,259	$ 1,344,902
Contributions in-kind	8,133,537	6,706,051
Special events income, net of expenses of $143,416 and $1,168,759 in 2019 and 2018, respectively	484,108	2,061,221
Investment income (loss)	358,730	(145,170)
	10,698,634	9,967,004
NET ASSETS RELEASED FROM RESTRICTIONS		
Satisfaction of program restrictions	87,036	228,953
TOTAL REVENUES, GAINS AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS	10,785,670	10,195,957
EXPENSES		
Program	8,106,513	8,870,897
General and administrative	536,559	516,096
Fundraising	714,919	586,516
	9,357,991	9,973,509
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	1,427,679	222,448
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	190,000	218,949
Net assets released from restrictions	(87,036)	(228,953)
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	102,964	(10,004)
CHANGE IN NET ASSETS	1,530,643	212,444
NET ASSETS - BEGINNING OF YEAR	4,680,454	4,468,010
NET ASSETS - END OF YEAR	**$ 6,211,097**	**$ 4,680,454**

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

GOOD PLUS FOUNDATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2019

	Program	General and Administrative	Fundraising	Total
FUNCTIONAL EXPENSES				
Salaries	$ 656,805	$ 242,196	$ 367,174	$ 1,266,175
Payroll taxes and fringe benefits	112,272	40,234	60,504	213,010
Program supplies, in-kind	6,401,265	-	-	6,401,265
Program supplies	340,493	-	-	340,493
Depreciation and amortization	7,179	16,695	3,307	27,181
Repairs and maintenance	22,467	536	435	23,438
Occupancy	302,753	4,285	5,061	312,099
Telephone	13,325	49	125	13,499
Insurance	22,424	372	465	23,261
Office expense	67,076	29,793	24,528	121,397
Utilities	13,720	200	239	14,159
Delivery	37,548	-	1,658	39,206
Professional fees	27,111	117,464	14,918	159,493
Marketing	75	-	6,529	6,604
Printing	2,839	691	1,401	4,931
Professional fees, in-kind	79,052	83,347	228,575	390,974
Office furniture/equipment	109	697	-	806
	$ 8,106,513	$ 536,559	$ 714,919	$ 9,357,991

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

GOOD PLUS FOUNDATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2018

	Program	General and Administrative	Fundraising	Total
FUNCTIONAL EXPENSES				
Salaries	$ 650,928	$ 213,480	$ 354,929	$ 1,219,337
Payroll taxes and fringe benefits	150,570	48,676	65,064	264,310
Program supplies, in-kind	7,232,715	-	-	7,232,715
Program supplies	293,348	-	-	293,348
Depreciation and amortization	5,607	10,890	1,881	18,378
Repairs and maintenance	19,336	791	1,262	21,389
Occupancy	267,537	3,878	4,623	276,038
Telephone	15,824	472	155	16,451
Insurance	16,828	2,650	4,648	24,126
Office expense	94,542	28,321	24,371	147,234
Utilities	12,356	434	674	13,464
Delivery	58,342	250	18	58,610
Professional fees	8,524	49,753	2,003	60,280
Marketing	-	-	125,973	125,973
Printing	3,808	459	814	5,081
Professional fees, in-kind	40,390	153,637	-	194,027
Office furniture/equipment	242	2,405	101	2,748
	$ 8,870,897	$ 516,096	$ 586,516	$ 9,973,509

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

GOOD PLUS FOUNDATION, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

		2019		2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Change in net assets	$	1,530,643	$	212,444
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:				
Depreciation and amortization		27,181		18,378
Unrealized (gain) loss on investments		(191,420)		236,513
Realized (gain) loss on investments		(42,492)		13,153
Donated investments		-		(6,972)
Donated goods - contributions		(7,742,563)		(6,512,024)
Goods utilized in program expenses		6,401,265		7,232,715
Changes in operating assets and liabilities:				
Contributions receivable		(123,450)		(11,550)
Prepaid expenses and other assets		(8,505)		10,478
Accounts payable and accrued expenses		141,082		(77,712)
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES		(8,259)		1,115,423
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of property and equipment		(8,184)		(19,784)
Purchase of website		(25,000)		-
Proceeds from sales of investments		453,453		204,947
Purchase of certificate of deposit		-		(300,000)
Reinvestment of CD interest		(3,374)		-
Purchases of investments		(1,114,817)		(739,689)
NET CASH USED IN INVESTING ACTIVITIES		(697,922)		(854,526)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(706,181)		260,897
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR		1,604,745		1,343,848
CASH AND CASH EQUIVALENTS - END OF YEAR	$	898,564	$	1,604,745

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

1. NATURE OF THE ORGANIZATION

Good Plus Foundation, Inc. (the "Organization") was incorporated on February 26, 2001. On July 25, 2017, the board of directors approved the change of the Organization's name from The Baby Buggy, Inc. to Good Plus Foundation, Inc. The Organization's mission is to work to dismantle multi-generational poverty by pairing tangible goods with innovative services for low-income fathers, mothers and caregivers, creating an upward trajectory for the whole family. The Organization is an exempt organization for federal income tax purposes under Section 501(c)(3) of the Internal Revenue Code and under the corresponding provisions of the New York State tax laws. The Organization has been classified to be a publicly supported organization and not a private foundation under Section 509(a) and is qualified for deductible contributions as provided in Section 170(b)(1)(A)(vi). The Organization's primary source of income is contributions.

The Organization focuses on the following major segments:

Education – The Organization's educational program includes working in conjunction with agencies such as Early Head Start and Head Start that offer free, high-quality education for young children, as well as a range of health and family support services for their parents.

Fatherhood - The Organization's Fatherhood Initiative provides clothing, gear, and products for children of low-income, non-custodial fathers enrolled in fathering programs at 13 organizations in New York City and Los Angeles. These programs help fathers feel empowered to embrace fatherhood and the responsibilities that accompany it and to provide poor fathers the tools they need to keep their children safe and healthy. The Organization also offers financial education workshops and benefits screening to help improve the family's overall and financial well-being.

Health – The primary focus is Nurse-Family Partnership ("NFP") programs in New York City, Jersey City, Los Angeles, Dallas, Detroit and Houston. NFP pairs poor first-time moms with a visiting nurse from the 20th week of pregnancy until her child's second birthday. Demonstrated impacts include better maternal health, lower rates of child abuse and childhood accidents, longer intervals between births, and better maternal employment and graduation rates.

Intervention – The Organization donates to programs that provide services for at-risk children and families who are living in poverty and faced with challenging circumstances. These programs offer case management, counseling, advocacy, and parenting workshops, as well as crisis intervention when necessary.

2. SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The Organization's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

This classification of the Organization's net assets and its support, revenues, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the two classes of net assets – with donor restrictions or without donor restrictions – be displayed in a statement of financial position and that the amount of change in each of those classes of net assets be displayed in a statement of activities. These classes are defined as follows:

Net Assets with Donor Restrictions consist of contributions and other inflows of assets whose use is subject to donor-imposed restrictions that are more specific than broad limits reflecting the nature of the not-for-profit entity, the environment in which it operates, and the purposes specified in its articles of incorporation or bylaws or comparable documents. Donor-imposed restrictions may be temporary in nature, such as stipulating that resources may be used only after a specified date or limited to specific programs or services. Certain donor-imposed restrictions are perpetual in nature.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (continued)

Net Assets without Donor Restrictions consist of contributions and other inflows of assets whose use is not subject to donor-imposed restrictions. This net asset category includes both contributions not subject to donor restrictions and exchange transactions.

Unconditional contributions without donor restrictions are recognized as revenue or support in changes in net assets without donor restrictions when received or promised. Contributions subject to donor restrictions are recognized in changes in net assets with donor restrictions. When a purpose restriction is satisfied or when a time restriction expires, the contribution is reported as net assets released from restrictions and is recognized in changes in net assets without donor restrictions.

Cash and Cash Equivalents

The Organization considers all highly liquid instruments purchased with an original maturity of three months or less

Investments are recorded at fair value based upon quoted market prices. The related dividend and interest income is recorded as income without donor restrictions in the statements of activities.

Certificate of Deposit

The certificate of deposit can only be redeemed by its issuer and therefore does not meet the accounting definition of a security. Accordingly, it is measured at cost.

Contributions Receivable

Contributions receivable represent unconditional promises to give by donors. For the years ended December 31, 2019 and 2018, the Organization had contributions receivable of $135,000 and $11,550, respectively. The Organization considers all gifts of long-lived assets to be donor restricted. The Organization uses the allowance method to determine uncollectible contributions receivable. Such allowance is based on management's assessment of the creditworthiness of its donors, the age of the receivables, as well as current economic conditions and historical information. The Organization has determined that no allowance for uncollectible contributions receivable is necessary as of December 31, 2019 and 2018. Unless material, the Organization does not discount long-term receivables.

Inventory

Inventory is stated at cost, if purchased, or at fair value, if available, or at the value placed by the donors on the date of donation, if contributed. Inventory is stated at the lower of cost or market, with cost being determined by the first-in, first-out method.

Property and Equipment

Property and equipment are stated at cost and are being depreciated on the straight-line method over the estimated useful lives of the assets (Note 5). The Organization has established a $1,000 threshold above which assets are capitalized.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Transfers of cash or other assets or settlement of liabilities that are both voluntary and nonreciprocal are recognized as contributions. Reciprocal transfers in which each party receives and sacrifices goods or services with approximate commensurate value are recognized as exchange transactions.

Contributions may either be conditional or unconditional. A contribution is considered conditional when the donor imposes both a barrier and a right of return. Conditional contributions are recognized as revenue on the date all donor-imposed barriers are overcome or explicitly waived by the donor. Barriers may include specific and measurable outcomes, limitations on the performance of an activity and other stipulations related to the contribution.

Unconditional contributions may or may not be subject to donor-imposed restrictions. Donor-imposed restrictions limit the use of the donated assets but are less specific than donor-imposed conditions.

A donor has a right of return of any assets transferred or a right of release of its obligation to transfer any assets in the event the Organization fails to overcome one or more barriers. Assets received before the barrier is overcome are accounted for as refundable advances.

The Organization adopted Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606) on January 1, 2019 using the modified retrospective method applied to all contracts not completed as of the date of adoption. The modified retrospective adoption method requires the Organization to record a transition adjustment for the new revenue standard, if any, as a cumulative effect adjustment to beginning net assets as of the date of adoption. Therefore, any comparative information has not been adjusted. No adjustment to the Organization's beginning net assets was required as a result of adopting Topic 606.

The Organization applies Topic 606 to exchange transactions when applicable. Most of the Organization's revenue for the years ended December 31, 2019 and 2018 were from non-exchange transaction revenue sources including contributions, in-kind contributions and investment income.

Topic 606 applies to the portion of the Organization's special events income that is determined to be an exchange transaction. The Organization conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event. Unless a verifiable, objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the Organization. The direct costs of the special events which ultimately benefit the donor rather than the Organization are recorded as exchange transaction revenue and exchange transaction expense. All proceeds received in excess of the direct costs are recorded as special events income in the accompanying statements of activities.

For the years ended December 31, 2019 and 2018, the Organization reported special events income of $627,524 and $3,229,980, respectively, and expense of $143,416 and $1,168,759, respectively. The direct costs of special events include expenses for the benefit of the donor. For example, meal and facility rentals are considered direct costs of special events.

In-Kind Contributions

The Organization receives contributions of donated non-cash assets that are an integral part of its operations. Such assets are recognized as income as contributions in-kind and expensed as in-kind at their values based on market values of items donated or on current prices at the time of donation. Contributions are recorded in the period received.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services

Donated services are recognized as revenue, if the services received create or enhance non-financial assets, require specialized skills provided by individuals possessing those skills and typically need to be purchased if not provided by donation. Accordingly, the Organization does not record the value of those volunteer hours that do not meet the criteria for recognition under U.S. GAAP.

Functional Allocation of Expenses

Expenses that can be directly identified with the program or supporting service to which they relate are charged accordingly. Other expenses by function have been allocated among program and supporting service classifications using payroll allocation.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

Income Taxes

The Organization files informational returns in the federal and New York State jurisdictions. The Organization is generally no longer subject to income tax examinations by the Internal Revenue Service or New York State for returns filed before 2016.

The accounting standard for uncertainty in income taxes prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in the financial statements. It also provides guidance for derecognition, classification, interest and penalties, disclosure, and transition.

The Organization does not expect a significant increase or decrease to the total amounts of unrecognized tax positions during the year ended December 31, 2019. However, the Organization may be subject to audit by tax authorities. The Organization believes that it has appropriate support for the positions taken on its tax returns. Nonetheless, the amounts ultimately paid, if any, upon resolution of the issues raised by the taxing authorities may differ materially from the amounts accrued for each year. Management believes that its nonprofit status would be sustained upon examination.

Should there be interest on underpayments of income tax, the Organization would classify it as interest expense. The Organization would classify penalties in connection with underpayments of income tax as other expense.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements and Fair Value - Definition and Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Accounting standards establish a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring the most observable units be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumption about inputs used by market participants at the measurement date. The fair value hierarchy is categorized into three levels based on inputs as follows:

Level 1 - Valuation based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 - Valuation based on quoted prices for similar assets or liabilities in active markets; for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally or corroborated by observable market data by correlation or other means.

Level 3 - Valuation based on inputs that are unobservable and significant to the overall fair value measurement.

Adopted Accounting Pronouncement

Effective as of January 1, 2019, the Organization adopted ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606). The update outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current recognition guidance, including industry-specific guidance. The core principle of the revenue recognition standard is that an entity recognizes revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The adoption of this update had no effect on the Organization's financial position and changes in net assets. See Revenue Recognition above.

Recent Accounting Pronouncement

In February 2016, the Financial Accounting Standards Board ("FASB") issued an accounting standards update which amends existing lease guidance. The update requires lessees to recognize a right-of-use asset and related lease liability for many operating leases now currently off-balance sheet under current U.S. GAAP. Also, the FASB has issued amendments to the update with practical expedients related to land easements and lessor accounting. The Organization is currently evaluating the effect the update will have on its financial statements.

The update originally required transition to the new lease guidance using a modified retrospective approach which would reflect the application of the update as of the beginning of the earliest comparative period presented. A subsequent amendment to the update provides an optional transition method that allows entities to initially apply the new lease guidance with a cumulative-effect adjustment to the opening balance of equity in the period of adoption. If this optional transition method is elected, after the adoption of the new lease guidance, the Organization's presentation of comparative periods in the financial statements will continue to be in accordance with current lease accounting. The Organization is evaluating the method of adoption it will elect. The update is effective for fiscal years beginning after December 15, 2020, and for interim periods within fiscal years beginning after December 15, 2021, with early application permitted.

3. INVESTMENTS

Determination of Fair Values

The valuation methodologies used to determine the fair values of assets and liabilities under the "exit price" notion reflect market-participant objectives and are based on the application of the fair value hierarchy that prioritizes observable market inputs over unobservable inputs. The Organization determines the fair values of certain financial assets based on quoted market prices.

The mutual funds and exchange traded and closed-end funds are recorded at fair value using quoted market prices.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Organization's investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risks associated with these investments, it is at least reasonably possible that changes in the values of these investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position and activities.

The following tables present by level, within the fair value hierarchy, the Organization's investments at fair value as of December 31, 2019 and 2018. As required by fair value measurement accounting standards, investments are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement. The investments are all classified as net assets without donor restrictions.

December 31, 2019	Fair Value on a Recurring Basis	Quoted Market Prices in Active Market for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Exchange traded and closed-end funds	$ 1,242,451	$ 1,242,451	$ -	$ -
Mutual funds	1,363,781	1,363,781	-	-
	$ 2,606,232	**$ 2,606,232**	**$ -**	**$ -**

December 31, 2018	Fair Value on a Recurring Basis	Quoted Market Prices in Active Market for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Exchange traded and closed-end funds	$ 1,232,268	$ 1,232,268	$ -	$ -
Mutual funds	478,688	478,688	-	-
	$ 1,710,956	**$ 1,710,956**	**$ -**	**$ -**

3. INVESTMENTS (CONTINUED)

Determination of Fair Values (continued)

The aggregate cost basis, gross unrealized gains and losses, and fair market value of the stocks and mutual funds at December 31, 2019 and 2018, are as follows:

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2019				
Exchange traded and closed-end funds	$ 1,103,852	$ 138,599	$ -	$ 1,242,451
Mutual funds	1,372,600	-	(8,819)	1,363,781
	$ 2,476,452	**$ 138,599**	**$ (8,819)**	**$ 2,606,232**
December 31, 2018				
Exchange traded and closed-end funds	$ 1,298,524	$ -	$ (66,256)	$ 1,232,268
Mutual funds	493,388	-	(14,700)	478,688
	$ 1,791,912	**$ -**	**$ (80,956)**	**$ 1,710,956**

The components of the activity of the Organization's stocks and mutual funds as of December 31, 2019 and 2018 were as follows:

December 31,	2019	2018
Investments, beginning of year	$ 1,710,956	$ 1,418,908
Purchases of investments	1,114,817	739,689
Sales of investments	(453,453)	(204,947)
Realized gain (loss) on sale of investments	42,492	(13,153)
Unrealized gain (loss) on investments reported at fair value	191,420	(236,513)
Donated investments	-	6,972
Investments, end of year	**$ 2,606,232**	**$ 1,710,956**

4. LIQUIDITY MANAGEMENT AND AVAILABILITY OF RESOURCES

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Organization maintains on average $600,000 in its checking account for general and recurring expenditures and obligations. The Organization invests cash in excess of monthly requirements. The Organization also maintains a separate form of operational reserve with the objective of setting aside funds to be drawn upon in the event of a budget deficit or any financial distress. These reserve funds are held in money market funds and fixed-income securities in the investment account. The current balance of this reserve is included in the cash and cash equivalents amount on the statements of financial position.

December 31,	2019	2018
Cash and cash equivalents	$ 898,564	$ 1,604,745
Investments	2,606,232	1,710,956
Certificate of deposit, at cost	303,374	300,000
Contributions receivable	135,000	11,550
Total financial assets available within one year	3,943,170	3,627,251
Less: amounts unavailable for general expenditures within one year due to:		
Restricted by donors with time and purpose restrictions	125,541	22,577
Total financial assets available to management for general expenditures within one year	**$ 3,817,629**	**$ 3,604,674**

5. PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31,:

	2019	2018	Estimated Useful Lives
Equipment	$ 77,698	$ 69,514	3-5 Years
Less: accumulated depreciation	(58,672)	(46,491)	
	$ 19,026	**$ 23,023**	

Depreciation expense was $12,181 and $8,378 for the years ended December 31, 2019 and 2018, respectively.

6. WEBSITE

Development costs related to the Organization's website amounting to $50,000 have been capitalized as of December 31, 2016 and an additional $25,000 has been capitalized during 2019. These costs are amortized over the estimated life of five years using the straight-line method. Amortization expense for the years ended December 31, 2019 and 2018 totaled $15,000 and $10,000. Accumulated amortization as of December 31, 2019 and 2018 totaled $45,000 and $30,000, respectively.

7. INVENTORY

As of December 31, 2019 and 2018, inventory consists of clothing and essential baby gear amounting to $2,363,233 and $1,021,935, respectively.

8. IN-KIND CONTRIBUTIONS

During the years ended December 31, 2019 and 2018, the Organization recognized total in-kind contributions of $8,133,537 and $6,706,051, respectively. Included in these amounts are donated legal, events and professional services amounting to $390,974 and $194,027, respectively. In-kind contributions consist of goods and specialized services donated by corporations and individuals which are recorded on the date of donation.

9. RETIREMENT PLAN

The Organization adopted a 403(b) retirement plan (the "Plan") which covers most of the employees. The Plan is a defined contribution plan. Employees are eligible to make elective deferrals beginning on their date of hire. Those employees who have completed six months of employment and are employed on the last day of the Plan year are also eligible for a discretionary non-elective employer contribution. For the years ended December 31, 2019 and 2018, the Organization did not make any contributions to the Plan.

10. COMMITMENTS AND CONTINGENCIES

In January 2019, the Organization signed a non-cancelable operating lease for office space in New York, which expires on December 31, 2022.

In February 2018, the Organization signed a non-cancelable operating lease for office and storage space for their Los Angeles operations, which expires on April 30, 2021.

At December 31, 2019, future minimum lease payments were as follows:

Year ended December 31,		
2020	$	316,952
2021		241,623
2022		206,211
	$	**764,786**

Rent expense for the years ended December 31, 2019 and 2018 was $312,099 and $276,038 respectively.

11. CONCENTRATIONS

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $250,000.

For the year ended December 31, 2019, two companies donated approximately $1,434,000 in products to the Organization, which amounted to approximately 21% of the Organization's total corporate in-kind contributions for the year.

11. CONCENTRATIONS (CONTINUED)

For the year ended December 31, 2018, two companies donated approximately $1,649,000 in products to the Organization, which amounted to approximately 32% of the Organization's total corporate in-kind contributions for the year.

For the year ended December 31, 2019, three donors contributed approximately $641,000 in cash to the Organization, which amounted to approximately 34% of the Organization's contributions, other than in-kind, for the year.

For the year ended December 31, 2018, two donors contributed approximately $435,000 in cash to the Organization, which amounted to approximately 28% of the Organization's contributions, other than in-kind, for the year.

12. NET ASSETS WITH DONOR RESTRICTIONS

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

	2019	2018
Time restricted	$ 100,000	$ -
Trauma support	25,000	-
Disaster relief efforts	541	541
LA operations	-	22,036
	$ 125,541	**$ 22,577**

Net assets were released from donor restrictions as follows during the years ended December 31,:

	2019	2018
LA operations	$ 32,036	$ 147,964
Purchases of equipment/software and furnishings	10,000	5,000
Time restricted	45,000	-
Strollin' Back to School Gear	-	40,000
Disaster relief efforts	-	656
Harvey Relief Fund	-	35,333
	$ 87,036	**$ 228,953**

13. SUBSEQUENT EVENTS

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The Organization cannot reasonably estimate the length or severity of this pandemic. Consequently, these developments may adversely affect the Organization's financial position, result of operations and cash flows in 2020.

The Organization has evaluated events through April 30, 2020, which is the date the financial statements were available to be issued.